

AWARD OF THE BUILDING MAINTENANCE AND REPAIR SERVICES CONTRACT
Executive Director: Delivery

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval to award the Building Maintenance and Repairs Services contract to provide a 24-hour Maintenance and Reactive Repair Services to the Council premises (including schools).
- 1.2 The value of the contract has been estimated at approximately £400k per annum, and therefore EU Procurement Regulations required that the contract was advertised in the Official Journal of the European Union (OJEU). This value can only be given as an estimate due to the nature of reactive maintenance work.
- 1.3 Following advertising in OJEU and a robust evaluation of tenders submitted from short-listed candidates, the purpose of this report is now to seek approval to award the new contract.

2 RECOMMENDATION

- 2.1 **That the Measured Term Contract for Building Maintenance and Repair Services due to commence on 13 January 2020 is awarded to Tenderer B.**
- 2.2 **To temporarily provide cover with BFC's incumbent Heating, Ventilation and Cooling Contractor, in regard to the Reactive Service Works until the new provider is in place.**

3 REASONS FOR RECOMMENDATION

- 3.1 There is a requirement of the Contract Standing Orders that any contracts in excess of £181K (for supplies and services) are required to go to a formal tendering process to ensure value for money and compliance with legislation.
- 3.2 To ensure that the Council has an effective and reliable contractor in place to deal with any 'reactive' maintenance issues that may arise.
- 3.3 Failure to do so could result in costly implications for the Council and could also impact on the services we are able to offer individuals within the Borough. A large number of school sites have bought into the services provided by the Construction and Maintenance Group and therefore benefit from the reactive maintenance service arising from this award.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 An alternative option was to appoint specialist contractors, but this was rejected in favour of the current working practice.

- 4.2 The project team also evaluated the possibility of using an existing framework agreement; however no suitable framework agreements were identified

5 SUPPORTING INFORMATION

- 5.1 The current contract for Reactive Maintenance is being performed by Kiers Facilities Services Ltd, since taking over the contract from Grahams on the 1st December 2015. The current contract expires on the 30 November 2019.
- 5.2 The selection questionnaire (SQ) was made available on the South East Business Portal on the 16th May 2019 and a total of two SQ's were received. One organisation that submitted an SQ did not demonstrate that they had the technical expertise and proven experience to deliver this contract. The other, the current holder of the contract, are experiencing financial difficulties and have subsequently withdrawn from the facilities management sector of the market.
- 5.3 Following feedback from a number of organisations that had previously expressed an interest in submitting SQ but due to their current workload and commitments they were unable to complete and paperwork and submit by the closing. Therefore, project team decided to re-commence the procurement process during July 19
- 5.4 The selection questionnaire (SQ) was re-advertised on the South East Business Portal on the 30th July 2019 and a total of six returned with five organisations making the shortlist. Tender documentation was then despatched to the five successful organisations on the 4 October 2019.
- 5.5 The tender was re-advertised due to a lack of bids which created a delay of two months. It is proposed to bridge this gap by extending the current reactive maintenance contract until 13th January. Revised rates will be applied for this period.
- 5.6 A Price/Quality ratio of 60/40 was agreed as set out in the Procurement Plan.
- 5.7 Tenderer B's submission scored highest on a combined cost/quality basis and demonstrated that they have the skills and experience to deliver the contract from previously working with the council.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The process set out in the report has been undertaken in compliance with the Public Contract Regulations and the Council's Contract Standing Orders.

Borough Treasurer

- 6.2 Rates tendered under the new contract are significantly higher than under the existing one, which reflects a changed market. Consequently, there will be less scope to undertake work within the approved budget, which will potentially place greater pressure on the capital repairs and maintenance budget over time.

Strategic Risk Management Issues

- 6.3 It is not considered that this decision is likely to affect or impact other groups within the Council or in the wider community; however an initial screening was completed at Project Initiation stage, and duly signed off by the Assistant Director: Property. A copy of this was published and made available.

However, it should also be noted that the contract terms and conditions set out requirements for equal opportunities, human rights, professional conduct, health and safety and confidentiality.

Equalities Impact Assessment

- 6.4 The evaluation team has ensured that Tenderer B is a registered organisation with appropriate finances in place to support the life of the Contract at this time. The team have attempted to minimise the financial risk by having an independent financial check carried out on the organisation by the Chief Technical Accountant at various stages of the procurement process, both of which have been returned with low risk scores. It was also decided to let the new contract on a three-year basis with the option to extend by two further years at one yearly intervals. This will allow the Council to monitor the overall performance of the contractor in the current economic downturn.
- 6.5 Poor performance could also be a risk to the Council. The evaluation team has done its best to minimise this risk by ensuring that the recommended Tenderer has robust accreditation in place with regards to Quality, Health and Safety and Environmental issues. The evaluation team have also ensured that three positive references have also been received from organisations currently utilising the services of Tenderer B
- 6.6 In the current economic climate, the importance of trying to utilise local labour has also been acknowledged, whilst accepting that the use of many sub-contractors can increase the risk of service breakdown. The team believe that they have actively tried to reduce this risk by looking to appoint Tenderer B, who only sub-contract where specialist skills are required.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Council Officers including the Head of Procurement, Borough Solicitor and the Director of Finance were consulted in the drafting of this paper.

Contact for further information

Kamay Toor
01344 355183

Head of Strategic Asset Management
Kamay.Toor@Bracknell-forest.gov.uk

Richard Payne
01344 352275

Head of Property Maintenance
Richard.Payne@bracknell-forest.gov.uk