

Subject:	Procurement of a framework agreement for reactive fabric maintenance and minor new works		
Date of Meeting:	12 June 2014		
Report of:	Executive Director for Finance & Resources		
Contact Officer:	Name:	Angela Dymott	Tel: 29-1450
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 To obtain approval for the procurement and award of a framework agreement for property related reactive fabric maintenance and minor new works with an approximate value of £3.8M over a term of four (4) years. The works will include emergency and essential repair works as well as health and safety improvements and minor new works to all of Brighton & Hove City Council's civic offices, social care, historic, operational (excluding schools) and commercial buildings, in each case up to a maximum single order cost of £25,000.
- 1.2 This procurement relates to those buildings where the council has a repairing liability but excludes council housing, highways and educational establishments which have their own budgetary provisions. However, departments responsible for these areas will have the ability to buy into this service through the corporate landlord and service for schools helpdesk offer.

2. RECOMMENDATION:

- 2.1 That Policy & Resources Committee grants delegated authority to the Executive Director, Finance & Resources to approve the procurement and award of a framework agreement for reactive fabric maintenance and minor new works to the council's civic offices, social care historic, operational (excluding schools) and commercial buildings with a term of up to a maximum of four (4) years.

3. CONTEXT / BACKGROUND INFORMATION

- 3.1 On 1st April 2013 Property and Design implemented the Corporate Landlord model. This resulted in the need for the council to review the building fabric reactive repair and minor works provision to its operational buildings to see how it could provide a service that included a 24/7 response helpdesk, rationalisation of contractors used, transparent call out charges, hourly rates and overheads in order to provide auditable evidence of value for money.
- 3.2 The majority of the building fabric reactive repairs have been of a minor nature with an average cost of £140 each, the larger repairs and minor new works, with

a value between £250 and £25,000, have been procured in accordance with the councils contract standing orders, examples of these types of works are replacing broken windows, door locks etc for reactive repairs and redecoration of properties, roof renewals and refurbishing baths or kitchen units etc for the larger works.

- 3.3 Since the implementation of Corporate Landlord temporary contract arrangements have been put in place to undertake building fabric reactive repairs and minor new works whilst the best way to procure this function in the future was reviewed with services.
- 3.4 The aim of the proposed procurement is to ensure that a framework agreement is awarded to a number of building fabric maintenance and new works contractors who can be used by the council to provide the required works. The bids will be evaluated, against the KPI criteria contained in the specification, using the council procurement department's usual standard approach of 60% Quality 40% Price, and an area of the evaluation criteria will ensure accessibility to smaller, locally based, contractors.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The implementation of the Corporate Landlord model transferred the responsibility for the management and financial control of individual departmental property budgets to Property and Design. The procurement, service delivery, quality and auditable Value for Money procurement of reactive repairs and minor new work is an important part of the Corporate Landlord model.
- 4.2 The alternatives available are
- i) Do nothing and continue to use the small works approved list of contractors. This has been the main method of operation in premises) since April 2013 and it has proved difficult to manage and demonstrate Value for Money assurance.
 - ii) Officers have investigated "partnering" with the current Housing department reactive and minor works contract with the Mears group but this contract does not have the scope to allow for the council's requirements.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Regular consultations take place with all departmental senior managers participating in the Corporate Landlord model to ensure that the service remains effective, efficient and responsive to their needs.

6. CONCLUSION

- 6.1 Procurement of a framework agreement in accordance with this report, should enable the council to find contractors who can supply the required works and achieve value for money.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The council's revenue funded Maintenance Budget for 2014-15 provides a total of £934,000 (£3.8M over the 4 year period) for reactive repairs maintenance and minor new works expenditure on the council's civic offices, social care, historic, operational (excluding schools) and commercial buildings which reflects anticipated savings through smarter contract procurement and the ongoing benefits of efficiencies through the centralisation of the corporate landlord function. Included within this annual budget and overall programme of works are items that will be considered as health and safety adjustments primarily for social care premises.
- 7.2 This contract and the 24/7 staffed helpdesk will be met from within the agreed budget allocations for 2014-15. Emerging compliance risks will be addressed by reprioritising the allocation as required. Risk and priorities will be reassessed and considered in the development of the allocation for 2015-16.

Finance Officer Consulted: Rob Allen

Date: 22/04/14

Legal Implications:

- 7.3 Works to be procured under the proposed framework agreement must comply with relevant lease conditions and health and safety and other applicable legislation. A framework agreement, with individual contracts being called off under the framework, is an effective contractual tool for delivering work contracts on time within budget. All forms of procurement outlined in this report must comply with the council's Contract Standing Orders.
- 7.4 Council contracts (including framework agreements) with an estimated lifetime value in excess of £500,000 must be approved by the relevant committee. Policy & Resources Committee is the appropriate body to approve property related contracts of this value.

Lawyer Consulted: Isabella Sidoli

Date: 01/05/14

Equalities Implications:

- 7.5 Where applicable, items of maintenance work within the programme will consider the Equality Act 2010 to maintain and improve access and general facilities to address the diverse needs of staff and users of the civic offices, operational and commercial buildings.

Sustainability Implications:

- 7.6 Sustainability will be improved through the increasing the lifecycle of assets, combined with environmental improvements where identified during the repair process. Energy efficiency measures will be incorporated into maintenance works where appropriate.

Any Other Significant Implications:

Corporate / Citywide Implications:

- 7.7 The maintenance of operational properties is part of the Asset Management & Corporate Property Strategy to ensure efficient and effective use of assets contributing to the City and the council's strategic priorities.

Supporting Documents

Appendices

1. Other Implications

Documents in Members' Rooms

None

Background Documents

None

Other Implications:

Crime & Disorder Implications:

- 1.1 There are no direct implications in respect of the prevention of crime and disorder within this report although certain items of work try to minimise vandalism through design and the use of relevant materials.

Risk and Opportunity Management Implications:

- 1.2 The risks and opportunities are dependent on the successful procurement of contractors and robust contract and financial management to ensure that works are completed safely within budget and programme. Corporate risk will be reduced through the Corporate Landlord model, ensuring consistency of approach for statutory and other legal requirements.

Public Health Implications:

- 1.3 Both the Corporate and Social Care programmes would include repair works to reduce risk to public health e.g. fault repairs, domestic and commercial water system repairs, internal decorations to improve hygiene in Social Care premises, etc.