
Report To: Environment & Regeneration Committee **Date:** 16 June 2015

Report By: Corporate Director Environment,
Regeneration and Resources **Report No:** R019/15/AF/EM

Contact Officer: Eddie Montgomery **Contact No:** 01475 712472

Subject: Request to Proceed to Tender – Blacksmith Term Contract

1.0 PURPOSE

1.1 The purpose of this report is to seek Committee approval for delegated authority to the Head of Legal and Property Services to accept the most economically advantageous offers for Blacksmiths term contracts on behalf of the Council.

2.0 SUMMARY

- 2.1 The current term contracts for Blacksmiths work will end on the 1st September 2015.
- 2.2 The estimated value of the tender over the period of the contract is in excess of £500,000 which in terms of the Standing Orders requires Committee approval before tenders are issued.
- 2.3 The contract will be advertised to interested parties on the basis of a 70% price 30% quality basis. The contract will have 3 lots with 1 lot for each of the following Services:-
- Property Services
 - Environmental and Commercial Services
 - Health and Social Care Partnership (HSCP)
- 2.4 Tendering in lots will allow suppliers to bid for tranches of work that they otherwise would not have been able to had the lots been aggregated to the total estimated value of £275,000 per annum. This approach will encourage SME bids as firms can only win one lot and increase the likelihood of achieving best value.
- 2.5 Tenders will be advertised on the basis of a 2 year contract (1 year with the option to extend for a further year subject to satisfactory performance).
- 2.6 The current contract ends in September and due to the summer recess there are no Committees available to approve tender awards in time to manage a potential change in contractors and the contract start date. Approval is therefore sought to delegate the acceptance of the most economically advantageous tender to the Head of Legal and Property Services. The details of the awards will be contained within the next 6 monthly report to Policy and Resources on contracts below £500,000.

3.0 RECOMMENDATION

3.1 It is recommended that the Committee approve the issuing of tenders in respect of the Blacksmith work for a period of 2 years, with a possible 1 year extension option, and grant delegated authority to the Head of Legal & Property Services to accept the most economically advantageous tenders.

Aubrey Fawcett
Corporate Director
Environment, Regeneration
& Resources

4.0 BACKGROUND

- 4.1 The current contracts for Blacksmith work will end on 1st September 2015. The Corporate Procurement Team previously carried out a review of the Council's expenditure on Blacksmith work to ensure that the contract captured the entire Council spend on this type of work, and was structured to encourage participation of SME's with a view to obtaining best value for the Council.
- 4.2 The estimated value of the contract over the potential contract period is in excess of £500,000 which in terms of the Standing Orders requires Committee approval before tenders are issued.

5.0 CURRENT POSITION

- 5.1 The contract will be advertised to interested parties on the basis of a 70% price 30% quality basis. As per the previous contract the new contract will have 3 lots with 1 lot for each of the following Services:-
- Property Services
 - Environmental and Commercial Services
 - Health and Social Care Partnership (HSCP)
- 5.2 Tendering in lots will allow suppliers to bid for tranches of work that they otherwise would not have been able to had the lots been aggregated to the total estimated value of £275,000 per annum. This approach will encourage SME bids as firms can only win one lot and increase the likelihood of achieving best value.
- 5.3 Tenders will be advertised on the basis of a 2 year contract (1 year with the option to extend for a further year subject to satisfactory performance).
- 5.4 The current contract ends in September and due to the summer recess there are no Committees available to approve tender awards in time for the contract start. Approval is therefore sought to delegate the acceptance of the most economically advantageous tender to the Head of Legal and Property Services. The details of the awards will be contained within the next 6 monthly report to Policy and Resources on contracts below £500,000.

6.0 IMPLICATIONS

Finance

- 6.1 Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Property Services	Repairs	1/9/15	Up to £275,000	-	Contain in existing budgets.
Env & CS					
HSCP					

The overall costs of this contract will be contained within existing Budgets.

Legal

6.2 There are no legal issues.

Human Resources

6.3 There are no human resources issues.

Equalities

6.4 There are no equalities issues.

Repopulation

6.5 The progression of the tender identified in this report provides opportunity for local businesses to invest and increase employment and therefore assist with the Council's repopulation agenda.

7.0 CONSULTATION

7.1 There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, HR and Communications has not been consulted.

7.2 The Head of Legal and Property Services confirms that the proposals outlined within this report comply with the European Procurement Directives.

8.0 LIST OF BACKGROUND PAPERS

8.1 None.