



## Notice of KEY Executive Decision

<b>Subject Heading:</b>	Approval to award the Tree Maintenance Contract
<b>Cabinet Member:</b>	Cllr Robert Benham
<b>CMT Lead:</b>	Andrew Blake-Herbert – Deputy Chief Executive, Communities and Resources
<b>Report Author and contact details:</b>	Steve Moore – Interim Head of Streetcare EX 3198 Steve.moore@havering.gov.uk
<b>Policy context:</b>	To ensure the Councils tree stock continues to be maintained in a safe and visibly appealing manner thus enhancing the environment.
<b>Financial summary:</b>	<p>The price element of the contract was evaluated by providing a list of works orders and the frequencies that these tasks were carried out in a financial year. The bidders (four in total: Bidders A, B, C and D) were required to provide a cost per unit for each works item. Based on these criteria Bidder B provided the lowest tender. The new rates are broadly in line with current contract rates and should allow on-going costs to be contained within existing budgets providing demands on the service remain similar.</p> <p>Work will be commissioned on the basis of a schedule of rates (supplied as part of the Tenderer's bid) with orders being raised monthly. The contract costs can therefore be managed within the available budgets.</p>

**Key Executive Decision**

<b>Reason decision is Key</b>	(a) Expenditure or saving (including anticipated income) of £500,000 or more (c) Significant effect on two or more Wards
<b>Date notice given of intended decision:</b>	20 October 2015
<b>Relevant OSC:</b>	Environment
<b>Is it an urgent decision?</b>	No
<b>Is this decision exempt from being called-in?</b>	No

**The subject matter of this report deals with the following Council Objectives**

Haverling will be clean and its environment will be cared for  [x]  
People will be safe, in their homes and in the community   
Residents will be proud to live in Haverling  [x]

## **Part A – Report seeking decision**

### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

The current contract for tree maintenance was awarded to City Suburban Tree Surgeons Ltd on 1 April 2009. The contract was five years in length with the option to extend for a further two years subject to satisfactory completion of the initial term. This extension was applied and the contract ends on 31 March 2016.

The procurement process for the new contract has now been concluded and following a thorough technical quality and financial evaluation, Bidder B, City Suburban Tree Surgeons Ltd, the incumbent contractor was found to be the preferred supplier.

Five organisations submitted expressions of interest, with four of those organisations being invited to tender for the contract following the PQQ stage. All four subsequently submitted tenders. These were evaluated by a panel consisting of representatives from the Waste and Environmental Services section within the Streetcare Service Area.

The tender was evaluated on 70% Price and 30% quality basis

#### **Price Evaluation**

Price was evaluated by providing a list of works orders carried out in a financial year and bidders were required to provide a cost per unit for each works item. The total cost was then calculated for each bidder. Cost was scored by the following: (cheapest total price + tenderer's total price) X 70

#### **Technical Quality Evaluation**

The technical evaluation followed the scoring and evaluation process as set out in the Invitation to Tender and the scores were awarded relative to the detail of information submitted by each contractor against the following criteria:

1. Expertise and Skills;
2. Service Delivery Proposals;
3. Contract Administration;
4. Contract Mobilisation;
5. Health and Safety Policy Arrangements;
6. Environmental Sustainability.

These items were weighted according to importance.

The evaluation team reviewed the tenders and scored each tender in accordance with the agreed scoring mechanism. A table illustrating the scoring achieved by each company is shown below. For a more detailed summary please see the confidential section of this report, Appendix A.

**Key Executive Decision**

Bidder	Technical Evaluation	Financial Evaluation	Total Evaluated Scores
A	20.1%	36.8%	56.9%
B	25.2%	70.0%	95.2%
C	20.1%	30.1%	50.2%
D	11.1%	46.5%	57.6%

Following the tender process described above this report requests the authority to award the 5 year Tree Maintenance contract to Bidder B, running from 1 April 2016 to 31 March 2021, with the option to extend for a further year subject to the contractor's satisfactory performance.

**AUTHORITY UNDER WHICH DECISION IS MADE**

Constitution Part 3: Responsibility for Functions 3.3 Powers of Members of the Corporate Management Team (b) to award all contracts with a total value of between £156,000 and £5,000,000.

**STATEMENT OF THE REASONS FOR THE DECISION**

The current contract ends on 31 March 2016 and to ensure the Councils trees continue to be maintained in safe and visually pleasing condition a new contract is required. Following the procurement process Bidder B was deemed to be the preferred supplier.

**OTHER OPTIONS CONSIDERED AND REJECTED**

Following a two-year extension to the existing contract, the Council is now required to re-tender for this Contract. Therefore no other options were considered.

**PRE-DECISION CONSULTATION**

No consultation has taken place. Approval via KEY Executive Decision was granted to commence the tender process for this contract.

**NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Paul Ellis

Key Executive Decision

Designation: Group Manager, Waste Environment Services

Signature:



Date:

9/2/16

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

The total contract value required the procurement process to be conducted in accordance with EU procurement rules and the process was managed in line with the Councils Contract Procedure. Legal advice was sought and followed throughout the procurement exercise.

In order to mitigate inherent risks to the Council during the procurement process, mainly a potential challenge by unsuccessful bidders, the Council must take appropriate action during the key stages of the process, including:

- Assuring an award decision notice is issued to bidders as soon as possible following the decision to award the contract.
- Ensuring a mandatory standstill period of at least ten calendar days between the dispatch of the decision notice and the entry into the contract with the selected bidder is observed before the Council enters into the contract with the successful bidder.

The approval being sought to award this contract is in accordance with the Council's scheme of delegation, Part 3, section 3.3 and Schedule E of the Council's Contract Procurement Rules.

### **FINANCIAL IMPLICATIONS AND RISKS**

The price element of the contract was evaluated by providing a list of works orders and the frequencies that these tasks were carried out in a financial year. Bidders were required to provide a cost per unit for each works item. Based on this criteria Bidder B provided the lowest tender which is broadly in line with current contract rates and should allow on-going costs to be maintained within existing budgets providing demands on the service remain similar. It should be noted that the final submitted figure is an indicative cost of providing the service in line with the detail as set out in the pricing document and should not be compared to the total available budget.

The prices quoted will remain fixed for the duration of the contract and will not be subject to any inflationary increases.

Work will be commissioned on the basis of a schedule of rates with orders being raised monthly. The contract costs can therefore be managed within the available budgets.

Financial checks were conducted on all bidders at the PQQ stage to determine suitability. Following selection, the winning bidder is undergoing a further, final financial review.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS**



**Key Executive Decision**

**(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There is no impact on any directly employed Council employees. Advice from Human Resources has been sought and followed as appropriate throughout the tendering process. There are no TUPE implications as the recommendation is to award the contract to the incumbent service provider.

**EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The operational aspect of the service is not due to change. Please see the attached Equality Impact Assessment produced for the previous contract extension. The tendering process has complied with EU and Council procurement procedures and therefore complies with Equality legislation.

**BACKGROUND PAPERS**

Notice of KEY Executive Decision: Approval to commence the tender process for the Tree Maintenance Contract.

Key Executive Decision

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

**Details of decision maker**

Signed

Name:

CMT Member title:

Date:

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_