



## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	Approval to commence a tendering process for the Mechanical Installations Maintenance Works- Term maintenance Contract
<b>Cabinet Member:</b>	Cllr. Roger Ramsay- Lead Member for OneSource
<b>SLT Lead:</b>	Jane West - Chief Operating Officer
<b>Report Author and contact details:</b>	Ian Saxby. <a href="mailto:ian.saxby@onesource.co.uk">ian.saxby@onesource.co.uk</a> Telephone: 01708 433529
<b>Policy context:</b>	It is a legal requirement for building owners/ operators to comply with Gas Safety (Installation and Use) Regulations 1998 the requirement to provide buildings for staff, customers and stakeholders that comply with statutory legislation including the Health and Safety at Work Act.
<b>Financial summary:</b>	This is a call off contract for inspection, monitoring and maintenance and as such will be funded primarily from revenue budgets for the maintenance of buildings. and cost for the 5 year period, based on historical data is £1,800,000
<b>Relevant OSC:</b>	Children & Learning Overview and Scrutiny Committee
<b>Is this decision exempt from being called-in?</b>	No

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

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

1. That the SLT member for OneSource approves the procurement strategy outlined in this report to commence a procurement process for a corporate term maintenance contract for the statutory inspection, monitoring and maintenance of Mechanical Installations works at an estimated annual cost of £360,000.00, for a period of three years with the option to extend the contract by a further 2 year period on a 1+1 basis, with an estimated start date in March 2020, making a total estimated value of £1,800,000.00 for the contract. The proposed form of contract to be the JCT Measured Term Contract 2016 with the Council's supplemental amendments.

### AUTHORITY UNDER WHICH DECISION IS MADE

#### 3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

#### General powers

(a) To take any steps necessary for proper management and administration of allocated portfolios.

(b) To exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers and other staff members in their directorate where circumstances require and so far as legally permissible. Exercise of such powers should be recorded where appropriate. Where possible, a SLT member should give notice to a relevant staff member that he or she intends to exercise a specified power that is delegated to that staff member.

#### Contract powers

(a) To approve commencement of a tendering process for all contracts above a total contract value £500,000.

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.

(c) To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of the constitution.

### STATEMENT OF THE REASONS FOR THE DECISION

Responsibility for the maintenance of buildings either owned and/or used by the Council rests primarily with Asset Management and individual schools governing bodies. Compliance requires inspections and monitoring to be carried out by competent persons in line with statutory legislation.

This is achieved by a series of maintenance term contracts corporately procured to achieve best value.

There is no existing contract in place and both periodic testing and reactive repairs are carried out on an adhoc basis with little regards to strategic planning or financial control. This cannot be allowed to continue as our statutory obligations are being missed on a regular basis.

## Key Executive Decision

- i. the likely total cost is estimated to be in the order of £1,800,000 for the five year (extended period)
  - ii. This proposed contract is considered to be a Works contract under Schedule 2 of the Public Contracts Regulations 2015 and the estimate value is below the EU threshold which would require a full OJEU tender exercise.
  - iii. In compliance with the Council's Contract Procedure Rules ("CPRs") 13, seven contractors registered on the ConstructionLine database will be invited to tender. Submissions will be evaluated by technical and procurement staff and the selection of the preferred bidder shall be made in accordance with the CPRs and the EC Treaty obligations.
  - iv. The project team is led jointly by the Mechanical and Electrical Manager within Technical services and the Procurement Specialist. They will be supported by other members of the Technical services and procurement teams. Also included the Head of Facilities Management and Education Asset Management Team as end user advisors.
- V. the new contract will operate as one co-ordinated contract that will ensure both efficiencies in terms of operation/ monitoring and capital procurement of improvements.
- vi. There was no existing year contract therefore TUPE does not apply.
  - vii. Project risk assessment.
    - Insufficient interest from the market
    - Schools opt out

The contract will be the current JCT Measured Term Contract 2016 with the Council's supplemental conditions.

A checkpoint 1 was approved on 9<sup>th</sup> August 2019. It has been revised in accordance with the programme delay and resubmitted.

### **PROCUREMENT TIMETABLE**

This procurement is intended to follow the time-line below:

<b>Stage</b>	<b>Date(s)and time(s)</b>
Issue of Invitation to Tender	1 <sup>st</sup> November 2019
Last date for Clarification questions	16 <sup>th</sup> November 2019
Response to Clarification questions	17 <sup>th</sup> November 2020
Submission of Tenders	1 <sup>st</sup> December 2019
Evaluation of Tenders	15 <sup>th</sup> December 2019
Checkpoint 2 approval	8 <sup>th</sup> January 2020
ED approval	23 <sup>rd</sup> January 2020
O/S call in?	
Notification of result of evaluation	23 <sup>rd</sup> January 2020
Standstill period	7 <sup>th</sup> February 2020
Expected date of award of Contract(s)	8 <sup>th</sup> February 2020
Add to Contract Register	22 <sup>nd</sup> February 2020
TUPE Consultation period (if applicable)	N/a
Place award notice in official Journal of European Union (OJEU)	N/a

### Key Executive Decision

<b>Contract commencement</b>	7 <sup>th</sup> March 2020
<b>Initial Contract completion date</b>	6 <sup>th</sup> March 2023
<b>Contract completion date – (if extension(s) exercised)</b>	6 <sup>th</sup> March 2025

#### **Resource implications**

Responsibility for the maintenance of buildings either owned and/or used by the Council rests primarily with Asset Management and individual schools governing bodies.

Compliance requires inspections and monitoring to be carried out by competent persons in line with statutory legislation. This is achieved by a series of maintenance term contracts corporately procured by Technical Services to achieve best value. This is one of this "suite" of contracts.

Havering Council currently ensures compliance via an adhoc contract entered in to in 2018 and extended for a period of one year. Technical Services monitor this duty in 112 corporate buildings on behalf of Facilities Management and 59 schools as part of an optional service level agreement.

Technical Services will monitor and manage this contract without any additional resource to its current establishment, efficiency gains in its asset management system Tech Forge and improvements to its in house procedures will be adapted to aid in secure compliant contract management. FM and schools will access the contract via traded services "buy in" arrangement offered via a Tech Services SLA to a pre agreed fee rate and utilise the contract on a "call off" basis.

#### **Financial**

As with most capital/revenue schemes, there is a risk that the scheme could overspend due to issues arising during the build process, this risk will be mitigated via a contract administration procedure as set out within the JCT Measured Term Contract 2016 (with Amendments) that provides constant monitoring and final cost forecasting. Any issues arising can be funded from the client contingency sum. There exists a risk of delays as with any major building project, but this will be mitigated by a scrutinised critical path programme issued to the Contract Administrator and all the shareholders and reviewed against the on-site progress at weekly and ad hoc meetings.

As with all contracts there is a risk to contractor delivery/continued operation. However the contractor selection process will partly mitigate this risk, along with careful project management in the future.

Note here the financial implications of, and risks relating to, the proposed decision.

- Implementing the award.
- Schools opting out.

The process lessons learnt will enable subsequent Measured Term Contracts to be expedited.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

A number of options were considered, but discounted for the following reasons.

1. Continue with existing contract arrangements – The current contracts have previously

Key Executive Decision

been extended and there is no way of extending these further.

2. Place separate orders for servicing, reactive and planned maintenance – This approach would be time consuming and inefficient. There would also be compliance issues in terms of procurement, due to aggregation rules.

This is deemed to be a works contract and the estimated value of £1,800,000 falls within the OJEU threshold. As such it is considered that best value will be achieved by inviting tenders from contractors registered on ConstructionLine, enabling local SMEs to tender.

**PRE-DECISION CONSULTATION**

There has been no formal consultation and none is statutorily required.

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

Name: Ian Saxby

Designation: Head of Technical Services

Signature:



Date:

11/10/19

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. The SLT member is asked to approve the procurement strategy set out within the body of the report for a Mechanical Installations Maintenance Works- Term Maintenance Contract, at an estimated annual cost of £ 360,000.00 for a period of three years with the option to extend the contract by a further 2 year period on a 1+1 basis, with an estimated start date in March 2020, making a total estimated value of £1,800,000.00 for the contract. The proposed form of contract to be the JCT Measured Term Contract 2016 with the Council's supplemental amendments.
2. The Council has statutory obligations to its tenants, staff, and other stakeholders to provide ongoing maintenance of gas appliances and the provision of gas safety certificates under the Gas Safety (Installation and Use) Regulations 1998, and other statutory legislation including the Health and Safety at Work Act.
3. The Council also has power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.
4. The estimated value of the proposed contract is £1,800,000.00 , which falls below the EU threshold for Works contracts and therefore any procurement route or award of contract is not subject to the full requirements of the Public Contracts Regulations 2015 (the "EU Regulations"). Further, the estimated value of the contract is such that it is not considered to be of cross border interest.
5. For the purposes of the Council's Procedure Rules ("CPR") and Financial Regulations, the estimated value of this contract is such that it is classed below EU threshold value Works Contract.
6. CPR 13 provides for Works contracts below the EU threshold (currently **£4,551,413** can be awarded after tenders in accordance with CPRs using Constructionline.
7. The SLT Member will be aware of the Public Sector Equality Duty (PSED) set out in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the council must have due regard to the need to:
  - a) eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
  - c) foster good relations between person who share a relevant protected characteristic and those who do not share it.

The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8. The Legal and Governance officers are available to assist the client department in finalising the terms and conditions of the proposed contract between the parties once approval of the preferred bidder has been approved following the proposed procurement exercise

### FINANCIAL IMPLICATIONS AND RISKS

The cost of this procurement exercise will be met from existing budgets within Technical Services utilising the following budget code - A44900.

The work is being covered by current budgets and it is anticipated that efficiencies will arise from these proposals. Any works undertaken through these contracts will be funded from the existing relevant maintenance budget.

The table above denotes the yearly estimated value of each Term Contract that will be tendered separately under the JCT Measured Term Contract 2016 Edition and the projected full term costs of each contract, these figures are based upon the information currently held on expenditure through Revenue and Capital codes on Eureka and current resources capability of the Building Services Team to execute the works.

Each Contract will be separately tendered in line with Public Contracts Regulations 2015 Works level Contracts. It is envisaged that tenders will be sought throughout September/October 2019 for commencement in January 2020 if procurement agree the timelines.

Term Contract	Term (Years)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Term Total
<i>Mechanical Services/installation /Repair Works- Term maintenance Contract</i>	5	£360,000	£720,000	£1,080,000	£1,440,000	£1,800,000	£1,800,000

As with most revenue schemes, there is a risk that the scheme could overspend due to issues arising during the repair process, this risk is mitigated via a contract administration procedure as set out within the JCT Measured Term Contract that provides constant monitoring and final cost forecasting. Any issues arising can be funded from the client contingency sum also any extensive repairs outside of clients budgets will likely undergo a capital bid process by the client in the following financial year. There exists a risk of delays as with any major repair/building project, but this will be mitigated by a scrutinised critical path programme issued to the Contract Administrator and all the shareholders and reviewed against the on-site progress at weekly and ad hoc meetings.

As with all contracts there is a risk to contractor delivery/continued operation. However the contractor selection process has partly mitigated this risk, along with careful project management in the future.

Note here the financial implications of, and risks relating to, the proposed decision.

- Implementing the award.
- Schools opting out.

The process lessons learnt will enable subsequent Measured Term Contracts to be expedited.

This will be a call off contract, primarily funded by FM and Schools where they choose to buy in from pre costed schedule of rates, however as a Corporate provision contract it is hoped it will appeal to building duty holders with statutory obligations. The cost is likely to be similar to the costs currently paid however the cost of managing and monitoring the contracts is also likely to reduce due to internal improvements with data management in these areas.

- The current spend on this contract is split into two areas:

## Key Executive Decision

1) Statutory Servicing & Maintenance – Based on system type and duration between tests.

2) Reactive repairs – Based on the amount of system failures (call outs) and needed repairs following statutory visits. This is a particularly difficult figure to predict as it is constrained by the clients building budget restrictions however based on historical spend a 80%/20% reactive repairs to servicing costs are a likely outcome £288,000/72,000 e.g. £360,000pa

These figures will currently split on historical evidence 60%/40% £216000/£144,000 with schools being the larger contributor due to recent system renewals.

The contract is expected to come in at a similar value to current usage dependent upon market forces and the size of clients building budgets within FM and Schools remaining stable. The spend on this contract should remain containable dependent upon clients own budget management and not Technical Services control as this contract is supplied on a “call off” basis only.

This contract is unlikely to produce any direct savings to client's budgets as it provides necessary statutory compliance and an ongoing process throughout its term; however consistent servicing and maintenance can produce long term savings of between 15 & 20% on failure/repair costs. There is also a potential saving in procurement costs of tendering & retendering to the organisation as there is a comprehensive schedule of rates within the specification that can be utilised to cost works up to £100,000

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no implications associated with this decision.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

There are no implications associated with this decision.

### **BACKGROUND PAPERS**

#### **Strategic Procurement**

**CPR 1 Mechanical Services/installation/Repair Works- Term maintenance Contract approval document**

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: Mark Butler – Technical Director, OneSource

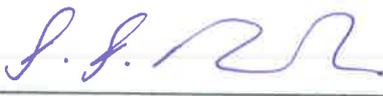
Date: 11/10/19.

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on 14/10/2019

Signed 



**Strategic Procurement**  
**CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL**

This form is for procurements of goods and services above the EU Threshold (£164,176) and for works above £500,000 in value. For procurements below this amount, a Procurement Engagement Form needs to be completed.

1. CONTRACT TITLE AND KEY PEOPLE							
Contract Title		Mechanical Services/Installation/Repair Works- Term maintenance Contract					
Capital Sourcing Reference		TBC		Report Date		05/01/2018	
Tender Manager		Directorate		Buyer Assigned			
Andy Skeggs/John Roberts		Technical Services		Amanda Allen		Senior Procurement Officer	
Value of Contract		Targeted Financial Savings		Bankable Savings			
£999,000.00 (over 5 years)		£0 (Not applicable)		£ 0 (Not applicable)			
Is budget available to proceed with this procurement?	Schools and FM to provide	*Please enter the budget code	Schools and FM to provide	If yes, is this a Revenue or Capital allocation?	Revenue	Procurement to be Approved by? Including date	Amanda Allen/Mark Butler/Andy Skeggs.
Proposed Contract Start date	Proposed Contract End date		Is there an option to extend the contract?		If yes, give duration of extension option		
01/06/2018	Insert end date here 01/06/2023 (including extensions)		Yes		2+1+1+1		
Procurement route being undertaken	Have you or your team received training on Capital eSourcing?		**Is there a current contract in place?		If yes, insert expiry date		
As per CPR's Constructionline mini - competition	Yes		Small Parts covered by Informally Extended Mech Contract.		December 2017		
Please state the Quality/Price threshold	Does TUPE apply to this exercise?		Have you considered Collaborative Working?		Will you be using an eAuction or DPS?		
30% Quality / 70 % Price	No		Yes		No		
<b>Checkpoint Summary</b>							
Please provide a summary of this checkpoint report. Please make sure this includes a summary of the purpose of this report and what outcomes are expected.							
Purpose of new Term Maintenance Mechanical Installation/Services Contract is to Provide:-							
A Procurement/council compliant Contract to allow for the efficient/value for money replacement/installation of mechanical services to schools/public buildings, including for:-							
<ul style="list-style-type: none"> <li>-The Replacement/Installation of Boilers/associated Equipment/small to medium works</li> <li>-The Replacement/Installation of boiler Control Systems/small to medium works</li> <li>-The Replacement/Installation of pipework/Tanks/valves/Isolators etc</li> <li>-The Commissioning/Installation/servicing of Mech Equipment as Required (radiators, thermostats, heat pumps etc)</li> </ul>							
The aim is for appropriate local (construction line registered companies) Companies to Take part in a Tender. Local companies will be able to provide a quick reactive service to problems/ and gai/have local knowledge of buildings.							
This would be inline with good environmental policy of keeping car journeys to a minimum.							
The Contract will be used to provide services for Technical Services/schools and FM Services.							

**Strategic Procurement**  
**CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL**



*\*Note: Finance will be unable to approve the report unless budget code details are included.*

*\*\*Note: Where there is a current contract in place, ensure that sections 2.5 Personnel Matters and 6.5 Exit Strategy are fully completed.*

**CHECKPOINT PANEL RESPONSE**

Date of Checkpoint Panel	05/01/2018
Panel Members Present	David Pridmore, Hassan Iqbal, Phil Harris, Phil Gable, Tara Philip, Anthony Robb-John, Amina Khaton

**1. CONTRACT TITLE AND KEY PEOPLE**

Title: Mechanical Services/installation/Repair Works- Term maintenance Contract  
 Key People: Andy Skeggs, John Roberts, Amanda Allen

**2. BACKGROUND TO THE CONTRACT**

A Procurement/council compliant Contract to allow for the efficient/value for money replacement/installation of mechanical services to schools/public buildings, including for:

- The Replacement/Installation of Boilers/associated Equipment/small to medium works
- The Replacement/Installation of boiler Control Systems/small to medium works
- The Replacement/Installation of pipework/Tanks/valves/Isolators etc
- The Commissioning/Installation/servicing of Mech Equipment as Required (radiators, thermostats, heat pumps etc)

**3. FINANCIAL: BUSINESS CASE & BENEFITS REALISATION**

*Checkpoint panel should insert any comments/and or recommendations here*

**4. SOCIAL VALUES**

*Checkpoint panel should insert any comments/and or recommendations here*

**5. PROJECT ORGANISATION**

*Checkpoint panel should insert any comments/and or recommendations here*

**6. CONTRACTING PROCESS**

*Checkpoint panel should insert any comments/and or recommendations here*

**7. ACHIEVABILITY**

Achievable in current timescales

**CHECKPOINT PANEL OVERALL RECOMMENDATION AND COMMENT**

The panel recommends that this checkpoint proceeds subject to the following;

- 1) The client to look into the TUPE information
- 2) Consider collaboration with Newham
- 3) Consider an eAuction

Procurement to proceed?	Yes
Red, Amber or Green Status?	Green

Strategic Procurement  
CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL

<b>2. BACKGROUND TO THE CONTRACT</b>
<b>2.1 Market Conditions</b>
What are the market conditions – e.g. monopolistic, or highly competitive? If there is limited competition, what will you do to get best value? <i>Highly Competitive</i>
<b>2.2 Collaboration</b>
Does the contract cover all of the relevant requirements across all departments of the Council? Indicate yes or no. If no please provide justification if adopting a departmental, rather than corporate approach. Have you considered working with other Local Authorities? <i>Yes, will be used across various council departments/Services.</i>
<b>2.3 Sustainability</b>
Please describe the main sustainability risks associated with the contract, and how they will be addressed. Please describe what actions you will take to ensure best practice in respect of Environmental protection, equalities, regeneration and corporate social responsibility. Please describe how these issues will be addressed in the contract. <i>Aim will be to provide most upto date/best Practice Environmemntally friendly Equipment/practices; compliant with applicable UK/EU Legislation.</i>
<b>2.4 Diversity &amp; Equality</b>
Have the diversity and equality issues associated with this project been considered. Do the contract documents ensure best practice in respect of: Accessibility to service users, Monitoring of service users, Consideration of age, disability, transgender, pregnancy and maternity, race, religion/belief, sexual orientation, sex, marriage/Civil partnership, Reducing negative outcomes which result from class or socio economic disadvantage <i>Contract to Comply with Havering Diversity and Equality Policy</i>
<b>2.5 Personnel Matters</b>
Will TUPE apply to this contract? What arrangements are in place to address TUPE with the incumbent supplier? Are all arrangements in place to ensure that this is managed effectively? Are there any other HR/Personnel considerations to be taken into account? How will these be accommodated? If in doubt, has advice been sought from Legal? <i>N/A</i>
<b>2.6 Options Appraisal</b>
Describe the different procurement options that were considered, including any outsourcing considerations. Have the main options been considered yet and if so why was the favoured option selected? Has a formal options appraisal been conducted, or is one planned? <i>Preferred option: Competitive tender to local companies, 70%, price 30% Quality.</i>

**Strategic Procurement**  
**CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL**

**3. FINANCIAL: BUSINESS CASE & BENEFITS REALISATION**

If you have completed a large project business case, and the items outlined below are included in that, please state so and append the business case. (i.e. see attached business case)

**3.1 Business Case**

Please summarise the business case which should include an assessment of costs (including whole life costs) and benefits, show values and phasing of recurring costs and savings in cash terms, identify set-up and one off costs such as severances and windfalls, estimate pay-back on initial investment and include a sensitivity analysis for relevant factors (demand, unit price etc.).

*To provide a Havering Council Compliant, Safe, Best value/Quality/Responsive Term Maintenance Contract for Mechanical Services for Schools and Public Buildings.*

**3.2 Cashable Savings**

Please describe what actions you have taken to ensure that cashable savings are achieved through this project.

Please show estimated cashable savings across the lifespan of the contract (this may relate to the figures entered under Targeted Financial Savings on the first page)

- Savings to be made by enabling work to be actioned quickly/efficiently to best value with minimum administration time required.
- Large savings in resources to be made by not having to tender each project individually.

**3.3 Headcount reductions**

Please describe the anticipated savings as a result of headcount reductions. Are these cashable savings? Are they included in the calculations above?

- Minimum Administration required to facilitate TMC as opposed to individual contract tendering.
- Savings Made due to large scale efficiency.

**3.4 Efficiency Gains**

Describe other, NON cashable efficiencies including: minimising the cost of routine transactions, utilising IT to reduce costs and improve performance, the procurement process (i.e. electronic tendering/e-auctions), process rationalisation/simplification/reducing non-value added work, reducing other costs – consumption, wastage, price, specification, inventory / cash flow savings, getting more for less or the same, improved quality not included in cashable savings or headcount reductions above

- Billing to be via TMC Schedule - resulting in reduced Invoice flow numbers.
- Quality Standards to be maintained across all works.
- All works to be as tendered schedule of rates providing good value and reliable budget estimates and planning for clients.

**3.5 Benefits Realisation**

How will the money from cashable benefits be released? How will other benefits be demonstrated?

- Quick Work turnaround.
- Good value Works procured.

**Strategic Procurement  
CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL**

*-Effective planning of budgets (using schedule of rates).*

**4. SOCIAL VALUES**

**4.1 ESE Consideration**

Please provide details of the considerations that have been made for economic, social and environmental well-being in connection with public services contracts and any connected purposes.

- *Local Contractors to be used bringing work locally.*
- *Smaller journeys*
- *local Business benefit (wholesalers etc)*
- *Local Knowledge/Jobs*
- *Highly Reactive service for Emergencies and call backs.*
- *Quick Turn around for public buildings works reducing risks and down time.*

**4.2 Securing Improvements**

Describe how this procurement improves the economic, social and environmental well being of the borough, and how these improvements are secured.

- *local Business benefit (wholesalers etc)*
- *Local Knowledge/Jobs*
- *Highly Reactive service for Emergencies and call backs- To Clients.*
- *Quick Turn around for public buildings works reducing risks and down time, benefiting local Services.*
- *Better safety for staff and public due to quick access/turn around of essential safety works (ie Gas works etc)*

**5. PROJECT ORGANISATION**

**5.1 Roles & Responsibilities**

Is the project team in place yet? Are roles and responsibilities clear? Which services are represented on the team? Please describe project sponsorship and governance

*Yes, Technical Services Maintenance Team is in place to run the contract.*

**5.2 Communication Plan**

Describe how communications will be managed with internal customers staff affected by new ways of working, DMT and NEB, other stakeholders

*Contract will be run to best practice, with regular meetings with TMC contractor and Stake holders were applicable.*

*Regular feed back will be obtained from clients/stake holders.*

**5.3 Stakeholder involvement**

List the major stakeholders and describe how they will be engaged include members, residents, services, suppliers and other agencies. Summarise the consultation process

- *Technical Services*
- *FM Unit/Public Buildings*

**Strategic Procurement**  
**CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL**

-Education Services/Schools  
 -Property Services  
 The above will be consulted as applicable during the production of Tender Documents/running of the contract.  
 Regular Meetings to be held.  
 KPI to be recorded and monitored.

**5.4 Project Plan**  
 Respond here (state if attached)

**6. CONTRACTING PROCESS**

**6.1 Tender Documentation**

Is all the tender documentation drafted including (as appropriate)	
OJEU Advert	No
Instructions to tender	Being Prepared
PQQ	N/A
Specification (including KPIs)	Being Prepared
Evaluation Model	Being Prepared
Conditions of Contract	Being Prepared
Price Schedule	Being Prepared
Variation from Contract Forms	Yes
Tender Form	Yes
Method Statements	Being Prepared

**6.2 Contract Award Criteria**

Please provide full details of proposed weighted contract award criteria  
 70% Price, 30 % Quality

**6.3 Price Controls**

Are price revisions permitted by the tender documents?	Yes <i>For consideration after year 2 ( possible reasons- large increase in materials costs- ie price of copper etc)</i>
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If so on what basis? (Up or down or both, and by what margin)  
*Possible rise due to factors outside the contractors control as detailed above.*

**6.4 Tender Evaluation**

Has the tender evaluation team been formed?  
 Has the process for evaluation been agreed?  
 Describe the evaluation methodology, including how you will award points for quality and price submissions, and the weightings to be applied  
 Yes.  
*Details being worked on now.*

**6.5 Exit Strategy**

**This section is relevant where an existing contract is place. If not, go on to the next question.** Do you have in place an appropriate exit strategy for the existing contract? Is the

## Strategic Procurement

### CHECKPOINT REPORT 1: PRE-PROCUREMENT APPROVAL

current supplier aware of the strategy and have you received confirmation that they will comply? Do you envisage any issues with the transition from the old contract to the new one?

No  
N/A

#### 6.6 Contract Management

Has resource for contract management been identified?

Have any issues with current arrangements been identified?

*Yes- Havering Technical Services*

## 7. ACHIEVABILITY

### 7.1 Risk

Please describe the approach to risk management. What are the 5 key risks? If you have a risk log, state so and attach it to this checkpoint.

*Minimal financial risk as no upfront payments required.*

*Contractor will be paid on completion of works.*

#### Risks

*- Appointment of poor performing Contractor*

*Resulting in delays/health and possible health and safety issues.*

*- Appointment of a non local contractor, resulting in poor response times to Emergencies/works.*

*-Winning Contractor unable to take on (resource) a big bulge in Summer works (during summer holiday period)*

#### Risk Controls

*-Contractors will be marked on quality of responses.*

*-Only Contractors approved by Construction Line will be allowed to tender.*

*-Only Approved Local Contractor to tender for works.*

*-Tender docs to be worded to allow for a back up contractor to be appointed to cover works the winning contractor unable to resource.*

### 7.2 Governance Requirements

Please confirm that you are aware of and will comply with all procedural requirements including: Loading documents on Capital eSourcing, EU Procurement Directives, waivers of financial regulations (if appropriate), procedures for Contract Award and any other relevant requirements

Yes

