

Decision Pathway – Report

PURPOSE: Key decision
MEETING: Cabinet
DATE: 04 September 2018

TITLE	Hard Facilities Management Procurement (non-housing property portfolio)		
Ward(s)	The contract covers properties City wide		
Author:	Stephen Ashman	Job title:	Building Practice Team Manager
Cabinet lead:	Councillor Craig Cheney	Executive Director lead:	Patsy Mellor
Proposal origin: <i>BCC Staff</i>			
Decision maker: Cabinet Member Decision forum: <i>Cabinet</i>			
Purpose of Report: To obtain approval for the procurement of single contract for the provision of Mechanical & Electrical (M&E) and Building Fabric servicing and repairs. This will allow the Council to consolidate and streamline its M&E statutory servicing and building fabric repairs into a single contract optimising contractual management arrangements for a 24/7 service to City Council.			
Evidence Base: This work has historically been undertaken by numerous providers through various different contractual arrangements. Following soft market testing we will progress through a single provider model rather than segmenting in to different lots based on the returns of the market testing. During the discovery process we have consulted with procurement colleagues on the differing routes to market and have considered Dynamics Purchasing System (DPS) and existing Frameworks. However in agreement with colleagues it is felt that a single supplier via an open tender process would provide the best value in both terms of cost and service provision.			
Recommendations:			
<ol style="list-style-type: none"> 1. To approve the procurement of single contract for the provision of Mechanical & Electrical (M&E) and Building Fabric servicing and repairs 2. To delegate approval for the award of the contract to the Executive Director for Communities, in consultation with the Cabinet Member. 			
Corporate Strategy alignment: Contributes to safer working environments and wellbeing for Citizens, colleagues and Service user of our buildings.			
City Benefits: The Authority owns and occupies a large number of buildings used to deliver its services. We have a statutory duty to maintain and service the mechanical and electrical assets in these buildings. It is crucial we meet our obligation to maintain all assets to allow colleagues, partners and building users to operate in a safe and secure environment. We also provide a service to numerous Primary Schools across the city. This ensures these schools are fulfilling their statutory duties and operating in a safe manner. We will ensure the Invitation to Tender reflects Bristol City Council Social Value policies and following our attendance at CLB (10/7/18) we have met with procurement colleagues to ensure a 20% scoring rule will apply. We have already embedded social inclusion in to our documentation and mind-set and we will ensure priority clients, labour supply chain initiatives and apprenticeships & training will be key components of our social value requirements. The contract will ensure the city benefits from a life-cycle asset programme that is in the current draft contract and will be a key part of the ITT that will require bidders to inform us of how technology could substantiate asset lifecycle management, provide enhanced data for decision making and support the overall asset management plan.			
Consultation Details: We have undertaken soft market testing to determine the optimum way to market. We have engaged with clients/stakeholders across the property portfolio. In these discussions it was clear our clients could see			

the benefit in this approach. In response to a question from the Executive Director for ACE we have arranged a meeting to share with them how the contract will support LA maintained schools and how they will benefit.

Revenue Cost	£2.8m per annum	Source of Revenue Funding	Various internal Cost Centres and currently £1.2m per annum external funding from Schools.
Capital Cost	£150,000 per annum	Source of Capital Funding	Prudential borrowing
One off cost <input type="checkbox"/> Ongoing cost <input checked="" type="checkbox"/> Saving Proposal <input type="checkbox"/> Income generation proposal <input type="checkbox"/>			

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: This report requests approval to go to tender for the contracting of mechanical and electrical services and building fabric repairs. This contract will be to cover c500 non-domestic Council properties. The Facilities Management team will work to have this contract in place by 1/9/18, when the current contract waiver expires. Available budget spend as referred to above have been verified.

Whilst negotiation of a new contract is not in response to the savings challenges within FM, it is reasonable to expect that any new contract should aim to deliver these services and repairs for better value than currently.

A 3 year contract against the current property base will represent broadly £9m expenditure.

Finance Business Partner: Jemma Prince 8/5/18

2. Legal Advice: Given the value of the contract its procurement will need to comply with the Public Contracts Regulations 2015 and the councils own procurement rules. Consideration will also need to be given to the most appropriate form of contract.

Legal Team Leader: Eric Andrews, Team Leader, Legal Services 17/05/18

3. Implications on ICT:

IT Services is highly dependent on building M&E services to ensure the availability of key systems and services and is therefore fully supportive of an effective maintenance service. IT services and FM has, and continues, to work together on improving the resilience of these services and the requirements of such support contracts.

ICT Team Leader: Ian Gale – ICT Service Manager. 4/5/18

4. HR Advice: We need to maintain our assets to ensure our workforce are able to carry out their duties in a safe and secure environment. No other anticipated HR implications.

HR Partner: Celia Williams, People and Culture Manager 15/05/18

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - Soft Mark Testing Results	YES
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Combined Background papers	NO
Appendix J – Exempt Information	NO

Appendix K – HR advice	NO
Appendix L – ICT	NO