

SUSTAINABLE GROWTH SCRUTINY COMMITTEE	Agenda Item No. 8
21 SEPTEMBER 2009	Public Report

Report of the Solicitor to the Council

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CONTRACTS PROCESS

1. PURPOSE

- 1.1 This report is in response to a request to examine the process undertaken for awarding a number of contracts.

2. RECOMMENDATIONS

- 2.1 The Committee is asked to consider and comment on the process for awarding these contracts and make any recommendations it feels is appropriate.

3. KEY ISSUES

- 3.1 Information has been requested on the process for awarding a number of recent contracts. The contracts are:

- The Paddling Pool in Central Park
- The Bretton Parish Council Office
- The Pavilion/Public Toilets in Bretton Park
- The Aviary in Central Park

- 3.2 Officers have provided information in relation to:

- 1) Were contract details advertised or sent to preferred contractors only?
- 2) Would any enquiry be accompanied by a set of drawings and a detailed specification or would contractor be asked to actually design and build?
- 3) How many quotations were obtained and from whom?
- 4) Are quotations based on a fixed price or bill of quantities?
- 5) If bill of quantities, what are the projected quantities and the final contract price?

The responses to each contract are detailed in Appendix 1.

Eastern Regional Term Maintenance Contract

- 3.3 The individual contracts were awarded under the Eastern Regional Term Maintenance Contract which was let in August 2008. Two contracts were awarded as follows:

Building Maintenance and Installations

L Garfield Builders Ltd
Peterborough City Services
Bull and Company Ltd
Kier Building Services Engineers

Electrical and Mechanical Maintenance and Installations

A G Aylward EMS Ltd

The contracts commenced on 1 September 2008 and will expire on 31 August 2012.

- 3.4 The Council had for a number of years, arrangements in place for its Term Maintenance requirements for Building Maintenance and Installations, Electrical Maintenance and Installations and Mechanical Maintenance and Installations. While the service had been of a good standard and offered value for money, there was a need to re-tender the contracts in order to comply with the European Union Procurement Directive and to review the sourcing strategy. During the consideration of the strategy a change of focus was thought to be appropriate in the best interests of the Council.
- 3.5 The Council had intended to procure as a single party through the EU marketplace. However, an opportunity arose, to enable the Council to work collaboratively with other local authorities to form a Term Maintenance Framework contract for the provision of a range of building, electrical and mechanical maintenance and installation services. While the framework will initially only support the Council's requirements, the Council will be working with other local authorities such as Leicestershire County Council, Leicester City Council and Cambridgeshire County Council to promote the regional contract which other smaller authorities within the East Midlands and Eastern Region Centres of Excellence boundaries may be party to, in order to enable them to benefit from the purchasing power that such framework contracts provides.
- 3.6 The City Council is the lead authority on this framework and other authorities arrange their own contracts within it. As a result of this, the Eastern Region Centre of Excellence awarded a grant to the City Council of £10,000 towards the procurement costs of the joint venture. The Eastern Regional Term Maintenance Framework Contract is for a duration of four years.
- 3.7 Works are apportioned between the appointed Contractors (maximum of 3) on a geographical basis. A threshold of £18,000 has been established for orders valued using the Schedule of Rates. Individual projects over this amount and up to £150,000 are awarded based on the submission of competitive bids by the appointed Contractors only (unless capacity issues with these 3 appointed contractors leads the Council to invite other contractors to bid for such work). This threshold may be increased or decreased at the sole discretion of the Client.

4. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 4.1 None

5. APPENDICES

- 5.1 Appendix 1 - Contract Details

Contracts Process

Contract	Were contract details advertised or sent to preferred contractors only?	Would any enquiry be accompanied by a set of drawings and a detailed specification or would contractor be asked to actually design and build?	How many quotations were obtained and from whom?	Are quotations based on a fixed price or bill of quantities?	If bill of quantities, what are the projected quantities and the final contract price?
The Aviary in Central Park	Enquiry made with 'preferred contractor', the contractor awarded the Eastern Regional Term Maintenance Contract	Verbal specification given to the term contractor to replace like for like.	One quotation – the criteria for one quotation being that the value of the works were under £18,000. The term contractor for Central Park is L Garfield (Builders) Ltd.	Fixed price quotation	N/A
The Pavilion/Public Toilets in Bretton Park	Enquiry made with 'preferred contractor', the contractor awarded the Eastern Regional Term Maintenance Contract	Verbal specification given to the term contractor to form internal partitions, external and internal decorations and floor coverings.	One quotation – the criteria for one quotation being that the value of the works were under £18,000. The term contractor for Bretton Park is L Garfield (Builders) Ltd.	Fixed price quotation	N/A
The Bretton Parish Council Office	Enquiry made with 'preferred contractor', the contractor awarded the Eastern Regional Term Maintenance Contract. The criteria for procuring work from the three term contractors are that the work is between £18,000 and £150,000. It was felt that this work could be regarded as over and above the term contract therefore a further two	Enquiry was accompanied by drawings and schedule of works.	The quotation procedure was in accordance with Contract Regulations. Five quotations were received from: <ul style="list-style-type: none"> • L Garfield Builders • Peterborough City Services • Frederick F Smith • Bull and Co. • Mears Group 	Fixed price quotation	N/A

Contract	Were contract details advertised or sent to preferred contractors only?	Would any enquiry be accompanied by a set of drawings and a detailed specification or would contractor be asked to actually design and build?	How many quotations were obtained and from whom?	Are quotations based on a fixed price or bill of quantities?	If bill of quantities, what are the projected quantities and the final contract price?
	<p>contractors were added to comply with Contract Regulations.</p> <p>Frederick F Smith was included since they met the criteria of being on Constructionline and have proved competitive in winning a number of competitively tendered projects in the past.</p> <p>Mears Group was included at the request of a Bretton local councillor.</p>				
The Paddling Pool in Central Park	<p>This was a minor works project undertaken by City Services.</p> <p>There were two specific areas of work; one related to the removal of and replacement of the "pacelite blue surface". The other work was more specialised work consisting of the supply and fix of a "mesh "270 using a Sikatop 107 adhesive over an area of cracked concrete".</p>	In view of the estimated cost of each area of work a quotation was obtained from a company specializing in this work.	The quotation was received from Tiling and Pool Projects (UK) Ltd	Fixed price quotation	N/A