

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 16 December 2019

Portfolio:	Policy and Resources
Subject:	Responsive Repairs for Fareham Borough Council owned properties
Report of:	The Deputy Chief Executive Officer
Corporate Priorities:	Dynamic, prudent and progressive Council

Purpose:

Following a recent tender exercise, the Council is seeking approval to award contracts to various trade(s) suppliers to support our in-house Direct Services Organisation (DSO) in providing a Responsive Repairs service on behalf of Fareham Borough Council.

Executive summary:

In the past, the Council had outsourced Responsive Repairs contracts to one managing Contractor who would carry out works within the various trade disciplines.

When the previous Responsive Repairs contract lapsed the Council directly employed its own Direct Services Organisation (DSO) to provide these services. They include, but are not limited to; Multi Trades, Carpenter, Electrician, Plumber, Groundworker, Painter and Decorator, Plasterer and Skilled Labourer. The team are best placed to respond quickly to most routine repair jobs, but there are peaks in demand for day to day repairs and some jobs require a longer period of time on site. To meet demand in these situations, additional resources from external contractors are sometimes required to meet the needs of our Customers.

The Council has recently tendered twenty-one separate trade contracts with a view to including up to six Micro, Small and Medium Enterprises (SME's) against each trade, including businesses from the local area.

An information evening was held at Ferneham Hall on Monday 4th March 2019 to provide the opportunity for businesses, including local Micro and SME's, to engage face to face with the Council to discuss the Responsive Repairs opportunity. Prior to this information evening, flyers were given to all local material suppliers. There was also a media campaign to try and attract as many local businesses as possible to attend the evening. Officers and the Senior Management team attended the event in order to support and encourage suppliers to tender for the various services.

Following a two-stage procurement exercise, those bidders who scored 70% and

above (up to a maximum of six suppliers) will be included in each of the framework agreements to provide the services. The evaluation of the submission and the preferred bidder information is provided in the confidential Appendix A, attached to this report.

Recommendation/Recommended Option:

It is recommended that the Executive agrees that, on the basis of being the most economically advantageous tenders, those bidders scoring 70% and above (based on their tender scores) are included in the framework agreement for each applicable trade contract.

Reason:

To maintain the seamless, effective and quality Responsive Repairs service for Fareham Borough Council customers whilst maintaining value for money.

Cost of proposals:

Costs will be met from the existing HRA budget. An order will be raised for each job in accordance with the tender documentation.

APPENDICES: **Confidential Appendix A:** Responsive Repairs summary of bidder scores

BACKGROUND PAPERS: None

REFERENCE PAPERS: None

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Executive Briefing Paper

Date:	16 December 2019
Subject:	Responsive Repairs for Fareham Borough Council-owned Properties
Briefing by:	The Deputy Chief Executive Officer
Portfolio:	Policy and Resources

INTRODUCTION

1. An information evening was held at Ferneham Hall on Monday 4th March 2019 to engage with local businesses who may be interested in working for Fareham Borough Council, in support of our Direct Services Organisation (DSO). The aim of the event was to engage and encourage local Small and Medium Enterprises (SME's) businesses to meet with Council Officers face to face, to find out what the benefits are for working with Fareham Borough Council and to find out more about the procurement process.
2. This report gives an overview of the procurement process taken to appoint the contractors for each Responsive Repair trade contract. It now seeks approval for the appointment of the preferred bidders.

BACKGROUND

3. The Council is seeking to establish compliant contractual arrangements with contractors who will provide Responsive Repairs to Council owned housing assets when additional resource is required over and above the Council's DSO.
4. There will be twenty-one separate contracts with up to six contractors against each of the following trades:

1. Asbestos
2. Carpentry
3. CCTV
4. Civil engineering
5. Door Entry Systems
6. Drainage
7. Electrical
8. Fencing
9. Flooring
10. Foundations
11. Groundworks
12. Gutter Clearance
13. Insulation
14. Locksmith
15. Painting & Decorating
16. Plastering
17. Plumbing
18. Roofing
19. Scaffolding
20. Stairlifts
21. Window & Doors

5. The arrangements will be on a four-year term commencing on 20 January 2020.
6. The contracts are based on a non-exclusive arrangement and the quantity and value of orders that they receive will not be guaranteed.
7. The ordering function will be based on a rolling system, so all suppliers are treated fairly.

PROCUREMENT STRATEGY

8. The Council is keen to work with local SME's and the information evening in March 2019 was a successful exercise in engaging with local businesses.
9. In order to support bidders, the Council designed the tender suite of documentation, so it was relatively straight forward to complete and upload to the South East Business Portal (system which manages the tender function). The Procurement team were available throughout the tender process to assist bidders with any queries.
10. Working with local businesses will help the Council reduce its carbon footprint within the borough, one of the benefits of this is reducing travel time. The businesses we will be working with will also be purchasing most of their stock from local suppliers.
11. The Council has also signed up to the Prompt Payment Code (PPC), meaning that SME's will be paid in accordance with the code.

PROCUREMENT PROCESS

12. The opportunity was advertised via the South East Business Portal in May 2019. The tender process was a two-stage regime; the first stage was to invite expressions of interest whereby candidates completed a pre-qualification form and were provided four weeks to submit their response. All candidates who provided a response at the first stage were successful in being invited to stage two Invitation to tender.
13. The invitation to tender was published 19th August 2019 and the deadline to receive tender responses was 16th September 2019. The Council received one hundred and thirty tender responses across the twenty-one trades.
14. The tender was based on 60% Cost and 40% Service/Quality weightings, as set out in Appendix A.
15. Following evaluation of the bids and across the twenty-one trades the following category of businesses have been shortlisted as preferred bidders:

14 Micro
57 Small
9 Medium
1 Large

Further information is available in the confidential Appendix A attached to this report.

16. The framework agreement allows up to six suppliers for each contract and orders will be

allocated on a rolling basis. The contracts will be monitored by the Head of Building Repairs and Maintenance Service pursuant to the KPI provision in the agreement.

17. The framework agreement is not an exclusive arrangement and the Council can deliver any of the works itself or order them from third parties. The Council therefore has the option of entering into further framework agreements on the same terms with other contractors, which it might chose to do where, for example, it has insufficient contractors on the responsive repairs framework to meet its needs and subject to compliance with the Procurement and Contract Procedure Rules.
18. Should any framework provider be deemed uncompetitive in terms of pricing, there is a mechanism within the framework agreement that allows it to be suspended and not considered for further orders until it has proved to the Council's satisfaction that it is once again competitive.

FINANCIAL IMPLICATIONS

19. Responsive repair work will continue to be delivered mostly by the in-house team. The framework provides a flexible call-off arrangement when needed, so it is not possible to quantify the level of work to be allocated. However, all work will be met from within the HRA revenue budgets for responsive repairs

CONCLUSION

20. There has been an open, competitive procurement process to select contractors to meet peak demand for responsive works, and to protect the flexibility of the in-house team when more complex or longer-term work needs to be carried out. The exercise has generated a good level of interest from local suppliers.

Enquiries:

For further information on this report please contact Kevin Wright (Ext 4359)