

# North Lanarkshire Council Report

## Communities and Housing Committee

approval  noting

Ref BL/MH

Date 13/02/2019

## Electrical Maintenance Contracts

**From** Brian Lafferty, Head of Business (Housing Property and Projects)  
**Email** [hendrym@northlan.gov.uk](mailto:hendrym@northlan.gov.uk) **Telephone** Michelle Hendry, Repairs and Maintenance Manager , 01698 524741

---

### Executive Summary

The purpose of this report is to provide Committee with an update on the continued use of various Low Voltage Maintenance contracts. This includes the current and forecasted projects within the current financial or calendar year.

This is linked to the current procurement exercise to align and integrate such works via a single contract across the Council.

This report is a follow up from the previous Electrical Maintenance Report submitted to Committee on 10 August 2017, 15 February 2018 and 5 September 2018 respectively.

---

### Recommendations

It is recommended that Committee:

1. Note the position detailed and the interim actions taken along with the continued spend and contract arrangements in section 2.
  2. Note the continued spend detailed in section 2, arising from the council decision taken under 1.5 not to proceed to contract award.
- 

### Supporting Documents

**Council business plan to 2020** Improving the council's resource base [Council Business Plan 2020](#)

## **1. Background**

- 1.1 Various Low Voltage Electrical Maintenance Contracts expired between July 2016 and July 2017. These included Controlled Entry repairs and renewals, maintenance of TV Aerials/IRS Installations, Warden/Nurse Calls and Fire/Intruder Alarm Testing.
  - 1.2 It was originally intended that a new Council wide contract be formed during 2016 to allow for the integration and alignment of all Low Voltage Electrical Maintenance contracts. Reference is made to the report submitted to the Housing and Social Work Services committee on 4 February 2016 where proposals for a combined contract were approved.
  - 1.3 The financial position of these contracts was reported to the Enterprise and Housing Committee on 10 August 2017 where it was reported that existing contracts would be utilised to cover only essential and emergency works.
  - 1.4 A further update was also provided to Enterprise and Housing Committee on 15 February 2018 and 5 September 2018 on the current and proposed spends of these contracts.
  - 1.5 As noted within 1.2 it was intended that the Council wide contract be the vehicle to deliver the contracts that had expired. However, it was verbally reported at the Councils Policy and Resources Committee meeting on 7 June 2018 that the Council had received a formal challenge in relation to the recent contract award for CCTV, fire alarms and related security system services, during the standstill period for the contract award. This challenge claimed that it had not been explicit in the tender specification document that the Council would seek parent company guarantees if necessary. It was considered that the best course of action would be to abandon the contract award and re-tender the contract.
- 

## **2. Report**

- 2.1 It has been noted previously that due to ongoing procurement legislation changes, specification and technical difficulties, there has been numerous delays whilst procuring such a complex contract as actions were taken to ensure all aspects of the works were captured within the ongoing procurement of the new council wide contract.
- 2.2 As an interim measure, Housing Property and Projects required to put an MTC contract in place for Controlled Door Entry Renewals, Repairs and associated CCTV Concierge /Intruder alarm as well an MTC contract for Repairs and Maintenance of TV Ariel's/IRS installation and a further MTC for Fire Alarm Testing until the Council Wide Contract is awarded. These contracts were published on Public Contract Scotland (PCS) and are at various stages of procurement which is detailed below.
- 2.3 In July 2017 a quick quote was procured and awarded via Public Contract Scotland (PCS) to SPIE Ltd. for Essential Repairs and Maintenance Works to the Controlled Entry Doors and associated works to the value of £40k. The current spend was £271k by 16 July 2018 with a spend of £417k for the period up to 23 December 2018. Whilst the procurement exercise is nearing conclusion, It is envisaged a further 1 month spend will be required up to the 31 January 2019 to the value £32k, overall total of £449k. Following a procurement exercise an MTC contract was awarded for Controlled Door Entry and associated works based on an initial 12 month contract with a potential 2 (6 month periods extension periods has been awarded with a contract value of £1.4 million. The proposed start date is 1 February 2019.

- 2.4 The Service negotiated essential maintenance of CCTV and associated equipment via the Town Centre Activities contract, as there is no facility to negotiate any further this contract also required to be procured also. Whilst the procurement exercise is concluded it is envisaged a further 1 month spend will be required up to the 31 January 2019 amounting to £2k. Following a procurement exercise an MTC contract for CCTV/Concierge/Intruder Service and Maintenance based on an initial 12 month contract with a potential 2 (6 month extension periods) has been awarded with a contract value of £310,000. The proposed start date is 1 February 2019.
- 2.5 As previously advised a quick quote was procured and awarded in June 2017 via PCS to MRM Electrical Solutions Ltd. for the Repairs and Maintenance of TV aerials / IRS Installations to the value of £30,500, until the Council Wide Contract was in place. The current spend was £156,431 by 16 July 2018 with spend of £268K for the period up to 2 December 2018. Following a procurement exercise an MTC contract for IRS Ariel Maintenance based on an initial 12 month contract with a potential 2 (6 month extension periods) has been awarded with a contract value of £ 155,000. The start date for this contract was 3 December 2018.
- 2.6 It should be noted that the expired Fire Alarm System Testing contracts expenditure was reported to Committee on 10 August 2017. The current Housing total spend from 10 August 2017 until 16 July 2018 was £22,180 with a spend of £28,240 for the period up to 1 November 2018. Following a procurement exercise an MTC contract for Fire Alarm Service and Maintenance based on an initial 12 month contract with a potential 2 (3 month) extension periods was awarded with a contract value of £50,000. The start date for this contract was 1 November 2018.
- 2.7. It should be noted that the expired Warden/Nurse Call System Contract expenditure was reported to Committee on 10 August 2017. The spend from 1 August 2017 to 16 July 2018 was reported at £129,616 however this has been revised and the spend projected up to the period of 31 December 2018 is £130,989. Following a procurement exercise an MTC contract for Warden Call Service and Maintenance based on an initial 6 month contract with a potential 2 (3 month) extension periods has been awarded with a contract value of £50,000. The proposed start date is 1 January 2019.

---

### **3. Equality and Diversity**

#### **3.1 Fairer Scotland**

North Lanarkshire Council should consider what they can do to reduce inequalities of outcomes caused by socioeconomic disadvantage when making strategic decisions.

#### **3.2 Equality Impact Assessment**

An equality impact assessment has not been completed for this report as this is an update on the procurement of the Council wide contract as well as updates on spend and interim arrangements.

---

#### **4. Implications**

##### **4.1 Financial Impact**

The cost of the work is contained with the HRA budget and the Non-HRA Budget.

##### **4.2 HR/Policy/Legislative Impact**

Any developments which relate to the council's finances, personnel, legal position, policies or issues of equality will continue to be managed via the respective process and reported to committee individually as required to ensure effective scrutiny and review.

##### **4.3 Environmental Impact**

There are no environmental impacts to report.

##### **4.4 Risk Impact**

Any risks will continue to be managed via the respective process and reported to committee individually as required to ensure effective scrutiny and review in accordance with the contract specification and in accordance with the Council's agreed approach to Contract and Supplier Management.

---

#### **5. Measures of success**

It is anticipated that the alignment of these contracts will deliver the following successful outcomes:

- 5.1 Safe and sustainable homes for the residents of North Lanarkshire Council.
  - 5.2 Inform the Council of the future investment priorities.
  - 5.3 Support local employment, local SME and supply chains.
  - 5.4 Potential savings on contract costs through collaborative working across the council Service areas.
- 



**Brian Lafferty**  
**Head of Business (Housing Property and Projects)**