

North Lanarkshire Council Report

Finance and Resources Committee

approval noting

Ref JMcK/EH

Date 19/09/2019

Measured Term Contract: Metal Doors, Screens and Blacksmith Works

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Executive Summary

The purpose of this report to advise committee on the expiry of the contract MTC Metal Doors, Screens and Blacksmith Works including service and maintenance which expired in January 2018.

The report will also advise committee on the interim arrangements which are currently in place along with the proposals to retender this contract in due course.

Recommendations

It is recommended that the Finance and Resources Committee:

1. note the contents of this report;
2. note the interim arrangements that have been put in place following expiry of this contract; and
3. note the actions taken to retender this contract.

Supporting Documents

Ambition statement (22) Facilitate a North Lanarkshire wide approach to asset rationalisation, including with communities and partners

1. Background

- 1.1 The council operates a number of Measured Term Contracts (MTCs) which allows for the effective delivery of a repairs maintenance service to our corporate buildings. The previous tender for this contract was reported to the Corporate Services Committee in 10 November 2016, which indicated that the contract would have an indicative start date of January 2017 and an anticipated total contract value in the order of £1.3m.
- 1.2 This contract expired in January 2018 and in the interim temporary measures have been put in place on the basis that the remaining orders issued to the

contractor relate to repairs which affect service delivery or health and safety matters.

2. Report

Procurement Arrangements

- 2.1 Due to the pressures on staff resources, in particular having to deal with conflicting priorities, it has not been possible to implement a new contract prior to the expiry of the previous agreement. As detailed above, interim arrangements were put in place and the contract is being retendered.
 - 2.2 At the time that the initial MTC was reported to committee in November 2016, only one compliant bid was submitted and whilst the decision made at that time was to award the contract, considerable work has been taken as part of the re-procurement of this contract to ensure that this opportunity is presented to the market in a more attractive format which will hopefully generate greater interest.
 - 2.3 The contract was re-tendered in mid-2018 with returns being received in early January 2019. After detailed consideration of the returns made, it was found that all bids were noncompliant for a number of reasons and the decision taken was that this contract should be retendered.
 - 2.4 In response to this situation, a “bidder’s day” was organised to assist potential tenderers formulating their future submissions and this will hopefully provide potential bidders with a greater understanding of what is required from the procurement process and in turn hopefully generate further interest. A further tender was issued in July 2019 and returns were received on 7 August 2019 which are currently being evaluated. The outcome of this re-procurement will be reported to committee in November 2019 on the basis that suitable compliant bids are received.
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3. Equality and Diversity

3.1 Fairer Scotland

No impact under the Fairer Scotland duty in relation to this report.

3.2 Equality Impact Assessment

No impact under the Equality legislation in relation to this report.

4. Implications

4.1 Financial Impact

Through robust procurement strategy and proactive management of contracts, tenders of this nature will ensure that the council achieves best value for all its contracts.

Members should be aware that the current spend on the contract as at June 2019 was in the order of £989,919 which is within the limits reported to Committee in 2016 but slightly above the initial contract value of £931,000. It is not anticipated that there will be further significant spend as we move towards the award of a new contract following conclusion of the current tender arrangements which are underway.

The financial cost of the various works completed under this contract will be met from the councils existing budgets coming from the Central Repairs Account; via the client service revenue funding; or from the council's general capital programme as required. On this basis no additional funding is required. In the longer term it is considered that the works proposed under this tender may ultimately be merged into the Enterprise Contract currently due for roll out in 2021.

4.2 HR/Policy/Legislative Impact

Contracts awarded by the council are compliant with GCSOs and procurement legislation.

4.3 Environmental Impact

There are no specific impacts arising out of this proposal.

4.4 Risk Impact

There are no specific risks arising from this proposal.

5. Measures of success

- 5.1 Contracts of this nature support the delivery of Council and service priorities.
- 5.2 Appointment of contractors who have suitable experience and capability to deliver the required supplies, services or works will ensure that our buildings function well.
- 5.3 Contracts awarded by the Council are compliant with GCSOs and procurement legislation.
- 5.4 Once this contract is retendered the council will be able to demonstrate that the tender process has delivered best value.



James McKinstry
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