

Minutes of the meeting of the PROCUREMENT COMMITTEE held on TUESDAY 4 DECEMBER 2012 at 5.30 pm.

Present: Councillor Hopkins (In the Chair)
Councillors Bald, Brock and Dransfield

Officers: M Hancock (Assistant Director [Joint Commissioning]), J Moffoot (Assistant Director [Democratic Services]), D Wilkinson (Assistant Director [Audit & Risk Management]), W Errington (Head of Research and Intelligence), J Harris (Head of Commercial Services), J Grace (Head of Major Works), R Kingsley (Head of Highways Services), K Monkton (Deputy Valuer), C Southern (Head of Strategic Procurement), D Beaumont (Partnering Manager), A Dickinson (Highways Network Coordinator), P Srinivasan (Senior Solicitor), P Wheeler (Senior IT & eGovernment Manager) and S Muir (Committee Manager).

Also Present Councillor Miles

Members of the Public: 2

PC74 MINUTES

RESOLVED -

That the Minutes of the meeting of the Procurement Committee held on 6 November 2012 be approved and signed by the Chair as a correct record.

PC75 DISCLOSURES OF INTEREST

None.

PC76 INVITATION TO TENDER – REMEDIAL ROOF WORKS TO SPRINGFIELD COURT SHELTERED HOUSING SCHEME

It was reported that the roof covering to the communal corridor at Springfield Court sheltered housing scheme was failing and required extensive remedial work as it could no longer be maintained. The cost was estimated to be £200,000 to refurbish the roof, incorporate improved insulation which would contain heat loss more effectively and address any changes required by building regulations.

The Committee noted that the lifespan of the works would be 20 years.

The Committee considered the options:

- 1) A mini-competition evaluation with a price criterion only; i.e. price would be 100% of the score, as the four appointed contractors met the Council's quality procurement requirements when they were awarded Framework status. In

order to join the Framework, the Suppliers were evaluated on strict Quality criteria (20% of the overall weighting).

- 2) The alternative option was to undertake a full tender exercise that would take up to 6 months to complete; the MEAT evaluation would be in line with MKC procurement procedures and was likely to be at least 70% on price. The works would not be undertaken in the current financial year and the capital funding allocation would be slipped in full to 2013-14. There would be additional work to evaluate repeated quality factors in the MEAT process. The effect on the condition of the property by this delay would be continued deterioration requiring possible emergency repairs, creating risk and inconvenience for the elderly tenants.

RESOLVED -

That tenders be invited for the contract for the refurbishment of the communal roof on Springfield Court, using a mini-competition among contractors appointed to Lot 2 of the Planned Maintenance and Improvements Works Framework (CU2194).

PC77

INVITATION TO TENDER – QUEEN ELEANOR STREET/LONDON ROAD/HIGH STREET JUNCTION IMPROVEMENTS

It was reported that improvement works at this junction would reduce the speed limit from 40mph to 30mph in line with the neighbouring local authority.

The Committee considered the options:

- 1) A mini-tender exercise that would use three contractors on the Council's existing Highway Small Works Framework contract for the provision of a roundabout and associated traffic islands at Queen Eleanor Street/London Road/ High Street junction, Stony Stratford. The funding for this would be met from the capital budget allocated within the current financial year and the project met the Council's statutory duty under Section 41 of the Highways Act 1980, Section 16 and 17 of the Traffic Management Act 2004 and Section 39 of The Road Traffic Act 1988.
- 2) An open tender for the scheme that would add to the cost and time to deliver it as well as additional costs to the contractors in preparing detailed bids. Additionally, it would extend the period to procure the works using the Council's Procurement procedures and the work may not be completed in the current financial year.

RESOLVED –

1. That the commencement of the tender processes from the Highways Small Works Framework for the procurement of Queen Eleanor Street/London Road/High Street junction improvement works be approved.

2. That authority to award the Contract to the preferred bidder for the Queen Eleanor Street / London Road / High Street junction Improvement works be delegated to the Cabinet Member for Transport and Highways, in consultation with the Council's S151 Officer and the Head of Strategic Procurement.

PC78

INVITATION TO TENDER - V10 BRICKHILL STREET / JAPONICA LANE JUNCTION IMPROVEMENT WORKS

It was reported that there had been a number of road traffic accidents at this junction and following an extensive consultation, a scheme with highway widening, central hatch and central traffic islands with a right turn provision would be provided.

The Committee noted that any future changes to this scheme as opposed to a left in / left out scheme, could be carried out in a cost effective manner.

The Committee considered the options:

1. Milton Keynes Council's existing Highways Small Works Framework Contract included three contractors under a schedule of rates pricing mechanism. This schedule would be used to select the contractor for provision of highway widening, central hatch and central traffic islands in Brickhill Street at the junction with Japonica Lane and met Council's statutory duty under Section 41 of the Highways Act 1980 Section 16 and 17 of the Traffic Management Act 2004 and Section 39 of The Road Traffic Act 1988.
2. An open tender for the schemes which would add considerable additional time and cost to deliver them as well additional costs to the contractors in preparing detailed bids. The period to procure the works using the Council's Procurement procedures would be extended and the work may not be completed in the current financial year.

RESOLVED –

1. That the commencement of the tender processes from the Highways Small Works Framework for the procurement of V10 Brickhill Street/Japonica Lane junction improvement works be approved.
2. That authority to award the Contract to the preferred bidder for the V10 Brickhill Street / Japonica Lane junction improvement works be delegated to the Cabinet Member for Transport and Highways, in consultation with the Council's S151 Officer and the Head of Strategic Procurement.

PC79

INVITATION TO TENDER FOR THE SUPPLY OF ASPHALT MATERIALS

The Committee considered a proposal to utilise the existing Eastern Shires Purchasing Organisation (ESPO) contract 231 which provided a market tested framework agreement for the supply of asphalt and bituminous material. The contract to be secured was for

the Supply of Asphalt Materials (Tarmac for use in highways works delivered by Highways Services) and the estimated value was £850,000 until March 2014.

The Committee considered the options:

1. Do Nothing – the Council had a statutory duty under Section 41 of the Highways Act 1980 to keep the highway in a safe condition.
2. Procure Contracts through ESPO (preferred option) – this route of procurement would be the quickest and most cost advantaged method of procurement based upon recent market testing carried out via the framework contract.
3. Procure Contracts through E-Tendering system – this would take approximately 9 months and would delay the delivery of the existing capital works scheme.

RESOLVED -

That the procurement of contracts through the Eastern Shires Purchasing Organisation for the Supply of Asphalt and Bituminous Materials be approved.

PC80

INVITATION TO TENDER - MILTON KEYNES COUNCIL GEOGRAPHIC INFORMATION SYSTEM

The Committee noted that the Council needed a Corporate Geographic Information System (GIS) that would provide it with the facilities to maintain and capture geographic information and to display geographic information in a web browser to staff and the public. It would also provide the necessary tools to allow data to be manipulated and analysed and the flexibility to allow all current systems which utilise a mapping component to function effectively.

It was confirmed that the current contract had been in place for 6 years and to extend this without the support function in place would not be legally compliant.

The Committee noted that the scheme complied with the Public Access Strategy.

The Committee considered the options:

1. A full European open market tender via In Tend for the GIS and mapping services (preferred option) which gave access to a wide range of GIS and mapping solution providers who were able to make full use of the current web technologies and had existing contracts with other Local Authorities. This would give the opportunity to take advantage of market developments and new products and test whether best value for the Council would be achieved.

2. To extend the existing Pitney Bowes contracts for MapInfo, Stratus, PlanWeb on a rolling annual basis would not be legally compliant.
3. To tender using an existing Government Procurement Services Framework agreement would make the procurement process simpler but a review of the available frameworks concluded that none of those were suitable for the scope of services proposed,

RESOLVED -

That the commencement of the tender process for the procurement of a Corporate Geographic Information System be approved

PC81

FRAMEWORK AGREEMENT FOR ARCHIVING AND STORAGE

The Committee noted the proposal to utilise the new Government Procurement Service Framework Agreement (GPS) to procure an Electronic Document Record Management System (EDRMS) for the archiving and storage services for records management. This would continue to provide a service that ensured that archived documents were kept in a safe, fit for purpose location and would reduce the amount of paper archiving.

The Committee considered other options:

- 1) Do nothing – This could lead to complications in the service delivery for Archiving with the contract being ceased resulting in a potential financial impact of approximately £50k with additional costs for transportation and labour to allow for exit of the existing contract, in addition to the unknown storage and services costs which would continue. Continuation of the current arrangement was in breach of the Council's Procurement regulations. The service could not be managed internally as there was not an internal infrastructure to carry out this process effectively.
- 2) The Council could carry out its own tender process. However as the Government Procurement Service had been recently tendered it was not anticipated that a new exercise would add to this. The Council was not aware of any other locally available solutions. Using the GPS Procurement team minimised any localised labour cost involved in this procurement.

RESOLVED:

That use of the Government Procurement Service (GPS) RM 1689 contract be approved for Document Storage Services, allowing for call off / direct award to meet current services required by Milton Keynes Council.

PC82

EXTENSION OF CONTRACT – CARERS MK, PROVISION OF A CARERS' SUPPORT SERVICE

The Committee noted that in light of proposed new duties for local authorities for the provision of Carers' Support, approval was sought

to extend the existing contract in order that continuity of service was provided whilst Milton Keynes Council's future requirements for carers' services were considered in full.

The alternative option not to extend the contract and re-tender Carer Support services was not recommended due to the pending changes in legislation.

RESOLVED:

That the extension of the contract with Carers MK for the Carers' Support Service until March 2014 be approved.

PC83

EXTENSION OF CONTRACT - PEOPLE'S VOICES – PROVISION OF INDEPENDENT ADVOCACY

The Committee considered the extension of the contract with People's Voices for the provision of Independent Advocacy to enable emerging proposals for the integrated social care and health advocacy service to be analysed and implemented.

The Committee noted that the alternative option not to extend the contract and re-tender advocacy services would not allow for expected changes in the requirements for advocacy provision for people in receipt of health services. Tendering the provisions together would improve the effectiveness and economy of future services.

RESOLVED:

That the extension of the Independent Advocacy Service contract with People's Voices until March 2014 be approved.

PC84

EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press representatives be excluded from the meeting by virtue of Paragraph 3 (Information Relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1972, in order that the Committee could consider the Annexes to the following reports:

- (a) Lift Enhancements at Saxon Court – Award of Contract
- (b) CMK Paving under Highways Small Works Contract – Award of Contract
- (c) Superimposed Road Markings – Award of Contract

PC85

AWARD OF CONTRACT - FULL ENHANCEMENT OF THE TWO EXISTING PASSENGER LIFTS AT SAXON COURT

The Committee noted that the lifts at Saxon Court did not comply with the Disability Discrimination Act (DDA) and had passed their economic life expectancy by 15 years.

The Committee considered the alternative options:

- 1) To enhance the south Saxon lift only and continue to reactively maintain the north Saxon lift would put an increased pressure on the revenue budget because spare parts would have to be specially manufactured as none now existed. This would lead to delays in repairing the lift and eventually no further maintenance would be possible or there would be a critical failure.
- 2) The service could not be managed internally as there was no internal infrastructure to carry out repairs/enhancement effectively.
- 3) To complete the enhancement of both the north and south lifts for DDA compliance using the same contractor to allow consistency in any repair and maintenance works as well as value for money on carrying out the lift works within one project (recommended option). The enhanced lifts would have a warranty of one year. Ad-hoc repair works on the revenue budget had amounted to approximately £16k from March 2010 to date and the project would realise further revenue budget savings for repair works. The maintenance costs for the lifts were managed separately through the Mechanical and Engineering Contract and carried out through the planned preventative maintenance programme.

RESOLVED:

That the contract for the full enhancement of the north and south lifts in Saxon Court be awarded to the bidder who has scored the highest in accordance with the Most Economically Advantageous Tender (MEAT) evaluation..

PC86

AWARD OF CONTRACT – CMK PAVING

It was reported that the CMK Paving contract for footway construction in Central Milton Keynes for the financial year 2012/13-2013/14 was in line with the commitment made by Cabinet on 25 July 2012 to approve spending on footways as part of the overall Transport Infrastructure Investment.

The Committee noted that to make additional savings on this project, a mini-tender competition had been carried out and evaluated under the schedule of rates agreed in the Framework for Highways Small Works Contract which was approved at the Procurement Committee on the 11 October 2012.

The Committee considered the option not to carry out the work but noted that the Council had a duty under the section 41 of the Highways Act 1980 to keep the highway in a safe condition and would reduce insurance claims and minimise disruption to the highway network in Milton Keynes

RESOLVED -

That the contract for CMK Paving be awarded to the supplier submitting the lowest price when evaluated under the framework agreement for highways small works.

PC87

AWARD OF CONTRACT – SUPERIMPOSED ROAD MARKINGS

It was reported that delivery of these works supported the Council's statutory function as the Highway Authority to maintain the adopted highway network in a safe condition and that approval to go to tender through the Council's In-Tend system was given by this Committee on 6 June 2012. The approval required the tender assessment to be made on the basis of 75% price and 25% quality in order to ensure both value for money and quality of service.

The Committee noted that the previous contract for superimposed road markings had expired on the 31 March 2012 and a mini tender competition had been carried out and evaluated under the schedule of rates agreed in the Framework for Highways Small Works Contract, approved by the Committee on 11 October 2012. The rates had been compared against a basket of comparative schemes.

The Committee considered the alternative option to do nothing. However the Council had a statutory duty under Section 41 of the Highways Act 1980 to keep the highway in a safe condition.

RESOLVED:

That the contract for the delivery of Superimposed Road Markings Works for the period up to March 2014 be awarded to the bidder who had scored the highest in accordance with the Most Economically Advantageous Tender (MEAT) evaluation.

THE CHAIR CLOSED THE MEETING AT 6.22 PM