

PROCUREMENT AND COMMISSIONING

TUESDAY, 19 JANUARY 2016

At 6.00pm or on the conclusion
of Delegated Decisions, whichever is the later

ROOM 2, CIVIC OFFICES
CENTRAL MILTON KEYNES

AGENDA

**Notice of the intention to hold part of the meeting (Item 5) in private is given
later in this Agenda**

Membership of the Committee:

Any three from Councillors Clifton, E Gifford, Legg, Long, Marland, Middleton, Miles and O'Neill

If you have any enquires about this agenda please contact Tina Milner (Committee Manager)
on Tel: (01908) 254737 or E-mail Tina.milner@Milton-keynes.gov.uk

AGENDA

1. Apologies

2. Minutes

To approve, and the Chair to sign as a correct record, the Minutes of the meeting of Procurement and Commissioning held on 15 December 2015 (Item 2[a]) (**Pages 4 to 10**) and 5 January 2016 (Item 2[b]) (**Pages 11 to 13**).

3. Disclosures of Interest

Councillors to declare any disclosable pecuniary interests, or personal interests (including other pecuniary interests), they may have in the business to be transacted, and officers to disclose any interests they may have in any contract to be considered.

Notice of Intention to Hold the Meeting in Private

The public and press may be excluded from the remainder of 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 may consider the Annex to the following report:

Award of Contract – Replacement Heating System for Radcote Lodge (Ref: CU2455)

The Proper Officer of the Council has determined that the Annexes to the reports should be considered in the absence of the public and press 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, as disclosure would not be in the public interest.

No representations have been received about why those matters referred to above should be considered with the public and press present.

4. Exclusion of Public and Press

To consider excluding the public and press 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 Cabinet Procurement Committee may consider the Annex to the following report:

Award of Contract – Replacement Heating System for Radcote Lodge (Ref: CU2455)

5. Award of Contract – Replacement Heating System for Radcote Lodge (Ref: CU2455)

To consider Item 5 (**Pages 14 to 18**)

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Minutes of the meeting of PROCUREMENT AND COMMISSIONING held on TUESDAY 15 DECEMBER 2015 at 5.30 pm

Present: Councillor Middleton (Chair)
Councillors Long and Miles.

Officers: S Gerrard (Interim Service Director [Legal & Democratic Services])
N Rayner (Service Director [Children & Families]),
C Southern (Head of Strategic Procurement), M Dolling (Capital Programme Director), P Barton (Control Centre Manager), A Bushell (Senior Joint Commissioner), T Chapman (Senior Joint Commissioner [Mental Health]), J Geary (Case Manager [Procurement Team, Legal Services]), D Ngani-Oketch (Solicitor), B White (Public Health Principal) and T Milner (Committee Manager).

Apologies: Councillors Clifton, E Gifford, Legg, Marland and O'Neill.

PC74 DISCLOSURE OF INTERESTS

Councillor Long informed the Committee that he was a member of Healthwatch London, however, there was no conflict of interest with Item 8 (Extension of Contract – Host Organisation Healthwatch Milton Keynes).

PC75 MINUTES

That the Minutes of the meeting of Procurement and Commissioning held on 17 November 2015 be approved and signed by the Chair as a correct record.

PC76 INVITATION TO TENDER – PROCUREMENT OF TWO PROFESSIONAL SERVICES FRAMEWORKS TO SUPPORT THE DELIVERY OF MAJOR CAPITAL PROJECTS (REF: CU2524)

The Committee considered inviting tenders for the procurement of two Professional Services Frameworks to support the delivery of major capital projects.

The Committee heard from Councillor Middleton, the responsible Cabinet member for Resources and Commercialism, who indicated that the 2 stage restricted tender process, would offer the Council the opportunity to assess potential bidders and create a shortlist. The short listed tenders would then be assessed against a detailed set of quality criteria by qualified and independent professionals.

The Committee heard that the specification and evaluation criteria were clear on service requirements, whilst the Council would also be looking for value for money and for efficient delivery from the call-off

frameworks. The governance measures being put in place would be properly managed to minimise any identified risks.

The Strategic Head of Procurement reminded the Committee of the importance of encouraging competitiveness of local consortia and that where possible, the Council should look to encourage and to promote local businesses.

The Capital Programme Director reported that by procuring the contract in this manner it would encourage and enable Small Medium Enterprise consortia to bid for the frameworks, alongside larger companies.

RESOLVED -

1. That the commencement of a restricted tender process for the procurement of two professional services frameworks be approved for the following services:
 - (a) Project Management and Cost Control Services; and
 - (b) Building Surveying, Clerk of Works and Construction Design Management Services.
2. That the Head of Strategic Procurement be requested to liaise with the Capital Programme Director to organise a Meet the Buyer event and conduct soft market testing as part of the pre tender process.

PC77

INVITATION TO TENDER – PROVISION OF SOCIAL ALARMS, TELECARE SENSORS, TRIGGERS & RELATED CONSUMABLES (REF: CU2499)

The Committee considered inviting tenders for the provision of Social Alarms, Telecare Sensors, Triggers and Related Consumables.

The Committee heard from Councillor Long, the responsible Cabinet member for Health and Wellbeing, who indicated that the procurement would be through the Northern Housing Consortium Framework and the seven successful companies on the framework had been through a selection stage for quality and price.

The Committee heard that Community House and Telecare Services would be looked at as a wider service during 2016. Savings of 1.8% had been achieved through the existing contract for the product range and additionally, further value for money and savings should be achieved due to increasing the pricing evaluation from 40% to 60% and setting quality at 40% on this contract.

RESOLVED –

That a mini competition be undertaken with the suppliers on the Technology Enabled Care Services Product Framework.

INVITATION TO TENDER – PROVISION OF HOUSING RELATED SUPPORT SERVICES FOR VULNERABLE PEOPLE (REF: ASC0016)

The Committee considered inviting tenders for the provision of Housing Related Support Services for Vulnerable People.

The Committee heard from Councillor Long, the responsible Cabinet member for Health and Wellbeing, who indicated the following concerns:

1. That there was no mention of the High Court Ruling of the Law Lords judgement in R (on the application of G) (FC) (Appellant) v London Borough of Southwark (Respondents), which considered how local authorities supported homeless 16 and 17 year olds;
2. That there was no mention of:
 - (a) Challenging Care Leavers going into hostel accommodation; or
 - (b) Requests for information from young people who were supported in temporary accommodation.

The Committee heard from the Service Director (Children and Families) that the Corporate Director – People was currently undertaking a wider piece of work on transitional and placement efficiency for young and vulnerable people.

The Senior Joint Commissioner (Mental Health) reported that a number of events had been organised during January 2016, including an awareness session on teenage pregnancies. Discussions were being organised with Councillor Long to determine if additional groups should be reviewed and incorporated as part of the contractual arrangements. Additionally, discussions were also underway with Providers about tenancy arrangements and blockages that exist in respect of providing support to young people.

The Service Director (Children and Families) reassured the Committee that the provision of quality care was important for vulnerable and young people in Milton Keynes, and that the specification split between price and quality was correct. There were, however, a number of young people, who would remain on 'spot care purchase', although this option was more expensive, this was an area that would be monitored and looked at more closely.

The Committee also heard that there had been a recent increase of 16/17 year olds placed in accommodation and it was anticipated that over time the cost would be reduced, particularly as young people in residential care outside the Borough were homed within the Milton Keynes area.

RESOLVED -

1. That a housing related support service for vulnerable people at risk of homelessness in Milton Keynes be procured through a competitive tender.
2. That the commencement of a single-stage, open tender process for the procurement of housing related support services to vulnerable people be approved.

PC79

APPROVAL TO ISSUE A PROJECT ORDER AND AWARD A CONTRACT USING THE SCAPE NATIONAL MAJOR PROJECTS FRAMEWORK (REF: CU2465) FOR SCHOOL EXPANSION SCHEMES FOR 2018

The Committee considered issuing a project order and awarding a contract using the Scape National Major Projects Framework for school expansion schemes during 2018.

The Committee heard from Councillor Miles, the responsible Cabinet member for Children and Lifelong Learning, who welcomed the initiative and indicated that the contract would enable a number of schools in Milton Keynes to expand. Works were due to commence in early summer 2017 and programmed completion was expected in September 2018.

The Committee heard from the Capital Programme Director that the two contractors, Willmot Dixon Public & Commercial Limited and Kier Construction Limited were part of the Scape National Frameworks, and both were not only committed to the delivery of building quality works, but also to the delivery of social value by ensuring there was a minimum commitment of spend on local labour. This was in addition to offering Work Experience and Apprenticeships. Both companies had also agreed to pay staff engaged on Milton Keynes projects, the Living Wage.

Councillor Miles reported that the contract would additionally bring work opportunities for Small and Medium Enterprises, and the social value programmes that were being offered by the two contractors were welcomed.

Councillor Miles also indicated that discussions had been undertaken with the schools involved, and it was particularly good to see village schools being expanded. He also reassured the Committee that in respect of secondary education in the Bletchley area, schools would be looked at in more detail and should include feasibility studies.

It was also reported that lessons learned from the process would be reviewed following completion of each scheme/project, and all data collected would also be fed into the Scape led Outcome Review Process. Additionally, performance monitoring information would be obtained through the life cycle of each scheme/project, and would

include how the contractor performed against set Key Performance Indicators and delivery of social value outcomes for Milton Keynes.

RESOLVED -

1. That the commencement of a procurement process using the Scape Major Works framework with Willmott Dixon Public & Commercial Limited for the delivery of the following four schemes be approved:
 - (a) Expansion of The Radcliffe School (Call-Off Ref: CU2521)
 - (b) Expansion of one secondary school in Bletchley by 2FE (Call-Off Ref: CU2522)
 - (c) New 3FE junior school in Shenley Church End (Call-Off Ref: CU2520); and
 - (d) Expansion of Brooklands Farm Primary School by 1FE (Call-Off Ref: CU2519).
2. That Hewitt Freeborn Associates Limited be appointed utilising the Council's Professional Services Framework (Ref: CU2233), to carry out project management and cost consultancy services on these four schemes.
3. That the commencement of a procurement process using the Scape Minor Works framework with Kier Construction Limited for the delivery of the following three schemes be approved:
 - (a) Expansion of St Mary & St Giles CE Junior School by 1FE (Call-Off Ref: CU2516)
 - (b) Extension of the age range of Haversham Village School (Call-Off Ref: CU2518) to provide junior places; and
 - (c) Expansion of Orchard Academy by 1.5FE (Call-Off Ref: CU2517).
4. That Currie & Brown UK Limited be appointed, utilising the Council's Professional Services Framework (Ref. CU2233) to carry out project management and cost consultancy services on these three scheme
5. That the award of contracts to Willmott Dixon Public & Commercial Limited and Kier Construction Limited be approved on condition that their bids comply with the requirement Scape Gateway Review Process (Gateways 1-4 inclusive), and are within agreed project resources.
6. That in the event that in undertaking the Gateway Review Process any of the projects exceed the allocated resources/approved budget, a formal Project Review, including an independent assessment of cost and value for

money will be undertaken by the Project Leader (Capital) and Cost Consultant Partners appointed through the Council's Professional Services framework (Ref: CU2233) and if appropriate approval for additional resources and project award be sought via Cabinet and Procurement and Commissioning in the usual manner.

PC80

EXTENSION OF CONTRACT – HOST ORGANISATION FOR HEALTHWATCH MILTON KEYNES

The Committee considered extending the contract for the Host Organisation for Healthwatch Milton Keynes.

The Committee heard from Councillor Long, the responsible Cabinet member for Health and Wellbeing, who indicated that the contract extension for 1 year, would allow through mutual agreement, Healthwatch Milton Keynes (MK) to become independent of its host, Age UK Milton Keynes.

The Committee heard that Healthwatch (MK) had worked closely with Healthwatch UK for support and advice to help establish itself as a Community Interest Organisation, which would enable it to contract directly with the Council. The Council and citizens of Milton Keynes would gain from the wealth of experience and benefits that were offered by Healthwatch (MK) and being independent, could potentially lead to better outcomes for 2016/17 and the longer term future of the organisation.

The Assistant Director (Joint Commissioning), in response to Councillor Middleton, reassured the Committee that the direct grant from Government was ring-fenced for Healthwatch (MK), as set out in the Health and Social Care Act 2012.

It was reported that Healthwatch(MK) would promote and support the involvement of local citizens in commissioning, provision and scrutiny of local health and social care services within Milton Keynes in meeting principles of the Public Services (Social Value) Act 2012.

RESOLVED -

That the contract for the Host Organisation for Healthwatch Milton Keynes (Healthwatch MK), with Age UK MK be extended for one year to 31 March 2017.

PC81

EXCLUSION OF PUBLIC AND PRESS

That the public and press 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 may consider the Annex to the following report:

Award of Contract –Tier 2 Weight Management Services for Children, Young People & Adults (Ref: PH0112A)

AWARD OF CONTRACT – TIER 2 WEIGHT MANAGEMENT SERVICES FOR CHILDREN, YOUNG PEOPLE & ADULTS (REF: PH0112A)

The Committee considered awarding the contract for Tier 2 Weight Management Services for Children, Young People and Adults.

The Committee heard from Councillor Long, the responsible Cabinet member for Health and Wellbeing, who indicated that the contract was for 3 years and the evaluation criteria tender was set at 40% price and 60% quality.

The Committee also heard that the contract process had been well organised and competitors were provided with sufficient tender process information. Lessons learnt from previous contracts had been built into the new contract, which would deliver an improved service model and include efficiencies and better outcomes by the procurement of one single service.

The Public Health Principal informed the Committee that a market engagement event was held for Providers earlier in the year, 17 Providers had attended, although only 5 Providers had tendered for the contract. It was reported that a number of other events and a public consultation were also held in June 2014, as part of pre-tender process.

Councillor Long suggested that the current procurement process for health and social services be looked at more closely, taking into account all relevant Council policies, and the provisions of the Care Act 2014 and the Public (Social Value) Act 2012.

RESOLVED -

1. That the contract for the provision of Tier 2 Weight Management Services for Children, Young People and Adults be awarded to the tenderer who has scored the highest in accordance with the Most Economically Advantageous Tender Evaluation.
2. That any recommendation to extend this contract be brought back to this Committee for a decision in sufficient time to allow a new procurement exercise to take place if the committee consider it more appropriate.
3. That the Director of Public Health be requested to work with the clients to ensure appropriate and timely feedback was given.
4. That the Director of Public Health be requested to look at the current practice and how best to engage with suppliers for future procurement of Public Health services.

THE CHAIR CLOSED THE MEETING AT 6.19 PM

Minutes of the meeting of **PROCUREMENT AND COMMISSIONING** held on **TUESDAY 5 JANUARY 2016** at 6.22 pm

Present: Councillor Middleton (Chair)
Councillors E Gifford and Legg

Officers: S Gerrard (Interim Service Director [Legal & Democratic Services]), C Southern (Head of Strategic Procurement), A Coleman (Passenger Transport Manager), J Price (Landscape Contracts Manager), L Shepherd (Solicitor) and T Milner (Committee Manager).

Apologies: Councillors Clifton, Long, Marland, Miles and O'Neill.

PC82 MINUTES

RESOLVED -

That the Minutes of the meeting of Procurement and Commissioning held on 1 December 2015 be approved and signed by the Chair as a correct record.

PC83 DISCLOSURE OF INTERESTS

None declared.

PC84 CONTRACT PROCEDURE RULES WAIVED BETWEEN 1 MAY 2015 AND 30 NOVEMBER 2015

The Committee received details of waivers to contract procedure rules between 1 May 2015 and 30 November 2015.

The Committee heard from Councillor Middleton, the responsible Cabinet member for Resources and Commercialism, who indicated that there had been 41 exemptions during the period from May to November 2015, all of which were in line with Section 21 of the Council's Contract Procedure Rules.

RESOLVED -

That the exemptions granted to the Council's Contract Procedure Rules granted since 1 May 2015 be noted.

PC85 EXCLUSION OF PUBLIC AND PRESS

That the public and press 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 may consider the Annexes to the following reports:

- (a) Award of Tender – Emberton Country Park Café Concession (Ref: CU2490)
- (b) Award of Contract – Corporate Advertising and Sponsorship Project 3: Advertising on bus shelters and free standing units (Ref: CU2392C)

PC86

AWARD OF TENDER – EMBERTON COUNTRY PARK CAFÉ CONCESSION (REF: CU2490)

The Committee considered awarding the contract for Emberton Country Park Café Concession.

The Committee heard from Councillor E Gifford, the responsible Cabinet member for Community Services, who indicated that whilst there was a nil cost to the Council, the Council was seeking to provide value for money on the new contract. Additionally, the Council was also looking to enhance the catering facilities at Emberton Park, which would not only benefit the local community, but would also be beneficial to the many visitors that frequent Emberton Park through the year. The Committee was reassured to hear that the preferred supplier had experience in running café's effectively in other areas.

The Committee heard that lessons learnt from the previous contract had been taken into consideration, as well as market engagement that included an open day event for potential tenderers which had been held at Emberton Park café. As part of the new arrangement, the successful tenderer would lease the café and provide their own equipment to their own specification.

RESOLVED -

1. That the contract to refurbish, develop and manage the Café concession at Emberton Country Park, be awarded to the tenderer who has scored the highest in accordance with the Most Economically Advantageous Tender evaluation.
2. That any recommendation to extend this contract be brought back to this Committee for a decision in sufficient time, to allow a new procurement exercise to take place if the Committee consider it more appropriate.

PC87

AWARD OF CONTRACT – CORPORATE ADVERTISING & SPONSORSHIP PROJECT 3: ADVERTISING ON BUS SHELTERS & FREE STANDING UNITS (REF: CU2392C)

The Committee considered awarding the contract for the Corporate Advertising and Sponsorship Project 3 – advertising on Bus Shelters and Free Standing Units.

The Committee heard from Councillor Middleton, the responsible Cabinet member for Resources and Commercialism, who welcomed the new contract which would help generate substantial income for

the Council. The contract term was for seven years which was due to commence from 1 February 2016, and at the discretion of the Council, could be extended for an additional maximum period of three years to 31 January 2026.

It was reported that as part of meeting social value requirements, the successful tenderer indicated that they would seek to employ locally, where possible, and would also work to develop partnerships with local schools and charities.

RESOLVED -

1. That the concession contract for the provision of Bus Shelter and Free Standing Units Advertising be awarded to the tenderer who has scored the highest in accordance with the Most Economically Advantageous Tender evaluation.
2. That any recommendation to extend this contract be brought back to this Committee for a decision in sufficient time, to allow a new procurement exercise to take place if the Committee consider it more appropriate.

THE CHAIR CLOSED THE MEETING AT 6.30 PM

Wards Affected:

Bradwell

**AWARD OF CONTRACT - COMMUNAL HEATING SYSTEM AT RADCOTE LODGE
(REF: CU2455)**

Responsible Cabinet Member: Councillor O'Neil, Cabinet member for Housing & Regeneration

Report Sponsor: Jane Reed, Service Director Housing & Community

Author and contact: Derek Beaumont, Partnering Manager,
Tel: (01908) 253522

Executive Summary:

This report is seeking approval to award the contract to replace the communal heating system at Radcote Lodge sheltered housing scheme. Cabinet previously agreed that the tender could progress on 20 October 2014.

1. Recommendation(s)

1.1 That the Contract for the replacement of the communal heating system at Radcote Lodge sheltered housing scheme be awarded to the tenderer who has scored the highest in accordance with the Most Economically Advantageous Tender evaluation.

2. Context

2.1 In previous years, communal heating systems in sheltered housing have been replaced on a like-for-like basis. In order to further the Council's low carbon strategy, a technical review was undertaken to investigate the options for installing systems using low carbon / renewable energy sources. The review concluded that Radcote Lodge is suitable for the installation of a Combined Heat & Power (CHP) heating system. The principal of CHP is that conventional fuel such as gas is used to run an engine to generate electricity. In a small-scale plant, such as the one proposed here, this electricity is used as the main source of power for the building and the waste heat from the cooling jacket and exhaust is recovered to supply heating and hot water. As a result, overall energy consumption is greatly reduced.

2.2 The cost of the heating plant for CHP is greater than conventional gas-fired boiler but within the overall project, which includes refitting the boiler room controls and pipework, the additional cost of CHP was estimated to be only approximately 10% uplift on costs.

3. **Background**

3.1 Decision to Proceed to Tender. This procurement was approved to proceed to Tender by Cabinet Procurement Committee on 20 October 2014.

3.2 Consultation. The specification was developed using an external consultant.

3.3 Market Engagement and Lessons Learnt.

(a) Before tenders were invited there was a period of market engagement to understand the current appetite for this type of contract.

(b) Lessons learnt from previous, similar schemes have been built into the new contract.

3.4 Tender Evaluation

(a) The contract was advertised on the Council's E-Tendering system on 3 November 2015 and 12 tenders were returned on 24 November 2015. Five tenders were incomplete / non-compliant; the remaining seven were evaluated.

(b) The Tenders were evaluated by a suitably qualified and experienced panel of Building Services technical officers. Moderation of scores and quality assurance of the process was also undertaken. Colleagues within Finance, Legal and Corporate Procurement were engaged to support the tender process.

(c) A summary of the Risk Assessment is set out in section 4.2. The full risk assessment is available on request.

(c) The MEAT evaluation of tenders resulted in the following scores. The actual names of suppliers their pricing and a breakdown of the quality scores are in the Exempt Papers (Annex). The evaluation criteria were weighted to ensure that essential quality aspects of the tender were scored accordingly.

(e) A minimum threshold of 60% (= 24/40) was set in relation to quality questions. Only one bid achieved this score. Feedback will be given to those suppliers that fell below the line to ensure they understand the level required to meet our standards in the future. For comparison, the other bids are shown in the shaded area in the table below.

	Price score	Quality score	Total score	Ranking
Company A	58.83	28.33	87.16	1
Company B	59.44	23.33	82.77	2
Company C	59.18	15.00	74.18	3
Company D	60.00	10.00	70.00	4
Company E	51.99	15.00	66.99	5
Company F	60.00	6.67	66.67	6
Company G	52.79	13.33	66.12	7

- (f) Although the winning bid does not offer the lowest price, the price differential between it and the lowest priced tender(s) is less than 2% in cash terms. The tight pricing between the five lowest priced bids (shown in the Exempt Papers as an Annex) gives confidence that the market is competitive.
- (g) Public Services (Social Value) Act 2012. The winning bidder has made significant commitments regarding the employment of locally based staff and the use of local suppliers. Their bid highlighted a successful record of delivering social value on other projects and cited awards they have won in this field. These issues will be monitored during the contract as part of the outcomes.

3.5 Contract Management

- (f) The contract adheres to the Council's standard terms and conditions for the New Engineering Contract (3rd Edn) (NEC3) Engineering and Construction Short Contract with Z clauses as maintained by the Council's Legal Services team.
- (g) The Senior Client Officer for this contract is the Housing Service Partnering Manager.
- (c) Project management will be carried out using the MK approach with project meetings at weekly intervals. The Council's Project Manager for the contract implementation is the MKC Building Services Head of Major Works.
- (d) The key governance processes include:
- Weekly contract meeting held by the project manager and monthly reviews by the Building Service head of Major Works
 - There will be a 5% retention under the terms of the NEC3 contract
 - Clauses relating to dispute resolution and contract termination are set out within the provisions of the NEC3 contract.

- Asset data will be loaded onto the Building Services Keystone database

4. Implications

4.1 Policy

The award of this contract will progress the following priorities/outcomes within the Corporate Plan 2012/16:

- Occupy fit for purpose housing that meets individual needs

4.2 Resources and Risk

- The costs of the contract are already contained within the Housing capital programme allocation for 2015/16 agreed by Council in February 2015.
- The key OPPORTUNITY secured by this contract is to renew the heating system in Radcote Lodge, whilst giving residents lower heating costs. It is assessed that the delivery of this contract provides a HIGH likelihood that a MEDIUM Impact will secure the opportunity defined.
- The key THREATS for this contract have been assessed as:

Risk	Mitigation	Likelihood (after mitigation)
Work is delayed due to unforeseen circumstances	Ensure sound project planning that can mitigate risks	L
Costs exceed forecast	Ensure robust planning based on thorough investigation and design	L
Poor specification	Use of standard specification produced in conjunction with material suppliers	L
Poor project management	Use of the MK Approach	L
Poor quality workmanship	Use of a robust specification and tight project management	L

The governance measures set out in 3.5 above provide a basis to conclude that these threats, properly managed represent a Low likelihood.

Resources & Risk Implications

Y	Capital	Y	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

The completion of this project will contribute to the reduction in carbon emissions, and reduced costs for residents through the greater efficiency the heating system.

4.4 Legal

- (a) The Council has a discretionary duty to provide housing. If it does it is required under the Housing Act 1985 Part II (as amended) and Landlord and Tenant Act 1985 s11 to maintain such properties in good repair.
- (b) The Contract and its procurement are compliant with the council's contract and finance procedure rules, and UK and European legislation.

4.5 Other Implications

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder
Y	Carbon and Energy Policy				

Background Papers:

Decision to Proceed to Tender: Cabinet Procurement Committee report dated 20 October 2014

Exempt Papers:

Evaluation criteria (Annex)