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**Meeting:** Executive  
**Date:** 13 July 2010  
**Subject:** Day to Day Responsive and Programmed Electrical Maintenance Contract 2010 – 2013  
**Report of:** Councillor Rita Drinkwater - Portfolio Holder for Housing  
**Summary:** The report proposes to award the Day to Day Responsive and Programmed Electrical Maintenance Contract 2010 – 2013.

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**Advising Officer:** Julie Ogle – Director of Social Care, Health and Housing  
**Contact Officer:** Basil Quinn, Asset Manager  
**Public/Exempt:** Public – Exempt Appendix B  
**Wards Affected:** All wards within South of Central Bedfordshire Council  
**Function of:** Executive  
**Key Decision** Yes  
**Reason for urgency/ exemption from call-in (if appropriate)** N/A

#### **CORPORATE IMPLICATIONS**

##### **Council Priorities:**

The award of this contract contributes to Central Bedfordshire Council priorities; “Managing Growth Effectively” and maintaining the asset value of the Council housing stock.

##### **Financial:**

The new contract is to be awarded for 3 years with an option for a 2 year extension. The contract is due to commence on 1<sup>st</sup> September 2010.

Electrical maintenance and rewiring are rolling programmes within the Housing Revenue Account (HRA). The budget for this Contract is contained entirely within the HRA and is £722,000 for 2011/12. This budget provision is split between the Day to Day responsive budget of £368,000 and the HRA Capital programme, where the budget for rewiring is £354,000. If the contract is awarded to Contractor E, as proposed, all expenditure will be contained within the allocated budgets.

It is not possible to quantify the exact saving that will occur as this will depend on the nature of electrical works required; however the awarding of this contract will provide better value for money for the Council in times of financial constraint as tendered rates are slightly lower than current rates. These efficiencies will not be simply a one off saving but will continue annually as long as these contracts are in place.

The full financial evaluation details and explanation is included in the Exempt report Appendix.

**Legal:**

The contract has been tendered in accordance with the Council's Corporate Procurement Rules and the OJEU (Official Journal of European Union) Procurement Legislation.

**Risk Management:**

It is anticipated that contract expenditure will be kept within the agreed budget limits. The contract has customer care and quality requirements to help safeguard disabled clients and the Council.

The risk in not awarding the contract is a new contractor will not be in place for when the current contract ends in August 2010.

**Staffing (including Trades Unions):**

No staff implication, no staff to transfer to the successful contractor.

**Equalities/Human Rights:**

Equality and diversity are key issues for all directorates within Central Bedfordshire Council. We expect our contractors to comply with our Corporate Equalities Policy and incorporate this within their method statements. As part of ongoing contract monitoring arrangements the Council will check that statutory service delivery and employment requirements relating to equality are being met.

**Community Safety:**

No issues to report.

**Sustainability:**

The tendering process included the Central Bedfordshire Council standard assessment against environmental performance.

The quality submissions were judged on the tenderer's environmental management system and specifically whether they were accredited by a third party to BS EN ISO 14000 standard or equivalent.

The criteria also included evidence on their Environmental Performance and any other environmental policies. All materials will be disposed of in an environmentally friendly way.

The recommendations contained in this report will have no significantly adverse environmental implications.

### **Summary of Overview and Scrutiny Comments:**

This report has not been considered by the Overview and Scrutiny Committee.

### **RECOMMENDATION(S):**

**That the Day to Day Responsive and Programmed Electrical Maintenance Contract 2010 – 2013 be awarded to Contractor E.**

### **Executive Summary**

This report outlines the outcome of the tendering process for the Day to Day Responsive and Programmed Electrical Maintenance Contract to council owned housing. The contracts should provide improved value for money for the Council in times of financial constraint and also deliver good quality and customer care for our Tenants.

### **BACKGROUND**

1. The Council is committed to providing a Responsive Electrical maintenance repair service and an annual programme for up grading electrical wiring for it tenants.
2. The existing contract is due to expire on the 31<sup>st</sup> August 2010 and the new contract will commence in September 2010.
3. This contract is funded from the Council's Housing Revenue Account, which is a ring-fenced account, separate from the Council's General Fund. In the medium term, up to 15 years based on the current funding regime, the Council's Housing Revenue Account is financially viable. The award of this contract will support the efficient delivery of the Council's investment programme in Council homes. The efficiency saving achieved through procurement supports the continued viability of the Housing Revenue Account in the medium term.
5. The Standard Award Criteria Evaluation Model is a points system based upon 40% of the marks being awarded for financial submissions and 60% for quality submissions (Quality included 20% for contractor's interviews). The criteria for assessment of quality are specified at Appendix A,
6. The evaluation team for the Day to Day Responsive and Programmed Electrical Maintenance contract comprised 4 officers, the Housing Portfolio Holder, and two tenants. The evaluation team reviewed the Method Statements from each contractor on Friday the 14<sup>th</sup> May 24<sup>th</sup> 2010 and the 3 successful shortlisted Contractors were interviewed on the 4<sup>th</sup> June 2010.

**Appendices:**

Appendix A – Tender Award Criteria for Day to Day Responsive and Programmed Electrical Maintenance Contract 2010 – 2013 in Council owned housing.

Appendix B – Exempt Report to Executive

**Background Papers:** None

## **Appendix A**

**Tender Evaluation Award Criteria for Day to Day Responsive and Programmed Electrical Maintenance Contract 2010 – 2013 in Council owned housing.**

The contract was evaluated and awarded on the basis of 40% for Price and 60% for Quality which included 20% for contractor's interviews.

Tenderers were asked to answer a set of fourteen questions on the key themes surrounding quality as identified in the evaluation matrix and summarised below:

### **Quality of the Organisation**

Tenderers were asked if they are accredited to ISO 9001, and to confirm the quality control processes they would adopt for all stages of the services, from receipt of the initial works order to completion.

### **Detailed Method Statements**

The method statements/service delivery contained the tenderers' proposals for carrying out the services identified in the specification and detailed how they would meet all the contract conditions.

It also included a mobilisation plan and procedures in order to meet the contract start dates. In addition any innovations they would bring to the services, location of their depot, key risks, and methods of contract monitoring were included.

### **Case Studies**

Tenderers were asked to provide two case studies to demonstrate their ability to deliver the contract.

### **Resources and Technical Ability**

Tenderers were asked to provide details of the available resources. These included, working times, holidays and sickness support where needed and arrangements for dealing with additional demand, emergency procedures, the use of sub contractors, and the plans for the recruitment of local labour.

### **Personnel Issues**

Tenderers provided evidence of their approach to staff selection, recruitment and retention, including training, career development, and disciplinary procedures. In addition, their equal opportunities policies and procedures, including any plans for monitoring racial, equality, and ethnic issues were included. All employees working on this contract must have had an enhanced CRB check.

### **Partnering Proposals**

All method statements included the tenderers' proposals for working in an effective partnership with CBC and their customers. This was to consist of the sharing of any efficiency savings, any added value they could bring to the contract, shared budget responsibility, and commitment to community projects.

**Customer Care**

The tenderers' method statements included their policies for dealing with complaints, correspondence, telephone calls etc, as well as their proposed methods for reporting their levels of service back to Central Bedfordshire Council. Full details should be given of their Customer Care policy, in particular plans for dealing with vulnerable customers.

If the Tenderer is a member of a "Considerate Contractors Charter ", then evidence was requested.

**Health and Safety and Environmental Performance**

The tenderers must have included their current Health and Safety and Environmental policies.

They were asked to provide Environmental and Health & Safety Risk assessments, which are specific for this contract and a Construction, Design and Management Health and Safety plan.

If the tenderer is registered to ISO 14000 for Environmental management then evidence should be included.

**Proposed Key Performance Indicators (KPI's)**

Tenderers were asked to provide details of the KPI's to be used for this contract.