

Record of Cabinet portfolio member decision

PROCUREMENT OF ENGINEERING SERVICES DATE OF PUBLICATION – 26 APRIL 2013

- NB: The Head of Legal and Democratic Services must receive a request to call-in this decision by 4.30pm on Friday 3 May 2013.
- Subject to the call-in mechanism this decision will be implemented on Tuesday 7 May 2013.
- The council's cabinet portfolio holder has taken the executive decision outlined below. This decision is published in accordance with the council's procedure rules.

DECISION TAKER	DETAILS OF DECISION
Mrs J Nimmo-Smith	<p>To agree a joint procurement with Vale of White Horse District Council using the open EU tender process for the engineering services framework agreement from 1 October 2013 as required by contract procedure 11, page 234 of the November 2012 constitution.</p>
	<p>Reasons for recommending decision</p> <p>Specification Officers consider that the following changes could be made to the specification in order to reduce the potential cost of a new contract.</p> <p>Remove requirement to have an engineer available at all times at both councils The current specification requires a permanent presence of an engineer to be on site at each of the council offices. Officers consider that this is not required and can be replaced with a requirement to 'provide expert advice by phone and email and be available to meet any person requesting advice at either of the council offices within five working days of the request being made'. The contractor will still be required to react in the case of emergencies or urgent issues within two hours.</p> <p>Remove requirement to monitor income against budget The current specification requires the contractor to 'monitor income and expenditure against budget' for land drainage and housing act works, for both revenue and capital. Officers consider that, as all works orders are raised on Agresso, the council's accountancy software, they can access financial reports and cost centre records themselves and so this requirement can be removed.</p>

DECISION TAKER	DETAILS OF DECISION
	<p>Remove requirement to provide a fixed price for overseeing land transfers</p> <p>The specifications for both South and Vale are not exactly the same. The South contract includes to 'negotiate with developers over the transfer and adoption or acquisition of land' and to approve how the public open space features affects the engineering aspects of the development. This is not part of the engineer's responsibility at the Vale. Officers consider that given the wide variation of work that this could include, it can be removed from the 'fixed' part of the contract and the tenderers be asked to provide an hourly rate to cover this work.</p> <p>Procurement</p> <p>A joint framework agreement with two lots but three separate prices would allow each council to judge the cost effectiveness of either having separate engineering services or having a shared service. Having a discount for a joint contract will allow for the Vale to join the contract at the anniversary of the start date each year over the four years.</p> <p>In 2012 the contract framework was opened to all Oxfordshire councils but this did not make for any savings. The tender this year will be for South and the Vale Council only. A framework agreement has a standard duration of four years.</p> <p>An 'open' process is quicker than the 'restricted' process as it combines the pre-qualification and invitation to tender stages. The tender evaluation will only be done once rather than twice as in the 'restricted' process. A minimum threshold will be set for suppliers at the end of the eligibility and selection stage and only those that pass the threshold will be evaluated in the award stage. The 'open' process is favoured over a 'restricted' process in this case, as contractors can be made aware of the specification from the outset, including any TUPE issues (which caused one contractor in 2012 to drop out at the tender stage). An 'open' process is also the preferred option to government procurement moving forward.</p> <p>The value of the contract over four years for just South (£280,000) is expected to exceed the EU threshold (£173,934), so the contract will need to follow the EU regulations.</p> <p>There will be no obligation on the council to accept any tender price. Officers will provide the cabinet with a further report in August to recommend whether to award a contract or not.</p>
	<p>Alternative option considered</p> <p>Submitting an in-house bid for the provision of engineering services was considered and rejected at this stage, although it may be revisited in the light of the results of the tender process. Officers have also explored the option of joining existing local framework agreements, but there are none that meet the requirements of the councils.</p>

If you have any queries regarding this decision please contact the decision taker above or John Backley john.backley@southandvale.gov.uk, Tel 01491 823518

A copy of the report considered by the Cabinet member is available from Steven Corrigan, Democratic Services Manager, Legal & Democratic Services, 01491 823049, steven.corrigan@southandvale.gov.uk