

Agenda

www.oxford.gov.uk



City Executive Board

Date: **Tuesday 7 May 2013**

Time: **1.30 pm**

Place: **Oxford Town Hall, St Aldate's, Oxford**

For any further information please contact:

William Reed, Democratic Services Manager

Telephone: 01865 252230

Email: wreed@oxford.gov.uk

If you would like help to understand this document please call William Reed, Democratic Services Manager or in advance of the meeting.

City Executive Board

Membership

Chair	Councillor Bob Price	Corporate Governance and Strategic Partnerships
Vice Chair	Councillor Ed Turner	Finance and Efficiency
	Councillor Colin Cook	City Development
	Councillor Van Coulter	Leisure Services
	Councillor Steven Curran	Young People, Education and Community Development
	Councillor Mark Lygo	Parks and Sports
	Councillor Scott Seamons	Housing
	Councillor Dee Sinclair	Crime and Community Safety
	Councillor Val Smith	Customer Services and Regeneration
	Councillor John Tanner	Cleaner, Greener Oxford

HOW TO OBTAIN AGENDA

In order to reduce the use of resources, our carbon footprint and our costs we will no longer produce paper copies of agenda over and above our minimum internal and Council member requirement. Paper copies may be looked at the Town Hall Reception and at Customer Services, St Aldate's and at the Westgate Library

A copy of the agenda may be:-

- Viewed on our website – mycouncil.oxford.gov.uk
- Downloaded from our website
- Subscribed to electronically by registering online at mycouncil.oxford.gov.uk
- Sent to you in hard copy form upon payment of an annual subscription.

AGENDA

PART ONE PUBLIC BUSINESS

Pages

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Board Members are asked to declare any disclosable pecuniary interests they may have in any of the following agenda items. Guidance is contained at the end of these agenda pages.

3 PUBLIC QUESTIONS

When the chair agrees, questions from the public for up to 15 minutes – these must be about the items for decision at the meeting (excluding the minutes) and must have been given to the Head of Law and Governance by 9.30am on a day so that there are at least two clear working days before the meeting (email executiveboard@oxford.gov.uk or telephone the person named as staff contact). No supplementary questions or questioning will be permitted. Questions by the public will be taken as read and, when the Chair agrees, be responded to at the meeting.

4 BUILDING MAINTENANCE AND REPAIR SERVICES - TENDER

1 - 4

Lead Member: Councillor Executive Board Member for Corporate Governance and Strategic Partnerships

Report of the Head of Direct Services

Report of the Executive Director of Community Services

The attached report seeks approval to submit a tender for, and if successful to enter into, arrangements to provide services to SOHA

Recommendation: That the Executive Director Community Services be delegated authority to compile and submit a tender for the supply of services to South Oxfordshire Housing Association (“SOHA”) for responsive and void property building maintenance work; and, in the event that such tender is accepted, to enter into an appropriate contract with SOHA to undertake such work. The proposed contract would follow the principles set out in this report, and would be intended to optimise the contribution to Council overheads while minimising the risk to the Council.

5 FUTURE ITEMS

This item is included on the agenda to give members the opportunity to raise issues on the Forward Plan or update the Board about future agenda items.

6 MATTERS EXEMPT FROM PUBLICATION

If the Board wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, it will be necessary for the Board to pass a resolution in accordance with the provisions of Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

The Board may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART TWO **MATTERS EXEMPT FROM PUBLICATION**

5-12

C1 BUILDING MAINTENANCE AND REPAIR SERVICES TENDER

Not for publication annexes to the report at Item 4.

DECLARING INTERESTS

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licences for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those of the member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

This page is intentionally left blank

To: City Executive Board

Date: 7th May 2013

Report of: Executive Director, Community Services

Title of Report: Proposal to submit a tender to secure external work the South Oxfordshire Housing Association (SOHA) for building maintenance and void property works.

Summary and Recommendations

Purpose of report: To seek approval to submit a tender for, and if successful to enter into, arrangements to provide services to SOHA

Key decision? No.

Executive lead member: Councillor Scott Seamons

Policy Framework: Corporate Plan

Recommendation(s): That the Executive Director Community Services be delegated authority to compile and submit a tender for the supply of services to South Oxfordshire Housing Association ("SOHA") for responsive and void property building maintenance work; and, in the event that such tender is accepted, to enter into an appropriate contract with SOHA to undertake such work. The proposed contract would follow the principles set out in this report, and would be intended to optimise the contribution to Council overheads while minimising the risk to the Council.

1. Introduction

1.1 Following the successful Council 2012 programme the City Executive Board approved a report in September 2011 which set out a framework for expanding income generation through service supply to public sector bodies and charging for discretionary services.

1.2 Since that time ambitious but achievable targets for income generation have been included in the Council's Medium Term Financial Strategy.

1.3 The City Executive Board approved proposals to provide services to public sector bodies and to charge for discretionary services. Where the value did not exceed £100,000 the decision was delegated to officers.

1.4 The report seeks approval to submit a tender and enter into contractual relations where the value of services exceeds that figure.

2 Proposal

2.1 Direct Services would undertake the tender works which are of the same nature as are provided to Council tenants but not including planned works or gas related services. Based on historical values and stock size the tender is likely to have a value of between £1.6 - £2.5 million p.a. over three years.

2.2 There are some 5600 properties over a significant geographical area with clusters around Didcot, Henley, Wallingford and Berinsfield but with some outliers as far south as Newbury and Theale and as far east as High Wycombe.

2.3 Direct Services would set up a separate dedicated team to run and deliver the contracted services but would take advantage of the economies of scale and workload planning afforded by having an existing building services operation.

2.4 The key risk is that the tender contains a number of instances in which a default by the contractor will lead to the payment of liquidated damages, not all of which can realistically be costed exactly. There are many levels of mitigation that could be employed, however, the best is that Direct Services have successfully provided this service to SOHA previously; the Service understands the type and nature of the stock and it is their core business.

2.5 A briefing for members on the commercial opportunities and risks is set out in a separate confidential appendix which is exempt from publication in accordance with Schedule 12A of the Local Government Act 1972 as it discloses information relating to financial or business affairs of the Authority which is commercially sensitive.

3 Legal Implications

3.1 In entering into this arrangement, the Council would be relying on the provisions of s1 Local Authorities (Goods and Services) Act 1970, as SOHA would qualify as a “public body” for these purposes.

4 Financial Implications

4.1 The Council’s Medium Term Financial Plan includes an amount for income derived from trading activity. Direct Services through the use of the Building Services division are deemed to derive the majority of the income included. The income is measured by reference to the amount of contribution to overheads that the trading makes and this contract with SOHA being bid for, makes up a significant part of that figure which is credited to the Councils General Fund. In addition the council has a contingency against unachievement of this additional income.

4.2 As part of the process for the approval of this contract CEB should note not only the increased contribution but also the increase in expenditure and the resultant income which drives this figure together with the additional resources in terms of vehicles and staff.

4.3 Bidding for external contracts does create a certain amount of commercial risk some of which are outlined above and more details included in the attached confidential briefing note. Every effort will be made to mitigate these risks and it is fair to say the Council has some knowledge of the volume and type of work required, having previously undertaken the work.

4.4 However Members should be aware that the risk of underpricing, given the limited amount of information on volume of work that has been given on this contract by the employer, or financial penalties arising from underperformance, is a potential. The impact of this over the 3 year period of the contract would need to be managed by the Council and consequently the council should undertake necessary due diligence before it enters into a formal contract.

5 Equal Opportunities Policies

5.1 All of the Council's policies such as the Oxford Living Wage and Apprenticeships will be applied to the delivery of these services and be costed into the proposal.

6 Conclusion

6.1 Tendering for the provision of these services brings both income opportunities and risk. The Council's approach is to balance this by seeking to achieve a contribution to overheads and ensuring sufficient resources are deployed to mitigate risks. The intention being to provide a tender which is good value and low risk to both the Council and the procuring organisation.

Name and contact details of author:-

Name: Jeff Ridgley

Job title: Business Improvement and Development Manager

Service Area / Department: Direct Services

Tel: 01865 335490 / 07711632281 e-mail: jridgley@oxford.gov.uk

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank