

To: City Executive Board
Date: 14 July 2016
Report of: Head of Direct Services
Title of Report: Award of new Contract for Civil Engineering Plant and NRSWA (New Roads and Streetworks Act) Qualified Labour Hire

Summary and recommendations	
Purpose of report:	To request that the City Executive Board delegate responsibility to the Executive Director, Community Services, to the award a new contract for the Civil Engineering Plant and NRSWA (New Roads and Streetworks Act) qualified labour hire to the Council.
Key decision:	No
Executive Board Member:	Councillor Ed Turner, Deputy Leader of the Labour Group and Board Member for Finance, Asset Management and Public Health
Corporate Priority:	An efficient and effective Council
Policy Framework:	None.
Recommendation: That the City Executive Board resolves to:	
1. Grant delegated authority to the Executive Director, Community Service to award a new contract for the provision of Civil Engineering Plant and NRSWA qualified labour hire to the Council following the completion of a tender process.	

Appendices	
Appendix 1	Initial Equalities Impact Assessment
Appendix 2	Risk Register

Introduction and Background

1. The Civil Engineering Plant and NRSWA qualified labour hire is required to enable Direct Services (Highways) to service the needs of the Council and other external clients during periods of peak workloads and for specialist works. This contract has been extended once and is due to terminate on 31 August 2016. The total value of the contract of a 4 year period is estimated to amount to £2.6 million.

Tender Process

2. In accordance with the UK Public Contract Regulations 2015 tenders were invited using the open tender procedure.
3. Tenders were assessed using the Council's standard evaluation weighting of 60% quality and 40% price. Due to the nature of the projects that Direct Services delivers which utilises these services, and the potential risk for delays due to non-delivery of services from contractors, not having due regard to this in the service requirements and award criteria could have significant implications for the authority in terms of reputation and risk, and supports the higher weighting of quality in this instance.

Financial Implications

4. The new contract will be a call off contract which will not commit the Council to any minimum levels of annual expenditure. However, based on historic data and knowledge of anticipated work programmes the level of expenditure for Civil Engineering Plant and NRSWA qualified labour hire is expected to be approximately £650,000 per annum. Based on a 4 year contract term this equates to a potential total contract spend of £2,600,000. The cost of this call off contract will be funded partly from the income generated by the work won by Direct Services from external organisations as well as work commissioned internally for Council funded projects.

Legal Issues

5. The form of contract will be based on the Council's standard terms and conditions of contract.

Level of Risk

6. The proposed new contract will be a call off contract with no guarantee of any level of spend by the Council.
7. A risk register is attached to this report as Appendix 2.

Equalities Impact

8. An initial impact assessment has been undertaken. As this is a service contract there is a need to ensure that the proposed contractor adheres to equalities legislation; this will be assessed as part of the evaluation process.
9. The initial impact assessment is attached to this report as Appendix 1.

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Background Papers: None