

Nottingham City Council

Commissioning and Procurement Sub-Committee

Minutes of the meeting held remotely via Zoom on 13 April 2021 from 10.02 am - 10.39 am

Membership

Present

Councillor Sam Webster (Chair)
Councillor Cheryl Barnard (Vice Chair)
Councillor Sally Longford
Councillor Adele Williams

Absent

Councillor Eunice Campbell-Clark

Colleagues, partners and others in attendance:

Trevor Bone	- Property Maintenance Manager
Mark Bradbury	- Highways Contracts and Compliance Manager
Councillor Rebecca Langton	- Portfolio Holder for Communities, Highways & Strategic Transport
Jamie O'Malley	- Corporate Communications Manager
Steve Oakley	- Acting Director of Commissioning and Procurement
Ceri Walters	- Head of Commercial Finance
Phil Wye	- Governance Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 22 April 2021. Decisions cannot be implemented until the working day after this date.

43 Apologies for Absence

Councillor Eunice Campbell-Clark – personal reasons

44 Declarations of Interests

Councillor Adele Williams declared an Other Registerable Interest in agenda item 6 (minute 48) because she chairs Thomas Bow City Asphalt's Board of Directors. She left the meeting prior to discussion and voting on this item.

45 Minutes

The Committee confirmed the minutes of the meeting held on 9 March 2021 as a correct record.

46 Voluntary and Community Sector Update

A verbal update document was provided by Celina Adams, Head of Support Services at The Nottingham Community and Voluntary Service (NCVS), along with a written submission which is appended to these minutes.

47 Building Services and Facilities Management Procurement Requirements 2021-2022 - Key Decision

Trevor Bone, Property Maintenance Manager, introduced the report setting out Building Services and Facilities Management (FM) procurement requirements for planned, reactive maintenance and minor works for financial year 2021/22.

Resolved to

- (1) grant authority to procure contracts in line with the annual procurement plan as set out in appendix 1 up to the value of £14.150m;**
- (2) delegate authority to the Strategic Director for Neighbourhood Services to award contracts procured under Recommendation 1 and to approve all call off arrangements under those contracts over a period of four years 2021/2025 to a maximum of £14.150m as set out in appendix 1 of the report;**
- (3) grant a dispensation from contract procedure rule 4.1.1 in accordance with financial regulation 3.29 to make a direct award to Hanovia UV Systems for the sum of £0.048m for the period 2021 to 2025 due to the specialist nature of their asset maintenance and as detailed in appendix 1 of the report;**
- (4) grant a dispensation from contract procedure rule 4.1.1 in accordance with financial regulation 3.29 to make a direct award to Aqua Cool Systems for the sum of £0.015m for the period 2021 to 2025 due to the specialist nature of their asset maintenance and as detailed in appendix 1 of the report;**
- (5) grant a dispensation from contract procedure rule 4.1.1 in accordance with financial regulation 3.29 to make a direct award to Trend BMS Systems for the sum of £0.045m for the period 2021 to 2025 due to the specialist nature of their asset maintenance and as detailed in appendix 1 of the report;**
- (6) approve the proposed expenditure of at least £1.6m of the £3.4m planned maintenance budget for 2021/22 to be spent on services delivered either through in-house provision or Nottingham City Homes.**

Reasons for recommendations:

- There are a number of contracts which the Building Services and Facilities Management department use that are coming to the end of their term in March 2021. The contracts set out in the appendix 1 and require re-procurement to enable Building Services to keep the Council's asset portfolio compliant with regulatory, legislative and insurance obligations. Through the proposed procurement routes the Council can continue to improve efficiency and service of supplier delivery across multiple high risk work streams and improve value for money for Directorates across the Council. Our annual procurement programme has been proven to be the best approach to securing a competent supply chain

with the lowest costs possible.

- This report details how orders are placed with Contractors through the Council's robust systems. To ensure a smooth and timely process for placing orders it is recommended that the Strategic Director for Neighbourhood Services has delegated authority to approve any contracts and call-offs made under frameworks for their duration. No award will be made without evidence that the budget has been approved for the ordered requirement.
- Due to the specialist nature of the asset maintenance requirement provided by Hanovia UV Systems there is considered to be no benefit to the Council to undertake a quotation process as set out at 4.1.1 of the Contract Procedure Rules due to the specialist nature of UV Systems and the lack of alternative services providers within the UK market.
- It has been identified that at least £1.6m of the 2021/22 planned maintenance budget can be delivered through a mixture of in-house services and the Council's company, Nottingham City Homes, which is a company meeting the Teckal exemption requirements under procurement legislation. Contracts to such companies are not subject to the procurement requirements as set out in the Contract Procedure Rules but authority is still required to authorise entering into such contracts.

Other options considered:

- Do nothing and allow contracts to end, which will remove statutory, regulatory and legislative compliancy across the Council's portfolio of assets and increase the risk of prosecution and reputational damage to Nottingham City Council. This option was considered unacceptable and rejected.
- Insource all of the activity covered by the contract areas under consideration for renewal. Due to the complexity and high risks involved with this task including a lack of competency based skills and training, equipment and specialised resource, it was considered unacceptable and rejected.
- Allow Nottingham City Council's directorates to purchase their own asset compliancy services. This is a very high-risk approach to asset safety and compliance across the portfolio and the Council would find it very hard to track actual compliance through our current systems. Such an approach would lead to additional expense and the general safety of the asset compromised. This option was considered unacceptable and rejected.

48 Highway Services 2022-26 Sustainable Procurement Strategy - Key Decision

Councillor Adele Williams declared an Other Declarable Interest in this item because she chairs Thomas Bow City Asphalt's Board of Directors. She left the meeting prior to discussion and voting on this item.

Mark Bradbury, Highways Contracts and Compliance Manager, introduced the report outlining the recommended procurement strategy to deliver highway improvement

schemes up to 2026.

Resolved to

- (1) approve to procure and award replacement Highways Framework Agreements in-line with Public Procurement Regulation 2015, as set out in the report;**
- (2) approve to procure and award specialist highway contracts in-line with Public Procurement Regulation 2015, as set out in the report;**
- (3) delegate authority to the appropriate manager in-line with Financial Regulations, to call off from the Framework Agreement/s over the 4 year period 2022 – 2026.**

Reasons for recommendations:

- Renewing the Highway Framework in collaboration with Derby City Council will deliver an environmentally sustainable solution for delivering highways maintenance and construction across Nottingham city reducing carbon emissions, result in reduced costs of procurement by collaborating with DCC on required tender documentation and sharing technical resources, and offer a value-for-money delivery model with no fixed financial commitment to use the framework.
- Procuring specialist highway contracts will enable the delivery of grant funded schemes in line with the timescales of the award, offer a value-for-money delivery model with no fixed financial commitment to use the framework, and provide opportunities for local Small to Medium Enterprise (SME) companies to tender for the work, with the potential for a local workforce either through direct employment or through regional SME sub-contractors.
- To enable the relevant manager to award of works to the value of their approval level under NCC financial regulations.
- Highway Services has successfully adopted this mixed approach to the delivery of highway design and construction which utilises the Council's own skilled workforce and procured specialists and contractors.
- This delivery model has a number of additional benefits including strong links to the Council's corporate value and objectives, a highly flexible and responsive structure to accommodate short term changes to design programmes, and local knowledge available in the planning and assessment of proposed works.

Other options considered:

- Don't renew - Not having a framework agreements in place will adversely affect NCC's ability to engage with private sector contractors to deliver both routine and reactive highway maintenance, as well as highway works as part of the LTP and other capital funding.

Jamie O'Malley, Corporate Communications Manager, introduced the report requesting authority to undertake a compliant open tender process to set up a new framework contract to undertake the Authority's external design and printing requirements.

Resolved to to undertake a compliant tendering process for the procurement of a multi-supplier framework for design and print services, through the Council's tendering system, noting that this framework is for four years and has an estimated value of £3,000,000.

Reasons for recommendations:

- This council wide design and print framework will continue to seek to include the requirements of Nottingham City Homes together with the design and print requirements across the City Council and other Council owned companies during the four year period. A single corporate design and print framework will also facilitate the overall embedding of the corporate standard for design and print across the Council. It will also help to reduce design and print production where possible by working in a more efficient manner with suppliers (such as combining orders and requests where possible.)
- The procurement process also has the potential to increase opportunities for local suppliers as far as the procurement rules allow. The framework is to be divided into a number of lots for differing design and print requirements. This is a method of making the requirement more attractive to small and medium, enterprises (SMEs).

Other options considered:

- Do nothing - It is necessary to have a design and print framework so Nottingham City Council can benefit from value for money that the framework offers. The option of not having a design and print framework would be inefficient for the Council and would not provide consolidation of aspects like bus literature, vehicle graphics and lamppost banners. It is also a legal requirement to have such a framework.