

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3778
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Department:	Commercial and Operations
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Subject: Thorough inspections on high risk assets for insurance purposes

Total Value: £220,000 (Type: Revenue)

Decision Being Taken: To approve spend for thorough inspections on high risk assets such as passenger lifts, pressure systems and exhaust and ventilation systems which are applicable under Lifting Equipment and Lifting Equipment Regulations (LOLER), Pressure Systems Safety Regulations (PSSR) and Local Exhaust Ventilation (LEV) regulations.
To procure these services as part of the lifts and disabled access equipment tender which is currently being prepared in conjunction with procurement services, approval for the lifts element already granted, LOLER is in addition to this.
Anticipated spend is circa £55k per year on a four year procurement cycle, start date 1st April 2020 contract to be awarded on a 2+ 1+ 1 period.

Reasons for the Decision(s) Insurance services do not have the capacity to undertake and manage this workload therefore have requested that building services procure this mandatory insurance service and manage it on behalf of the organisation so that Nottingham City Council is statutory compliant.

Other Options Considered: 1. Do nothing: this is not possible as we are legally required to undertake these inspections, if we did not then Nottingham City Council would be placing citizens and colleagues at risk and our reputation will be damaged and be seen to be a poor landlord whilst breaching our statutory duties. This will lead to an increase in insurance premiums and potentially liable cases.
2. Leave with insurance who do not have the capacity to undertake this work load, therefore additional staffing costs would be required to undertake this function.

Background Papers:

Published Works:

Affected Wards:

Citywide

Colleague / Councillor Interests:

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

Nottingham City Council has a statutory responsibility to undertake these inspections.

Equality:

EIA not required. Reasons: EIA is not required for inspection services as they are continuation of an existing service.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

31/01/2020

Advice Sought:

Legal, Finance, Procurement, Building Services

Legal Advice:

Legislation requires the Council to ensure the safety of high risk assets such as lifting, ventilation and pressure assets. It is proposed that the inspection of such assets now sits within the lifts and disabled equipment contract which is due to be tendered. Previously the inspections were undertaken through a separate contract managed by the Council's insurance team.

There are no legal concerns arising from the decision and it can be supported by Legal Services. Advice provided by Naomi Vass (Senior Solicitor) on 08/01/2020.

Finance Advice:

This decision seeks approval to procure thorough inspections to NCC's high risk assets. The length of the contract, starting April 1st, is expected to be 4 years on a 2+1+1 basis. The value of this decision and contract is expected to be £55k annually, equating to £220k over the 4 year period.

The thorough inspection on high risk asset work was formerly managed and procured by the Insurance team within S&R but will now be managed and procured by Building Services within C&O. There is existing base budget for this contract across multiple departments in services across NCC. No financial pressure is expected as a result of this decision, providing cost are contained within the £55k annual amount.

There is a need following the transfer of this piece of work from S&R to C&O to relocate where the budgets sit in departments. Currently they contained within the wider Insurance recharge budget across all departments however an exercise needs to be undertaken to split this £55k budget from Insurance budget and create an specific inspection budget line. There will be no financial impact to departments in doing this.

Advice provided by Philip Gretton (Finance Analyst) on 07/01/2020.

Building Services Advice:

Building Services have no issues with this project as they are leading on it. Advice provided by Trevor Bone (Property Maintenance Manager) on 01/11/2019. Updated comment 23/12/19: by David King (Head of Services for FM & Building Services). Building Services very supportive of this work and playing a lead role in its delivery.

Procurement Advice:

No procurement issues with the decision being sought. The Procurement Team will work with the service to ensure that any contractors engaged are appointed in compliance with Contract Procedure Rules. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 25/10/2019.

Confirmation that the original Procurement advice remains valid. Updated by Jonathan Whitmarsh on 20/12/2019.

Signatures

Sally Longford (PH for Energy, Environment and Democratic Services)

SIGNED and Dated: 24/01/2020

Andy Vaughan (Corporate Director Commercial and Operations)

SIGNED and Dated: 13/01/2020