

SURREY COUNTY COUNCIL

CABINET

DATE: 23 SEPTEMBER 2014

REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER: JULIE FISHER, STRATEGIC DIRECTOR BUSINESS SERVICES

SUBJECT: BUSINESS REMOVALS SERVICE



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SUMMARY OF ISSUE:

The Council has a requirement for Business Removal Services. This requirement is covered by the current contract which expires on 30 September 2014. It is therefore necessary to award a new contract, following a procurement activity Harrow Green have been selected to provide Business Removal Services, starting on 1 October 2014.

Due to the commercial sensitivity involved in the contract award process, the details of the evaluation process and scores, as well as full financial details are included as confidential information in the Part 2 report to demonstrate why the proposed contract delivered best value for money.

RECOMMENDATIONS:

It is recommended that, following consideration of the results of the procurement process in Part 2 of the meeting (as required), the award of a contract to Harrow Green be agreed, on the basis set out in the Part 2 report.

REASON FOR RECOMMENDATIONS:

The existing contract will expire on 30 September 2014. A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

DETAILS:

1. Currently typical Business Removal Services within SCC range from simple 'man and a van' collections and deliveries to large scale office relocations. Moves are undertaken mainly on weekdays during office hours but the option for out of hours work will be required. Moves normally take place within and between all sites occupied by SCC both within the County boundaries of Surrey and also at SCC HQ based in Kingston upon Thames.

2. This report recommends that a framework for the provision of Business Removal Services to commence on 1 October 2014 is awarded to Harrow Green and together with the Part 2 report, demonstrates why the recommended contract award delivers best value for money for Surrey County Council.

Background and options considered

3. The existing contract for the provision of Business Removal Services will expire on 30 September 2014. A full tender process, compliant with the European Public Procurement Regulations and Procurement Standing Orders, has been carried out following the receipt of authority from Procurement Review Group (PRG) on 8 July 2014. This included advertising the contract opportunity in the Official Journal of the European Union (OJEU) on 11 February 2014.

Procurement Strategy

4. Several options were considered when completing the Strategic Sourcing Plan (SSP) outlining the best route to market, before starting the procurement activity. These were to utilise the current ESPO (Eastern Shires Procurement Organisation) framework, deliver in house solution, revert to the previous 'man with a van' solution and run a full OJEU tender exercise to award a framework that is also accessible by Districts and Boroughs and other Councils within the SE7 region.
5. After a full and detailed options analysis it was decided to invite tenders as this demonstrated best value for money and would deliver the most suitable delivery solution for Surrey County Council.
6. A joint Procurement and Project team was set up to including representatives from Procurement and Property.

Use of e-Tendering and market management activities

7. In order to open the tender process to a wider range of suppliers than have previously been involved, an electronic tendering platform was used, Intend.
8. Use of the electronic tendering systems represents a major change from previous paper based processes and introduced a competitive process that was open and transparent to all involved.
9. Last time expressions of interest were sought for this requirement a total of 7 number of suppliers responded. Through the market stimulation activities completed during the planning phase of the procurement process, a total of 14 number of suppliers responded.

Key Implications

10. By awarding a contract to Harrow Green for the provision of Business Removals Services to commence on 1 October 2014, the Council will be meeting its duties and ensuring business continuity and staff needs are met during office removal projects.

11. The management responsibility for the contract lies with the Property Service Contract Manager and will be managed in line with the Contract Management Strategy and plan as laid out in the contract documentation which also provides for review of performance and costs, including inflationary increases.

Competitive Tendering Process

12. The contract has been let as a competitive tendering exercise. It was decided that the open process was appropriate because it encouraged a wider range of applicants and reduced the tendering timescales.
13. The procurement activity included a Pre-Qualification stage, where suppliers expressing an interest in the advertised tender opportunity were evaluated to ensure that they had the legal, financial and technical capacity (including their health & safety, equal opportunities policies and social value) to undertake the contract for the Council. The results of this process were that of the all suppliers who expressed an interest were included in the tender evaluation stage.
14. An invitation to tender was sent to these 14 suppliers, who were given 40 days to complete and submit their tender. These tenders were then evaluated against the following criteria and weightings, the results being that Harrow Green scored highest.

RISK MANAGEMENT AND IMPLICATIONS:

15. The contract is a framework that does not commit the Council to any volumes of spend. This will allow the Council to cease using the contract should priorities change or funding no longer be available.
16. All short listed tenderers successfully completed satisfactory financial checks as well as checks on competency in delivery of similar contracts at the Pre-qualification stage.

Section 151 Officer Commentary

17. The cost of approving the recommended supplier to deliver the likely level of moves is provided for in the current Medium Term Financial Plan.

Legal Implications – Monitoring Officer

18. The Council has undertaken a competitive procurement exercise in accordance with the EU procurement regulations, to engage the supplier for business removals services. The framework agreement offers the Council various measures of protection, including a requirement that the supplier subscribes for public liability insurance cover at £10,000 000.

Equalities and Diversity

19. The project team agreed that a formal EIA would not be required on this occasion as the services to be provided within the Council commercial buildings and will not impact on members of the public or staff.
20. The framework agreement which the supplier will sign stipulates that the supplier will comply with all relevant equality and diversity legislation (including

the Equality Act 2010) whilst performing the services. The framework agreement also requires the supplier to comply with the Council's Recruitment and Selection and Safer Recruitment policies when dealing with safeguarding responsibilities for vulnerable children and adults implications.

Other Implications:

21. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	With regard to the supplier's personnel who potentially may participate in providing these services to school premises or which may otherwise involve contact with children including Looked After Children, the Council has reserved the right in the framework agreement to require the suppliers to ensure that all its personnel engaged in the provision of the service have been checked with the Disclosure and Barring Service (DBS) and received a clear Enhanced Disclosure Certificate. The Council may require persons employed or otherwise engaged by the suppliers to undertake other security checks in accordance with the Council's vetting procedures.
Safeguarding responsibilities for vulnerable children and adults	With regard to the supplier's personnel who potentially may participate in providing these services to premises or which may otherwise involve contact with vulnerable children and adults the Council has reserved the right in the framework agreement to require the suppliers to ensure that all its personnel engaged in the provision of the service have been checked with the Disclosure and Barring Service (DBS) and received a clear Enhanced Disclosure Certificate. The Council may require persons employed or otherwise engaged by the suppliers to undertake other security checks in accordance with the Council's vetting procedures.
Public Health	No significant implications arising from this report

Climate change	Supplier operates zero landfill
Carbon emissions	The supplier's vehicles meet council targets on emissions and they are opening a depot in Guildford so travel distances will be reduced.

Climate change/carbon emissions implications

Framework will require recycling and reuse of redundant items or donation to charity to meet zero land fill targets

IT components will be recycled

Supplier will be asked about the make and model of fleet, the fuel type used and the CO2 emissions and will be opening a depot in Guildford.

WHAT HAPPENS NEXT:

The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (including 'call-in' period)	2 October 2014
Standstill Period	12 – 22 September 2014
Contract Signature	29 September 2014
Contract Commencement Date	2 October 2014

The Council has an obligation to allow unsuccessful suppliers the opportunity to receive a debrief and have the opportunity to challenge the proposed contract award before the contract is entered into. This period is referred to as the standstill period.

Contact Officer:

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Annexes:

None

Sources/background papers: None

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