

SURREY COUNTY COUNCIL**CABINET****DATE: 17 DECEMBER 2019****REPORT OF: MR MATT FURNISS, CABINET MEMBER FOR HIGHWAYS****LEAD OFFICER: GILL STEWARD, INTERIM EXECUTIVE DIRECTOR FOR COMMUNITY PROTECTION, TRANSPORT AND ENVIRONMENT****SUBJECT: APPROVAL OF COMMISSIONING AND PROCUREMENT STRATEGY FOR THE COUNTRYSIDE WORKS FRAMEWORK RE-PROCUREMENT****SUMMARY OF ISSUE:**

On 24 September 2019 Cabinet approved the Interim Annual Procurement Forward Plan (minute ref 158/19) and reserved the commissioning and procurement strategy for the new Countryside Work Framework for review by Cabinet.

The current Countryside Works Framework is used by Highways and Countryside to provide services for the maintenance of Surrey's countryside.

The Framework Agreement is due to expire on 31 March 2020 and a replacement Agreement is required to enable continued provision of these services.

RECOMMENDATIONS:

It is recommended that Cabinet approve the commissioning and procurement strategy developed by Highways, Countryside and Procurement for the re-procurement of the Countryside Works Framework Agreement.

REASON FOR RECOMMENDATIONS:

We are requesting approval of the commissioning and procurement strategy for the Countryside Works Framework Agreement to enable Highways and Countryside to continue providing the services required to maintain Surrey's countryside in accordance with the relevant procurement regulations.

DETAILS:

1. Highways and Countryside are responsible for the maintenance of Surrey's countryside. The value of these services is estimated at £12 million over four years. The services include statutory maintenance and responsive repairs as they arise.
2. The framework will enable the county council to commission grass cutting, arboriculture, weed control, ditching and vegetation clearance. For the Rights of Way network, this will include Minor Structures Maintenance.
3. The existing Framework Agreement expires on the 31 March 2020.

4. The current Framework Agreement was reviewed in conjunction with the discussions on the future delivery of general highways works and a decision has been made that the framework is the most efficient way to deliver these services.
5. The new framework will be split into six lots. These are countryside, local highways, arboriculture, weed control, grass cutting and Basingstoke Canal works.
6. An open competition through an OJEU (Official Journal of the European Union) compliant process will be followed.
7. There is no guaranteed minimum value of spend or volume of work.
8. A Framework Agreement will be awarded for four years.
9. The Framework Agreement will be accessible by the District and Borough Councils in Surrey and Surrey Wildlife Trust to enable collaboration on the delivery of relevant services.
10. The revised specification for works in the framework takes into consideration the county council's green agenda. This includes options for reducing conventional herbicides and the promotion of verge side pollinators.

CONSULTATION:

11. The decision to re-tender was arrived at in consultation between Highways, Countryside and Procurement.

RISK MANAGEMENT AND IMPLICATIONS:

12. This agreement does not commit the council to purchase any works or services. Commitment to purchase will only be made by the council when it enters into legally binding individual contracts under the terms of the Countryside Works Framework Agreement.
13. The agreement includes a three months' notice termination clause.
14. The winning contractors will have satisfied financial checks as well as checks on competency in delivery of similar contracts during the evaluation of the tenders. The Contract Manager will be carrying out financial and insurance checks regularly in order to ensure that the individual contractors meet the minimum criteria during the life of their contract.
15. As this Countryside Works Framework Agreement will exceed £2 million in value the tenderers will be requested to provide security for performance in accordance with the Procurement and Contract Standing Orders.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

16. Control will be exercised over expenditure linked to available delegated budgets.
17. The frameworks will provide rates for routine works but any significant work packages will go through a further competitive process, using approved contractors from the framework as a select tender list.
18. The expected contract value over the maximum four year validity of the contract is approximately £12 million.

SECTION 151 OFFICER COMMENTARY

19. Although significant progress has been made over the last 12 months to improve the council's financial position, the medium-term financial outlook is uncertain as it is heavily dependent on decisions made by central government. With no clarity on these beyond 2020/21, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
20. This procurement exercise is required in order to set up a new procurement framework in advance of the existing framework's expiry end of March 2020. This will enable the continuation of required countryside works, whilst ensuring updated value for money has been sought.
21. The resulting framework does not commit the council to any contracts. These will be entered into separately as individual contracts are awarded.
22. The Section 151 Officer supports the recommendation.

LEGAL IMPLICATIONS – MONITORING OFFICER

23. The council is under several legal duties to maintain access to the countryside. These duties include preservation of suitable access for rights of way and general health and safety requirements while on the Countryside Estate.
24. For works of the value anticipated in this procurement, the council must comply with the Public Contracts Regulations 2015 (PCRs) and the council's own Procurement and Contract Standing Orders (PCSOs). The letting of a multi-supplier framework through an advertised process will satisfy the requirements of both the PCRs and the PCSOs.
25. In taking this decision, Cabinet should be cognisant of its fiduciary duties to Surrey residents to ensure the effective delivery of council services while maintaining a balanced budget.

EQUALITIES AND DIVERSITY

26. All works carried out will be compliant with the Equalities Act 2010.
27. Bidders will be required to deliver social value in accordance with the Orbis Social Value Measurement Charter. This will result in employment, training and apprenticeships opportunities for residents.
28. The Contract Manager will be responsible for ensuring that the winning contractor delivers the agreed level of social value as part of their overall performance duties.

WHAT HAPPENS NEXT:

29.
 - a. Tender for the requirement to be published: 18 December 2019
 - b. Tender for requirement to close 27 January 2020
 - c. Evaluation complete: 26 February 2020
 - d. Award of agreement granted by approval of the Interim Procurement Forward plan as long as the value is +/- 5% of the agreed budget

- e. Standstill Period: 6 March to 16 March 2020
- f. Agreements issued and signed by both parties: 17 March 2020

Contact Officer: John Lawlor, Local Delivery Manager,

Contact details: Email: john.lawlor@surreycc.gov.uk Tel: 01483 518295
