

REPORT TO: CABINET

DATE: 24 MARCH 2022

TITLE: CONTRACT AWARD – MECHANICAL AND ELECTRICAL PLANNED AND REACTIVE MAINTENANCE AT THE LATTON BUSH CENTRE AND CIVIC CENTRE

PORTFOLIO HOLDER: COUNCILLOR JAMES LEPPARD, PORTFOLIO HOLDER FOR FINANCE

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This is a Key Decision

It is on the Forward Plan as Decision Number I012926

Call-in Procedures may apply

This decision will affect no Ward specifically.

RECOMMENDED that

- A** A facilities management services contract is entered into with HTS (Property & Environment) Limited (HTS) for a period of three years, with an option, at the sole discretion of the Council, to extend that contract by a further two years.
- B** Delegated authority is given to the Director of Housing, in consultation with the Portfolio Holder for Finance, to make the necessary legal and financial arrangements to award the contract.

REASON FOR DECISION

- A** To put in place the necessary contractual arrangements commencing 1 July 2022 to ensure that the Civic Centre and Latton Bush Centre are appropriately maintained in line with statutory requirements and best practice.

BACKGROUND

1. In July 2018 a Facilities Management (FM) services contract was entered into with HTS to provide mechanical and electrical (M&E) planned and reactive maintenance services at the Civic Centre and Latton Bush Centre. That contract was extended for one year and is now due to expire 30 June 2022. Services under that existing contract include, but are not limited to:-
 - a) Planned maintenance;
 - b) Lightning conductors testing and maintenance;
 - c) PAT testing;
 - d) Provision of fire extinguishers, maintenance and testing;
 - e) Provision of security alarms maintenance and testing;
 - f) Provision of automatic doors, maintenance and servicing;
 - g) Reactive repairs and maintenance;
 - h) Statutory testing.

ISSUES/PROPSALS

2. In anticipation of the existing contractual arrangement expiring a formal performance review has been carried out to confirm value for money, following which, on the Council's invitation HTS have submitted a new 'business case' proposal for the delivery of the services from 1 July 2022.
3. HTS's business case submission has been evaluated by officers who have concluded that:-
 - a) HTS hold the required qualifications and have the relevant experience and capacity to deliver the services; and
 - b) HTS's proposed pricing structure represents lawful and proper value for money.
4. It is also noted that under the existing FM services contract, the services have been provided to the satisfaction of the Council.
5. The proposed contract term is three years commencing 1 July 2022, with an option, at the Council's discretion, to extend for a further two years. Under the proposed contract it is intended that additional similar M&E works and services may be awarded at the sole discretion of the Council, subject to a value for money assessment being carried out. Where appropriate, the Council may market-test or benchmark reactive maintenance services to demonstrate best value.
6. The contract value under the proposed new agreement is £85,520.40pa, with an annual uplift aligned with inflation, plus additional costs for reactive maintenance to the extent that this may be required. The proposed form of agreement is the JCT Measured Term Contract 2016 as amended by Harlow Council.

7. The Council is able to award the proposed contract to HTS as it exercises control over the company similar to that which it exerts over its own departments. This control exempts the Council from the usual public procurement rules.

IMPLICATIONS

Strategic Growth and Regeneration

None specific.

Author: Andrew Bramidge, Director of Strategic Growth and Regeneration

Finance

As set out within the report. The costs of the contract are contained within the approved council budgets.

Author: Simon Freeman, Director of Finance and Deputy to the Chief Executive

Housing

As outlined in the report.

Author: Andrew Murray, Director of Housing

Communities and Environment

None specific.

Author: Jane Greer, Director of Communities and Environment

Governance and Corporate Services

As outlined within the report.

Author: Simon Hill, Director of Governance and Corporate Services

Glossary of terms/abbreviations used

FM – Facilities Management

HTS – HTS (Property and Environment) Ltd

M & E – Mechanical and Electrical