

Project Appraisal and Scrutiny Committee Recommendation

Project Name	Water Hygiene Contract 2013-16
Committee	Housing Management Board
Portfolio	Housing
Committee Date	27 th September 2011
Executive Councillor	Cllr Catherine Smart
Lead Officer	Jenny Gibson

Recommendation/s

Recommendations:

- The Executive Councillor is asked to authorise the carrying out of a two-stage procurement process and to delegate authority to the Director of Resources to award a Corporate contract for Water Hygiene services for a period of three years with the option to extend by two years.

1 Summary

1.1 The project

The Council's current water hygiene services contract comes to an end on 31st March 2013 and the Council therefore needs to appoint a new contractor to deliver:

- Water hygiene assessments and re-assessments
- A water hygiene control programme.

The project will be to carry out a two-stage procurement to award a new corporate contract. It is proposed that the council will procure a framework contract with 3 suppliers that will be made available to other public bodies or housing providers in the County/Region.

The City Council's contract for services will be awarded to the company scoring the highest marks in the procurement process. Any future call offs by the Council and those by other authorities will be the subject of a mini-tendering procedure among all suppliers on the framework.

1.2 Estimated Cost of the Service

Revenue Cost

Year 1	£49,000
Years 2 -5	£ 49,000
Estimated maximum total value of contract over 5 years	£245,000

1.3 The Procurement

It is proposed that the City Council will run a joint procurement process with the County Council, with the City Council leading. Other interested parties (at the moment South Cambs, Papworth Trust but potentially others) will be asked if they wish to join the procurement process.

It is envisaged that there will be a two-stage tender process leading to the establishment of four year framework contract.

The opportunity will be advertised in the Official Journal of the European Community (OJEU) as required by the Regulations and on the Council's website and Source Cambridgeshire.

The Procurement will comply with the council's constitution and the corporate procurement Officer will be a member of the project team.

1.4 What are the aims & objectives of the project?

The aim of the project is to appoint a contractor to ensure that the City Council manages water systems in housing and other

Council buildings to a high standard and in accordance with the relevant best practice and legislation .A clear audit trail of quarterly water sampling reports and assessments will provide evidence of the Council's compliance with legislation. By good management of the water systems the risks of contracting legionnaire disease and associated illnesses will be reduced.

1.5 Summarise the major issues for stakeholders & other departments?

The contract will be a corporate contract, allowing all departments within the council to use the same contract. The majority of departments have been working in this manner for the last 3 and half years and this has been very successful.

Having a framework in place will allow other partner authorities named in the OJEU notice to select via mini-competition the most appropriate contractor for their needs and also would leave pre-qualified contractors in reserve in case that any contractor procured failed

1.6 Summarise key risks associated with the project

The main risk associated with this project is a failure by the Council to appoint a competent contractor. This can be managed and mitigated by ensuring that a clear and accurate specification describing the services required is written backed up by suitable terms and conditions and that the evaluation process is thorough. Evidence of bidders holding appropriate registration and qualifications and having appropriate experience will be examined during the pre-qualification phase. Only appropriately qualified and experienced bidders will be invited to submit tenders for the second phase of the tender process.

1.7 Financial implications

a. Appraisal prepared on the following price base: 2010/11

Whilst the monthly monitoring costs can be predicted with accuracy, as there is also a reactive element to the works. The

reactive element of the works is extremely difficult to predict with any accuracy. The reactive element of the works have reduced over a number of years however with the wrong weather conditions (fluctuating very high temperatures) these could increase.

b. Other comments

1.8 Revenue costs

(see also Appendix B for spread across financial years)

(b) Revenue	£	Comments
Housing	18,000	
Community Development	6,000	
Property Services	10,000	
Arts & Recreation	12,000	
Risk Assessment/re-assessment	3,000	
Total estimated annual revenue Cost	49,000	

1.9 VAT implications

There are no adverse VAT implications associated with this Procurement exercise.

1.10 Other implications

None

1.11 Estimate of staffing resource required to deliver the project

The resources required to deliver this contract will remain unchanged from the 2008-2013 Contract.

Duty Holders are based within each service area and are responsible for their own service area, corporately the repairs and maintenance team within the City Council leads and co-ordinates the contract.

1.12 Identify any dependencies upon other work or projects

None

1.13 Background Papers

*Health & Safety At Work Act
L8 ACOP for Legionella Control*

1.14 Inspection of papers

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