

Finance and Resources Committee

10.00am, Thursday, 29 October, 2015

Extension of Contingency Framework Agreement for Snow and Ice Maintenance

Item number	7.13
Report number	
Executive/routine	
Wards	All

Executive summary

This report seeks approval from the Finance and Resources Committee to extend the Contingency Framework Agreement for Snow and Ice Maintenance to 30 April 2016, up to a value of £900,000.

On 30 August 2011 the Finance and Resources Committee approved the award of a four year Framework Agreement to clear snow and ice from Edinburgh's pavements and public open spaces, supplementing winter maintenance services on a contingency basis. Winter Maintenance is primarily delivered by internal Council services, and this Framework Agreement expired on 21 September 2015 with no spend having been made over the four year period. A new contingency contract will be procured through a competitive tender process to be in operation for Winter 2016/17.

The Contract Standing Orders (CSOs) state that, for services in excess of £25,000, a public advertisement followed by an invitation to tender should be carried out before the award of contract. Under Paragraph 9, the CSOs can be waived if justified as a legislative exemption, or in the Council's best interests. It is considered that a waiver is justified in the Council's best interests, to ensure contingency measures are in place should additional winter maintenance services be required.

Links

Coalition pledges	P30 , P44
Council outcomes	CO19 , CO22 , CO25
Single Outcome Agreement	SO1 , SO4

Extension of Contingency Framework Agreement for Snow and Ice Maintenance

Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves an extension to the contingency Framework Agreement with Assist Managed Services Limited, Premier One (Land Services) Limited, Lightways (Contractors) Limited and M&M Road Surfacing Limited for the clearance of snow and ice from Edinburgh's pavements and public open spaces to 30 April 2016, up to a value of £900,000.

Background

- 2.1 Winter Maintenance is currently carried out by internal Council services including Road Services, Task Force and Grounds Maintenance teams. Following the harsh weather conditions experienced over the winters of 2009/10 and 2010/11 it was recognised that a contingency framework was required to manage additional snow and ice maintenance when internal Council services are operating at capacity.
- 2.2 On 30 August 2011, the Committee approved the award of a Framework Agreement to clear snow and ice from Edinburgh's pavements and public open spaces for a period of four years.
- 2.3 The Framework Agreement was originally valued as up to £3.6M or £900,000 per annum, based on the estimated cost of all the contractors being required for the normal duration of the winter period (October to March).
- 2.4 During the life of the Framework Agreement, the requirement for the clearance of snow and ice did not arise and, therefore, no costs were incurred, however, the value of the extension over a winter period should be estimated at a maximum of £900,000.

Main report

- 3.1 This Framework Agreement expired on 21 September 2015. Due to staff turnover within the relevant services and the contract being awarded prior to consolidation of the Council-wide Contract Register, the contract expiration was not anticipated leaving insufficient period for competitive tender prior to the winter period. Recent improvements to compliance and oversight of contracts, through a more comprehensive Register and regular service review, now support a more proactive approach to procurement planning. This extension will allow time to procure and award a new Framework Agreement to be in operation for winter 2016/17 and subsequent years.
- 3.2 Procurement legislation allows for direct award of a contract in emergency situations, however it is considered to be best practice to ensure that overarching contingency arrangements are in place to minimise risk. The contingency contract is a significant part of the Council's Corporate Severe Weather Plan due to the additional support being potentially utilised to assist Council-wide services.
- 3.3 The Framework Agreement makes provision for an emergency 12-hour response and for contractors to carry out severe weather operations seven days a week and through holiday periods over the course of the entire winter period.
- 3.4 The extension to the Framework Agreement will be managed through Services for Communities' Road Services and will supplement the Council's severe weather operations, including support for Children & Families and Health and Social Care.
- 3.5 The Framework Agreement has a call-off list of four contractors. The contractor with the lowest price will be offered the snow and ice clearing duties in the first instance. Thereafter, if there is a requirement to increase resources, the second lowest contractor will be approached to carry out services, and so on. Contractors are aware that inclusion on the Framework Agreement does not guarantee any work and that the Framework Agreement will be used at the sole discretion of the Council.
- 3.6 The evaluation of the Framework Agreement resulted in the following rankings:

Ranking	Contractor
(1)	Assist Managed Services Ltd
(2)	Premier One (Land Services) Ltd
(3)	Lightways (Contractors) Ltd
(4)	M&M Road Surfacing Ltd

Measures of success

- 4.1 An extension to the Framework Agreement will make provision for an emergency 12-hour response and for contractors to carry out severe weather operations seven days a week and through holiday periods. This will supplement the winter maintenance service provided by internal Council services.

Financial impact

- 5.1 It is being confirmed that the contractors on the Framework will maintain their rates for the duration of the extension.
- 5.2 Whilst no costs were incurred during the four-year life of the Framework Agreement, the value of the extension should be estimated at £900,000 to cover the cost of any potential need for clearance of snow and ice over the 2015/16 winter period.

Risk, policy, compliance and governance impact

- 6.1 The Contract Standing orders (CSOs) state that, for services in excess of £25,000, a public advertisement followed by an invitation to tender should be carried out before the award of contract. Under Paragraph 9, the CSOs can be waived if justified as a legislative exemption, or in the Council's best interests. It is considered that in these circumstances a waiver is justified in the Council's best interests, to ensure contingency measures are in place should additional winter maintenance services be required this winter whilst a new contract is procured.

- 6.2 The original contract was let on a contingency basis and to date no spend against the contract has been required. The procurement risk is deemed to be low, as suppliers will have the opportunity to bid when competitive procurement of a replacement framework is underway. These arrangements will be kept under review, particularly in the event of a prolonged period of severe weather and/or any significant contract usage. In the unlikely event of severe or emergency weather occurring post-April and prior to any implementation of the new contract for winter 2016/17, appropriate interim arrangements will be made through the appropriate delegated authority.

Equalities impact

- 7.1 This contract, in the scenario where it is activated, would have a significant positive impact on the Health, Physical Security and Standard of Living of Edinburgh's citizens and visitors.

Sustainability impact

- 8.1 There are no sustainability issues arising from this report.

Consultation and engagement

- 9.1 The Council's Commercial and Procurement Services have been consulted on this waiver and in order to commence the procurement process.
- 9.2 Further consultation with other partners and users will be undertaken as appropriate.

Background reading/external references

[http://www.edinburgh.gov.uk/download/meetings/id/33208/item_9 -
framework agreement for edinburgh snow and ice maintenance 2011 %E2%80
%93_2015](http://www.edinburgh.gov.uk/download/meetings/id/33208/item_9_-_framework_agreement_for_edinburgh_snow_and_ice_maintenance_2011_%E2%80%93_2015)

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Links

Coalition pledges	P30 – Maintain a sound financial position. P44 – Prioritise keeping our streets clean and attractive.
Council outcomes	CO19 – Attractive Places and well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and the public realm. CO22 – Moving Efficiently – Edinburgh has a transport system that improves connectivity and is green, healthy and accessible. CO25 – The Council has efficient and effective services that deliver on objectives.
Single Outcome Agreement	SO1 – Edinburgh’s economy delivers increased investment, jobs and opportunities for all. SO4 – Edinburgh’s communities are safer and have improved physical and social fabric.
Appendices	None