

Policy and Sustainability Committee

10.00am, Thursday, 28 May 2020

Provision of Fire and Security Repair and Maintenance Works

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 The Committee is asked to:
- 1.1.1 approve a contract extension via a waiver of Contract Standing Orders (CSOs) for the provision of a repair and maintenance for fire and security systems throughout the Council's Housing estate. This extension award is to BAM FM Ltd for a 12 – 15 month period;
 - 1.1.2 note the market to tender this type of work is currently in a state of flux as a result of the COVID 19 outbreak and related restrictions as set by the Scottish Government. This extension will allow continuity of service for these works, to allow time for the market to adapt to the impact of COVID 19 and any associated on-going restrictions and for a procurement exercise to be completed and a new contract put in place; and
 - 1.1.3 note that the value of this waiver is expected to be in the region of £1,250,000 for a 15 month period.

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Report

Provision of Fire and Security Repair and Maintenance Works

2. Executive Summary

- 2.1 This report seeks approval for a contract extension via a waiver of CSOs for the repair and maintenance of the fire and security systems throughout the Council's housing estate. The contract extension is to BAM FM Ltd and runs for a period of up to 15 months.
- 2.2 These services are provided to maintain life and safety critical systems and the contract extension will enable these systems to be maintained while suppliers adapt to changes arising from the COVID 19 outbreak, and for a comprehensive procurement exercise to be undertaken for a new Repairs and Maintenance Framework for Council properties, which includes multiple lots, including this service element.

3. Background

- 3.1 The Council is committed to the maintaining the safety and wellbeing of its tenants and citizens.
- 3.2 The services covered by this contract include but are not limited to: repair and maintenance services of critical systems including fire safety equipment; stand-by generators, communal televisions, Closed Circuit Television (CCTV), intruder and door entry systems and all associated auxiliary equipment.
- 3.3 A mini competition was undertaken within the Repair and Maintenance Framework Agreement (CT0353 M&E Lot) in 2016 and which resulted in the current contract commencing June 2016 for three years (CT0225 – Fire & Security Repair & Maintenance Works).
- 3.4 The contract was based on a Schedule of Rates (SoRs) provided at tender stage by the Council. An extension to the contract, as permitted within the original contract terms, was approved for these services from March 2019 to March 2020 with an agreed uplift to the SoRs.
- 3.5 It is noted that the advancement of this procurement is complicated as a result of the COVID 19 situation, the viability to tender, and for suppliers to respond in a full

and competitive basis at this time is challenging and is expected to take much longer than would be the case in normal circumstances.

- 3.6 In response to the COVID 19 pandemic, a Critical Repair Service (CRS) has been established within Housing Property. This focuses service delivery on three workstreams: Critical Repairs; Health and Safety; and Empty Homes. Critical repairs are those required to secure a property and ensure it is maintained in a wind and water tight condition. Health and Safety repairs are those required to maintain welfare facilities and prevent endangerment to life. The services covered by this award of contract are essential to the CRS and on-going service provision to ensure people are safe and secure in their home.

4. Main report

- 4.1 The Council must maintain critical, life and safety systems such as those set out in paragraph 3.2.
- 4.2 This waiver to the Council's CSOs to extend the existing contract is required in order to maintain continuity of service while a full, comprehensive procurement exercise is carried out this service. The procurement plan and indicative timeline for this is set out in Appendix 1.
- 4.3 Housing Property and Corporate Procurement are also working together to develop a new framework for other repairs and maintenance services in Council properties and this contract will sit alongside that wider Framework.
- 4.4 Given current market and supplier uncertainty as a result of COVID 19, this waiver is to extend the current contract for up to 15 months. The speed at which this procurement can be progressed is, to a large extent, dependent on how quickly the current restrictions as set by the Scottish Government are relaxed and construction activity re-normalises.
- 4.5 The expenditure on this contract is dependent on the number of breakdowns, the cost of parts and level damage to the systems.
- 4.6 It is recognised that, due to the current COVID 19 pandemic, the service has been focused on essential, life and limb services which may lead to a reduction in expenditure in the short term however in the long term it is likely that the cost of materials will increase if suppliers experience material shortages.
- 4.7 The cost estimate is based on the expenditure over the last two financial years which has been in the region of £500,000 - £750,000 per annum. BAM FM Ltd have indicated they anticipate a 3% increase on the SoRs (which is in line with BMI Local Authority Maintenance Costs Indices for Service). It is therefore, estimated that the maximum of this contract extension for up to 15 months would be in the region of £1,250,000.

5. Next Steps

- 5.1 The tendering exercise to procure this service in future will progress as outlined in Appendix 1. This will include the requirements as detailed in this contract. It is anticipated that this will be in place by 1 April 2021, however a further three month period may be required if there are delays in the procurement process.

6. Financial impact

- 6.1 The financial impact is set out in paragraphs 4.6 and 4.7. The cost of the contract for 15 months (April 2020 – June 2021), based on the previous two years, is estimated to be in the region of £1,250,000. This will be contained within the Housing Property revenue budget in financial year 2020/21 and 2021/22.

7. Stakeholder/Community Impact

- 7.1 The continuation of this provision will reassure tenants and citizens that these life and safety systems will be well maintained and operational at optimum level.
- 7.2 Anti social behaviour is reduced where CCTV cameras are in operation.
- 7.3 Well maintained equipment means fewer breakdowns, fewer replacement parts and fewer car journeys. This will have a beneficial impact on the environment and air quality within the city.
- 7.4 There are no equalities impact arising from this contract extension.
- 7.5 There is a risk of successful procurement challenge by contractors who could undertake these works if competitively tendered. However, the risk is deemed to be low given the current uncertainty in the market place and ongoing Scottish Government restrictions as a result of COVID 19.
- 7.6 Life and safety equipment that remains unrepaired leaves tenants, citizens and assets vulnerable. Any incident resulting from unattended equipment failure could damage the Council's reputation and leave the Council exposed.

8. Background reading/external references

- 8.1 None

9. Appendices

- 9.1 Appendix 1 –Procurement Plan and Indicative Timeline

Appendix 1 – Procurement Plan and Indicative Timeline

Activity	Indicative Timeframe
Tender published on PCS	September 2020 subject to supplier's availability to complete returns
Tender Returns	October 2020
Evaluation of returns including consensus scoring and resolution of clarifications	November / December 2021
Award recommendation report (draft)	January 2021
Award recommendation to Committee for approval	February 2021
Contract Start Date	April 2021