

<b>SUBJECT:</b>	<b>Joint Plant Maintenance Procurement</b>
<b>REPORT OF:</b>	<b>Officer Management Team - Director of Services</b> <b>Prepared by - Head of Environment</b>

## 1. Purpose of Report

- 1.1 To seek agreement to undertake joint procurement with Chiltern District Council for a plant maintenance contract.

## 2. Links to Council Policy Objectives

- 2.1 This matter contributes to the Council's aim to deliver value for money services.

## 3. Background

- 3.1 South Bucks District Council and Chiltern District Council have established Joint Arrangements to work together to share a senior management team and examine opportunities for further savings by joining together of services, assets, officer posts and officer teams.
- 3.2 SBDC has started a procurement process for a plant maintenance contract. The contract will include electrical, gas and plumbing maintenance work, as well as specialised services such as lift maintenance and security systems. The maintenance work is both planned and reactive. The present value of this for both councils is £112,000 pa.
- 3.3 At present we are holding over from previous contracts. It is intended that the new contract will start in early 2014 with a duration of three years and an extension clause for an additional two years.

## 4. Discussion

- 4.1 CDC has similar facilities management requirements to SBDC. At present these requirements are met via nine separate contracts. A joint procurement covering both councils may therefore be more attractive to potential suppliers than carrying this out separately for each council. Officers believe this could lead to savings through a supplier being granted similar contracts for both councils as well as a more efficient approach given the similar size and close proximity of the two councils.
- 4.2 Possible advantages of a joint procurement include:

- ✓ Potential savings for both parties as a larger contract
- ✓ Increase efficiency and minimise management effort by having fewer small contracts
- ✓ Assist towards closer working and potential future management changes
- ✓ Simplify arrangements with one point of contact for all such work at both Councils.

- 4.3 Separate specifications would be prepared for each council based on their particular requirements but with common terms and conditions of contract. Each council would only be billed for work done specifically for that council.
- 4.4 This approach would not pre-judge the outcomes of the facilities and property management service review which will take place later this year.
- 4.5 A similar approach might be taken for other opportunities as they arise such as tendering for minor building works.
- 4.6 Members' views are therefore sought regarding the principle of joint procurement and for SBDC being the lead authority for the plant maintenance contract.

## 5. Risks and financial implications

- 5.1 There will be the usual risks associated with a procurement exercise, although there will be no TUPE transfers involved for the plant maintenance contract. Additional effort will be required in writing the contract documents in a way that is satisfactory for both councils while being easy for potential suppliers to understand.
- 5.2 A similar report will be presented to Members of CDC.

## 6. Recommendations

- 6.1 The advice of the PAG is sought on whether the Portfolio Holder should be asked to recommend to Cabinet that, subject to the agreement of CDC, a joint procurement exercise should be carried out for plant maintenance contracts with SBDC being the lead authority.

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<b>Background Papers:</b>	<b>None</b>