

## **Commencement of the re-tendering process for Mechanical & Electrical and Building Fabric Maintenance Contract**

### **1. Background**

- 1.1 In 2015 LGSS Property re-tendered the existing Cambridgeshire County Council (CCC) maintenance contracts to include Northamptonshire County Council (NCC). For CCC, Imtech was awarded the contract for mechanical and electrical work, and Graham Facilities Management was awarded the contract for building fabric work. Both of these contracts were for a period of 3 years plus a 1 year extension.
- 1.2 The contracts delivered statutory servicing, maintenance and reactive repairs to a portfolio of corporate buildings from which CCC services are delivered, including offices, libraries, social care (respite and community centres) and children's centres. In order to maintain our statutory obligation, CCC needs to re-procure the contract, to ensure buildings are safe, secure and watertight.

### **2. Main Issues**

- 2.1 Servicing and maintenance of corporate buildings is a mandatory responsibility for Cambridgeshire County Council. It is of the utmost importance to make sure our buildings are safe. The contract delivers early warning for critical systems in failure so that repair or replacement can be planned with little interruption. The proposal is for a three year contract with two extensions of one year each, giving an overall contract period of 5 years.
- 2.2 The budget for maintenance is £1.1m annually and is made up of the following elements:
- Planned preventative maintenance
  - Reactive maintenance
  - Work required following service
  - Requests for work (for example in support of soft FM requirements)
  - Condition surveys and other testing (not within the above contract)

It is difficult to predict the exact value of this contract because the requirements are likely to vary over the contract term. The contract is estimated to cost around £1 million annually. Additionally there is the opportunity to deliver capital maintenance works where it is in the interest of the Council to do so. Therefore with a contract life of 5 years the overall contract value is expected to be around £5m. This makes it a key decision for the Council.

- 2.3 The contracts for mechanical & electrical (M&E) and building fabric are to be combined in order to deliver economies of scale with savings coming from management costs applied to materials and subcontracts. Further savings will come from a coordinated response to reported issues and planned works where M&E and building works are delivered by one supplier. The tender specification has been re-designed to allow for flexibility to suit our corporate strategy. Planned preventative maintenance is by tendered cost per unit of serviced item and therefore changes

when buildings are acquired or disposed of. Reactive works are tendered by time (relative to the type of engineer) and materials (subject to a management mark-up). Other works will be by quoted specification. The prices for the period of the contract from contract commencement until 31st October 2022 will remain fixed.

2.4 The procurement timetable is as follows:

Site visits	Week Commencing 29 <sup>th</sup> July 2019
Deadline for Potential Provider's ITT clarification questions	7 <sup>th</sup> August 2019
Deadline for Authority's response to Potential Provider's clarification questions	13 <sup>th</sup> August 2019
Tender responses deadline (the "Deadline")	21 <sup>st</sup> August 2019
Evaluation	22 <sup>nd</sup> August (onwards) 2019
Anticipated Award week commencing	16 <sup>th</sup> September 2019
Mobilisation Period	Following award of contract to 31 <sup>st</sup> October 2019
Implementation by	1 <sup>st</sup> November 2019

2.5 LGSS Contracts & Procurement and LGSS Law have been fully involved in the procurement process, and will continue to be involved in the process. The Property FM team have developed a detailed tender specification and will review submissions, manage the exit of the existing contract and the mobilisation of the new contract with minimal disruption to services.