

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**  
**EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE**  
**CABINET**

**Date: 17th October 2018**

1. **REPORT TITLE**                      **Award of Mechanical and Electrical Maintenance Contract**
- Submitted by:**                      **Executive Director Operational Services-Dave Adams**
- Portfolio:**                              **Leisure**
- Ward(s) affected:**                      **All**

**Purpose of the Report**

To approve the award of a contract for the mechanical and electrical preventative/reactive maintenance of equipment at Jubilee2.

**Recommendations**

- ***That the Cabinet Member for Leisure and Culture, in consultation with the Executive Director for Operational Services, is authorised to enter into a contract following a compliant procurement process with the successful supplier for the mechanical and electrical preventative/reactive maintenance of equipment at Jubilee2.***
- ***That the contract be awarded for a period of up to three years subject to the satisfactory performance of the successful supplier.***

**Reasons**

- To ensure the continuity of all activities being delivered at Jubilee2 whilst having appropriate maintenance arrangements in place to maximise the life expectancy of the mechanical and electrical equipment required to operate Jubilee2.

1.0 **Background**

The Council's current contract for the mechanical and electrical maintenance at Jubilee2 is due to expire at the end of November 2018. In order to ensure that the building assets are appropriately maintained and that service continuity at Jubilee2 is achieved it is therefore necessary to award a new contract for these services with effect from 1<sup>st</sup> December 2018.

2.0 **Issues**

2.1 The award of this contract for mechanical and electrical preventative/reactive maintenance is for Jubilee2 only. All other services of this type for other Council assets are undertaken using a number of different contracts under various arrangements.

2.2 The specification for this contract has been developed by a specialist mechanical and electrical consultant with input from the Councils Facilities Management section and the Sport and Active Lifestyles Service.

- 2.3 Given the indicative value of this contract estimated to be in the region of £55,000 for a period of up to three years the Council has advertised this opportunity nationally via Contracts Finder.
- 2.4 Given the significance of this appointment the procurement procedure has followed best practice guidelines. The selection criteria for the appointment of an appropriate supplier will be based upon best practice and the Most Economically Advantageous Tender (M.E.A.T.) with the evaluation criteria will be based on 60% Quality and 40% price.
- 2.5 A detailed breakdown of the shortlisted companies and recommended provider will be provided to the Cabinet Member for Leisure and Culture in November 2018 for their approval to enter into a formal contract. As part of the procurement process, the award of contract will be subject to a mandatory ten day standstill period, and should no challenge concerning the Councils award decision be received the new contract will commence on 1<sup>st</sup> December 2018.

### 3.0 **Proposal**

- 3.1 That the Cabinet member for Leisure and Culture, in consultation with the Executive Director for Operational Services, is authorised to enter into a contract with the preferred supplier for the mechanical and electrical preventative/reactive maintenance of equipment at Jubilee2 following a compliant procurement process. That the contract be awarded for a period of up to three years subject to the satisfactory performance of the preferred provider.

### 4.0 **Reasons for Preferred Solution**

- 4.1 To ensure the continuity of all activities being delivered at Jubilee2 whilst having appropriate maintenance arrangements in place to minimise down-time and maximise the life expectancy of the mechanical and electrical equipment required to operate Jubilee2.

### 5.0 **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 5.1 To ensure that high quality services are provided to the Borough's residents whilst continuing to support their health and wellbeing.

### 6.0 **Legal and Statutory Implications**

- 6.1 The procurement approach that has been undertaken has followed best practice and as a result there is minimal risk to the Council of a challenge being made concerning the appointment of the successful provider following the procurement process.

### 7.0 **Equality Impact Assessment**

- 7.1 There are no equality implications arising directly for the Council as a result of this contract being awarded.

### 8.0 **Financial and Resource Implications**

- 8.1 Based on historic information it is envisaged that the cost of this contract is estimated to be in the region of £55,000 over a period of up to three years.

8.2 It should be noted that the costs incurred in the delivery of this contract will continue to be split (as per the current arrangements), with preventative works being met from the Jubilee2 revenue budget and the reactive works being met from the repairs and renewals fund.

8.3 Should submitted tender values significantly exceed the current budgeted costs being incurred, Officers will take the necessary steps to value engineer the specification reducing cost appropriately, whilst still meeting the Councils statutory responsibilities.

9.0 **Major Risks**

9.1 The appointment of the preferred provider will be subject to them meeting the requirements of the council's insurance requirements, demonstrating adequate risk management and health and safety arrangements and having the relevant skill sets in place to meet the needs of the specification issued at the time of tender.

10.0 **Key Decision Information**

10.1 The final decision will be a key decision and appears on the Councils forward plan.

11.0 **Earlier Cabinet/Committee Resolution**

11.1 None

12.0 **List of Appendices**

12.1 None

13.0 **Background Papers**

13.1 None.