

Agenda Item No 7(f)

DERBYSHIRE COUNTY COUNCIL

CABINET

20 September 2016

Report of the Strategic Director of Corporate Resources

**PROVISION OF HEATING, GAS, CATERING AND KITCHEN VENTILATION
EQUIPMENT CONTRACTS
(COUNCIL SERVICES)**

1 Purpose of the Report

To seek Cabinet approval to undertake four procurement exercises to establish servicing, maintenance and repair contracts for heating, gas, catering and kitchen ventilation services for a period of two years, with an option to extend for two further periods of 12 months.

2 Information and Analysis

There is a requirement to put in place a range of contracts to ensure that the Council's heating, gas, catering and kitchen ventilation equipment is maintained, and complies with the law, in particular with gas safety regulations.

Historically, the Council had contracts which ran until 31 August 2012, and thereafter, the Council's Property Division undertook to complete this work in-house. To ensure best value, functional redesign was required and this was only partially successful. The economic upturn and revised gas safety regulations, has increased the national demand for engineers. This has resulted in an increase in staff turnover to an extent that work programmes can no longer be completed in-house.

Therefore it is proposed to undertake a formal tender process for four contracts for a period of two years with an annual option to extend for up to two additional twelve month periods, commencing on 1 April 2017. Suppliers will be invited to submit tenders for each of the contracts on a lot by lot basis based on the geographical area of Derbyshire.

The successful suppliers will be the tenderers who best meet the Council's requirements in regard to price, technical ability and experience of undertaking the services. The contracts will be awarded on behalf of Derbyshire County

Council, the Police and Crime Commissioner for Derbyshire, Staffordshire Moorlands District Council and High Peak Borough Council.

3 Financial Considerations

The estimated contract value of the four contracts is tabled below:

Description	Estimated Contract Value £m
Gas and oil fired appliances, pressure units and gas services	0.530
Heating equipment	2.150
Catering and kitchen ventilation equipment	0.200
Mixing valves - water taps	0.050

The total estimated costs of the above contracts amount to £2.93m, and will be met from existing Corporate Property budgets.

4 Legal Considerations

The Director of Legal Services will assist the Strategic Director to ensure that appropriate contracting arrangements are in place for this procurement and any subsequent award for the above stated contracts.

5 Social Value Considerations

In considering the award of these contracts, work will be undertaken during the lifetime of the contracts with the successful organisations where appropriate, to capture and deliver social value initiatives.

6 Other Considerations

In preparing this report the relevance of the following factors has been considered: - equality of opportunity; environmental, health, human resources, property and transport considerations.

7 Background Papers

Working papers are held within the Corporate Procurement Team.

8 Key Decision

No.

9 Call-in

Is it required that call-in be waived in respect of the decisions proposed in the report?

No.

10 Officer's Recommendation

That Cabinet approves the commencement of four procurement exercises to establish servicing, maintenance and repair contracts for heating, gas, catering and kitchen ventilation services for a period of two years, with an option to extend for two further periods of 12 months.

JUDITH GREENHALGH

Strategic Director of Corporate Resource