

Report to Council

Subject: Waiver of Contract Standing Orders

Date: 15th July 2015

Author: Steve Wiseman, Facilities Manager

1. Purpose of the Report

To request a waiver of Contract Standing Orders to enable the use of a Framework Agreement to procure construction services for a new building in Jubilee Depot to accommodate office and welfare facilities for the Waste Services Teams.

2. Background

The existing canteen, changing room and small drying room facility is housed within a single storey pre-fabricated building which is believed to be at least 35 years old and was relocated to the jubilee depot in the 1990's after previously being used as a sports pavilion at Lambley Lane sports fields. Toilet and shower facilities are in a separate jackleg cabin adjacent to the canteen building. The canteen building has reached the end of its economic life and the current facilities and arrangements do not meet operational needs for Waste Services Teams. The intention is to demolish the existing canteen and toilet blocks and construct a new purpose built two storey building to accommodate welfare facilities and office space.

A practical and cost effective solution is for the new building to be constructed as a modular building. Individual modules are factory fabricated and then interlinked and finished on site to meet the design specification. Modular buildings are constructed to meet building regulations requirements and new steel framed units have a minimum design life of sixty years. This type of construction is specialist with a limited number of national companies fabricating steel framed modular units for use in this way.

A Framework Agreement (Ref: RM875) is held by the Crown Commercial Service (CCS) for use by all UK public sector bodies, including local authorities, for the hire or purchase of modular buildings via various Lots. One of these Lots is for the purchase of generic steel framed buildings. There are eight suppliers appointed under this particular Lot.

3. Contract Standing Orders

The purpose of the Council's Contract Standing Orders are to:

- achieve value for money
- be consistent with the highest standards of integrity
- ensure fairness in the allocation of contracts
- ensure compliance with legal requirements
- prevent fraud and corruption, and
- protect the interests of the Council and its employees.

The Council's Contract Standing Orders require tenders to be invited where the estimated value or amount of a proposed contract exceeds £50,000. Exemption from this provision may be made by direction of the Council where they are satisfied that the exemption is justified in special circumstances. Such a waiver cannot be given where the contract value exceeds the E.U. threshold unless an exemption is available under the E.U. procurement regulations.

The value of the contract in this case exceeds £50,000, but falls under the E.U. threshold (currently in excess of £4million), therefore tenders should be invited in accordance with Contract Standing Orders 4, 5, 6, 7, 8 or 9.

Contract Standing Order 8.1 enables the Council to take advantage of a Framework Agreement, but only where it is intended to purchase goods or services. This is a works contract and therefore the Council is unable to procure the contract under a Framework Agreement without a waiver of Standing Orders.

4. Proposal

Council is asked to waive Contract Standing Orders in this case to allow the use of the CCS framework to identify a suitable company to undertake this proposed modular building project as described.

5. Financial Implications

An agreed budget for this work programme has been established and approved by Council and accounted for within the Council's current capital programme.

The CCS Framework Agreement has been subject to a rigorous EU compliant tendering exercise and therefore meets the above criteria. The eight suppliers appointed on to the relevant Lot will nevertheless also be invited to enter into further competition for the fabrication and installation of a modular building to meet the Council's specific design requirements, for which plan drawings and a specification document will be prepared.

6. Recommendation

Council is asked to waive Contract Standing Orders to enable the use of the CCS framework for this particular works project.

7. Appendices

None.

8. Background Papers

None identified.