



Report of: Executive Member for Housing and Development

| Meeting of: | Date | Ward(s) |
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| Executive | 28 September 2017 | All |

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SUBJECT: Procurement Strategy – Building Materials, Equipment, Tool Hire and Plant Hire Supply Contract

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Building materials, equipment, tool hire and plant hire supply contract in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 A procurement is underway to supply building materials, equipment, tool hire and plant hire primarily to the Housing Repairs Team within Housing Property Services.
- 1.3 The successful tenderer will be required to deliver this service directly from Islington's stores facility at Unit 10, Bush Industrial Estate, N19. The Council has a lease of Unit 10 and will under-let this unit to successful tenderer/s at the market rent.

2. Recommendations

- 2.1 To approve the procurement strategy for Building Materials, Equipment, Tool Hire and Plant Hire supply contract as outlined in this report.
- 2.2 To delegate authority to award the contract to the Corporate Director of Housing and Adult Social Services in consultation with the Executive Member for Housing and Development.

3. Background

- 3.1 **Nature of the service**
The Housing Repairs Service delivers responsive repairs and maintenance to all 23,000 directly managed council homes across Islington. The service employs 103 repairs operatives from various building trades who deliver in the region of 70,000 maintenance jobs per annum.

In order to deliver an efficient and productive responsive repairs service our operatives need to be able to access locally situated building materials, tool hire and plant hire. The council requires building materials, tool hire and plant hire to be supplied to Islington repairs service and to be delivered directly through an Islington store facility. Building supplies consists of, but are not limited to, the supply of tailored van stocks made up of the materials items most commonly used by individual repairs operatives which need to be replenished on a weekly basis. The service also requires provision of power tool hire and servicing and plant hire.

The housing repairs service has an existing contract with a supplier to deliver a building materials supply and tool and equipment hire service from Islington's dedicated store facility at Unit 10, Bush Industrial Estate. This contract ends 31 July 2018.

Discussions have taken place with other maintenance teams within the council which carry out repairs and building works to communal areas of Islington council housing estates, refurbishment of empty council homes and also maintenance works to other council buildings. The new contract will include provision of supply of building materials, equipment, tool hire and plant hire for works carried out by these teams.

Ordering, delivery, stock inventory and payments will need to interface between the supplier and the council's IT systems.

Due to the duration of the existing agreement a tendering exercise needs to be carried out during the autumn of 2017 to deliver this crucial support service to the repairs team.

The Housing Repairs Service has been run by the council since it was insourced in August 2014. The accuracy of the data it holds about its usage, breakdown and spend for building materials, equipment, tool hire and plant hire is now available. As a result the repairs service is in the process of making significant changes and improvements to the requirements in the specification for this procurement exercise.

The new contract will be procured in two Lots: Lot 1 the supply of building materials and equipment and Lot 2 the supply of tool hire and plant hire. The council's preference is regardless of who wins the Lots both elements of the service will be delivered through the dedicated store at Unit 10, alternatively Lot 2 must be delivered from an alternative site located in or conveniently to Islington.

3.2 Estimated Value

The actual spend on the existing contract over the last two years for the Housing Repairs Service was £3.634m which equates to roughly 15% of the total spend by the council on responsive repairs during this period. The estimated cost of the new contract based on the current spend plus anticipated additional spend through this new contract from the estate maintenance team within Housing and also the Non-housing Building Repairs Team (BRF) in Resources is £2.2m per annum.

Currently all works carried out within empty council homes awaiting reletting (voids) are contracted out and the contractors carrying out this work purchase their materials separately. It is anticipated that during the life of the new materials contract a proportion of the void works currently contracted out may be done in-house and as a result materials used in the delivery of this work would be purchased through this materials contract. It is estimated this could increase potential spend on materials by £160k per annum based on an assumption that 25% of total void refurbishment works start being done in-house in the future and the cost of materials for these works in proportionate to that of responsive repairs. Taking this additional spend into account will increase the estimated cost of this contract increasing to £2.36m per annum.

This amount is split between £1.86m per annum spend on materials and £500k per annum on tool and equipment hire. The new contract will be co-terminus with the existing lease agreement for the Islington store facility. This head lease which the council has with the freeholder for the Islington Store Facility is due to end 8 July 2024 with a review period scheduled for 8 July 2019. The existing sub-lease for the Islington Store Facility which the council has with the existing supplier is co-terminus with the current

building materials contract.

The majority of the anticipated spend of the contract will be funded through the HRA with an estimated £60k per annum being funded from the General Fund related to materials purchased by Non-housing Building Repairs Team.

The Corporate Real Estate team have checked the existing head lease for Unit 10 and have advised there is no ability for the freeholder to terminate the lease before the 2019 review period. However, it is likely the rent charged will be increased at this review. The current annual rental charge for Unit 10 is £96,500 plus service charges.

The length of the new contract will therefore be for just under 6 years starting 1 August 2018 and ending 8 July 2024. It is proposed the contract is offered on an initial period of 3 years with an option to extend for a further 35 months to tie it in with the end of the lease for Unit 10. The total value of the contract is therefore estimated to be £13.96m.

The Council has a legal duty under the Housing Act to maintain its properties. The current spend represents a market rate for this type of contract. Any reduction in spend achieved from the procurement exercise will be delivered as a saving to the HRA.

Over the past three years the service has been working with the existing supplier to explore new and alternative building material products with the aim of reducing costs where possible. This has included:

- exploring the benefits of cheaper alternative products on the market, ensuring their use does not adversely impact on the effective asset management of our housing stock
- the use of improved quality products with expected longer lifespans than other alternative products
- considering the supply of materials which are easier for our operatives to install and maintain in the future
- at all times in these considerations we have to ensure the use of any alternative materials is safe for both our operatives to use and install and for our residents to live with in their homes.

The changes resulting from these materials reviews to the products within the current materials catalogue will influence the requirements set out in our revised service specification.

The key cost drivers for the service will include the following:

- fluctuations in market prices for materials, in particular commodity items e.g. copper, wood, the costs of which are particularly volatile.
- the supplier will be expected to cover the cost of the lease and related building and other resourcing costs including staffing associated with the delivery of the service through the Islington store facility.
- in order for the service to operate effectively there needs to be significant integration between the successful suppliers IT systems and the repairs team and other council systems to enable prompt and efficient ordering and delivery of materials and automated reconciliation and payment of invoices.

3.3 Timetable

The new building materials, equipment, tool hire and plant hire contract needs to have been procured and fully mobilised, including the interfacing of IT systems, before 1 August 2018 to enable a seamless transition from the existing contract in order to support ongoing day to day repairs to council homes.

In order to meet this deadline the procurement strategy needs to be approved no later than September 2017 to enable the tendering process to take place in the Autumn in time for award of contract in March 2018.

The contract value exceeds the goods and supplies thresholds (£164,176.00) therefore the procurement requires an advertisement in the Official Journal of the European Union and the process will be governed in compliance with the Public Contracts Regulations 2015.

The following key service areas have been consulted with or put on notice with regard to the procurement of this contract:

- Strategic procurement team have drawn up a procurement project plan
- Legal have been advised of the need to develop terms and conditions for the new contract and to draft the new sub-lease for Unit 10, Bush Industrial Estate
- Finance has been informed and have provided advice on the costing of the current contract and proposals for the price framework for assessment of the new contract
- Corporate Real Estate has given advice on the arrangements relating to the lease by the council of Unit 10
- Other building maintenance teams have been consulted on whether they would wish to use the new supplier for the provision of materials or equipment by their service areas

3.4 Options appraisal

Use of an existing building supplies framework has been considered but:

- (1) There is no guarantee that the pricing offered within existing procurement frameworks will be economically advantageous due to the requirement of the service to detail particular products to be supplied as part of the new contract in order to maintain effective asset management of our housing stock; and
- (2) There is no mechanism to consider the costs associated with the lease of the directly managed store within the borough or the costs associated with the interfacing of our IT systems within existing frameworks.

Insourcing

Insourcing of the service has been considered and discounted due to the significant risks and costs associated with the following:

- The need to procure and manage secondary suppliers of materials to provide stock to the store.
- The costs associated with the lease and ongoing maintenance of the store at Unit 10 will also pass to the council on the provision of a directly managed store.
- The council also does not have the IT systems in place to cope with the ordering, purchasing and management of stock within the store.
- The council does not have the expertise or resources in place to manage the servicing and maintenance of power tools and associated construction equipment used by the service resulting in the need to procure this service separately or accept the significant costs and health and safety risks associated with developing a service which can manage this function in-house.

Competitive tendering

A competitive tender exercise is considered the most effective procurement route for this contract to attract interest from the market place. It is proposed that the contract is split into two Lots, Lot 1 building materials and equipment Lot 2 tool hire and plant hire equipment. This will provide flexibility should the service decide it wishes to deliver the provision of both lots in a different way.

This route will enable the service to clearly set out its specific requirements with regard to supply of acceptable quality of building materials, equipment, tool hire and plant hire equipment and the estimated quantity requirements specific to our service needs. Alongside this we can set out the requirements related to the lease of Unit 10 and the requirements of IT integration. We can then assess prices directly on this basis.

Joint contract with another authority

The primary benefit of collaboration with neighbouring borough to procure a joint materials contractor for our repairs services would be on the potential cost savings resulting from increased economies of scale. This benefit however is outweighed by drawbacks including:

- Each of the repairs services relies on their operatives being able to order and collect materials items

to deliver an efficient and highly productive responsive repairs service. Each of the repairs services would consider the additional travelling time for their operatives to stores located in other boroughs in order to collect materials as being detrimental to this key service objective.

- The catalogue of building materials required by the different repairs and maintenance services operated by the neighbouring boroughs are significantly different because of the physical differences in Islington housing stock compared to neighbouring boroughs housing stock. As a result the costs of stocking particular items used by only one borough's repairs team will not deliver the potential savings that could be realised.
- Variations in IT systems that are in place within each borough supporting the delivery of the repairs services in each area make the interfacing with a joint supplier more complex resulting in increased costs associated with the management of such systems.
- Preliminary market consultation has confirmed there is a finite limit on the level of discount suppliers are prepared to offer based on the scale of spend made through a contract i.e. there is a point where it gets no cheaper.

For the reasons listed above although opportunities to collaborate on building materials supply have been discussed with Camden both councils have reached the conclusion that joint procurement of a building materials, equipment, tools and plant supplier and use of one store to deliver the service are not practicable.

3.5 Social value and impact on staff

As part of the terms and conditions the supplier will be expected to make available to residents of Islington a minimum of one apprenticeship opportunity per £1m of contract spend (which will include all payments for services and supplies made by the council to the supplier through this contract and any other contracts the council has with the supplier). In addition to this requirement the provider will also provide one or more of the following for the benefit of Islington residents:

- Advertise employment opportunities through Islington Council's job brokerage service;
- Creating accessible work opportunities;
- Making work placements available.

The supplier will also be expected to contribute offers of social value to be used by the council to support local social value community engagement projects.

A requirement for the payment of LLW should only be included as a condition of this contract if there is no cross border interest in the contract following OJEU notice or if cross border bidders do not expect to use employees for this contract who are established in another EU member state.

The service will deliver best value through the contract by agreeing a set of KPIs to monitor the performance of the contract throughout the term, targets related to which will be reviewed on an annual basis to ensure continuous improvement throughout the life of the contract. Performance of the contract will be reviewed on a monthly basis through core group meetings and at six monthly pricing review meetings.

Impact assessments have been completed the resident and environmental impacts of the contract. Environmental considerations for this contract will include:

- Requirement to stock non-oil based products for health and safety reasons which will also have environmental benefits.
- Waste management policies and procedures. Ensuring the service meets Hazardous Waste, WEEE and Duty of Care Regulations especially in terms of WEEE disposal, asbestos and the environmental cleaning service.
- Chosen supplier to have robust waste management policy and practices in place.
- Encourage use vehicles which release fewer pollutants, where this is possible, and to minimise journeys through efficient stock management.
- Encourage supplier to use energy efficiency and water saving and recycling measures within the store.

- Pollution prevention - ensure the service minimises the number of pollution incidents to land, water and air through well managed procedures and operational controls. The service/contractor needs to implement a certified Environmental Management System certified to ISO14001.
- Whole life costing of products purchased; especially in term of products that require energy to function and also the cost of parts for repair.
- Encourage supply of environmentally friendly and sustainably sourced products from accredited suppliers, wherever possible and practicable.

TUPE may apply to this contract.

3.6 Evaluation

This tender will be conducted in two stages, known as the Restricted Procedure as the tender is 'restricted' to a limited number of organisations. The first stage is Selection Criteria through a Selection Questionnaire (SQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The SQ is backwards looking and explores how the organisation has performed to date, its financial standing, information about their history and experience.

A limited or 'restricted' number of these organisations meeting the SQ requirements as specified in the advertisement are then invited to tender (ITT). The second stage is the ITT is now forwards-looking using Award Criteria. Tenders are evaluated on the basis of the tenderers' price and ability to deliver the contract works or services as set out in the evaluation criteria in order to determine the most economically advantageous offer.

The award criteria for both Lots in the procurement are a 70% price and 30% quality split. The reason for this decision is that the cost of the contract is significant and there is an expectation that the general quality of the materials, equipment, tool hire and plant hire equipment that can be supplied by building materials supply firms in the marketplace is similar.

Assessment of quality will be focussed on the flexibility and reliability of the provision of the service that the tenderers can offer: how they propose to work closely with a potential supplier of a separate Lot to provide a seamless service to the council; how the IT systems they have in place within their business and how these will interface with our systems; what service improvements and financial and efficiency savings these will bring the council; what level of social value the tenderers will deliver through this contract.

The assessment of cost will be considered in the following ways:

For Lot 1 (70%):

- Purchase prices will be sought for each item on the materials list currently used by the repairs service including any additional materials needed by the voids, estate maintenance and non-housing Building Repairs Teams. Indicative volumes of usage will be provided to tenderers to assist them with pricing. A weighting will be applied to building material items which are known to make up the highest proportion of spend on materials by the service. Where particular makes/models are required for service delivery reasons these will be specified. (60%)
- Percentage uplift to be applied by the tenderer to the cost of them delivering "specials" purchases. These are non-standard, off catalogue items that need to be purchased on an ad-hoc basis in order to complete an unusual repair job. (10%)

For Lot 2 (70%):

- Hire prices will also be sought for the cost of each type of power tool and other items of equipment that the repairs service currently uses. Indicative volumes of tools and plant hired will be provided to tenderers to assist them with pricing. Costs for management, servicing, insurance etc. related to hire of items will be inclusive of the prices quoted. (60%)
- Percentage uplift to be applied by the tenderer to the cost of them supplying "specials" hire. These are non-standard, off catalogue items that need to be hired on an ad-hoc basis in order to complete an unusual repair job. (10%)

The assessment of quality will be considered in the following ways:

For Lot 1 (30%):

- Assessment of how tenderers plan to manage the mobilisation period of the contract to ensure their service is fully operational, their IT systems are fully integrated with the council's and their service is ready for the start of the new contract on 1 August 2018. (10%)
 - What tenderers will do to contribute to the delivery of the repairs service objectives and continuous improvement of the service including: ensure the products supplied promote the health and safety needs of the service and its customers; maximising first time fix rates of repairs; minimising operative unproductive downtime associated with the materials ordering; collection and returns processes; ensuring effective management of performance information and efficient communication between the supplier, the supplier delivering the Lot 2 and the council. How tenderers will overcome difficulties arising these. (10%)
 - How will environmental impacts from the provision of the service be minimised and mitigated. (5%)
 - What social value the tenderers will bring to the contract to support the council's wider objectives. (5%)
- For Lot 2 (30%):
- Assessment of how tenderers plan to manage the mobilisation period of the contract to ensure their service is fully operational, their IT systems are fully integrated with the council's and their service is ready for the start of the new contract on 1 August 2018. (10%)
 - What tenderers will do to contribute to the delivery of the repairs service objectives and continuous improvement of the service including: compliance with health and safety requirements related to use of tools and plant supplied; maximising first time fix rates of repairs; minimising operative unproductive downtime associated with the tool and equipment ordering; collection and returns processes; ensuring effective management of performance information and efficient communication between the supplier, the supplier delivering the Lot 1 and the council. How tenderers will overcome difficulties arising from these. (15%)
 - What social value the tenderers will bring to the contract to support the council's wider objectives. (5%)

3.7 Business Risks

The key risks identified associated with this procurement are:

| Risk | Likelihood | Impact | Priority | Mitigation |
|--|------------|--------|----------|--|
| Procurement is unsuccessful with no suitable supplier(s) being identified | Low | Medium | Medium | Interim emergency measures will be sought and plans to re-procure put in place. |
| The prices submitted by tenderers are higher than those paid for the existing contract | Low | Medium | Medium | Additional funds to deliver the contract will have to be agreed or the procurement fails and a new tender process needs to commence. |
| The successful tenderer(s) pulls out of contract prior to start of the contract | Low | High | Medium | Interim emergency measures will be sought and plans to re-procure put in place. |
| Delays to procurement process result in limited mobilisation time for new supplier | Medium | High | High | Procurement project team need to ensure procurement keeps to agreed plan and meets key milestones. Queries received from tenderers to be turned around as quickly as possible to avoid delays. |

This procurement provides an opportunity to collaborate with other building maintenance teams within the council to incorporate their building materials, equipment, tools and plant needs into the specification of the new contract

The service intends to specify minimum functionality requirements in the IT systems used by the supplier that will constitute an improvement to the service. These improvements will enable more visibility for repair operatives of available stock levels in the dedicated store which will result in more efficient ordering of materials and increased rates of first time fix repairs and customer satisfaction with

the repairs service.

We have confirmed with the Homeownership Team that leaseholder consultation will not be required for this procurement.

A resident impact assessment has been completed on this procurement. No other service user involvement is considered necessary as the impact of this contract on residents is low.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to sign the Council's anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences. The adequacy of these measures will initially be assessed by officers and the outcome of that assessment will be reviewed by the Council's Procurement Board
- 3.9 The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.6 of the Procurement Rules:

| Relevant information | Information/section in report |
|---|--|
| 1 Nature of the service | The Housing Repairs Services uses the materials, equipment, tools and plant supplier to deliver repairs and maintenance works to all directly managed council homes across Islington. See paragraph 3.1 |
| 2 Estimated value | The estimated value per year is £2.36m. The agreement is proposed to run for a period of 3 years with an optional extension of 35 months to tie in with the end of the lease on the building. See paragraph 3.2 |
| 3 Timetable | Advert - October 2017 Shortlisting process for selection to tender and tender award – November 2017-February 2018 Award – April 2018 Mobilisation – April-July 2018 Contract start – August 2018 See paragraph 3.3 |
| 4 Options appraisal for tender procedure including consideration of collaboration opportunities | The outcome of the option appraisal is for the procurement of a building material and equipment supplier (Lot 1) and a tool hire and plant hire supplier (Lot 2) to deliver the service jointly from the council's dedicated store at Unit 10, Bush Industrial Estate, N19. See paragraph 3.4 |
| 5 Consideration of: Social benefit clauses; | Social Value: Apprenticeships expected per £1m of contract spend |

| | |
|--|--|
| London Living Wage; Best value; TUPE, pensions and other staffing implications | Provision of additional employment related support Contribution toward social value projects London Living Wage will apply (where legally permitted) Best value will be delivered through best practice in contract management TUPE to new supplier may apply to employees of existing supplier working in dedicated store. No other staffing implications. See paragraph 3.5 |
| 6 Evaluation criteria | The overall award criteria are 70% price and 30% quality. The award criteria price/quality breakdown is more particularly described within the report. See paragraph 3.6 |
| 7 Any business risks associated with entering the contract | Leaseholder consultation does not apply See paragraph 3.7 |

4. Implications

4.1 Financial implications:

The purchase of Materials and Equipment, Tool and Plant Hire for Housing Repairs are funded by the Council's HRA Housing Repairs Budget (£32.04m in 2017-18). The current budget allocated for the In-house Repairs teams for Materials is £1.51m and for Tool Hire is £500k. The Materials budget allocated for the Estate Maintenance Team is £326k.

Currently, there is no Materials budget allocated for the Voids Team as all the works are contracted out and the contract includes material usage. However, when a proportion of the void work is brought back in house, the estimated £160k spend on materials will be funded by the reduction in contractors' costs. The budget for Materials for Void work will therefore be contained within the overall Voids budget (£4.15m in 2017-18).

The purchase of Non-housing Repairs Materials is funded by the Council's GF BRF General budget (£296k in 2017-18)

It is anticipated that the current budget provision will continue to be available in the foreseeable future to support Materials Purchase and Tool Hire for the In-house Repairs Team, Estate Maintenance Team, Voids Team and Non-housing Repairs Team.

The cost of the contract (estimated at £2.36m pa of which HRA £2.30m and GF £60k) will therefore be contained within the existing HRA and General Fund resources without causing additional pressure to the Council.

4.2 Legal Implications:

The council has an obligation to keep its housing properties in good repair and the installations therein for the supply of water, gas and electricity and for sanitation in good working order (Part 2 of the Housing Act 1985; section 11 of the Landlord and Tenant Act 1985; tenancy conditions and rtb lease).

Accordingly, the council has the power to procure and enter into a contract for the supply of materials and the hire of equipment and plant to enable the in house repairs service to deliver the, repairs and maintenance service in respect of the council's housing stock and ensure that the council meets its contractual and statutory repair and maintenance obligations (section 1 of the Local Government (Contracts) Act 1997 and s111 of the Local Government Act 1972).

The proposed contract is a public supply contract. The financial threshold for application of the Public

Contracts Regulations 2015 (the Regulations) is currently £164,176 for public supply contracts. Contracts above this threshold must be procured with advertisement in the Official Journal of the European Union and with full compliance of the Public Contracts Regulations 2015. The council's Procurement Rules also require contracts over the value of £64,176 to be subject to competitive tender. The proposed procurement strategy, to advertise the contract in OJEU and use the restricted procedure, is in compliance with the 2015 Regulations and the council's Procurement Rules.

On completion of the procurement process the contract(s) may be awarded to the highest scoring tenderer(s) subject to the tender(s) providing value for money for the council.

The council has a 10 year lease of Unit 10, Bush Industrial Estate expiring on 8 July 2024. The council may underlet Unit 10 to the winning tenderer (s) but will require the prior written consent of the landlord to underlet and a licence to carry out any necessary alterations to divide the unit if the two lots are awarded to different tenderers.

4.3 Environmental Implications

Environmental considerations for this contract will include:

- Requirement to stock non-oil based products for health and safety reasons which will also have environmental benefits.
- Waste management policies and procedures. Ensuring the service meets Hazardous Waste, WEEE and Duty of Care Regulations especially in terms of WEEE disposal, asbestos and the environmental cleaning service.
- Chosen supplier to have robust waste management policy and practices in place.
- Encourage use vehicles which release fewer pollutants, where this is possible, and to minimise journeys through efficient stock management.
- Encourage supplier to use energy efficiency and water saving and recycling measures within the store.
- Pollution prevention - ensure the service minimises the number of pollution incidents to land, water and air through well managed procedures and operational controls. The service/contractor needs to implement a certified Environmental Management System certified to ISO14001.
- Whole life costing of products purchased; especially in term of products that require energy to function and also the cost of parts for repair.
- Encourage supply of environmentally friendly and sustainably sourced products from accredited suppliers, wherever possible and practicable.

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 8 August 2017 and the summary is included below. No negative impact on equality will result from the procurement of this contract. The council will explore opportunities with the supplier to promote opportunity for people with protected characteristics for example employment or training opportunities for local disabled people.

5. Reason for recommendations

- 5.1 It is recommended that a building materials, equipment, tool hire and plant hire contract is procured as two Lots through an OJEU restricted tender process to replace the existing contract.

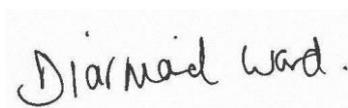
This is recommended because of the significant time, costs and risks associated with delivering such a service in-house due to the lack of suitable IT systems, need to procure separate materials supply contracts to stock the store, the risk that prices for materials, equipment, tools and plant will be higher due to the small scale of an in-house store and the need to cover the building and staffing costs to deliver such a service.

Appendices: None

Background papers: None

Final report clearance:

Signed by:

A handwritten signature in black ink that reads "Diarmaid Ward." The signature is written in a cursive style and is centered within a light gray rectangular box.

Executive Member for Housing and Development Date: 8 September 2017

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