



## Key Decision Report of the Corporate Director of Housing

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|-----------------------------|---|---------------------|
| <b>Officer Key Decision</b> | <b>Date: 13<sup>th</sup> January 2020</b> | <b>Ward(s): All</b> |
|-----------------------------|---|---------------------|

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| <b>Delete as appropriate</b> |  | Non-Exempt |
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### THE APPENDIX TO THIS REPORT IS NOT FOR PUBLICATION

## SUBJECT: Contract Award for Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting

### 1. Synopsis

- 1.1 This report seeks approval for the award of the contract for the Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting. On 31 August 2018 the Corporate Director of Housing approved the procurement strategy for the Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting.
- 1.2 The Contract for the Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting contract will be awarded to one contractor for an initial period of 24 months, with the option to extend for two possible extensions of up to 12months each, a total of 48 months. The estimated total value of this contract is £808,000 over the maximum period of 48 months. This is based on an estimated value of £202,000 per annum.

### 2. Recommendation

- 2.1 To award the contract for the Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting to:
  - Alphatrack Systems Limited.

### **3. Date the decision is to be taken:**

8 January 2020.

### **4. Background**

- 4.1 The Housing Repairs Service delivers responsive repairs to Council properties within the borough to approximately 29,000 properties. This contract will provide for specialist technical support to the in-house team, to deliver the servicing and repairs to fire protection, fire detection and emergency lighting equipment. The service will apply to residential properties, communal areas, community and reception centres. This contract is to replace an existing contract that is expiring.
- 4.2 On 31 August 2018, the Corporate Director of Housing approved a strategy for the procurement of a new contract for the provision of Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting. The contract was advertised by the Council on the London Tenders Portal and Contracts Finder. As the contract value was above the threshold for EU purposes, a contract notice was also published in the Official Journal of the European Union (OJEU).
- 4.3 The procurement was conducted in line with the Council's procurement rules and the Public Contracts Regulations 2015. The procurement was undertaken using a competitive tender under the Open Procedure.
- 4.4 Following advertisement of the contract, 13 submissions were received. Two organisations did not pass the compliance stage as they failed to submit the correct tender documents. The 11 remaining organisations were required to achieve a minimum standard scoring of 3 or above for each of the suitability assessment questions in order to have their remaining submission evaluated. Three organisations successfully achieved the minimum requirement at the suitability assessment stage and progressed to have their method statements evaluated.
- 4.5 Tenderers were required to achieve a minimum score of 3 or above for each of their method statements to assess the quality criteria, in order to have the cost element of their tender evaluated. All three of the remaining organisations met this threshold and had the cost element of their tender evaluated.
- 4.6 The contract will be awarded to the Most Economically Advantageous Tender (MEAT) based on the award criteria set at 50% cost and 50% quality.

#### **The 50% quality element was further divided into the following sub-criteria:**

Proposed approach to mobilisation, resourcing, implementation and delivery of contract - 10%  
Proposed approach to delivery of servicing programmes within timescales, meeting quality standard and budget requirements - 10%  
Proposed approach to recruitment, retention and management of suitably skilled/qualified personnel - 10%  
Proposed approach to customer care, equalities and delivery of social value - 10%  
Proposed approach to health and safety - 10%.

#### **The 50% cost element was divided into:**

| <b>Item no.</b>  | <b>Percentage breakdown</b> | <b>Description</b>  |
|------------------|-----------------------------|---|
| 1                | 10%                         | Percentage adjustment to the NHF Schedule of Rates for Fire Alarm Maintenance Version 7   |
| 2                | 2%                          | Surcharge for emergency call-out requiring one or more attendances on site outside normal working hours   |
| 3                | 30%                         | Prices for additional items not covered by the schedule of rates – See Section 3 and Appendix 1 to Price Framework “Assets lists and Programmes of Works” |
| 4                | 2%                          | DAYWORK – HOURLY CHARGES<br>Inside normal working hours<br>General building multi trade / skilled tradespeople  |
| 5                | 2%                          | DAYWORK – HOURLY CHARGES<br>Outside normal working hours (where instructed)<br>General building multi trade / skilled tradespeople                        |
| 6                | 2%                          | DAYWORK – PERCENTAGE ADDITIONS<br>Percentage adjustment for materials   |
| 7                | 1%                          | DAYWORK – PERCENTAGE ADDITIONS<br>Percentage adjustment for plant and equipment   |
| 8                | 1%                          | Percentage adjustment for directing and supervising approved Specialists  |
| <b>TOTAL 50%</b> |                             |   |

4.7 A two stage leaseholder consultation took place as part of this procurement. No observations were received.

4.8 Results of the tender evaluation are set out in the attached exempt Appendix 1.

## **5. Implications**

### **5.1 Financial implications:**

This report seeks approval for the award of the contract for the Testing and maintenance of Fire Protection, Fire Detection and Emergency Lighting.

The report indicates at 4.6 that Alphatrack Systems Limited has been assessed as the Most Economically Advantageous Tender (MEAT) based on the award criteria set at 50% cost and 50% quality.

The estimated cost of this contract is £202k per annum for a duration of twenty-four (24) months, with the option to extend for two possible extensions of up to twelve months (12) each.

The cost of this contract will be contained within the HRA Housing Repairs Budget, 2019/20 of which a budget is allocated to Lightning Protection (£81k), Fire Protection (£108k) and Fire Detection (£100k) making a total budget of £289k per annum. Furthermore, the costs of this contract will only be contained within these budgets if there is no other expenditure calls on the aforementioned total budget of £289k.

## **5.2 Legal Implications:**

The Council has various obligations under the Regulatory Reform (Fire Safety) Order 2005 No 1541 in relation to ensuring fire safety on its premises. Accordingly, the council has power to enter into a contract for fire protection testing (section 1 of the Local Government (Contracts) Act 1997) on the basis that it is required for the discharge of the Council's functions.

Fire protection testing is a service contract for purposes of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of the Regulations to service contracts is currently £181,302,000.00. The value of the proposed contract is above this threshold. The Council's Procurement Rules require contracts over the value of £181,302,000.00 to be subject to competitive tender. In compliance with the requirements of the Regulations and the Council's Procurement Rules the proposed contract has been competitively procured with advertisement in the Official Journal of the European Union (OJEU).

Bids were subject to evaluation in accordance with the tender evaluation model and Alphatrack Systems Limited gained the highest evaluation score and may therefore be awarded the contract.

In deciding whether to award the contract to the recommended service provider the Corporate Director should be satisfied as to the competence of the supplier to provide the services and that the tender price represents value for money for the Council. In considering the recommendations in this report the Corporate Director must take into account the information contained in the exempt appendix to the report.

The contract is for a period in excess of 12 months and therefore is a qualifying long term agreements under section 20 of the Landlord and Tenant Act 1985. Accordingly, the leaseholder consultation requirements applicable to long term qualifying agreements set out in the Service Charges (Consultation Requirements) (England) Regulations 2003 (as amended) have been complied with.

## **5.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:**

Environmental considerations for this contract include CO2 emissions from vehicle use and the contractor will optimise travel routes to minimise the number of journeys taken. Maintenance schedules will be planned in order to minimise travel and the resulting impact on congestion. The Contractor is committed where possible to using LPG and electrical fuel sources for vans.

The Contractor is required to adhere to the requirements of the Councils Health, Safety and Environment (HSE) Code of Conduct. The Contractor must ensure that waste materials are

kept to a minimum and that waste leaving sites is reused or recycled where practicable. The Contractor will have a duty of care to ensure that any waste disposal is done in accordance with appropriate legislation and under a waste carriers license. All environmental, health and safety precautions are to be observed whilst operatives are carrying out works.

The Contractor will install energy saving replacement parts where these are available and if compatible. Where complete renewals are required, then energy saving replacements will be the first option considered.

#### **5.4 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 22<sup>nd</sup> May 2018 (see appendix 2). This procurement will not have any negative impact on any persons within the protected characteristics groups. Diversity and equality are considered during the procurement process. Potential service providers will be asked a scored question during the procurement process about how they assess and manage repairs for customers with any of the equalities characteristics. It is a contractual requirement for service providers to work to Islington Council's policies and procedures, where equality, diversity and an accessible service for all is factored into service delivery procedures.

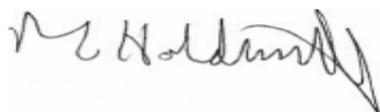
#### **6. Reasons for the decision: (summary)**

6.1 The successful contractor selected for the contract award for the Testing and Maintenance of Fire Protection, Fire Detection and Emergency Lighting met or exceeded the minimum requirements of all of the quality criteria of their tender, and had the highest overall score for combined quality and cost.

#### **7. Record of the decision:**

7.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

**Signed by:**



Corporate Director of Housing

Date 13.01.2020

#### **Appendices**

- Appendix 1 – Exempt
- Appendix 2 – Resident Impact Assessment

**Background papers:** None

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