

**POLICY AND RESOURCES COMMITTEE****13 DECEMBER 2023**

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| <b>REPORT TITLE:</b> | <b>THE SCHEDULE OF RATES CONTRACT FOR DAY TO DAY RESPONSIVE REPAIRS, INSTALLATION AND PLANNED MAINTENANCE, INCLUDING OUT OF HOURS EMERGENCY WORKS – ELECTRICAL WORKS</b> |
| <b>REPORT OF:</b>    | <b>DIRECTOR OF REGENERATION AND PLACE</b>  |

**REPORT SUMMARY**

The Council has a duty to manage a safe workplace under The Workplace (Health, Safety and Welfare) Regulations and the 18<sup>th</sup> Edition Wiring Regulations. This report requests that the tender submitted to KDE Ltd be accepted and the Schedule of Rates Contract for electrical works be awarded to the successful supplier. The contract includes day to day responsive repairs, installation and planned maintenance, including out of hours emergency works. The contract is for a period of 2 years with an option to extend for a further year. Electrical works raised are charged across a range of individual assets revenue codes and approved Capital project codes. Projects are managed through Asset Management and their technical officers.

The report proposal directly supports the Wirral Plan (2021-26) through the following key theme:

- Safe, vibrant communities where people want to live and raise their families.

This decision affects All Wards and is a Key Decision.

Appendix 1 of this report is not for Publication by virtue of by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972

**RECOMMENDATION/S**

The Policy and Resources Committee is recommended to approve that:

KDE Ltd be awarded the schedule of rates contract for initial 2-year period with an option to extend for a further year to undertake day to day responsive repairs, installation, and planned maintenance of electrical works, within approved budget and in accordance with the most economically advantageous tender criteria.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 Wirral Council has a large portfolio of assets which require regular maintenance both planned and emergency. There is also a statutory requirement to ensure that all Health and Safety Legislation appertaining to Electrical Safety is ensured across the full range of electrical installations within our buildings. This contract will meet all the necessary requirements within agreed costs and response times.
- 1.2 A detailed specification, schedule of works and drawings were issued in June 2023 and a tender exercise was undertaken. Seven bids were received. The bids were scored on a Price, Quality and Social Value basis with KDE Ltd submitting the most economically advantageous tender, as detailed in the exempt appendix 1.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Council has a duty to manage a safe workplace under The Workplace (Health, Safety and Welfare) Regulations and the 18<sup>th</sup> Edition Wiring Regulations. All electrical installations are required by law to be maintained and kept in good working order. This contract aims to ensure the Council remains compliant with the above statutory obligations. To do nothing is not an option.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The current contractor has provided the schedule of rates contract for electrical works since August 2017. The contract provides for the planned service, repair, and maintenance of all electrical installations, including out of hours emergency working. The contractor met full expectations in terms of performance and safety.
- 3.2 A full procurement exercise was undertaken involving consultation with internal officers within the Assets team and then the drawing up of a detailed tender specification and scoring matrix. Expressions of interest were invited via 'The Chest' portal and the process was overseen by Procurement and Asset Management officers.

## **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The cost of the works associated with the contract are recharged to the relevant individual building asset codes for revenue works or the appropriate Capital project code.
- 4.2 Analysis of previous years expenditure for electrical work show that an average expenditure in the region of £800,000 for both remedial work and safety testing. The returned tender shows a significant reduction in the costs of the schedule of rates contract which will benefit revenue budgets of the assets at which electrical works are taking place. This will be taken into account during the 2024/25 budget process.
- 4.3 A total of 7 companies submitted bids on an open tender basis. Tenders were received on a percentage addition/reduction of the schedule of rates basis and included Quality and Social Value elements.
- 4.4 The contract will be actively managed through scheduled monthly meetings between the company and Asset Management, in addition to site checks and inspections being undertaken. Key Performance Indicators are used to monitor response times for emergency orders and other response times as prescribed within the contract, these are captured using the Council's Concerto Asset Management System.
- 4.5 Exempt financial details are contained within Appendix 1 of the report. Appendix 1 of Appendix 1 is not for Publication by virtue of by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 The commission of the services detailed in this report have been undertaken in accordance with The Public Contract Regulations 2015 and the Council's Contract Procedure Rules.
- 5.2 The award of this contract is being made on most economically advantageous tender basis. The Council's Contract Procedure rules set out how contracts are to be awarded by the Council in accordance with the Procurement Strategy requirements.
- 5.3 The award will be underpinned by a formal contract which will be drawn up by the Council's legal team.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 There are no direct staffing and ICT implications arising from this report.

## **7.0 RELEVANT RISKS**

- 7.1 Financial risks were considered with this project however, the fixed price basis will remove those risks associated with inflation and associated cost of living implications.

- 7.2 Failure to implement safety arrangements to manage electrical safety would be a breach of statutory duty for the Council as an employer and the responsible body in control of premises. Poor management of electrical safety matters also has the potential to cause serious harm to employees, pupils and members of the public.
- 7.3 Site safety risks are assessed prior to work commencing by the appointed contractor and other responsible persons on site. Asset Management have in place, robust contractor management procedures including monthly performance and safety reviews. Some larger projects will be managed under The Construction (Design & Management) Regulations.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 Engagement took place internally between the Compliance Team Leader, Asset Building Surveyor Team Leader, Senior Electrical Engineer, and Senior Quantity Surveyor to ensure the information within the specification and schedule of works covered all aspects of the tendering process and contract detail.
- 8.2 Consultation between all parties was undertaken to review previous contracts and enhance the service delivery.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision, or activity.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 Where possible electrical items will be disposed through recycling routes under the Waste Electrical and Electronic Regulations 2023.
- 10.2 KDE Ltd have committed to providing 3 engineers with electric vehicles for the Wirral contract.
- 10.3 KDE Ltd have committed in making this contract a net Zero contract through partnering with positiveplanet.uk.

## **11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11.1 KDE Ltd to retain nine employees, as the incumbent supplier, who are established residents of Wirral, and engage local suppliers and sub-contractors, detailed within their Social Value submission.

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## **APPENDICES**

Appendix 1- Exempt Financial details.  
Schedule of Rates Base Rates (PDF)

## **BACKGROUND PAPERS**

ITT Document  
Submitted bids from the bidders (exempt from publication).

## **TERMS OF REFERENCE**

This report is being considered by the Policy & Resources Committee in accordance with Section b (i) and (vi) of its Terms of Reference, to provide a co-ordinating role across other service Committees and retain a “whole-council” view of performance, budget monitoring and risk management, which includes responsibility of a decision (i) that has a major impact on a number of Council services or on the Council as a whole, and (vi) which is deemed significant in terms of the impact on the Council’s capital or revenue, to be determined by the Head of Paid Service and/or Section 151 Officer in consultation with the Leader. This Committee also has responsibility under section f of its Terms of Reference to “undertake responsibility for developing and monitoring the enabling of corporate services including” [amongst other matters] ... commercial strategies, property and asset management...”

## **SUBJECT HISTORY (last 3 years)**

| <b>Council Meeting</b> | <b>Date</b> |
|------------------------|-------------|
| None                   |             |