



**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE –
18 SEPTEMBER 2017**

**REPORT BY: THE CLERK TO THE JOINT COMMITTEE
In consultation with
THE TREASURER AND
THE HORTICULTURAL CONSULTANT**

**PORTCHESTER CREMATORIUM –
PROVISION OF HORTICULTURAL SERVICES
FOR GROUNDS MAINTENANCE**

Purpose

1. To report on the outcome of the tender process for the provision of horticultural and grounds maintenance services from 1 January 2018.

RECOMMENDATION

Members are asked to consider this report and -

- (a) **Decide to whom to award the contract for horticultural and grounds maintenance services from 1 January 2018 taking into account the evaluation of the tenders received, as set out in the attached exempt appendix 1; and**
- (b) **Subject to the decision on the award of contract authorise Portsmouth City Council on behalf of the Joint Committee to enter into the contract and complete the necessary legal documentation.**

Background

2. The Joint Committee in December 2016 resolved that –
 - (a) Tenders be invited for a 5 year contract (with option for the Joint Committee to agree a 5 years extension) for future horticultural and grounds maintenance services to commence on 1 January 2018 and the Horticultural Consultant be authorised to finalise in consultation with Portsmouth City Council a select list of contractors to be invited to tender;
 - (b) Tenders be evaluated by Portsmouth CC, taking into account the weighting criteria set out in the report, and a report on tenders received and a recommendation as to the award of contract be made to the Joint Committee in September 2017.

3. The Joint Committee agreed that a 5 year contract with option for the Joint Committee to extend for a further 5 years would allow the contractor a degree of certainty with which to forward plan with regard to investment in plant and equipment required to deliver the contract to the high specification required. The contract would also include provision to allow a degree of sufficient flexibility to take into account any future scheduled work and specification changes that may become necessary.
4. The contract provides for annual uplift in accordance with CPI.
5. The decision to invite tenders followed consideration of a comprehensive report to the Joint Committee in September 2016 setting out the options and likely costs to provide a local authority 'in house' service versus provision by an external provider. This aspect is further explained from paragraph 16 below, and in the exempt appendix 2 attached.

Procurement Arrangements and Tender Specification

6. Portsmouth City Council undertook the procurement process during spring and summer 2017 for the new contract, which it will enter into on behalf of the Joint Committee. The Horticultural Consultant and Portsmouth CC have previously advised the Joint Committee that the existing detailed contract specification of works required minimal amendment only to reflect minor variations that had occurred during the life of the present contract.

The Grounds Maintenance Contract and Specification

7. The proposed (and present) contract has a very detailed specification of the works that are required and in summary includes –
 - The nature and frequency of the works to be carried out;
 - Health and safety requirements;
 - Responsibility for planting and maintaining lawns, bedding plants, bulbs, shrubs, roses and trees, and internal plant displays;
 - Responsibility for cleaning and clearing paths, litter bins and wreaths, and the garden of contemplation water feature;
 - Provision of tools, plant and machinery;
 - Appointment of a supervisor and staff and their working hours.

Select List Tenderers

8. The Joint Committee was advised at the meeting in June 2017 of the outcome of the evaluation process. This followed a general invitation to those expressing an interest in being considered for the work and having completed a Pre-Qualification Questionnaire (PQQ). As a result five companies were included on a select list and invited to tender, as set out in the attached exempt appendix.

The Tenders Received

9. Four tenders were received – one company chose to withdraw and not make a submission. Details of the 4 tenders are set out in the attached exempt appendix 1 together with the evaluation of each tender, its value and observations/comments by PCC Procurement.
10. The recommended tender offering best value following the evaluation process is in the sum of £61,293.

Award of Contract

11. Following the decision to award the contract there is a requirement under the procurement regulations to allow a short 'stand still' period for any legal challenge, before the contract with the successful bidder can be completed.

Estimate Provision and 2017/18 Budget

12. The Joint Committee was advised in December 2016 that the projected out-turn cost of providing the grounds maintenance service for 2016/17 (based on a previous 3 year average) would be £64,000. Members were further advised that future costs were far from certain as they would be subject to the outcome of the procurement process.
13. The approved 2017/18 Revenue Budget includes £79,000. This comprises meeting the anticipated cost of the grounds maintenance contract of £65,000, other grounds maintenance related supplies of £2,500 and for the re-charge by Portsmouth City Council which is now approximately £12,000. This re-charge includes management of the contract by the Horticultural Consultant, arboricultural consultancy and the sourcing of plants, materials and other services not forming part of the grounds maintenance contract.
14. In 2016/17 the total grounds maintenance related expenditure was £79,196, broken down as follows – Grounds Maintenance Contract (£62,014); other grounds related supplies not covered by the contract (£5,314); Re-charge from Portsmouth CC (£11,868).
15. It will be seen therefore that the value of the preferred bid (£61,293) is in line with the current budget.

Provision by Local Authority Direct Service Organisation

16. As mentioned in paragraph 3 above, at the Joint Committee meeting in September 2016 members were advised that the officers had considered whether it would be in the Joint Committee's overall interests for the present horticultural grounds maintenance contract to be delivered by a contractor or whether the same level and quality of service could be provided by an arrangement delivered by one of the four constituent authorities.

17. Members were asked whether the Joint Committee should either –
- (a) Invite tenders for future grounds maintenance, including settling interim arrangements pending the start of a new contract; or
 - (b) Provide the grounds maintenance service through a direct service organisation on a permanent basis.
18. The report to the Joint Committee in September 2016 included details of the likely costs an ‘in house’ service would incur, and the relevant part of that report is attached as exempt appendix 2, to remind members of the costs reported at that time.
19. Members were also told at that time that future costs were far from certain as they would be subject to procurement of a standalone contract, which would bear a risk of price increases.
20. In the event the Joint Committee decided that for the longer term tenders be invited from external providers.

Conclusion

21. The Joint Committee has previously considered whether the horticultural and grounds maintenance contract should be carried out by a direct service organisation or by an external contractor, and chose to invite tenders which would carry with it the risk of price increases.
22. The tender recommended for acceptance following evaluation by Portsmouth City Council’s Procurement Team and the Joint Committee’s Horticultural Consultant is in line with expectation, given there would in any event be a price increase over the existing contract, to take account of various price increases during the life of that contract including the introduction of the National Living Wage.
23. Members are therefore asked to consider the detail of this report and the attached exempt appendix 1 and make a decision.

John Haskell
Clerk to the
Joint Committee

Andy Wannell
Treasurer to the
Joint Committee

Ashley Humphrey
Horticultural Consultant

Exempt Appendices –

1. Procurement Report dated 7 September 2017 on the tender process.
2. Extract from Report to the Joint Committee on 19 September 2016 on Future Grounds Maintenance.

*Background List of Documents –
Section 100D of the Local Government Act 1972 - None*

JH/me
6 September 2017