



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR FINANCE AND ESTATES

TOPIC - TREE MAINTENANCE FRAMEWORK AGREEMENT

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Corporate Director (Governance), the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Committee Administrator by 5.00pm on Tuesday 12 July 2011.

Contact Officers:

Case Officer: Andrew Giles, Tel: 01962 848428, Email: agiles@winchester.gov.uk

Committee Administrator: Nancy Graham, Tel: 01962 848 235, Email: ngraham@winchester.gov.uk

SUMMARY

- The Council has been asked to consider entering into a collaborative procurement project with 7 Hampshire authorities (Hampshire County Council, Eastleigh BC, East Hants DC, Fareham BC, Havant BC, Hart DC and Rushmoor BC) for the provision of Tree Maintenance Services.
- The Council currently spends c. £50,000 per annum on Tree Maintenance Services. The combined spend of the authorities involved in the collaborative project is c. £450,000 pa.
- It is proposed to develop a joint Framework Agreement (awarded in geographic 'lots') through Hampshire County Council for the procurement of

Tree Maintenance Services for a 4 year period commencing 1 September 2011. It is intended to include multiple contractors in each area under the framework agreement.

- The award criteria for the contract are proposed as 40% price: 60% quality.
- The Framework Agreement would set prices under a Schedule of Rates (SoR) for 4 years using contractors that have satisfied the County Council's procurement requirements at the time of tendering.
- The agreement will secure savings over its lifetime, allowing the Council to either be able to deliver more work for the given budget, or deliver the required work programme and offer savings.

PROPOSED DECISION

- 1) That the Head of Landscape and Open Spaces be authorised to agree arrangements with Hampshire County Council for the procurement of a joint Framework Agreement for Tree Maintenance Services with 7 other Hampshire local authorities (Hampshire County Council, Eastleigh BC, East Hants DC, Fareham BC, Havant BC, Hart DC and Rushmoor BC).
- 2) That the contract award criteria for the joint Framework Agreement for Tree Maintenance Services be set at 40% on price: 60% on quality
- 3) That the proposed partnership arrangements be approved under Contract Procedure Rule 26.1.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Current Winchester Situation

Hitherto, the Council has commissioned works to Council-owned trees where the works have been identified through an ongoing annual tree survey programme. Tree work has been commissioned on an ad-hoc basis, selecting from suitable contractors according to the competitiveness of their quote and availability.

The use of Schedules of Rates would reduce the cost to the Council and thus allow the Council to get more done with a limited budget. The benefit of using a SoR contract is that the most suitable and competitive contractor carries out the works and the Council knows how much it will cost when commissioning the contractor. The contractor does not have to visit the site in advance in order to prepare a quote (which may not be successful) and only visits the site to actually undertake the works. This reduces the costs the contractor needs to recoup from the Council when undertaking the work and thus reduces the cost to the Council. It also reduces the Council response time, as there is no delay in waiting for quotes.

The Proposal

It is proposed that a joint Framework Agreement be established by Hampshire County Council on behalf of seven Local Authorities. The procurement of the framework contract will comply with national legislation (regulation 19 of the Public Contracts Regulations 2006), and will be under Hampshire County Council's General Conditions of Contract.

Once established, the Council will be able to "call-off" work under the framework contract, awarding the work to the contractor offering the most advantageous tender under the SoR in the contract.

Under Contracts Procedure Rule (CPR) 2.3, the City Council's procurement rules do not apply where the procurement is being undertaken on behalf of the Council by another local authority (e.g. Hampshire County Council) as part of a partnership involving the Council, provided the procedure rules for that authority are complied with. CPR 26.1 provides for partnerships to be entered into following approval under the Portfolio Holder Decision Notice Scheme. Individual call-offs under the framework contract would be permitted under CPR 2.4b).

It is proposed that the evaluation criteria in the Invitation to Tender for this framework contract will be 40% on price: 60% on quality.

The joint Framework Agreement will be open to national and local contractors, which will ensure fairness, keep prices competitive and allow local strategic objectives to still be met. More than one tree contractor will be able to enter into and participate in the agreement within one District. Entering into a joint agreement with other local authorities will deliver greater savings to the Council than it could achieve alone.

The recent Trees Informal Scrutiny Group (ISG) identified the need to manage the risk to the Council arising from trees. This agreement will allow the Council to manage risks arising from trees more cost-effectively than commissioning work independently on an ad hoc basis.

RESOURCE IMPLICATIONS:

Officer time will be required to set up the Framework Agreement contract.

There are potential savings to the Council from more competitive pricing of tree works.

CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION

Consultation carried out with the Portfolio Holder for Culture, Heritage and Sport.

Consultation with partner authorities, viz. Hampshire County Council, Eastleigh BC, East Hants DC, Fareham BC, Havant BC, Hart DC and Rushmoor BC.

Consultation with Procurement Officer for Winchester City Council.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED
FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION
NOTICE**

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR
OFFICER CONSULTED**

n/a

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

n/a

Approved by: (signature)

Date of Decision:

Councillor Keith Wood – Portfolio Holder for Finance and Estates