

Agenda Item No: 5

Report to: Charity Committee

Date of Meeting: 26 September 2012

Report Title: Grounds Maintenance Contract Tender Results

Report By: Virginia Gilbert
Head of Amenities & Leisure

Purpose of Report

To report the results of the joint procurement of grounds maintenance services for Hastings Borough Council (including services on Foreshore Trust land), Rother District Council and Amicus Horizon.

Recommendation(s)

- 1. That the Committee agrees to continue to include Foreshore Trust grounds maintenance in the Hastings grounds maintenance contract**

Reasons for Recommendations

Areas of Foreshore Trust land from Pelham car park eastwards to the stade are included in the current HBC Grounds Maintenance contract with Quadron Services Ltd. This contract has a 7year term ending in November 2012.

Hastings Borough Council, Rother District Council and Amicus Horizon have procured jointly and agreed to appoint a single contractor for all three organisations in a new 10 year contract from November 2012.

The Charity Committee agreed in December 2011 to include their requirements in the Hastings element of the joint procurement.

Background

1. Areas of Foreshore Trust land from Pelham car park eastwards to the Stade are included in the current HBC Grounds Maintenance contract with Quadron Services Ltd. This contract has a 7 year term ending in November 2012.
2. The areas of Foreshore Trust land included in the current contract consist mainly of a series of ornamental and grass beds along the seafront.
3. The cost to the Foreshore Trust for grounds maintenance management and operations for the financial year 2011-12 was £44,371.
4. The Foreshore Trust is not directly contractually bound to the current or future contractor. Contract terms allow for the alteration or removal of maintenance areas.

Current Position

5. The three partner organisations have selected a new contractor. Amicus Horizon has begun a statutory 30 day pre-award consultation with residents. Hastings and Rother have issued Intention to Award letters.
6. After the end of the Amicus consultation period and a following 10 day Alcatel 'standstill' period, subject to resolution of any legal challenges, the partner organisations will award a contract on 28th September 2012. The new contract will begin on 6th November 2012.
7. Using the prices tendered for Hastings BC by the successful contractor, the Foreshore Trust element of a new contract is priced at £16,000. It is suggested that an annual budget of £20,000 would provide sufficient contingency for any non-routine alterations such as additions or changes in bedding schemes or purchase of additional planters.
8. We have achieved significant reductions in contract costs. The economies of scale offered by the large joint contract have attracted very competitive tenders which, over the whole contract, deliver savings of over £400,000 per annum. Further reductions have been realised as a consequence of specification changes, moving away from seasonal bedding to more sustainable planting schemes.
9. When the Charity Committee agreed to be included in this procurement exercise, they asked that a parallel pricing of Foreshore Trust areas alone be carried out. It emerged that it was not legally possible to do this whilst the EU procurement process was underway. Given the favourable result for the Foreshore Trust, it is unlikely that a more competitive price would be realised by tendering the Foreshore Trust grounds work independently. Officers do not, therefore, recommend further market testing.
10. If a market test is still wanted, however, it can take place at any time as our grounds maintenance contracts allow for alterations within the contract term.

Wards Affected

Castle, Old Hastings

Area(s) Affected

East Hastings

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No

Background Information

Officer to Contact

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Appendix 1 Grounds Maintenance Contract Procurement Timetable

	ACTIVITY	DATES	DURATION
1.	OJEU Notice	13 January 2012	37 days
2.	Deadline for return of PQQ	20 February 2012	
3.	Issue of Invitation to Tender	19 March 2012	
4.	Open Day for Tenderers	4-6 April 2012	3 days
5.	Deadline for Tenderers to submit final written questions	20 April 2012	5 weeks (from issue of Invitation to Tenderers)
6.	Return deadline	1 May 2012	6 weeks (from issue of invitation to Tenderers)
7.	Tenderers Presentations	4-8 June 2012	2 hours each presentation
8.	Further interviews/presentations if required	27-29 June 2012	To be advised after w/c 11 June 2012
9.	Intention to Award Contract	19 July 2012	
10.	Start of Alcatel period	19 July 2012	10 days +
11.	Contract Award	1 August 2012	
12.	90 Day TUPE, Notice from existing contractors to new Contractor	1 August 2012	
13.	Commencement of Grounds Maintenance Contract	6 November 2012	