

Item No. 19.	Classification: Open	Date: 18 March 2014	Meeting Name: Cabinet
Report title:		Gateway 1 - Procurement Strategy Approval Consolidated Repairs and Maintenance Service Contract for the Council's Operational Estate	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Richard Livingstone, Finance, Resources and Community Safety	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR FINANCE, RESOURCES AND COMMUNITY SAFETY

With its vision of spending every pound as if it was from our own pocket, the council has been pursuing the process of ensuring that the way it manages its buildings offers the best value for money. The first step in this process was to consolidate the facilities management of the Tooley Street offices into a single contract last February.

Given the good performance on this contract, the scope of the facilities management work under this arrangement has been extended to include further buildings in the council's administrative estate. There is scope to continue to spread this further for the 'soft' facilities management work.

This report outlines the next step: bringing together the repairs and maintenance work across 217 buildings into a single, but flexible, contract that recognises that there will be differing levels of support required in different buildings. The single contract will enable this work to be delivered to a more efficient and cost effective way that best meets the needs of the council and its employees.

The contract will be awarded in line with the council's Living Wage commitments.

RECOMMENDATIONS

1. That the cabinet approve the procurement strategy outlined in this report for the consolidated repairs and maintenance service contract for the council's operational estate, namely to undertake a further competition using the crown commercial service (CCS) framework for facilities management as allowed for under CSO 3.4.
2. That the cabinet note that based on the minimum number of buildings expected to be included in the contract the estimated annual cost is £3.5M for a period of approximately 38 months making a total estimated contract value of £11M, with the option to extend for two 12 month periods giving a total contract value of £18M, which is expected to increase in line with plans to include other buildings during the life of the contract.
3. That the cabinet approve the delegation of the decision regarding the gateway two contract award report to the strategic director of finance and corporate services so as to facilitate awarding the contract before the expiry of the current framework.

BACKGROUND INFORMATION

4. Facilities Management (FM) is an integral business support service that provides the wide range of fundamental soft FM services e.g. cleaning, security, catering, inter-site mail, and hard facilities management e.g. planned, preventative and reactive building

maintenance, compliance and works projects which make up the building related services required to provide safe and compliant environments for staff and visitors.

5. In order to meet the changing requirements in the council's accommodation strategy a new long term procurement strategy for FM services was agreed for the operational estate, namely to move from a situation in which the council has multiple, disparate, outmoded contract arrangements to a consolidated FM service provision through the procurement of a suite of aligned FM contracts.
6. In October 2012 the council awarded the first of these contracts in the form of a consolidated soft and hard facilities management services contract for 160 Tooley Street to Interserve Plc for a period of five years, with an option to extend for an additional two years, hereafter referred to as the TSFM contract.
7. The TSFM contract allows the council to expand the operational scope to include additional buildings throughout the contract term subject to agreed criteria being met. This in turn allows the council to benefit from increased economies of scale driven through the contractor's own service delivery supply chain. Since contract award 14 operational buildings have been added thereby increasing the efficiencies achieved through the following benefits:
 - A rationalisation in contract management and monitoring requirements through the removal of multiple service providers and invoices.
 - Improved management information on the council's assets
 - Improved service delivery standards supported by focused key performance indicators.
 - Increased cost certainty over the life of the contract
 - Increased benefits as the scope of the service provider's annual improvement plan widens.
8. Building specific service benefits include:
 - A single point of contact for all services supported by the contractor's service desk interfacing with the council's in-house FM service desk giving a consistent customer experience.
 - Increased responsiveness to service requests and set reactive maintenance response times reducing downtime and increasing customer satisfaction.
9. Corporate Facilities Management (CFM) has continued to review operational buildings to identify those that meet the criteria for inclusion in the TSFM contract for consolidated soft and hard FM services, to date a further 35 are considered eligible. It is also proposed that all remaining operational buildings, circa 217, be included in the TSFM contract for consolidated soft FM services only as this service provision is uniform to all buildings. Approval reports are being prepared for March 2014. This will leave circa 217 operational buildings requiring a new consolidated repairs and maintenance service provision which is the subject of this report.
10. The estimated annual cost of the contract at award is £3.5M
11. The length of the contract is approximately 38 months, dependent on the date of award, this is to align the initial term end date with the TSFM contract to facilitate future procurement options.
12. The contract will allow for two 12 month extensions.
13. The total estimated contract value at award is £18M.

Summary of the business case/justification for the procurement

14. The reason some of the operational buildings cannot be included for consolidated hard FM services in the TSFM contract is that due to their age and condition they require a range of different maintenance strategies that are unable to be accommodated within the TSFM contract pricing mechanism.
15. This procurement will be the second major FM contract in the agreed strategy and will deliver the following service objectives:
 - Provide a safe and comfortable working environment for all building users which in turn enables them to deliver services.
 - Ensure efficient and cost effective use of assets
 - Maximise the useful life span of buildings, plant and equipment
 - Ensure all statutory health and safety requirements are met pertaining to maintenance works and inspections.
16. By awarding the contract from the same CCS framework, formerly known as government procurement services (GPS), the same core services detailed below will be delivered to corporate standards across the operational estate:
 - Planned preventative building maintenance, primarily routine and scheduled maintenance activity to building services and fabric.
 - Reactive building repairs and maintenance e.g. repairs to broken windows
 - Compliance with statutory regulations to meet all statutory and regulatory requirements relating to the building's fabric, plant and equipment, excluding fire risk assessments, asbestos management, gas, water and electrical testing which are compliance activities that will be covered by a new compliance and risk assessment contract for which a separate report is being prepared for March 2014.
 - Maintenance of building related equipment to ensure that it is in good working order.
 - Provision of spares and consumables to include lighting tubes, plant lubricants and engineering parts.
 - Works projects i.e. refurbishment and alterations consisting of works required by the council to alter or improve the working environment.

See appendix one for a more detailed scope of service.
17. Each of the buildings for inclusion in this contract will require varying levels of maintenance. These levels will be determined by a matrix of factors including current and future use, business criticality, the condition of fixed assets and the overarching accommodation strategy. To allow for this variance three maintenance strategies have been developed as detailed in table one at paragraph 20.
18. CFM will determine, in conjunction with other relevant service areas, which maintenance category best fits each building. This process will be fully supported by the information from the recently commissioned asset verification survey. The contract will allow for buildings to be moved between maintenance strategies in line with the evolving estate strategy.
19. Each maintenance strategy has its own pricing mechanism reflecting the degree of investment required in individual buildings. For example a building providing a front line or critical service and with reasonable utilisation expectancy will be assigned to maintenance strategy A. For a building that has a short utilisation expectancy i.e. is due for disposal, maintenance strategy C will be applied.

20. Maintenance strategies A and B will operate with cost streams one and two and transfer a degree of risk to the contractor giving a base, fixed price for each building. Maintenance strategy C will operate on cost stream two only i.e. a reactive maintenance cost under a schedule of rates. The fixed price element provides a degree of cost certainty for medium and long term business planning.

Option	Maintenance Strategy
<p style="text-align: center;">A</p> <p style="text-align: center;">Best practice planned and reactive service to all assets</p>	<p>The contractor is required to implement a best practice maintenance regime against all built and installed assets.</p> <p>All reactive repairs and maintenance up to a value of £1,000 excluding VAT (including labour, materials, profit, overheads and any other relevant costs) shall be carried out within cost stream one. All other reactive or planned maintenance tasks shall be met from cost stream two.</p>
<p style="text-align: center;">B</p> <p style="text-align: center;">Best practice planned and reactive service to critical assets only</p> <p>For the purposes of options A&B critical assets are defined as systems/equipment that if degraded, fail or rendered unavailable would greatly impact on the buildings reliability/utility therefore affecting service delivery</p>	<p>The contractor is required to implement a best practice maintenance regime against those assets which are denoted as business critical or requiring statutory testing only.</p> <p>All reactive repairs and maintenance on assets classified as business critical or requiring statutory testing, or classified as category A call - outs up to a value of £1,000 excluding VAT (including labour, materials, profit, overheads and any other relevant costs) shall be carried out within cost stream one. All other reactive or planned maintenance tasks shall be met from cost stream two.</p>
<p style="text-align: center;">C</p> <p style="text-align: center;">Best practice reactive service to critical assets only</p>	<p>The contractor is required to implement a best practice reactive maintenance regime only against those assets which are denoted as business critical or requiring statutory testing. All costs are cost stream two.</p>

Table One

21. The implementation of a consolidated repairs and maintenance contract for the operational estate will ensure that the council is able to achieve further benefits in line with those already being achieved on the TSFM contract as detailed in paragraph six.
22. The new contract will have the flexibility to allow the council to expand the scope of the contract to include other buildings that it owns, occupies or is responsible for providing FM services to during the contract term. Examples include voluntary and community schools/academies, the voluntary and community sector estate and the tenant and resident's association estate. At this time CFM estimates that the proportion of buildings from these sectors that will be included in the contract will represent an increase of approximately 40% in the total contract value. CFM will update this figure accordingly in the gateway two contract award report subsequent to consultation with said sites and confirmation of the successful tenderer's pricing. The governance process for adding new buildings to the contract will also be detailed in the gateway two report.

Market considerations

23. As the recommended procurement route is to use the CCS framework there are no specific market conditions that will impact on this procurement. The framework itself has already delivered a very successful contract for the council and the list of available organisations remains the same demonstrating continued capability and robustness.

KEY ISSUES FOR CONSIDERATION

Options for procurement route including procurement approach

24. The following procurement options were considered:

No.	Option	Advantages	Disadvantages	Decision
1.	Do nothing	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ Having no repairs and maintenance service would lead to a degradation of building fabric and services resulting in building closures. 	Not recommended.
2.	Continue with existing arrangements.	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪ CFM would not be able to achieve the long term FM strategy of consolidating the delivery of FM services. ▪ Similar efficiencies to those achieved on the TSFM contract would not be replicated. 	Not recommended.
3.	Undertake a EU procurement	<ul style="list-style-type: none"> ▪ Wider market test ▪ Potentially more applicants. 	<ul style="list-style-type: none"> ▪ Long procurement timeline. ▪ Length of procurement would significantly shorten the contract term possibly making it less attractive, thereby resulting in fewer bids and/or increased costs as the return on investment is reduced. ▪ Resource intensive 	Not recommended
4.	Undertake single supplier negotiations with TSFM contractor.	<ul style="list-style-type: none"> ▪ Short procurement timeline. ▪ Would achieve full consolidation of FM service provision with one provider. 	<ul style="list-style-type: none"> ▪ Non-competitive process making it harder to demonstrate best value. ▪ Estimated contract value is above EU threshold so risk of challenge. ▪ Would need to justify use of this route in such a well developed market. 	Not recommended
5.	Join tri-borough framework set up by Hammersmith & Fulham, City of Westminster and Royal Borough of Kensington & Chelsea	<ul style="list-style-type: none"> ▪ Short procurement timeline. ▪ EU compliant ▪ Market recently tested 	<ul style="list-style-type: none"> ▪ This framework has been awarded to a single supplier so there is no further competition option to address Southwark specific requirements. ▪ The framework is still in its mobilisation phase with the three host organisations so it is too early to see if it is going to deliver the desired outcomes. ▪ Unlike the TSFM contract this is not a new 	Not recommended.

No.	Option	Advantages	Disadvantages	Decision
			engineering contract (NEC) contract which would mean there would be two different contract management protocols for the same service areas.	
6.	Undertake a further competition from the CCS framework.	<ul style="list-style-type: none"> ▪ Short procurement timeline. ▪ EU compliant ▪ Framework already successfully used by council for a year. ▪ All eight original suppliers have remained demonstrating capability and performance. ▪ Competitive process ▪ NEC contract model would facilitate a uniform contract management regime within CFM. ▪ Less time needed to produce ITT documentation as can use TSFM contract as best practice model. 	<ul style="list-style-type: none"> ▪ Not a full market test ▪ Possibility that not all suppliers will be interested in a hard FM service only contract. 	Recommended

Proposed procurement route

25. The proposed procurement route is to undertake a further competition using the CCS facilities management framework. The framework currently has the following eight suppliers:
- Carillion Services Ltd
 - EC Harris Solutions Ltd
 - Europa Facility Services Ltd
 - Interserve (Facilities Management) Ltd
 - ISS Facility Services Ltd
 - MITIE Facility Services Ltd
 - Norland Managed Services Ltd
 - Skanska Rashleigh Weatherfoil Ltd
26. As per CCS guidance CFM will first undertake a capability assessment by contacting all eight suppliers with basic information about the council's requirements e.g. services required, size of operational estate, contract term, other services/properties that may be added to the contract going forward. Following this exchange suppliers have the opportunity to de-select themselves from the process. Those that remain will be invited to participate in a further competition process for which they will be asked to submit a tender in response to a specification detailing the council's full service requirements.

Identified risks for the procurement

27.

No.	Risk	Level	Mitigating Action
1.	There is not enough interest from the framework for a hard FM only contract.	Low	CFM has contacted all eight contractors to gage their interest at this stage and to date none had advised that they would not consider submitting a tender.
2.	Lack of knowledge regarding hard FM service provision in some parts of the operational estate may mean not all secondary TUPE issues are identified.	Medium	CFM will utilise its team of FM building managers to confirm existing service provision arrangements in order to identify where secondary TUPE may apply.
3.	<p>The current CCS framework is due to expire at the end of September 2014 and CCS has confirmed that any award must be made prior to this.</p> <p>Therefore a significant delay in the procurement timeline may impact on the council's ability to meet this requirement.</p>	Medium	<p>CFM has taken on board lessons learnt from the TSFM procurement and is confident that the advised procurement project plan is achievable and duly resourced.</p> <p>CFM intends to utilise the documentation from the TSFM procurement where possible, and the specification is nearly completed.</p> <p>Recommendation two of this report is seeking approval to delegate the contract award decision to the strategic director of finance and corporate resources which will shorten the internal contract award approval process. CFM will also monitor the CCS procurement for further extensions.</p>
4.	Existing services may degrade once current contractors become aware of the service consolidation proposal and their possible exclusion from the procurement process.	Low	CFM to maintain contract monitoring and management arrangements so that any service degradation can be addressed accordingly.
5.	Insufficient/inaccurate estate data leads to applicants submitting increased risk premiums to tender costs.	Low	CFM has recently commissioned an asset verification survey which will be provided to applicants. The successful contractor will also have an opportunity to undertake due diligence.

Key /Non Key decisions

28. This is a key decision.

Policy Implications

29. A key element of the corporate plan that this strategy supports is "transforming public services". This requires sound resource management of the council's property assets, including how they are utilised and their effective operational and financial management. The effective and efficient procurement and delivery of FM services are integral to the sound management of the council's property assets.

30. The medium term resources strategy aligns financial priorities with the management of assets and the associated resources with which the council delivers its services. A

modern FM service platform and an informed CFM client function will significantly support the council's medium and long term objectives providing flexibility and opportunities for efficiency savings.

31. The theme of “valuing the environment” will be increasingly supported through the delivery of an improved FM service delivery platform and effective strategic management of FM. Supported policies include “Southwark Cleaner Safer” and the “Sustainable Community Strategy”. Other key corporate objectives are indirectly supported through improving working environments, improving customer facilities and enabling more effective service delivery.

Procurement Project Plan

32.

Activity	Complete by:
Gateway 1 Report Forward Plan (March 2014 decision)	December 2013
DCRB Review Gateway 1 Report: Procurement strategy	13 February 2014
CCRB Review Gateway 1 Report: Procurement Strategy	20 February 2014
Notification of forthcoming decision—despatch of cabinet agenda papers	6 March 2014
Approval of Gateway 1: Procurement strategy	18 March 2014
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	1 April 2014
Completion of tender documentation	1 May 2014
Invitation to tender	6 May 2014
Closing date for return of tenders	2 June 2014
Completion of evaluation of tenders	7 July 2014
Gateway Two Report Forward Plan (September 2014 decision)	May 2014
DCRB Review Gateway 2 Report: Contract Award	31 July 2014
CCRB Review of Gateway 2 Report: Contract Award	7 August 2014
Approval of Gateway 2: Contract Award Report	13 August 2014
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	27 August 2014
Contract award	1 September 2014
TUPE Consultation period (Secondary) / Mobilisation	21 November 2014
Contract start	24 November 2014
Contract completion date	31 January 2018
Contract completion date – (if extension(s) exercised)	31 January 2020

TUPE/Pensions implications

33. It is expected that secondary TUPE will apply. CFM will liaise with contractors and building occupants to ensure all relevant information is gathered. Advice will also be sought from legal services accordingly.

Development of the tender documentation

34. CFM will be responsible for the development of the tender documentation together with the wider project team. Colleagues in corporate procurement, legal and finance will be consulted accordingly.
35. The invitation to tender documentation used for the TSFM contract will be used as a best practice model to produce the following:

- Data pack (detailing number of anticipated sites, where known re-active call volumes by discipline, current/anticipated occupancy levels, opening hours, asset data, service task requirements etc).
- Service specification
- Key Performance Indicators
- Evaluation methodology
- Pricing schedule and charges
- Contract
- Secondary TUPE information

36. Where appropriate documents will be developed through the use of workshops.

Advertising the contract

37. As the proposed procurement route is to undertake a further competition using the CCS facilities management framework there is no additional requirement to advertise the contract.

Evaluation

38. The evaluation methodology will be developed by the evaluation panel in consultation with the project board based on the model used for the TSFM contract. The evaluation panel will be made up of representatives of the CFM management team, CFM technical team, client stakeholder group and finance. Additional support and advice will be sought from corporate procurement, legal and other disciplines accordingly.

39. The contract will be awarded on the basis of the most economical advantageous tender using a price/quality ratio of 70/30. As part of the quality evaluation applicants will be asked to produce a contractor plan consisting of a series of service delivery plans, and to respond to a series of service related questions. These will be scored against main and sub-criteria using allocated weightings. The final evaluation methodology will be agreed by the project board and advised to all applicants.

Community impact statement

40. As some of the operational buildings are open to the public this decision will have some impact on local people and communities. The contract will therefore aim to deliver services in a way so as to ensure working/social environments that do not negatively impact on the six strands of the council's equality agenda. Where possible, the successful contractor will be encouraged to utilise local employment and supply chain resources.

Economic, social, environmental considerations – CCS Framework Evaluation

41. As part of the original framework procurement process CCS requested and evaluated tenderers approach to economic, social and environmental considerations under question 8 of Appendix E: Statement of Requirements. Tenderers were asked to outline how they would ensure services were provided in the most sustainable manner to the customer and provide advice on sustainability matters including economic development and stability, social: culture, people, diversity and equality; environmental: waste and emissions, resource use and replenishment, impacts on habitats and biodiversity. Responses were then evaluated on anticipated outcomes, see Appendix Two. Whilst not permitted to revisit areas already evaluated by CCS, the council reserves the option to evaluate specific areas of requirements.

Environmental considerations

42. Table two below details some of the agreed set of environmental performance targets for council buildings. Applicants will be asked to demonstrate how they will seek to minimise the consumption of energy and emissions of pollutants to ensure these targets are met.

Theme	Target
Energy usage	To not exceed 'good practice' benchmarks set by the chartered institute of building services engineers (CIBSE) / carbon trust.
Water	To not exceed 2.0 ³ / per person per year, or 4.0m ³ /m ² /per year, whichever is the more accurate.

Table Two

43. Applicants will also be asked to demonstrate the systems/processes they will use to ensure the capture of data needed by the council to fulfill its obligations in reporting the use of CO² emissions each year.

Social considerations

44. Whilst the proposed procurement route means that on this occasion SMEs and BME's will not be able to participate, the contract will seek to encourage the use of local supply chains.
45. It will be a requirement of this contract to pay the London Living Wage (LLW) to all contractor staff who work on the contract both directly and through sub-contracting arrangements. A specific LLW delivery plan will be sought as part of the evaluation methodology in order to assess how applicants intend to demonstrate their application and monitoring of the LLW. The benefits of LLW include the council becoming an employer of choice within the supply chain, improved recruitment and retention resulting in improved service delivery.

Economic considerations

46. Whilst it is acknowledged that all of the contractors on the CCS framework will have their own supply chains in place, the council will seek to include local economic and social benefits in the contract wherever possible. To this end the evaluation methodology will include an assessment of how applicants will:
- Engage with borough wide employment programmes such as Southwark Works to support unemployed resident's access to training, skills and sustainable employment.
 - Engage with apprenticeship schemes which have a target of one apprentice per £1m annual contract expenditure.
 - Engage with local companies in their sub-contracting and supply chain arrangements wherever possible.
 - Engage with small to medium enterprises, including those operated by the voluntary and community sector.
 - Build local economic benefits into the delivery of the service
 - Achieve continuous and measurable improvements while working in partnership with the council to deliver services.

Plans for the monitoring and management of the contract

47. The contract will be managed by dedicated resources within CFM in line with NEC3 requirements. Responsibilities will include the following:
- Holding monthly contract review meetings
 - Monitoring and reviewing expenditure via a monthly consolidated invoice
 - Reviewing monthly performance reports against key performance targets
 - Responding to complaints and requests for service improvements
 - Six monthly and annual reviews
 - Annual improvement plans
48. The successful contractor will be required to put their own robust monitoring regime in place to support reporting requirements and other service requirements such as the identification of the different cost stream elements.

Staffing/procurement implications

49. CFM will manage the procurement project using existing resources with specialist support as required from an external consultant.

Financial implications

50. The contract will be funded from existing departmental budgets which will transfer to CFM as buildings are added to the contract. The current annual cost of providing hard FM services to the sites initially identified for inclusion in this contract is estimated at £3.5M. The procurement strategy of a consolidated hard FM service for the remainder of the operational estate is expected to deliver savings against this figure.
51. The CCS framework does not stipulate the use of a specific index for annual price reviews, this is left for each customer to agree. Whilst noted the council's current guidance is to start at a point of having no inflationary increases, on this occasion CFM believe it is best to advise applicants of the intention to use the CPIX index in order to avoid any front loading of tender costs.

Legal implications

52. Please see concurrent from the director of legal services.

Consultation

53. Key stakeholders have been consulted.

Other implications or issues

54. None.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

55. This report is seeking approval to source a new Repair and Maintenance service contract for the council's Operational Estate via the Crown Commercial Service framework.
56. The report describes the services that will be provided through this contract. It is important that the contract has flexibility to accommodate the council's needs for both now and in the future. The report confirms that different levels of service will be available and there will be a mechanism for adding or removing buildings. This will

help ensure that all services required during the life of the contract can be delivered without the need for further procurement activity.

57. For a contract of this nature and value the EU regulations apply. The procurement options that have been considered for this contract are contained in paragraph 24. The Crown Commercial framework is an EU compliant route for procurement. All of the providers that appear on the category list have been subjected to a full EU procurement process. By embarking on a further competition process LBS will assess these providers against local requirements ensuring our specific requirements can be met and the council's standards for equalities and health and safety satisfied.
58. For this procurement route to remain EU compliant it is important that the operating rules for the framework are adhered to. Paragraphs 38 - 39 describe the proposed approach for evaluation. The framework rules allow for some flexibility with the evaluation methodology and a high level weighting 70% price and 30% quality will be set. This is in line with the council's current recommended model.
59. The timeline for this project appears reasonable and achievable provided adequate and appropriate resources assigned as required. This procurement project will be overseen by the CFM steering group which will help ensure the project is tracked and key tendering documentation receives the appropriate sign off. Corporate procurement is represented on the steering group and will provide ongoing support to the project.

Director of Legal Services

60. This report seeks the cabinet's approval to the procurement strategy for the consolidated repairs and maintenance service for the council's operational estate as further detailed in paragraphs 1 and 2. At an estimated contract value of £18m this is a strategic procurement, and approval of this decision is therefore reserved to the cabinet.
61. The nature and value of this contract is such that it is subject to the full tendering requirements of the Public Contract Regulations 2006 (as amended). However this report notes the council's preferred approach to this procurement, and its intention to undertake a further competition through the CCS Facilities Management Framework. As the CCS framework has been tendered in accordance with the EU tendering regulations, the use of that framework meets those EU procurement requirements. Officers from legal services will assist the project team throughout the procurement process.

Strategic Director of Finance and Corporate Services (FC13/094)

62. This report seeks cabinet approval to the procurement strategy for a consolidated repairs and maintenance service contract. The financial implications are contained within the body of the report.
63. The intention to transfer council buildings in to this contract, subject to meeting criteria, is noted. Budgets associated with each building will need to be identified prior to transfer. This will ensure that adequate funding is available and also identify any potential savings.
64. The inflation implications and intention to use CPI-X are noted and will be included in the financial appraisal. These will be identified prior to contract award and included in the gateway two report. Officer time to carry out this procurement strategy can be contained within existing resources.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
None		

APPENDICES

No	Title
Appendix 1	Scope of Service Summary
Appendix 2	Extract of CCS Sustainability, Economic, Social and Environment Evaluation Methodology

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Finance, Resources and Community Safety	
Lead Officer	Matthew Hunt, Head of Corporate Facilities Management	
Report Author	Jan McMahon, Head of Corporate Contracts and Contract Management	
Version	Final	
Dated	6 March 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Head of Procurement	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Head of Specialist Housing Services	No	No
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		6 March 2014