

## PT4 - Committee Procurement Report

This document is to be used to identify the Procurement Strategy and Purchasing Routes associated with a project and only considers the option recommended on the associated Gateway report.

### Introduction

<b>Author:</b>	Michael Harrington		
<b>Project Title:</b>	Decent Homes Call-backs 2020-22		
<b>Summary of Goods or Services to be sourced</b>			
A three year term contract to supply and install - at a fixed price - kitchen, bathroom and central heating facilities to City of London tenanted properties to bring them up to Decent Homes standards as and when required by the City.			
<b>Contract Duration:</b>	36 Months	<b>Contract Value:</b>	£535,000
<b>Stakeholder information</b>			
<b>Project Lead &amp; Contract Manager:</b> David Downing	<b>Category Manager:</b> Michael Harrington	<b>Lead Department:</b> DCCS Housing Major Works	
<b>Other Contact</b>	<b>Department</b>		
Steve Spooner	DCCS Property Services		

### Specification Overview

<b>Summary of the Specification:</b>
Kitchen, bathroom and central heating facilities to City of London tenanted properties
<b>Project Objectives:</b> To maximise cost efficiencies and maintain consistency in the standard and specification of domestic components, a fixed budget term contract is desirable to carry out the call-backs.

### Customer Requirements

<b>Target completion date</b>	August 2022	<b>Target Contract award date</b>	August 2020
<b>Are there any time constraints which need to be taken into consideration?</b>			
The previous contract ends in April 2022. It would be best to ensure that the minimal time passes between 1 contract finishing and a new one starting.			
<b>Efficiencies Target with supporting information</b>			
Fixed price only via a schedule of rates.			

### City of London Initiatives

<b>How will the Project meet the City of London's Obligation to Adhere to the Corporation Social Responsibility:</b>
N/A
<b>Take into account the London Living Wage (LLW):</b>
N/A
<b>Consideration for Small to Medium Enterprises (SME):</b>
Yes
<b>Other:</b>

### Procurement Strategy Options

<b>Option 1: Do Nothing</b>
<b>Advantages to this Option:</b>
<ul style="list-style-type: none"> <li>No requirement from City Procurement</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>Works will not be completed</li> <li>Tenants will not receive their service</li> <li>Non-Compliant</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> Tenants will not receive the service.
<b>Option 2: Below OJEU Tender</b>
<b>Advantages to this Option:</b>

<ul style="list-style-type: none"> <li>• Quicker route to market</li> <li>• Compliant process</li> <li>• Promotes competition</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>• May not receive any tenders back.</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> We may have to re-run the tender.
<b>Option 3: Framework Mini-Competition</b>
<b>Advantages to this Option:</b>
<ul style="list-style-type: none"> <li>• Compliant route to market</li> <li>• Established and speed to market.</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>• May be seen as risk mitigation gone too far.</li> <li>• Low numbers of tenders registered.</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> Could result in no responses.

**Procurement Strategy Recommendation**

<b>City Procurement team recommended option</b>
Option 2: Below OJEU Tender

**Procurement Route Options**

*Make v buy to be considered; also indicate any discarded or radical options*

<b>Option 1: Tender to a select list</b>
<b>Advantages to this Option:</b>
<ul style="list-style-type: none"> <li>• Can test the market first to see relevant tenders will respond.</li> <li>• Quick route to market.</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>• Not a compliant route.</li> <li>• Will need to engage with the market firms</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> Non-compliant route.
<b>Option 2: Tender open to Capital eSourcing</b>
<b>Advantages to this Option:</b>
<ul style="list-style-type: none"> <li>• Open to suppliers on Capital eSourcing.</li> <li>• Interest would be high.</li> <li>• Compliant route.</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>• May receive a high amount of responses</li> <li>• May not appoint an appropriate contractor</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> Strain on resources.
<b>Option 3: Direct Award</b>
<b>Advantages to this Option:</b>
<ul style="list-style-type: none"> <li>• No tendering processes</li> </ul>
<b>Disadvantages to this Option:</b>
<ul style="list-style-type: none"> <li>• Non-Compliant process</li> <li>• No competition</li> </ul>
<b>Please highlight any possible risks associated with this option:</b> Not Value for money and against Procurement Regulations.

**Procurement Route Recommendation**

<b>City Procurement team recommended option</b>
Tender open to Capital eSourcing

**Sign Off**

<b>Date of Report:</b>	07/06/2019
<b>Reviewed By:</b>	David Downing
<b>Department:</b>	DCCS – Housing
<b>Reviewed By:</b>	Michael Harrington
<b>Department:</b>	<b>Chamberlain’s Department</b>