

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

Author:	Michael Harrington		
Project Title:	Decent Homes works to properties previously omitted from programmes (Call-backs 2017-2020)		
Summary of Goods or Services to be sourced			
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.			
Contract Duration:	36 Months	Contract Value:	£575,000
Stakeholder information			
Project Lead & Contract Manager: David Downing	Category Manager: Michael Harrington	Lead Department: DCCS Housing	
Other Contact	Department		

Specification Overview

Summary of the Specification:
Kitchen, bathroom and central heating facilities to City of London tenanted properties
Project Objectives: 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

Target completion date	August 2020	Target Contract award date	August 2017
Are there any time constraints which need to be taken into consideration?			
The previous contract ends in April 2017. It would be best to ensure that the minimal time passes between 1 contract finishing and a new one starting.			
Efficiencies Target with supporting information			
Fixed price only via a schedule of rates.			

City of London Initiatives

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

Procurement Strategy Options

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

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

Procurement Strategy Recommendation

City Procurement team recommended option
Option 2: Below OJEU Tender

Procurement Route Options

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

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

Procurement Route Recommendation

City Procurement team recommended option
Tender open to Capital eSourcing

Sign Off

Date of Report:	10/02/2017
Reviewed By:	David Downing
Department:	DCCS – Housing
Reviewed By:	Michael Harrington
Department:	Chamberlain’s Department