

Committee(s):	Date(s):	Item
Barbican Residents' Consultation Committee	12 September 2011	
Barbican Residential Committee	26 September 2011	
Subject: Barbican Repairs and Maintenance Contract		For Information
Report of: Director of Community & Children's Services		Public
<p style="text-align: center;"><u>Summary</u></p> <ol style="list-style-type: none"> 1. This report, which is for information, advises members of the current status of the Corporate Procure and Procure to Pay Project and how this affects the repairs and maintenance service carried out on the Barbican Estate. 2. Responsive building repairs and maintenance services are carried out by Fairhurst Ward Abbott (FWA) with electrical repairs being carried out by Capital Building Services. 3. Repairs and Maintenance Services across the City of London Corporation were to be included in the Strategic Review of Procurement and Procurement to Pay Project (PP2P). However, it became evident that there was a requirement under the Landlord and Tenant Act (1985) to carry out Statutory Consultation. 4. To avoid a delay in the overall project and potential savings, the Repairs and Maintenance Services for Barbican were temporarily excluded from the PP2P Project. This would allow the project to proceed without delay and for the contract to be in place before the Barbican is considered for inclusion at a later date. It is proposed that a single contract encompassing the services currently provided by FWA and Capital Building Services will be let for the Barbican Estate for a period of one year. <p>Recommendation</p> <ol style="list-style-type: none"> 5. That the report be noted. 		

Main Report

Background

6. Fairhurst Ward Abbott (FWA) and Capital Building Services have provided a building and electrical related repairs service on the Barbican for a number of years. This is supplemented by other trades such as metalwork, drain works and roof works being provided by smaller specialist contractors.
7. The services provided by FWA and Capital Building Services are charged on a 'daywork' basis. This means that the work carried out is charged on the basis of time taken plus the cost of materials.
8. Your committee will be aware that Procurement and Procure to Pay is one of the Strategic Reviews that forms part of the City Corporation's Change Programme. It aims to introduce modern procurement techniques, procuring in a smarter way to get a better deal on the goods and services we buy and thereby make substantial cashable savings over the next 5 years and beyond.
9. Eventually by late 2012, all procurement will be co-ordinated through one centralised team. This will ensure purchasing at the City Corporation is more joined up, quicker, easier and more efficient for everyone involved with the creation of more streamlined processes. Prior to creating the central team, the project is initially concentrating on an Early Wins Programme together with an exercise to identify savings opportunities over the next few years.
10. The PP2P Project is made up of 6 category boards:
 - Highways. Includes: Highways, Maintenance and Repair
 - Buildings. Includes: Routine Building Repairs and Maintenance Services
 - HR. Includes: temporary labour and recruitment advertising.
 - Soft FM. Includes: Soft FM, Print, Security, Cleaning, Office Supplies, Energy
 - ICT. Includes IT Hardware, IT Software and Mobile Telephony
 - Construction Services. Includes: Capital Projects, Major Building Refurbishments & Installations, Minor Works.

11. Repairs and Maintenance Services are included in the buildings category. This category is subdivided into lots:

- Lot 1 City Surveyors Operational Portfolio
- Lot 2 City Surveyors Investment Portfolio
- Lot 3 Barbican Centre
- Lot 4 Barbican Estate
- Lot 5 Community Housing
- Lot 6 Lift Maintenance Services (across all 5 lots)

12. It became evident that in order to proceed with Lot 4, there is a requirement to carry out statutory consultation under the Landlord and Tenant Act (1985). This would require a 30 day notification of our intention to enter into an agreement to carry out repairs and maintenance services. The tender process would not be able to start until the completion of this consultation period. Following the tender process there would be a further 30 day period of consultation notifying leaseholders of the tender results and the recommendation.

13. The category board determined that the periods detailed in para 12 would delay the whole project and therefore there would be a delay in the City realising potential savings. For this reason, the delivery of repairs and maintenance services on the Barbican Estate would be temporarily removed from the tender process.

Current Position

The PP2P process for the remaining lots is progressing well with an estimated date for contract award early in 2012. Once the contract is in place and the various controls are in place there will be two options to consider. If value for money can be demonstrated, consideration will be given to the transfer of the proposed repairs and maintenance contract to the corporate repairs and maintenance contract. If value for money cannot be demonstrated then consideration will be given to carry out a separate tender for the repairs and maintenance on the Barbican Estate.

Financial Implications

14. Based on current expenditure, the value of a one year contract for responsive building and electrical repairs is estimated to be £320,000 and will be subject to statutory consultation with long leaseholders.

Consultees

18. The Comptroller & City Solicitor and Chamberlain have been consulted in the preparation of this report and their comments incorporated.

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