

Vale of White Horse

District Council

**Local Government Act 2000 and the Local Authorities
(Executive Arrangements) (Access to Information) (England)
Regulations 2000**

RECORD OF DECISION OF CABINET MEMBER OR KEY DECISION OF OFFICER												
1	Name of Decision maker	Councillor Elaine Ware										
2	Type of Decision (Please <input type="checkbox"/> as appropriate)	Key No	Other Yes									
3	Date of Decision (This should be the same as the date form signed)	2 August 2013										
4	The Decision	<p>To carry out a collaborative procurement with South Oxfordshire District Council for the provision of estates services and strategic property advice, using the EU 'open' procedure route by means of a framework agreement for a period of four years.</p> <p>To agree a variation from the tender evaluation policy for this procurement by scoring the tenders in lot 2 on 60 per cent quality and 40 per cent price. There is no variation in lot 1, which is scored on 40 per cent quality and 60 per cent price.</p>										
5	Reasons for Decision	<p>In the context of these contracts, "estates services" refers to the day-to-day core estate management work, such as rent reviews, lease renewals and asset valuations. "Strategic property" refers to the more specialised projects advising on regeneration schemes and large property deals. Recent examples include the redevelopment of Abbey Shopping Centre and the proposed development at West Way, Botley.</p> <p>The Vale Council is out of contract with its strategic property advisors contracts. The incumbent providers are DTZ and Cushman and Wakefield. These contracts expire this month. Estates services advice has been obtained from Carter Jonas, Lambert Smith Hampton and Cluttons on an ad hoc basis. The approximate spend on these contracts over the last two years is shown in the table below:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Strategic property advisors</th> <th>Estates services advisors</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>£45,000</td> <td>£26,000</td> </tr> <tr> <td>2012/13</td> <td>£57,000</td> <td>£53,000</td> </tr> </tbody> </table>		Year	Strategic property advisors	Estates services advisors	2011/12	£45,000	£26,000	2012/13	£57,000	£53,000
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South Oxfordshire District Council is also out of contract on these services.

Joint procurement

In order to achieve best value and reduce costs, officers are recommending procuring a joint framework with South for both estates services and strategic property advisors. Officers propose that other contracting bodies ('OCBs'), i.e. the other Oxfordshire districts and their partners, would also be able to draw-down services under this framework. West Oxfordshire District Council and Cotswold District Council have already expressed an interest in doing so. By making this framework available to OCB's, officers anticipate that the councils will be able to achieve better prices through economies of scale.

Procurement method and evaluation

The proposed procurement method is an open invitation to tender (ITT) above the EU threshold, so OJEU will apply. The contracts procedure rules (CPR11) require that any joint procurement arrangements with other local authorities where the total contract value exceeds the relevant EU threshold should be approved by the cabinet member prior to the commencement of any procurement by the councils. Officers propose to split the framework into two lots, one for estates services and one for strategic property advisors. Potential providers would be able to bid for either or both of these lots. Officers also propose that the councils enter into three draw-down contracts under each lot.

In addition, officers propose that the evaluation of the tenders would be scored on the basis of 60 per cent price, 40 per cent quality for lot one (estates services) of the framework and 40 per cent price, 60 per cent quality, for lot two (strategic property advisors). The reason for the amended price/quality split in lot two is that officers consider the quality of strategic property advice is a more significant factor than price, given the nature of the projects. The evaluation proposal for lot two would be a deviation from the tender evaluation policy and requires head of service agreement, in consultation with the cabinet member, unless cabinet or the relevant cabinet member makes this decision. Officers recommend that this decision is included in the individual cabinet member decision required for the joint procurement and procurement method.

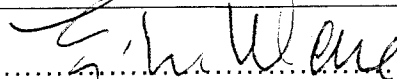
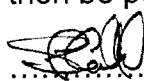
Once providers are selected to the framework, the councils must stipulate how they draw-down the services. For estates services, officers recommend this can be by direct award, whereby the cheapest provider is chosen under the framework for that particular element of work. For strategic property advice, officers propose to run a mini-competition for each piece of work, as quality and expertise will vary from instruction to instruction. Under the mini-competition route, officers recommend a 40/60 price/quality split to represent the need to have the right provider for the right job.

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**Alternative
Options
Rejected**

Officers had explored the option of drawing down on the new Oxfordshire County Council contract. It has entered into a new ten year partnership with Carillion/Capita Symonds. However,

		<p>the information provided did not convince officers that savings could be achieved, and they had doubts over the contractor's ability to provide a high level of service.</p> <p>Officers also looked at a new framework being advertised through the Government Procurement Service commencing 1 April 2013. Officers considered this framework to be unsuitable as it would force the councils to enter into a draw-down contract with just one provider. Officers took the view that the councils would be better served, in terms of resilience of service and quality of work, by entering into a framework with three providers each for both estates services and strategic property advisors.</p>
7	Resource Implications	None
8	Legal implications	Due to the value of the project, it must be tendered compliantly with the EU Public Procurement Regulations 2006 as amended.
9	Financial implications	Some savings are expected under the framework due to the economies of scale created, but the precise amount is not quantifiable.
10	List of Consultees (See guidance below)	<p>Senior contracts and property lawyer – approved 18 June 2013</p> <p>Accountancy manager (revenue) – approved 4 July 2013</p> <p>Head of legal and democratic services – approved 4 July 2013</p> <p>Head of economy, leisure and property – approved 29 July 2013</p> <p>Strategic Director (Matt Prosser) – approved 31 July 2013</p>
11	Reports and Background Papers Considered	
12	Date of receipt of Reports	
13	Declarations of Interests	None
14	Dispensations	None
15	Is this decision confidential and if so, under which Exempt category?	The decision is not confidential. However, the details of the tenders are exempt information under category 3.
16	“Call in” Waived?	No

17	Signature and Date	 Decision maker <u>2/8/13</u> Dated
18	This form must be physically handed to a member of the Democratic Services Team	Note: The date and time at which this form is received will be recorded by the Head of Democratic Services. The decision will then be published and is subject to "call in".  Date... <u>2-8-13</u> ..Time.. <u>11:20</u> Head of Democratic Services Date and Time Form Received <u>H</u>
19	Details of Publication on the Web and date of expiry of "Call In" Note: This part of the Form will be completed by Democratic Services	Date of Expiry of "Call In" <u>9-8-13</u> Date Published..... <u>2-8-13</u> Date hand delivered to Chair of Scrutiny..... <u>2-8-13</u>