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Award

## **Total Asset Management Contract**

Dacorum Borough Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-004101

Procurement identifier (OCID): ocds-h6vhtk-03a487

Published 9 February 2023, 8:52pm

## **Section I: Contracting authority/entity**

### **I.1) Name and addresses**

Dacorum Borough Council

The Forum, Marlowes

HEMEL HEMPSTEAD

HP11DN

### **Contact**

Andrew Linden

### **Email**

[Andrew.Linden@dacorum.gov.uk](mailto:Andrew.Linden@dacorum.gov.uk)

### **Telephone**

+44 1442228263

**Country**

United Kingdom

**Region code**

UKH23 - Hertfordshire

**Justification for not providing organisation identifier**

Not on any register

**Internet address(es)**

Main address

[www.dacorum.gov.uk](http://www.dacorum.gov.uk)

Buyer's address

[www.dacorum.gov.uk/dacorum](http://www.dacorum.gov.uk/dacorum)

**I.4) Type of the contracting authority**

Regional or local authority

**I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Total Asset Management Contract

Reference number

CPU00230

#### **II.1.2) Main CPV code**

- 45000000 - Construction work

#### **II.1.3) Type of contract**

Works

#### **II.1.4) Short description**

On the 1st July 2014, Dacorum Borough Council ("the Council") entered into a contract for a period of up to 10 years with Osborne Property Services Limited ("Osborne") for 'total asset management' service delivery of Borough wide housing repairs works and services, including maintenance and improvements (the "Contract").

This was advertised on the OJEU under 2013/S 030-046801 (dated 12 February 2013).

The Contract includes responsive repairs, void repairs and planned improvements.

This VEAT notice relates to a proposed extension of the Contract for up to a further 2 years (1+1) with a longstop date of 30th June 2026 to allow the Council to conduct a re-procurement exercise for the long-term successor to the Contract.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Lowest offer: £40,000,000 / Highest offer: £50,000,000 taken into consideration

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 31216100 - Lightning-protection equipment
- 31216200 - Lightning conductors
- 34928200 - Fences
- 44221220 - Fire doors
- 45210000 - Building construction work
- 45220000 - Engineering works and construction works
- 45232430 - Water-treatment work
- 45261410 - Roof insulation work
- 45261900 - Roof repair and maintenance work
- 45262600 - Miscellaneous special-trade construction work
- 45312310 - Lightning-protection works
- 45312311 - Lightning-conductor installation work
- 45320000 - Insulation work
- 45421100 - Installation of doors and windows and related components
- 45421130 - Installation of doors and windows
- 45421132 - Installation of windows
- 45421140 - Installation of metal joinery except doors and windows
- 45451000 - Decoration work
- 50700000 - Repair and maintenance services of building installations
- 51110000 - Installation services of electrical equipment

- 71220000 - Architectural design services
- 71240000 - Architectural, engineering and planning services
- 71250000 - Architectural, engineering and surveying services
- 71300000 - Engineering services
- 71420000 - Landscape architectural services
- 79512000 - Call centre
- 90650000 - Asbestos removal services

### **II.2.3) Place of performance**

NUTS codes

- UKH23 - Hertfordshire

Main site or place of performance

Borough of Dacorum in Hertfordshire

### **II.2.4) Description of the procurement**

Dacorum Borough Council intends to extend the term of the Contract with Osborne Property Services Limited for a bridging period of up to a twenty-four months (1+1) to allow it to conduct a re-procurement exercise for the long-term successor to the Contract.

The extension will provide the Council with a sufficient period of time to run a comprehensive market-engagement, commissioning and re-procurement exercise, and to factor in the current high degree of risk and uncertainty in the construction and housing repair sector, with the new service to commence no later than 1st July 2026.

### **II.2.11) Information about options**

Options: No

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## Section IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

The existing Contract with Osborne commenced on 1st July 2014 and expires on 30th June 2024. The Council intends to extend the contract by up to 24 months, with provision to terminate earlier, to allow the Council time to run a comprehensive re-procurement exercise for the appointment of a long-term successor to the Contract. The total estimated value of the original Contract was between £200m and £300m and the cost of the proposed two year extension is between £40m and £50m.

The Council's position is that the proposed extension is a permitted modification under Regulation 72(1)(e) of the Public Contract Regulations 2015 (as amended) ("PCR") (non-substantial modifications) and that none of the conditions set out in Regulation 72(8) are met.

With reference to Regulation 72(8)(a), the proposed modification will not render the Contract materially different in character from the one initially concluded as there will be no change to the services or works to provided for the extension period (either in terms of the nature of the works/services or the quantity). The modification is an extension of term only.

With reference to Regulation 72(8)(b), the Council does not consider that the modification introduces conditions which, had they been part of the initial procurement procedure, would have- (i) allowed for the admission of other candidates than those initially selected, (ii) allowed for the acceptance of a tender other than that originally accepted, or (iii) attracted additional participants in the procurement procedure. The only effect of the modification is to extend the term of the Contract and so the Council does not consider that there would have been any change to the outcome of the original procurement.

With reference to Regulation 72(8)(c), the modification will not change any of the commercial terms of the Contract, and so there will be no change to the economic balance of the contract.

The Council does not consider that the modification will extend the scope of the Contract

considerably within the meaning of Regulation 72(8)(d) in the context of the Contract as a whole (10 years). No change is proposed to the nature or quantity of the works and services and no new services or works will be included in the scope. The period of the extension may be reduced if the procurement exercise is completed before the end of the extension period.

Regulation 72(8)(e) of the PCR is not engaged as there is no change to the contractor.

The purpose of the modification is to provide a 'bridging period' in order to conduct a comprehensive re-procurement exercise for the long-term successor to the Contract. The modification will therefore allow continuity of service and value for money for the Council while it conducts this exercise, the scope of which will include market testing, assessment of risks and uncertainty within the construction and housing repair sector, corresponding development and design of procurement strategy, managing the orderly wind-down and exit of the Contract with the existing supplier and mobilisation of the new contract.

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

### **IV.2) Administrative information**

#### **IV.2.1) Previous publication concerning this procedure**

Notice number: [2013/S 030-046801](#)

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## **Section V. Award of contract/concession**

A contract/lot is awarded: Yes

### **V.2) Award of contract/concession**

#### **V.2.1) Date of conclusion of the contract**

9 February 2023

#### **V.2.2) Information about tenders**

The contract has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor/concessionaire**

Osborne Property Services Limited

Fonteyn House, 47-49 London Road, Reigate

Surrey

RH2 9PY

Country

United Kingdom

NUTS code

- UKJ2 - Surrey, East and West Sussex

Companies House

05756266

The contractor/concessionaire is an SME

No

#### **V.2.4) Information on value of contract/lot/concession (excluding VAT)**

Lowest offer: £40,000,000 / Highest offer: £50,000,000 taken into consideration



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## **Section VI. Complementary information**

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

High Court of England and Wales

Royal Courts of Justice, Strand

London

WC2A 2LL

Country

United Kingdom

#### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

In accordance with Regulation 88 to Regulation 102 of the PCR 2015 (particularly, Regulations 92, 93, 94 and 99 in relation to deadlines).