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Contract

Servicing, Maintenance and Compliance (Gas, M&E and Buildings) of Council Managed Assets - Term Service Contract

PORTSMOUTH CITY COUNCIL

F03: Contract award notice

Notice identifier: 2022/S 000-009185

Procurement identifier (OCID): ocds-h6vhtk-032a7c

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Section I: Contracting authority

I.1) Name and addresses

PORTSMOUTH CITY COUNCIL

Civic Offices, Guildhall Square

Portsmouth

PO1 2BG

Contact

Procurement Service

Email

procurement@portsmouthcc.gov.uk

Telephone

+44 2392688235

Country

United Kingdom

Region code

UKJ31 - Portsmouth

Internet address(es)

Main address

<https://www.portsmouth.gov.uk/services/business/procurement/contract-opportunities-with-us/>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Servicing, Maintenance and Compliance (Gas, M&E and Buildings) of Council Managed Assets - Term Service Contract

II.1.2) Main CPV code

- 50712000 - Repair and maintenance services of mechanical building installations

II.1.3) Type of contract

Services

II.1.4) Short description

Portsmouth City Council - the 'Council' - has extended a term service contract for the provision of servicing, maintenance, installation and compliance checks of gas, water, heating and other associated building installations across the Council's housing stock and wider property portfolio. The contract may also be used at the Council's option to commission associated project works via task order.

The Council originally let the contract via a compliant OJEU advertised procurement process which commenced in 2012 with subsequent award following in 2013. The contract commenced on 1st April 2013 for an initial term duration of 3 years extendable up to maximum total term of 9 years.

The Council commenced a procurement process on 6th May 2021 via issue of a Contract Notice via Find a Tender Service (ref: 2021/S 000-009814) for the re-procurement of the contract. The Council was unable to conclude the procurement process and informed candidates and tenderers who had taken part that the procurement was to be abandoned via correspondence issued to them on 3rd February 2022.

The activities covered by the contract are of a critical nature and continuity of service is required to ensure that the Council is able to fulfil various non-discretionary statutory obligations, which include for:

- As a landlord the Council has an obligation under the Gas Safety (Installation and Use) Regulations 1998 as amended Approved Code of Practice and guidance to ensure an annual safety check is carried out on each gas appliance/flue.
- As a landlord the Council has health and safety at work act obligations under L8 Approved Code of Practice (3rd edition) (ACOP) and a requirement for landlords of both domestic and business premises to assess the risks from exposure to Legionella to their tenants.
- The Regulatory Reform (Fire Safety) Order 2005 requires that the Council manages fire safety risks, this includes servicing fire alarms, automatic opening vents, emergency lighting, lightning conductors etc., all of which are part of the contract.

Whilst the new procurement process is undertaken the Council has secured continuity of service on an interim basis via a 1 year extension of the contract to cover the period of 1st April 2022 to 31st March 2023 with its current supplier Liberty Gas Services Limited.

The Council estimates that spend via the contract for this period to be approximately £8M based upon its known servicing requirements, historical demand associated with response repair activities and current programme of planned project works.

To help ensure that no further extensions of the contract are required the Council will

immediately commence a new procurement process following the Restricted Procedure as defined within the Public Contracts Regulations (2015) in line with the summary programme set out below:

- Issue FTS Prior Information Notice - 6th April 2022
- Issue FTS Contract Notice - 23rd May 2022
- Supplier Selection Questionnaire return deadline - 22nd June 2022
- Issue Invitation to Tender to shortlisted tenderers - 11th July 2022
- Tender return deadline - 9th September 2022
- Notification of award - 17th October 2022
- Completion of standstill and S20 Leaseholder Notification - 16th November 2022
- Contract execution - 28th November 2022
- Service commencement - 1st April 2023

II.1.6) Information about lots

This contract is divided into lots: No

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

Value excluding VAT: £8,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 45311000 - Electrical wiring and fitting work
- 45331100 - Central-heating installation work
- 45331110 - Boiler installation work
- 45331200 - Ventilation and air-conditioning installation work
- 45331230 - Installation work of cooling equipment

- 45332000 - Plumbing and drain-laying work
- 45333000 - Gas-fitting installation work
- 45350000 - Mechanical installations
- 50710000 - Repair and maintenance services of electrical and mechanical building installations
- 50720000 - Repair and maintenance services of central heating
- 50730000 - Repair and maintenance services of cooler groups

II.2.3) Place of performance

NUTS codes

- UKJ31 - Portsmouth
- UKJ35 - South Hampshire

Main site or place of performance

The Council's housing stock comprises approx. 15,000 properties across 7 estates located within Portsmouth and surrounding environs being:

- Portsea
- City South
- Landport
- Buckland
- Paulsgrove
- Leigh Park
- Wecock Farm

The Council's broader property portfolio encompasses a range of building types which include but are not limited to:

- Schools

- Offices
- Commercial buildings, warehouses and depots
- Care homes
- Sheltered housing and supported living properties
- Maritime port facilities

II.2.4) Description of the procurement

The scope of services and works covered by the contract can be summarised as follows:

- Annual gas servicing to the housing stock completing the LGSR together with undertaking response repairs to appliances, pipework, heating systems and controls or new installations as appropriate for domestic dwellings and commercial heating installations.
- Legionella testing, risk assessments and tank maintenance.
- Servicing, testing, maintenance and replacement as appropriate of dwelling smoke detectors, air conditioning, commercial catering equipment, laundry equipment, duct and extractor systems, sprinklers, district heating systems, HIU boards and any other related mechanical and electrical installations.
- On an optional basis, electrical inspections and reports (EICR) including PAT testing and emergency lighting checks.
- Installation works for new or refurbish existing gas heating systems and other associated mechanical & electrical equipment via optional task order facility.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 50

Cost criterion - Name: Cost / Weighting: 50

II.2.11) Information about options

Options: No

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 Council commenced a procurement process on 6th May 2021 via issue of a Contract Notice via Find a Tender Service (ref: 2021/S 000-009814) for the re-procurement of the contract. The Council was unable to conclude the procurement process and informed candidates and tenderers who had taken part that the procurement was to be abandoned via correspondence issued to them on 3rd February 2022.

The activities covered by the contract are of a critical nature and continuity of service is required to ensure that the Council is able to fulfil various non-discretionary statutory obligations.

The only viable sourcing option to the Council for continuation of the critical services covered by the contract which was due to expire on 31st March 2022 following abandonment of the procurement process on 3rd February 2022 was to seek to extend the existing contractual arrangements in place with the incumbent supplier Liberty Gas Services Limited.

The contract requirements are of a significant scale with any incoming contractor likely to require no less than 2 months in order to undertake an effective mobilisation which would likely entail the securing of local depot facilities, vehicles, equipment, TUPE transfers, recruitment as well as integration with the Council's IT systems.

This situation made it impossible for the Council to undertake an effective competitive procurement process either via the seeking of revised tenders from the tenderers who submitted bids under the abandoned procurement, via advertised procurement with use of Accelerated Procedure or via mini-competition from existing national framework agreements.

Following agreement with the supplier the Council has now formally extended the contract by 1 year with the contract now due to expire on 31st March 2023. Other than the extension to the duration of the contract all technical, commercial and legal terms are consistent with

those agreed when the contract was originally let.

The Council considers that the extension to the contract is lawful under the Public Contracts Regulations (2015) via broad application of Regulation 72(1)(b)(ii) on the basis of the significant inconvenience to the Council which would be incurred due to the non-discretionary statutory activities that would be disrupted if the contract was not to be extended, and the estimated value of the contract for the 1 year out of term extension not equating to 50% or more of the value of the contract originally advertised when it was compliantly procured in 2012.

To help ensure that no further extensions of the contract are required the Council will immediately commence a new procurement process following the Restricted Procedure as defined within the Public Contracts Regulations (2015) in line with the summary programme set out below:

- Issue FTS Prior Information Notice - 6th April 2022
- Issue FTS Contract Notice - 23rd May 2022
- Supplier Selection Questionnaire return deadline - 22nd June 2022
- Issue Invitation to Tender to shortlisted tenderers - 11th July 2022
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- Service commencement - 1st April 2023

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

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

1 April 2022

V.2.2) Information about tenders

Number of tenders received: 1

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

V.2.3) Name and address of the contractor

Liberty Gas Group Limited

Gardens Works, Charley Wood Road, Knowsley Industrial Park

Liverpool

L33 7SG

Email

hello@liberty-group.co.uk

Telephone

+44 3309958007

Country

United Kingdom

NUTS code

- UKD72 - Liverpool

Internet address

<https://www.liberty-group.co.uk/>

The contractor is an SME

No

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

Initial estimated total value of the contract/lot: £8,000,000

Total value of the contract/lot: £8,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

The High Court of Justice

The Strand

London

WC2A 2LL

Telephone

+44 2079476000

Country

United Kingdom