

SHEFFIELD CITY COUNCIL

INDIVIDUAL CABINET MEMBER DECISION RECORD

The following decision was taken on 9th February 2022 by the Executive Member for Finance and Resources.

Date notified to all members: 14th February 2022

The end of the call-in period is 4:00 pm on 18th February 2022

Unless called-in, the decision can be implemented from 21st February 2022

1. **TITLE**

Procurement of a Contract for Service & Maintenance of Ventilation Systems, Air Handling & Air Conditioning & Refrigeration Systems in Corporate Buildings and Sheffield Schools

2. **DECISION TAKEN**

That the Executive Member for Finance and Resources:

1. Approves the Council procuring services for the statutory compliance assessments, inspection, servicing, testing and repairs of Air Conditioning and Air Handling Equipment and commercial refrigeration units following a compliant tender exercise as outlined in this report. This will ensure that the ongoing and mandatory compliance services provision for the Council and volunteering schools continues; and
2. Delegates authority to the Executive Director of Place, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to:

a. decide the award of the new contracts to the most economically advantageous tenderers chosen by the Council following the procurement exercise as outlined in this report;

b. take all other decisions necessary in order to meet the aims, objectives and outcomes of this report which are not already covered by existing delegations in the Leaders Scheme of Delegation.

3. **Reasons For Decision**

The procurement will enable the Council to:

- Have a compliant and flexible mechanism in place to fully meet the legal obligations and service requirements

- Harness any immediate savings and economies of scale that can be realised by re-engaging the market, any savings realised that can be cashable in nature will contribute to the services' savings target.
- Realise the Council's Social Value ambitions by driving further value added impact through this supply chain.

4. **Alternatives Considered And Rejected**

Alternative Option 1 – Do not Procure.

If the Council did not carry out this procurement then the Council would be in breach of our statutory duty and therefore this is not considered an option.

We are also bound by the PCR and the Council's constitution to conduct a procurement where the level of financial spend demands this. Alternatives arising during evaluation of the route to market will be options appraised, considered and benchmarked and fully documented in the Procurement Strategy.

Alternative Option 2 – Extend the contract with the current supplier.

The current contract expired on the 31st March 2021 and there are no further PCR compliant extensions possible under the contract. A short-term waiver is in place for continuity of service and to ensure statutory compliance requirements.

Alternative Option 3 – procure via a fully compliant Framework.

Whilst these Frameworks provide tried and tested suppliers and the assurance that the due diligence around their appointment has been established, none are local and officers feel there is a local market to tap into. There are a number of suppliers in the Sheffield area who could offer these services and by using an existing third-party Framework these potential suppliers would be excluded.

We require a reactive and responsive service across all compliance requirements and feel this could be best met in part locally. In addition, we have extensive Health & Safety requirements and adherence to these needs to be evidenced via the tender, subsequent contract documentation and ongoing contract management.

Whilst the possibility of utilising a Framework Contract has been considered, nothing seems to be available from ESPO, YPO or CPC. Crown Commercial Services (CCS) do offer a framework for this service, however their specification is very "high level" & contains no reference to TM44 work.

No prices are available via CCS' framework without running a competition exercise – hence it is impossible to benchmark the current rates; additionally, any benefits or detriments with regard to the cost would not be known until a very late stage, at which point we'd then be effectively committed to proceeding with the chosen Framework.

Additionally, the use of the Sheffield City Council service contract will offer the

greatest flexibility for service delivery where peaks and troughs can be managed, and third-party support can be tailored to supplement the in-house capability and flex with this as services move to more self-delivery over time.

5. **Any Interest Declared or Dispensation Granted**

None

6. **Respective Director Responsible for Implementation**

Executive Director, People Services

7. **Relevant Scrutiny Committee If Decision Called In**

Overview and Scrutiny Management Committee