



**Author/Lead Officer of Report:** Jack Burns

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**Report of:** *Mick Crofts*

**Report to:** *Cate McDonald*

**Date of Decision:** *10/12/21*

**Subject:** Reprourement of Furniture Removal, Storage and Disposals Contract

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000			<input type="checkbox"/>	
- Affects 2 or more Wards			<input type="checkbox"/>	
Which Executive Member Portfolio does this relate to? <i>Resources</i>				
Which Scrutiny and Policy Development Committee does this relate to? <i>Overview &amp; Scrutiny Committee</i>				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>953</i>				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>				

**Purpose of Report:**

*The purpose of this report is to seek authority for the Council to reprocure a contract for the removal, storage and disposal of furniture, across various areas of the Council including Commercial Office Moves & Relocations, Schools and Large Complex Projects, Council Tenants, and Homeless Persons.*

**Recommendations:**

1. Approve the retendering and reprocurement of a furniture management service in line with this report.
2. Delegate authority to the Executive Director of Place consultation with the Director of Finance and Commercial Services to agree the terms of the contract and award the contract to the successful tenderer.
3. Where no existing authority exists, delegate authority to the Executive Director of Place, in consultation with the Director of Finance and Commercial Services to take such steps to meet the aims and objectives of this report.

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Kerry Darlow</i>
		Legal: <i>Henry Watmough-Cownie</i>
		Equalities: <i>Annemarie Johnston</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>Mick Crofts – Interim Executive Director of Place</i>
3	<b>Executive Member consulted:</b>	<i>Cate McDonald – Executive Member for Finance</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Jack Burns</i>	<b>Job Title:</b> <i>Procurement &amp; Supply Chain Specialist</i>
	<b>Date:</b> 09/12/21	

## 1. PROPOSAL

*This report details the proposal to procure a contract for the Storage, Removal and Disposal of Furniture for management and use by Transport and Facilities Management and Housing. Scope of work includes the move of furniture between offices and the move of furniture between council properties when tenants move, including as part of the decant procedure. The contract will also allow for the storage and disposal of furniture as required.*

*Given the anticipated value of proposed contract arrangements the Council is required by Law and under its own Contracts Standing Orders to procure this supply chain in a fully compliant manner. Full details of the routes to market that have been considered are detailed within the report below.*

### 1.1 Background

The Council currently uses Nationwide Removals & Storage Limited for the Corporate and Housing Furniture Removals and Associated Services. The contract was tendered and commenced on 01 July 2017 for a period of 4 years and is due to expire on the 30th June 2021. Due to resource issues within Procurement and Supply Chain there was not sufficient time to undertake a procurement before expiry of the current agreement, therefore a waiver was requested and granted extending the current agreement for a period of 6 months until the 31st March 2022. The extension will allow for a full exercise to be undertaken correctly to ensure all requirements are included.

This service is used to move office furniture between Corporate Buildings for office moves and also used by the Housing Service to remove furniture out of the Council's Housing estate when people move out to enable new furniture to be brought in.

As this service is key for the client to deliver Furniture Removal and Associated Services for Council Housing and all the Corporate Buildings a renewal is required.

Given the anticipated value of a new four-year contract arrangement we are required by law and under our own contracts standing orders to procure this supply chain in a fully compliant manner. Full details of the routes to market that have been considered are detailed below.

The service is deemed to be central and as such will not sit with one budget holder. A purchase order will be raised by Transport and Facilities Management, but charges will be journaled to the appropriate budget codes as and when required.

## **Current Position**

The current position within T&FM is as follows.

Furniture removals work is specialist in nature both in terms of the requirement of trained/competent operatives and the use of specialised vehicles and equipment.

The above dictates the Council must engage the supply chain to meet the demands of managing the day-to-day, emergency, and planned furniture removals both within the Council's corporate estate and the Council Housing Service. Failure to undertake the removals in a timely manner would have a detrimental effect on both in-house service provision and the service provided to council house residents.

## **Contract Values**

The value of the contract based on a four year agreement is £275,000. This figure is based on historical spend information with the current contractor.

Spend data for 2020-2021 was excluded from the calculation due to the effect of the COVID-19 pandemic on services.

With spend over £150K under the Councils Standing Orders a full tender is required, for spend in excess of £190K we are legally bound to tender under the Public Contracts Regulations (PCR) 2015. As our forecast four year spend is in excess of these levels we are required by law to compete this opportunity. The exceptions to this would be either a Direct Award or further competition under a fully PCR compliant Framework where the legal requirements of PCR have already been satisfied

## **Procurement**

There are many providers of Removal Services in the market so we have a number of routes to market that could be considered.

A review of existing Framework providers has been undertaken which identified 3 potential Frameworks that we could use:

- CCS – RM6074 - Logistics and Warehousing – Lot 4
- ESPO - 655\_20 – Removal Solutions
- YPO – 988 - Removals, Recycling, Storage & Associated Services

There is also the option to undertake a full procurement exercise with the whole market.

As this contract is mainly the moving of items using lorries and vans it would be beneficial to contract with a provider that is either in Sheffield or in the local region to minimise the carbon footprint / environmental impact of the contract and this approach would also give us the agility for any quick removal requirements.

Based on this it is recommended to undertake a full procurement exercise as the mentioned Frameworks do not include any locally based companies.

The procurement will be undertaken as an open tender with an evaluation criterion split of 60% price, 40% quality to ensure we have an affordable service that can also be delivered as required.

The tender will include the option for bidders to sign up to the Early Payment Discount initiative and will include questions on Social Value and the Impact on the Local Economy.

The Contract will be let for a 4 year period using the Council's Services Terms and Conditions.

## **2. HOW DOES THIS DECISION CONTRIBUTE ?**

*(Explain how this proposal will contribute to the ambitions within the Corporate Plan and what it will mean for people who live, work, learn in or visit the City. For example, does it increase or reduce inequalities and is the decision inclusive?; does it have an impact on climate change?; does it improve the customer experience?; is there an economic impact?)*

2.1 The Corporate Plan sets the Council's direction, priorities and common goals. This proposal specifically supports the priorities around:

- An in-touch organization
- Strong Economy
- Thriving neighbourhoods and communities
- Better health and wellbeing
- Tackling inequalities

The procurement opportunity may enable suppliers both local and national to trade with the Council and will contribute to keeping the local economy strong. Local economic impact will be assessed as part of the total social value offering in line with the Council's award-winning Ethical Procurement Policy

## **3. HAS THERE BEEN ANY CONSULTATION?**

*(Refer to the Consultation Principles and Involvement Guide. Indicate whether the Council is required to consult on the proposal, and provide details of any consultation activities undertaken and their outcomes.)*

3.1 No external consultation is required or has taken place as the proposed procurement is for the provision of works to support the internal Facilities

Management and Housing service provision.

This report has been jointly developed in consultation with relevant stakeholders in the Transport & Facilities Management, Housing, Legal Services and Financial & Commercial Services.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

4.1.1 Overall there is no significant differential, positive or negative, with regards to equality impacts from this proposal. It will also ensure that we keep council homes and corporate property safe and to the required level of decency. There should be a low positive impact on employment of Sheffield people.

The assessment of suitability will be based on a balance of price, technical competence and quality, with emphasis on the social value and local economic impact benefits this procurement could drive

The procurement opportunity may enable suppliers both local and national to trade with the Council and will contribute to keeping the local economy strong. Local economic impact will be assessed as part of the total social value offering in line with the Council's award winning Ethical Procurement Policy.

The assessment of suitability of potential contractors will be based on a range of criteria including social value and the potential local economic impact benefits that this could bring.

### **4.2 Financial and Commercial Implications**

4.2.1 Sheffield City Council is committed to ensuring a high standard of ethical practice across our supply chain.

The Council expects all internal staff, partners and suppliers to work to these augmented standards which assure we will:

- Trade with those who comply with an Ethical Code of Conduct
- Exclude suppliers committing acts of Grave Misconduct
- Improve Social Outcomes for the citizens of Sheffield
- Increase the power of procurement and its local economic impact.

### **4.3 Legal Implications**

4.3.1 The Localism Act 2011 provides local authorities with a "general power of



competence” which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need.

When the Council delivers services it is subject to the ‘best value duty’. This requires the Council to ‘make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The proposed procurement outlined in this report has a value in excess of the threshold for contracts for services in accordance with the Public Contracts Regulations 2015, therefore the procurement and contract award processes to be followed will be subject to those Public Contracts Regulations.

The procurement process and any contract awards must also be undertaken in accordance with all relevant provisions of the Council’s Constitution including its Contracts Standing Orders.

Successful suppliers chosen by the Council following a compliant procurement process will be required to enter into formal written legal contracts with the Council.

#### 4.4 Other Implications

*(Refer to the Executive decision making guidance and provide details of all relevant implications, e.g. HR, property, public health).*

4.4.1 No further implications as a result of this procurement.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

*(Outline any alternative options which were considered but rejected in the course of developing the proposal.)*

#### 5.1 Option 1 - Do Not Procure

*The Council is bound by the Public Contracts Regulations and Council Governance to conduct a procurement where the level of financial spend indicates this, alternatives around the route to market will be options appraised, considered and benchmarked and fully documented in the Procurement Strategy.*

*The Council does not currently have the required staffing levels, expertise or vehicles to undertake this service in-house. Given the ad-hoc nature of the requirement for furniture moves the procurement of a professional external service provider is required.*

#### Option 2 – Utilise a framework

*There are 3 potential Frameworks that could be used.*

- CCS – RM6074 - Logistics and Warehousing – Lot 4
- ESPO - 655\_20 – Removal Solutions
- YPO – 988 - Removals, Recycling, Storage & Associated Services

*As this contract is mainly the moving of items using lorries and vans it would be beneficial to contract with a provider that is either in Sheffield or in the local region to minimise the carbon footprint / environmental impact of the contract and this approach would also give us the agility for any quick removal requirements.*

*Based on this it is recommended to undertake a full procurement exercise as the mention Frameworks do not include any locally based companies*

## **6. REASONS FOR RECOMMENDATIONS**

*(Explain why this is the preferred option and outline the intended outcomes.)*

- 6.1 There are many providers of Removal Services in the market so we have a number of routes to market that could be considered.

I have searched the usual Framework providers and there are 3 potential Frameworks that we could use:

- CCS – RM6074 - Logistics and Warehousing – Lot 4  
<https://www.crowncommercial.gov.uk/agreements/RM6074>
- ESPO - 655\_20 – Removal Solutions  
<https://www.espo.org/removal-solutions-655-19.html>
- YPO – 988 - Removals, Recycling, Storage & Associated Services  
<https://www.ypo.co.uk/frameworks-home/900204#details>

There is also the option to undertake a full procurement exercise with the whole market.

As this contract is mainly the moving of items using lorries and vans it would be beneficial to contract with a provider that is either in Sheffield or in the local region to minimise the carbon footprint / environmental impact of the contract and this approach would also give us the agility for any quick removal requirements.

Based on this it is recommended to undertake a full procurement exercise as the mention Frameworks do not include any locally based companies.

The procurement will be undertaken as an open RTS tender with an evaluation criterion split of 60% price, 40% quality to ensure we have an affordable service that can also be delivered as required.

The tender will include the option for bidders to sign up to the Early Payment Discount initiative and will include questions on Social Value and the Impact on the Local Economy.

The Contract will be let for a 4 year period using the Council's Services Terms and Conditions.