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Report of: Executive Director of Place

Report to: Executive Member for Finance

Date of Decision:

Subject: Procurement of a Statutory Compliance Contract(s) to inspect, service and maintain Auto Doors and Roller Shutter Doors across the corporate buildings estate and Sheffield schools who take up the provision.

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Executive Member Portfolio does this relate to? Cllr Cate McDonald - Executive Member for Finance		
Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee		
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?	1031	
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"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."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 to reprocur the contract for the inspection, servicing, testing and repairs including statutory compliance assessments of Auto Doors and Roller Shutter Doors across the corporate buildings estate and a number of Sheffield Schools who take up this provision in line with the contents of this report.

Recommendations:

It is recommended that the Individual Co-Operative Executive Member:

1. Approves the Council procuring the contract(s) for the inspection, servicing, testing and repairs including statutory compliance assessments of Auto Doors and Roller Shutter Doors across the corporate buildings' estate and a number of Sheffield Schools who take up this provision, 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.
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.

Background Papers:

N/A

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: Steven Scott
		Legal: David Cutting
		Equalities: Annemarie Johnston
<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	EMT member who approved submission:	<i>Mick Crofts Executive Director Place</i>
3	Executive Member consulted:	<i>Cllr Cate McDonald Executive Member for Finance and Resources</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.	
	Lead Officer Name:	Job Title:
	Jason Peck	Contract Manager
Date: 5th December 2021		

1. PROPOSAL

This report will detail the proposal to re procure the statutory compliance testing and maintenance services in respect of Auto opening pedestrian doorsets and roller shutter doors for Sheffield City Council (the Council) for use in the main by the Corporate Repairs and Maintenance (CRM) Service and Sheffield Schools who elect to join this service provision. The Housing Repairs and Maintenance Service (HRM) and other Council departments may also occasionally use the contractor(s) appointed for any or all of the services covered, and their requirements will be captured on the resulting tender and contract award.

Given the anticipated value of a three-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 Council has a statutory duty to ensure all Auto pedestrian doorsets, roller shutter doors, automated gates and barriers are inspected and maintained at regular intervals as determined by national health and safety legislation and the relevant manufacturers guidelines.

1.1 **Background**

Under Facilities Management the CRM team are responsible for all statutory, legal and compliance requirements, health & safety, and upkeep requirements across all buildings within the corporate estate. The service also manages these compliance arrangements on behalf of a number of Sheffield schools who can opt into the services provisions offered.

This responsibility involves ensuring statutory compliance in various areas relating to building safety (list below). UK health and safety legislation places a clear responsibility on the Council to manage health and safety risks within its buildings. Breaches of health and safety legislation are an offence that can lead to criminal prosecution. Where possible statutory compliance works are undertaken in-house by Council staff, but in areas where we lack the required technical competence or experience the services are contracted out to specialist external contractor(s).

1.2 **Corporate Repairs**

The Corporate Repairs service covers a wide range of repairs and maintenance functions, including:

- Responsive & Planned repairs
- Repairs after servicing
- Gas servicing
- Lift /Hoist servicing
- Hard Wire Testing
- Fire Alarm & Emergency Lighting servicing
- Air Conditioning/AHU servicing
- Earthing/Lightning Protection testing
- Fire Fighting Equipment Servicing
- Portable Appliance Testing
- Latchwire/Safe man systems testing

Facilities Management also manage the Councils Compliance Policies in respect of the following:

- Air Conditioning Policy
- Asbestos Management Policy
- Automatic Doors and Roller Shutters Policy
- Electrical Management Policy
- Fire Management Policy
- Flagpole Inspections Policy

- Gas Servicing Policy
- Radon Policy
- Water Management Policy
- Ladders Policy

1.3 The Council has a number of power operated pedestrian doorsets, roller shutters and both pedestrian and vehicular automated barriers and gates on the asset register and as overall Facilities Manager, the Council, has a duty both for the correct specification, installation, and operation of this equipment in addition to an ongoing duty to properly maintain these installations.

Automatic doors, roller shutter doors, automated barriers and automated gates are installed in both our corporate buildings and across many of the schools in Sheffield and the installations involve a large number of and variety of users (able bodied, disabled, young and old). It is important to ensure safe and easy access for all users under legislation.

Under the Supply of Machinery (Safety) Regulations 2008 (the Machinery Directive), automatic doors must be operated safely, safe for employees and safe for other users. The doors therefore need to be fully inspected and maintained in accordance with the guidance from the manufacturer.

Automatic doors and gates located in 'workplaces' are subject to a number of specific legal requirements. These include requirements for: design, manufacture, supply and installation under the Supply of Machinery (Safety) Regulations 2008; including replacement hardware and inspection and maintenance under the Workplace (Health, Safety and Welfare) Regulations 1992.

Maintenance Engineers must be qualified to work on automatic doors to BS 7036 (doors fitted before April 2013) or BS EN 16005 (doors fitted after March 2013).

There is also a general requirement under the Health and Safety at Work etc Act 1974 in relation to risks to third parties (non-employees).

1.4 **Maintenance, examination and testing**

The Council is responsible for ensuring that the door hardware, safety devices and safety systems are regularly maintained to the manufacturer's specification by suitably trained personnel. The purpose of having a fully compliant contract(s) in place is to ensure we fully meet these obligations.

Over the last 4 years a robust supply chain has been in place to provide support to the in-house service provision for delivery of a number of required compliance testing and inspection services including a framework covering Auto and Roller Shutter doors servicing and maintenance. The contracts were let from the 1st of April 2017. The original term of these contracts was 24 months plus the option to extend

a further 24 months, this option was exercised, therefore all the contracts were due to expire at the end of March 2021. Due to a number of factors, there have been delays to letting those arrangements and a waiver is in place to cover the current post March 2021 period. There has been intensive work to update the Council's specifications, Key Performance Indicators (KPI's) and tender evaluation documentation to ensure that all our documents are robust and will deliver the required service levels in a cost-controlled manner.

Defined health and safety standards and technical competence are required from the supply chain to ensure that the Council's duty is fulfilled, and risk is correctly managed and discharged in respect of all compliance areas.

This arrangement along with a number of other statutory compliance related services are offered to Sheffield Schools, they opt into these services and have assured service levels, a programme that meets their full compliance requirement and the benefit of cost based on a much larger estate compared to a bought in cost for one school through economies of scale. This is a fully managed service provided by Corporate Repairs and Maintenance Service and costs are fully covered by the individual schools for this service. There are currently 316 door installations, 26 of which are located in schools & 758 roller shutter installations, 148 of which are located in schools – all of which will be covered by this reproced contract(s).

In Moorfoot in particular the power operated pedestrian auto doors in use across the entire eleven floor building utilise a door opener which over time has proved lightweight for the task and traffic, and costly to repair and maintain. Part of the successful contract holders' remit under the reproced servicing contract(s) will be to assist the Council with the selection of a more fit for purpose product with a view to trialling some alternative heavy duty door openers and evaluating on merit the virtues of these. Where indications from the trial suggest there would be wider financial and operational benefits from a full building refit we would need to undertake any proposed replacement program under a separate procurement exercise, and this will be made clear through this tender process.

The proposed new contract(s) will cover all the required services and are detailed below:

- The successful contractor(s) will perform 2 x 6 monthly services to each installation per year, providing a completed service schedule certificate to the client for each service performed.
- The successful contractor(s) will also, subject to acceptance by the client of their written quotation in each case, be responsible for the performance of any necessary repairs and remedial works

which are not covered by the work described within the standard service specification.

Capable service providers are required to provide this resource and expertise to support the in-house service in delivery of these statutory requirements. The suitable contractor(s) will work in line with the Council's overarching client specifications, site-specific operating instructions, and our robust health & safety requirements.

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.

1.5

Contract Management

Ongoing Contract Management will also be key to ensuring the Council receives a first-class service.

Regular attendance at Service Review meetings will be undertaken with the successful contractor(s) to discuss workload, measure performance and review agreed key performance indicators.

This will ensure, as far as is reasonably practical, that in relation to the Council's Repairs and Maintenance Services:

- The optimum balance between service, cost and quality ensuring value for money
- All aspects of the delivery of true Social Value are measured and achievable.
- Continuity of excellent customer services

1.6

Contract values

The estimated Council wide contract value is currently £156K per annum across all elements of this supply requirements and all client user departments.

The forecast spend, based on letting services contracts for up to three years is c£468K.

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 PCR 2015. As our forecast three 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.

1.7

Proposal

The Procurement Strategy has explored our best value options via a full open Sheffield City Council tender route or direct award or mini competition under an existing PCR compliant framework.

All the Framework providers are not for profit procurement consortiums established to serve the construction procurement needs of the social housing and corporate landlord community, understanding the needs of the maintenance clients.

All the identified Frameworks are compliant with the PCR regulations so this means as potential clients we would not have to openly advertise the opportunity or follow the full procedural rules which does potentially shorten the tendering timetable.

Some Frameworks are not however always a seamless fit with our requirements, and many don't allow for the incumbent suppliers to bid as they are not on all frameworks.

The possibility of utilising an established Framework Contract has been considered, however there seems to be little available from framework providers in this respect. This type of servicing in the main is usually a LOT in a wider Hard FM management Framework.

We have looked at the North East Universities Purchasing Consortium (NEUPC) Framework, and Yorkshire Purchasing Organisations (YPO) Building Envelope Services DPS.

NEUPC

To access the NEUPC Doors maintenance, repairs, and installation services framework we would need to become a member which we are not currently and would have access to the following suppliers in our geographic region – North East England:

- All Round Security Ltd – Warrington
- Dorma UK Ltd – Birmingham
- FCCA Entrance Solutions Ltd – Sunbury on Thames (have a Rotherham Office)
- Geze UK Ltd (Incumbent supplier) – Litchfield
- Record UK Ltd - Dewsbury

YPO Building Envelope Services DPS

A Dynamic Purchasing System (DPS) is an electronic system established to purchase goods, works or services which remains open throughout its duration for the ongoing admission of suppliers/providers/contractor(s) meeting the minimum selection criteria and allows pre-qualified suppliers/providers/contractor(s) to participate in customer's further competition for in scope services.

As a DPS this offers a fully flexible approach by suppliers and buyers, suppliers can tender to pre-qualify onto the DPS at any time unlike normally let term Frameworks and buyers can access more suppliers.

There is a timeframe to pre-qualify for the DPS and access by buyers is via a further competition event. If our incumbent isn't pre-qualified onto the DPS then we couldn't ask them to tender unless they did pre-qualify and this could put time into the process. For any further competition event we still need the specification, method statements, key performance indicators and evaluation criteria and methodology to conduct the competition and then the only real saving is the time the tender has to be open for bids.

A fully compliant SCC tender would ensure that our exact requirements are specified and fully met and we would be trading on our own Terms of Service. An open tender also fully supports the key principle of maximising the likelihood of success for the local supply chain and Sheffield based SMEs, this fully supports the ambitions of the Councils 1 year plan to support Sheffield businesses to recover and grow post pandemic as part of the economic recovery plan.

A number of more local suppliers of these services are available:

- 1st Choice Roller Shutter Services Ltd - Sheffield
- CRB Door Systems Ltd - Rotherham
- DP Doors & Shutters Ltd - Sheffield
- Darby Door Systems Ltd - Barnsley
- Industrial Door Solutions Ltd - Barnsley
- Smart Door Solutions Ltd - Barnsley

A part of the tender evaluation is dedicated to the delivery of additional Social Value Benefits for Sheffield and its communities, by conducting our own tender we can drive Social Value benefit and Local Economic Impact in a manner the best suits the supply requirements and the Council.

The recommended course of action would therefore be to run our own fully compliant tendering exercise. This course of action would give us complete control over the whole process & provide an opportunity for local small to medium sized providers to bid and add both Social Value and Local Economic Impact.

2. HOW DOES THIS DECISION CONTRIBUTE?

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

2.2 This procurement will enable the Council to engage with the market to ensure that the standards of servicing and maintenance and consumable products for CRM demonstrate best value and are also compliant with legal and corporate requirements for the Council and the industry.

2.3 The procurement opportunity may enable suppliers both local and national to trade with the Council and will contribute to keeping the local economy strong. Social Value and 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.

2.4 By providing the safe and legally compliant workplaces and schools for our workforce, service users and communities we are contributing to better health and wellbeing as properties are safe and well-maintained environments to work in.

3. HAS THERE BEEN ANY CONSULTATION?

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 CRM and Housing Repairs and Maintenance service provision and schools for whom it is beneficial to opt into this service.

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

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 The proposal will help to ensure the safety of all building users/occupiers within the SCC and opted in schools' estates. 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 will enable suppliers both local and national to trade with the Council and may contribute to keeping the local economy strong. Social Value and 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.

By providing the safe and legally compliant workplaces and schools for our workforce we are contributing to better health and wellbeing as properties are safe and well-maintained environments to work in.

Overall, there are no significant differential, positive or negative, impacts from this proposal. The procurement will support maintaining safe corporate and multiple occupancy tenanted buildings for Sheffield City Council and for those schools which choose to opt-in to the contract(s). The assessment of suitability of potential contractor(s) 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 As set out in paragraph 1.4, the total cost of the proposed contract(s) is estimated to be in the region of £156K per annum

4.2.2 The proposed new service contract(s) will be up to three years (two years with an option to extend for a further one year).

4.2.3 The Council has a duty to ensure that all of its procurement is based on value for money principles, achieving the optimum mix of quality and effectiveness for the least outlay. In addition to this duty the value of the services in scope and the overarching PCR regulations relating to transparency and equality of treatment, the value of the services in scope is above the PCR threshold and so requires a number of specific procedural steps to be followed.

4.2.4 In undertaking the tender process, the Council will ensure compliance with the necessary legal and regulatory provisions relating to procurement, whilst encouraging innovation and competition from the market and allowing the Council to choose the optimum solution for our specified products and services based on a balance of quality and price.

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

4.2.7 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. This enables the Council to issue a tender and enter into contracts for these services.

- 4.3.2 The Council has a statutory duty as highlighted in paragraph 1.3 above to maintain its premises in accordance with the the Supply of Machinery (Safety) Regulations 2008; including replacement hardware and inspection and maintenance under the Workplace (Health, Safety and Welfare) Regulations 1992.
- 4.3.3 The proposed procurement outlined in this report has a value in excess of the threshold for contracts for services in accordance with the PCR 2015, therefore the procurement and contract award processes to be followed will be subject to those regulations.
- 4.3.4 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.
- 4.3.5 The successful supplier chosen by the Council following a compliant procurement process will be required to enter into formal written legal contracts with the Council.
- 4.3.6 The Council must comply with all applicable legislation and regulations including but not limited to UK GDPR, Data Protection Regulations 2018, the Public Contracts Regulations and the Councils Contracts Standing Orders.

4.4 Other Implications

- 4.4.1 No further implications as a result of this procurement.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 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 2015 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.

- 5.2 Alternative Option 2 – Extend the contract(s) with the current supplier.

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

- 5.3 Alternative Option 3 – procure via a fully compliant Framework.

Whilst these allow access to pre-qualified suppliers and much of the due diligence around their appointment has been previously managed many are national suppliers and we 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.

Additionally, the use of the Sheffield City Council service contract(s) 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. For these reasons the recommendation is to compete the procurement in our own right and on our own terms with our own tried and tested methods of ensuring compliance to Health and Safety and a number of other required competencies.

6. REASONS FOR RECOMMENDATIONS

6.1 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 positive value-added impact through this supply chain.