

Executive 15 October 2012

Update to Managing the Public Realm Executive Report

Background

Following completion of the report to the Executive, the collaborative project has continued work with the three partner boroughs – Richmond, Hounslow and Barnet. Late last week the London Borough of Richmond upon Thames decided not to participate in the joint procurement because of the need to award a contract starting in April 2014 to meet Brent's requirements. This would give Richmond a long period of time with an incumbent provider who might not win the contract, giving a risk of having to manage poor performance.

The business case for the collaborative procurement with Barnet and Hounslow is still robust. Both councils are still committed to the project and are taking a report to their Cabinets in November 2012.

The slightly reduced scale of the contract helps to mitigate some of the procurement risks set out in paragraphs 3.4.4, 3.4.9 and 3.4.11 of the main report to the Executive:

- a slightly smaller contract may encourage other companies to bid
- subject to specification development, it will be easier to align services with just one borough where we share boundaries than across four.

The governance arrangements will be updated to reflect the withdrawal of the London Borough of Richmond upon Thames.

Updated paragraph 3.8.5

3.8.5 In accordance with Brent's Contract Standing Orders 88 and 89, pre-tender considerations have been set out below:

Ref	Requirement	Response
(i)	The nature of the service	Waste, recycling, street cleaning and ground maintenance.
(ii)	The estimated	Based on current budgets the contract value would be over £16M per annum for Brent and approximately £20M per

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	value	<p>annum for Barnet, Hounslow and Brent Housing Partnership.</p> <p>Based on the current budgets, over the 16 year life of the contract the value is over £570M for Brent, Barnet, Hounslow and BHP.</p>
(iii)	The contract term	<p>Up to a maximum period of 16 years with an initial term of 7-9 years and a subsequent term of a further 8 years on condition of satisfactory performance.</p> <p>The cross-borough contract(s) will start from 1 April 2014 and the Brent specific aspect will commence on 1 April 2014 for waste, street cleaning and recycling and 1 September 2014 for grounds maintenance.</p>
(iv)	The tender procedure to be adopted	Competitive Dialogue
(v)	The procurement timetable	<p>Indicative dates are:</p> <ul style="list-style-type: none"> • Preparing for the procurement process (August 2012 – October 2012) • Procurement process (November 2012 – September 2013) • Mobilisation (October 2013 – March 2014) • Service Delivery (April 2014 – onwards) • Full Alignment (during the life of the contract) <p>Officers will report back to the Executive at a later date with full details of the timetable for procurement process.</p>
(vi)	The evaluation criteria and process	<p>Prequalification documentation and shortlists are to be drawn up in accordance with Brent's Standing Orders and Management Guidelines namely the pre-qualification questionnaire and thereby meeting the Council's financial standing requirements, health, safety and environmental standards, technical capacity and technical expertise.</p> <p>The panel will evaluate the tenders to establish the Most Economic Advantageous Offer. Officers will report back to the Executive seeking approval to the tender evaluation</p>

Ref	Requirement	Response
		criteria.
(vii)	Any business risks associated with entering the contract	See paragraphs 3.4.4, 3.4.9, 3.4.11 of the main report..
(viii)	The Council's Best Value Duty	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(ix)	Any staffing implications, including TUPE and pensions	See Sections 5 and 7 of the main report.
(x)	The relevant financial, legal and other considerations	See Sections 4 and 5 of the main report.

Legal Implications Paragraph 5.5

Members are referred to the legal implications in the main body of the report at Section 5, however Members should note the number of authorities collaborating is reduced to 3.

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