

	<p style="text-align: center;">Executive 12 December 2011</p> <p style="text-align: center;">Report from the Director of Environment and Neighbourhood Services</p>
For Action	Wards Affected: ALL
<p>Authority to establish a framework agreement for the provision of Arboricultural Services</p>	

Appendix 2 of this report is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

1.0 Summary

- 1.1 This report requests authority to establish a Framework Agreement for the provision of Arboricultural services, as required by Contract Standing Order No 88. This report summarises the process undertaken in tendering these requirements and, following the evaluation of the tenders, recommends which supplier should be appointed to the Framework Agreement. It is anticipated that the favorable prices obtained via this process mean that even with the £75k budget reduction forecast for next year, similar volumes of work will be undertaken.

2.0 Recommendations

- 2.1 That the Executive agrees to the award of a Framework Agreement for Arboricultural Services to Gristwood and Toms Ltd.
- 2.2 That the Executive agrees to the award of a call-off contract under the Framework agreement referred to in 2.1 to Gristwood and Toms Ltd for a term of 4 years with a possible 2 year extension.

3.0 Detail

Background

- 3.1 Arboricultural services for the Highway tree stock has historically been an area of significant spend in order to limit the volume of insurance claims for tree root damage and subsidence. A one off budget reduction of £75k was made in 2011-12 and it is anticipated that an additional saving will be applied in 2012-13.
- 3.2 The council previously outsourced the Highway requirement via a stand alone 5 year contract with Gristwood and Toms, in 2009 the option to extend for the maximum term of a further 3 years was agreed and this contract comes to an end in March 2012.
- 3.3 Park Services currently undertake their own works wherever possible or bring in contractors on an ad hoc basis if required. The new framework agreement will now be available for both Highways and Parks, in addition BHP have also contributed to the tender process in the expectation of joining the framework if prices are deemed favorable
- 3.4 The framework will also be made available to all members of the West London Alliance (WLA) at no charge. Preliminary investigations have shown that at least two WLA members have contracts due to expire at similar times so this framework will be actively promoted following successful implementation in Brent.
- 3.5 The new framework agreement will be let using the Council's terms and conditions for a period of four years with the possibility of call-off contracts being awarded for a term up to a maximum of six years.
- 3.6 The Executive gave approval to seek tenders at April 2011 by using a two-stage restricted tendering process and in accordance with the provisions of the Council's Contract Standing orders and Financial Regulations.

Tender Process

- 3.7 Adverts seeking initial Expressions of Interest appeared in an early May issue of Arboricultural Weekly and also the Wembley Observer. As this service is deemed a Part B service under the Public Contract Regulations 2006 there was no requirement to post a Contract Notice in OJEU, however an Award Notice will be posted following the award of the Framework Agreement.
- 3.8 Pre-Qualification Questionnaires (PQQ) were available for download via the council's website. In total, 11 companies expressed an initial interest and 10 completed PQQs were returned within the time limit.
- 3.9 The 10 returned PQQs were evaluated on the basis of:
 - Business Probity

- Economic and Financial Standing
- Ability and Technical Capacity including:
 - Staff and Training
 - Health and Safety
 - Quality Assurance
 - Relevant Experience and References
 - Equal Opportunities
- Environment and Sustainability

5 companies were shortlisted in June 2011 to receive Invitations to Tender (ITT).

3.10 There were two main reasons for the 5 companies not being selected for Invite to Tender, firstly the size of the contract meant that any company to be considered had turnover well in excess of £1m per annum and also extensive experience in Arboriculture was required and not just garden or parks maintenance.

3.11 The tendering instructions stated that the Framework Agreement would be awarded on the basis of the most economically advantageous offer to the Council and that, in evaluating tenders, the Council would have regard to the following:

- Price - weighting 60%
- Quality - weighting 40%

These criteria were further sub-divided as follows:

Price

Emergency Works	3%
Ground Works	8%
Reinstatements	2%
Tree Inspections	4%
Programme Works	38%
Tree Planting	3%
Miscellaneous	2%

Quality

Demonstrated ability to provide the services required for this Contract	20%
Proposed systems and working methods	10%
Approach to customer care, client care and equalities	5%
Approach to Environmental issues	5%

- 3.12 Tenderers were required to submit a detailed pricing document for each of the seven elements for Price and additionally information in the form of Method Statements providing details of their proposed arrangements for performing the services covering each of the above Quality aspects.
- 3.13 Tender packs were sent out 29 July 2011 to the five shortlisted companies. Prior to tenders going out it was confirmed with the incumbent that TUPE would have no practical application in this instance as all deployed staff wanted to remain with their current supplier regardless of the outcome of the process.

Evaluation process

- 3.14 Tenders were due for return at midday 12 September and were opened the same day. Four of the five companies invited to tender returned bids, the one company not to return cited a lack of time despite additional days being permitted for return of tenders.
- 3.15 The tender evaluation was undertaken in isolation by a panel of officers from across the council including the Arboricultural Officers, Parks Services and Brent Housing Partnership. The process was overseen by representatives from Finance, Legal and Procurement, and Health and Safety.
- 3.16 The panel met to agree a consolidated score for each of the four quality sub criteria for each of the four suppliers and the results are contained within the table below in accordance with the marking scheme contained in Appendix 1. The names of each of the tenderers are detailed in Appendix 2.

Tenderer	Ability	Systems/Working Methods	Care and Equalities	Env	Weighted Total
1	1	2	2	3	16.25
2	1	2	2	1	13.75
3	2	2	2	2	20
4	3	3	3	3	30

Tenderers 1 and 2 scored adequate in 2 of the 4 elements, however they scored poorly on demonstrated ability to provide the services required for this Contract which was the highest weighted element. This sub criterion looked at the proposals for the Programmed Works, how they would be scheduled, the flexibility of the programme and the methodology for ad hoc works such as re-instatements as well as reporting on finished works and meeting legislative requirements.

Sub criteria 2 reviewed the proposed systems and working methods which included approach to ensuring the Health and Safety of the general public and the workforce, this was generally well responded to by all 4 bidders.

The third method statement examined customer service proposals and details

of complaints and/or prosecutions in previous years. All responses to this were considered to be at least adequate. The last section reviewed approach to Environmental Issues and only tenderer 2 scored less than adequate.

Tenderer 4 scored consistently 'good' in four sections whilst tenderer 3 responses were deemed adequate in all four sections.

- 3.17 The evaluation of prices was slightly more complex as there were 32 separate prices for the Programme Works alone. The table below shows the relative score by each tenderer against the corresponding sub criteria:-

	1	2	3	4	Total Weighting
Emergency Works	1.97	3	1.47	1.97	3%
Ground Works	4.87	8	5.32	4.08	8%
Reinstatements	0.6	0.68	0.59	2	2%
Tree Inspections	1.81	1.48	1.42	4	4%
Programme Works	17.82	17.35	17.35	33.04	38%
Tree Planting	1.84	1.87	1.17	3	3%
Miscellaneous	1.4	0.10	1.19	2	2%

Prices submitted were generally perceived as competitive but tenderer 4 scored highest in 5 of the 7 elements including Programme Works which was the highest weighted element.

- 3.18 The final consolidated scores for both Price and Quality are detailed below and clearly demonstrate that Tenderer 4, Gristwood & Toms provide the most economically advantageous tender, however it is worth noting that they in fact scored highest in both Price and Quality elements.

Tenderer	Price	Quality	Final	Position
1	34.31	16.25	50.56	2
2	34.36	13.75	48.11	4
3	30.29	20	50.29	3
4	53.00	30	83.00	1

4.0 Financial Implications

- 4.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1million shall be referred to the Executive for approval of the award of the contract.
- 4.2 The framework agreement itself will not commit the Council to any expenditure. The estimated value of the call-off contract is £3.4m during the maximum 6 year life of the Call-Off. With the annual budget reductions of

£75k, the total budget of the contract for 2012-13 is £575,000, however as a result of this tender process, it is envisaged that a similar level of works as in 2011-12 will be undertaken despite the reduction in budget.

5.0 Legal Implications

- 5.1 The provision of arboricultural services falls within Part B Services under the Public Contract Regulations 2006 (“the Regulations”) and the contract therefore is not subject to the full application of the EU Regulations. It is however, subject to the overriding EU principles of equality of treatment, fairness and transparency in the award process. In addition the procurement and award of the contract is subject to the Council’s Contract Standing Orders in respect of High Value contracts and Financial Regulations.
- 5.2 As the Framework Agreement and Call-off contracts are classified as ‘High Value’ contracts under the Council’s Contract Standing Orders, Executive approval is required for both the award of the Framework Agreement and the Call-off Contract.

6.0 Diversity Implications

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications.

7.0 Staff Implications

- 7.1 There are no TUPE implications to be considered in the contract by the Council in the award of the Framework Agreement or Call-off contract.

8.0 Accommodation Implications

- 8.1 None

9.0 Background Papers

- 9.1 Executive Report - Authority to Tender for Provision of Arboricultural Services – April 2011.

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Appendix 1

TENDER EVALUATION SHEET

Scores for Quality were awarded against each criterion using the following general marking regime and taking into account the considerations described in the commentary for each criterion:

Assessment	Score	Interpretation
Unacceptable	0	Fails to meet requirement - major omissions/weaknesses
Weak	1	Limited evidence of ability to meet requirement - omissions/weaknesses in key areas
Adequate	2	Meets requirement but with some minor omissions/weaknesses
Good	3	Fully meets requirement
Excellent	4	Fully meets requirement demonstrating added value in proposals for delivery of service