

	<b>Officer Key Decision</b>
	<b>Report to the Corporate Director of Neighbourhoods &amp; Regeneration</b>
	<b>Lead Cabinet Member for Regeneration, Planning &amp; Property (Cllr Tea Benea)</b>
<b>Authority to extend and vary a contract for delivery of Facilities Management Services (Statutory, Planned &amp; Reactive Maintenance)</b>	
<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt (Appendix 3) Contains information relating to the financial or business affairs of the Council and its contractor, exempt under Paragraph 3 of Schedule 12A of the Local Government Act 1972
<b>List of Appendices:</b>	Appendix 1 – Exempt Financial Considerations
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Gavin Prime Operations Manager – Hard FM <a href="mailto:Gavin.prime@brent.gov.uk">Gavin.prime@brent.gov.uk</a> 07743181853

## 1.0 Executive Summary

- 1.1 This report requests authority to vary and extend a contract in respect of the delivery of Facilities Management (FM) statutory, planned and reactive maintenance with OCS UK&I Limited in accordance with paragraph 13 of Part 3 of the Constitution. This report summarises the reasons for the request to extend and vary.

## 2.0 Recommendation(s)

That the Corporate Director, Neighbourhoods & Regeneration, having consulted with the Lead Member for Regeneration, Planning & Property:

- 2.1 Approves the variation of the contract for the Hard FM maintenance with OCS UK&I to permit extension of the contract.
- 2.2 Approves the extension of the contract detailed in Recommendation 2.1 for a period of two years commencing on 1<sup>st</sup> July 2026.

## 3.0 Detail

### 3.1 Contribution to Borough Plan Priorities & Strategic Context

- (a) The Council's existing statutory, planned and reactive maintenance contract contributes to the following priority areas set out in the Borough plan 2023-27:
- A Cleaner, Greener Future – through the ongoing maintenance of the Council's assets to ensure they continue to work efficiently.
  - Thriving Communities – Many of the assets covered by the Council's existing planned and reactive maintenance contract are accessible to the community including the Civic Centre, Libraries, Family Wellbeing Centres and Adult day care facilities.

The link to relevant Council policies can be found here:

<https://www.brent.gov.uk/the-council-and-democracy/strategies-priorities-and-policies>

## **3.2 Background**

- 3.2.1 The Council entered a contract for the delivery of Hard FM statutory, planned and reactive compliance maintenance services with OCS UK&I Limited ('the Contractor') on 1<sup>st</sup> July 2021 (the "Contract"). The contract arrangement was for a 5-year term with an option for up to 2 years extension.
- 3.2.2 Following a period of negotiation, Officers recommend an extension to the term of the Contract by two years. The Contract contains provision permitting the proposed extension at the Council's discretion. Therefore, Officers seek authority to proceed with the two-year extension and to vary the Contract in respect of the price, which has been agreed with the Contractor as a result of a negotiation exercise.
- 3.2.3 Extending the current contract achieves short to mid-term value and cost certainty for the remainder of the contract period. Tendering at this stage would incur additional costs for a dedicated tender exercise, which would be in the region of £50k - £75k. Following the completion of a service review via an external consultant it is concluded that there is no certainty that a retender exercise would achieve financial savings over the current contract and that the current contract cost benchmarks favourably with current market conditions.
- 3.2.4 Officers entered into meaningful negotiations with the contractor to explore potential savings within the contract delivery. The recommended variation has been agreed in principle with the contractor subject to Director consent.

## **4.0 Stakeholder and ward member consultation and engagement**

- 4.1 N/A.

## **5.0 Financial Considerations**

(Part – Exempt under Paragraph 3 of Schedule 12A, included as a separate exempt appendix)

- 5.1 The cost of this variation and extension of the Contract will be funded from existing revenue budgets.

## **6.0 Legal Considerations**

- 6.1 Officers recommend extension and variation of the Contract as set out within this report.
- 6.2 The value of the original contract is such that it is subject to application of the Public Contract Regulation 2015 (PCR 2015).
- 6.3 The contract contains express provision allowing for the extension of the contract at the Council's discretion and the recommended variation. As such the variation and extension (modifications) are permitted in accordance with the PCR 2015 and the terms and conditions of the contract will not be altered. It should be noted that the variation represents savings which is less than 50% of the original contract value.

## **7.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 7.1 The proposals in this report have been reviewed and there are no immediate EDI implications.

## **8.0 Climate Change and Environmental Considerations**

- 8.1 The maintenance contract uplift incorporates requirements for the contractor to adhere to sustainable building standards, such as BREEAM (Building Research Establishment Environmental Assessment Method) accreditation. By ensuring building maintenance activities comply with strict sustainability guidelines, which encourage environmentally conscious practices and help create a built environment that is healthier and more resource efficient. Examples of these upgrades include installing and maintaining LED lighting, modernising heating, and ventilation systems, and improving insulation.

## **9.0 Human Resources/Property Considerations (if appropriate)**

- 9.1 This service will be provided by an external organisation and there are no implications for Council staff arising from the Hard FM contract. Any TUPE issues arising from changing service providers (if applicable) will be dealt with in the contract between the parties.

## **10.0 Communication Considerations**

- 10.1 The proposals in this report have been reviewed and there are no communication implications.

### **Relevant Documents**

Cabinet Decision of 19th March 2021 – Authority to Award contract for the Provision of Hard Facilities Management Services

**Report sign off:**

*Tanveer Ghani*  
*Director of Property & Assets*