

**Report to** Cabinet  
10 June 2015  
**Report of** Executive head of strategy, people and neighbourhoods  
**Subject** Contract award – Water hygiene testing & monitoring services to council properties

**Item**

**11**

## **KEY DECISION**

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### **Purpose**

To advise cabinet of the procurement process for the provision of the water hygiene risk assessments, testing and monitoring service to council owned properties and seek approval to award a contract for 5 years.

### **Recommendations**

To:

- (1) Award a contract to Integrated Water Services Ltd for the water hygiene risk assessments, testing and monitoring service for a four year period and;
- (2) To commit to spend up to £322,800 over the five year period through this contract from within existing housing revenue and general fund accounts.

### **Corporate and service priorities**

The report helps to meet the corporate priorities to make Norwich a healthy city with good housing and to provide value for money services and helps to deliver both the housing and non-housing asset management strategies.

### **Financial implications**

The financial consequences of this report are awarding a contract up to £322,800 over a five year period to be financed from existing budgets within the Housing Revenue and General Fund accounts. Spend in the current year (2015/16) is expected to be around £65,000 as year one includes higher than normal remedial works. Spend in future years will be covered within the Council's budget process and there is no contractual commitment in terms of volumes.

**Ward/s:** All wards

### **Cabinet member:**

Councillor Harris – Housing and wellbeing

Councillor Stonard – Resources and income generation

**Contact officers**

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Andy Watt, head of city development services	01603 212691
Chris Rayner, NPS Norwich Ltd	01603 227902
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**Background documents**

None

# **Report**

## **Background**

1. The council has a legal duty to ensure the appropriate checks, tests, sampling and monitoring are in place to ensure there is no risk to residents and occupants of certain council owned buildings (such as sheltered schemes) from legionella.
2. A robust management process is in place to ensure the appropriate testing and monitoring takes place in accordance with the legal requirement.
3. The current contract for this service ended on 30 April 2015. NPS Norwich Ltd provided the specification for the future service and the council's procurement team developed the required tender documentation.

## **Tender process**


4. Due to the specialised nature of the work a mini competition was conducted amongst the four pre-qualified suppliers on ESPO framework 198 using the corporate e-tendering system. The opportunity was advertised on 27 January 2015 with a return date of 20 February 2015.
5. Three suppliers returned quotations before the deadline.

## **Tender evaluation**

6. There was a quality requirement for the project which was in the form of various questions and evaluating the services offered.
7. The evaluation criteria were stated in the tender documents as most economically advantageous tender based on a combination of price (40%) and quality (60%).
8. For quality a series of questions was used and supplier's answers were evaluated to award a score for quality.
9. For the price evaluation the lowest price was awarded full marks with other prices compared to that price and marks allocated based on the percentage difference from the lowest price. For example a price that was 25% more expensive was awarded 75% of the marks available.
10. In addition to the evaluated items, the contract will include repair items where they are found when testing takes place. A list of typical items was priced but they were not evaluated (in effect they will be a schedule of rates to be called off as and when required). Overall all three submissions were similar for these items. If any works are required either these rates are accepted or a request for an estimate will be made to ensure the work will be supplied with best value in mind.

## **Evaluation results**

11. The top scoring response from Integrated Water Services Ltd (our incumbent supplier) was excellent and contained clear explanation of how they would meet the requirements. In addition they would be including advancements on what is offered within our current contract.

<b>Integrated impact assessment</b>		 <b>NORWICH</b> City Council
The IIA should assess the impact of the recommendation being made by the report		
<b>Report author to complete</b>		
<b>Committee:</b>		Cabinet
<b>Committee date:</b>		10 June 2015
<b>Head of service:</b>		Andy Watt, head of city development services
<b>Report subject:</b>		Award of contract for water hygiene testing and monitoring services
<b>Date assessed:</b>		21 May 2015
<b>Description:</b>		This report advises cabinet of the tender process for the water hygiene testing and monitoring services and seeks authority to award the contract.

	Impact			
	Neutral	Positive	Negative	Comments
<b>Economic</b> (please add an 'x' as appropriate)				
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Procurement process will ensure best value is obtained
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social</b> (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Equality and diversity</b> (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Environmental (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The award of this contract will ensure building are safe for residents to live and work in and free from the risk of legionella
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>(Please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is a risk that the appointed supplier could fail during the duration of the contracts. This is low risk due to the fact that the Council is not investing in the supplier and so the risk is one of service continuity rather than financial, which is further mitigated by the fact the work is planned not responsive in nature.

	Impact	
Recommendations from impact assessment		
<b>Positive</b>		
<p>Finance (value for money) - Procurement process will ensure best value is obtained.</p> <p>Nature &amp; Built Environment - The award of this contract will ensure buildings are safe for residents to live and work in and free from the risk of legionella.</p> <p>Risk Management - There is a risk that the appointed supplier could fail during the duration of the contracts. This is low risk due to the fact that the Council is not investing in the supplier and so the risk is one of service continuity rather than financial, which is further mitigated by the fact the work is planned not responsive in nature.</p>		
<b>Negative</b>		
<b>Neutral</b>		
<b>Issues</b>		