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|  | ITEM NO. |

REPORT TO

Lead Member Environment

ON 26th March 2012

TITLE:

Arboricultural Services contract award 2012 - 2014

RECOMMENDATION:

That approval is given for the appointment of Wigan Cultural Leisure Ltd to provide an Arboricultural Service within the boundaries of Salford City Council for the period 1st April 2012 to 31st March 2014.

Authorise the Legal Team to prepare the contract award documents as soon as possible

EXECUTIVE SUMMARY:

An Arboricultural Service contract has been in place since August 2004, with the existing contract being entered into in September 2006 and scheduled to expire on the 31st March 2012.

The contract relates to the provision of tree works within the City.

In accordance with the cabinet decision in August 2011, and in order to comply with the EU regulations and Salford Constitutional rules, it was agreed that the contract be re – tendered.

This report provides the detail of the tendering process and recommends the appointment of a provider.

BACKGROUND DOCUMENTS:

OJEU Advertisement

The Chest advertisement

Tender receipt schedule

Tender evaluation matrix. (These documents contain commercially sensitive information and are not for public scrutiny)

Experian Check

KEY DECISION: **YES**

**DETAILS:**

An Arboricultural Service contract has been in place since August 2004, with the existing contract being entered into in September 2006 and scheduled to expire on the 31st March 2012.

The contract relates to the provision of tree works within the City.

The process in retendering this service resulted in a Restricted Procedure advertisement being placed in the OJEU and the Chest (the northwest’s procurement portal) on 22nd September 2011. There were 20 expressions of interest completing a pre qualification questionnaire with a closing date of 24th October 2011.

It was identified within the questionnaire that the top five highest scoring submissions would be invited to Tender, however this represented seven companies being invited to tender due to companies obtaining the same score. The tender documentation included a detailed service specification, contract specific questionnaire and a pricing schedule.

Following the invitation to tender, four tenders were received by the closing date of Wednesday 11th January 2012.

Evaluation of the pre qualification questionnaires and the tender submissions were undertaken by a panel, consisting of 3 officers representing the Arboricultural team, the Environment & Community Safety Directorate commissioning team and an officer from corporate procurement team.

The contract award criteria were based on 40% quality which covered contract specific questions and 60% on price. Following evaluation of the tenders three companies were invited to provide a presentation and undertake an interview which was held on Monday 13th February 2012.

The pricing element was evaluated on the six most common activities undertaken over a twelve month period. This represented 60% of the overall work; in monetary terms equating to £180,000 of the total £300,000. The current prices, based on the six most common activities were compared against the tender submissions, which identified a saving of £10,800 against the £180,000 which in turn identified a 6% reduction in the overall cost.

In relation to the annual saving it is proposed this is used to supplement the existing works, therefore resulting in more tree works for the same original budget.

The budget available for this project is £300,000 per annum for a two year period commencing on 1st April 2012 to 31st March 2014 with an option to extend for a further two years.

Following the evaluation process the tender submitted by Wigan Cultural Leisure Ltd, was deemed to be the most economically advantageous tender.

KEY COUNCIL POLICIES:

**Greenspace Strategy**

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:-

There are no equality implications with regards to this proposal. The tendering exercise has ensured that equality matters were considered in the tender evaluation process.

ASSESSMENT OF RISK:

**Medium**. This contract puts in place arrangements for the continued delivery of arboricultural services on improved financial terms. The existing contract has been exhausted and a new contract is required. Failure to enter into the contract will result in protracted discussions in relation to interim arrangements and there is a possibility that this will not achieve the financial benefits as outlined

SOURCE OF FUNDING:

Funding to continue the service is within Environment and Community Safety Directorate’s revenue budget.

LEGAL IMPLICATIONS:

Failure to manage the City’s tree stock could lead to significant financial claims against the City Council in the event of accidents caused by tree associated damage.

FINANCIAL IMPLICATIONS Supplied by :-

Paul Guest, Group Accountant

The project is 100% financed for the duration of the contract period

OTHER DIRECTORATES CONSULTED :-

**NA**

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WARD(S) TO WHICH REPORT RELATE(S):

**All Wards**