



Haringey Council

Agenda item:

[No.]

**Procurement Committee**

**On 30<sup>th</sup> March 2010**

Report Title: **New Framework Agreement for Arboricultural Services**

Report of: **Director of Adult, Culture and Community Services**

Signed :

Contact Officer : Alex Fraser, Arboricultural and Allotments Manager

Wards(s) affected: **All**

Report for: Key Decision

**1. Purpose of this report (That is, the decision required)**

1.1 This report is seeking member approval to appoint four tree works contractors to the new Framework Agreement for Arboricultural Services. The four companies have been short-listed through evaluation of tenders submitted. The results of the tender process are set out in appendix 1 of this report.

**2. Introduction by Cabinet Member (if necessary)**

2.1 In the urban landscape, trees provide a wide range of environmental, social and economic benefits that contribute to people's health and well being. Trees can make cities a healthier, more attractive and comfortable place to live and work.

2.2 The Council is responsible for more than 40,000 trees, located on streets and housing sites, in parks and open spaces, in woodlands and schools and in the grounds of other public buildings.

2.3 The Council seeks to be a good and reasonable manager of trees to uphold its 'duty of care' and maintain trees reasonably within the wide range of pressures and demands made on it.

2.4 The management of the Councils existing tree stock and enhancement of the overall tree population is an ongoing task. There are important health and safety issues relating to trees, therefore, the Council is required to ensure that its tree

stock poses no foreseeable risk to the public or property.

### **3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

3.1 Haringey Council is committed to creating a greener, more sustainable environment for its residents and visitors to the Borough. The Council Tree Strategy adopted in 2008 details the Council's approach to the management and enhancement of its tree stock. One of the principle actions of the tree strategy was to introduce a new contract for Arboricultural Services.

3.2 Haringey's Sustainable Community Strategy adopted in June 2007, outlines the aspirations, challenges and opportunities facing us over the next ten years. It sets out the Council's vision and desired outcomes which include;

- An environmentally sustainable future.
- Healthier people with a better quality of life.

3.3 Haringey's Greenest Borough strategy provides a framework for a coordinated approach to tackling environmental issues in the Borough. It will play a key role in achieving a number of the priorities identified in the Community Strategy, specifically:

- To protect the natural environment.
- To tackle climate change and reduce carbon emissions.

3.4 Haringey's Open Space Strategy, 'A space for everyone' was adopted in 2006. Its strategic vision is;

- To enrich the quality of life for everyone in Haringey by working in partnership to provide safe, attractively designed, well used, well maintained open spaces for the benefit and enjoyment of the whole community.

### **4. Recommendations**

4.1 That those four companies short-listed, be appointed to the Framework Agreement for Arboricultural Services.

### **5. Reason for recommendation(s)**

5.1 We consider that the tenders submitted by the four companies identified in appendix 1 represent best value to the Council in terms of both cost and quality.

## **6. Other options considered**

- 6.1 Other options were considered at the outset of tendering for the new Arboricultural Services contract. Awarding a term contract to an individual company was considered and deemed unsuitable due to the uncertainty over agreed budgets for tree works.
- 6.2 Having more than one contractor was also considered more beneficial to the Council, as often large volumes of work needs to be undertaken in a considerably short time scale, such as the winter works pollarding programme, and having a number of contractors available would reduce the risk of works not being completed within preferred timescales.
- 6.3 A Framework Agreement was considered more flexible, in that no contractor is guaranteed any work. Works can be procured via a call-off or by using the mini-competition process. It is intended to issue works via call-off on a rotational basis. Working with a Schedule of Rates will reduce officer time spent on tendering and provide better value for money with known costs for works.

## **7. Summary**

- 7.1 The Council has a proactive approach to tree management which is outlined in the borough Tree Strategy and Service Level Agreements with Frontline Services and Homes for Haringey. A cyclical inspection and maintenance programme is in place for street trees, those in housing sites and parks. Batches of tree works (£1k - £30k) are issued routinely throughout the year.
- 7.2 The Council currently uses two contractors from an approved list to carry out the majority of tree works. However, this list is now out of date and a new Framework Agreement is necessary to comply with procurement policy. The new contract will be for an initial 4 years with an option to extend for an additional two years. The estimated spend is £350k per annum
- 7.3 A notice was placed on the LBH website and in Horticultural Week magazine on 16/10/2009 inviting 'expressions of interest' to tender for inclusion on the Framework Agreement. Thirty seven companies requested the tender documents, but only eleven submitted completed tenders. One of which did not meet the tender criteria so was eliminated from the evaluation process.
- 7.4 Tenderers were required to submit a priced schedule of rates and a method statement providing supporting information to enable evaluation and suitability for inclusion on the contract. The evaluation process included input from individual officers on Health and Safety, Equalities and Finance issues.
- 7.5 The tender documents stated that we wished to appoint a maximum of four companies to be included on the new contract. Those companies that have been short-listed are identified in appendix 1.
- 7.6 Contract performance will be monitored through regular meetings with each company's contract manager. Performance will be assessed on the following points:

- % of works completed within set timescale.
- On site Health and Safety inspections.
- Client/customer feedback.
- Standard of pruning in accordance with published guidance.

## **8. Chief Financial Officer Comments**

8.1 The use of a select list of contractors for this type of work represents the best way to achieve value for money whilst allowing the service flexibility in how the works are delivered, especially during peak times.

## **9. Head of Legal Services Comments**

9.1 The services to which this Framework Agreement relate are Part B services so there was no requirement to follow a European tendering process.

9.2 Adult, Culture and Community Services Directorate (the Directorate) followed a restricted tender process in accordance with the Council's Contract Standing Orders (CSOs).

9.3 The Directorate now wishes to appoint four contractors to the Framework Agreement.

9.4 Because of the anticipated value of the Framework Agreement, the awards must be approved by Cabinet Procurement Committee in accordance with CSO 11.03.

9.5 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

## **10. Head of Procurement Comments – [Required for Procurement Committee]**

10.1 The procurement process has been carried out in line with the Procurement Code of Practice.

10.2 The setting up of a Framework Agreement gives greater flexibility to the service and mitigates the risk of lack of capacity to meet the needs of the service.

10.3 Contract management arrangements have been put in place to ensure contract compliance and mitigate any risk of poor performance.

10.4 A full tender process had been carried out using, most economically advantageous Tender (MEAT) evaluation criteria. This has resulted in a VFM outcome for the council.

## **11. Equalities & Community Cohesion Comments**

11.1 An assessment of equalities was carried out as part of the tender evaluation process.

## **12. Consultation**

12.1 Consultation on contract and tender preparation was undertaken with Corporate

Procurement, Legal Services and ACCS Contract Service. Consultation was also undertaken with all relevant clients, including the Parks Service, Frontline Services and Homes for Haringey.

### **13. Service Financial Comments**

- 13.1 Arboricultural Services at Recreation Services manage and maintain trees across the Borough on behalf of both Housing and Urban Environment (SLAs exist) as well as Parks and the expenditure in past years were approx £350k per annum and fully recovered from both services.
- 13.2 The framework contracts do not commit the Council to any expenditure with the suppliers but would offer the Council opportunity to spread the risk/workload among them.
- 13.3 The schedules of rates submitted by the short-listed contractors show a potential revenue saving of 5-10% on some works.

### **14. Use of appendices /Tables and photographs**

- 14.1 Appendix 1: Tender Report – **EXEMPT ITEM, NOT FOR PUBLICATION**

### **15 Local Government (Access to Information) Act 1985**

- 15.1 [List background documents]
- 15.2 [Also list reasons for exemption or confidentiality (if applicable)]