

TORBAY COUNCIL

Report No: **282/2005**

Title: **Contracts Over £50,000**

To: Executive on 13th September 2005

1. Purpose

- 1.1. To seek approval from the Executive to proceed with proposals which will involve the expenditure of sums in excess of £50,000 on contracts.

2. Relationship to Corporate Priorities

- 2.2 To raise awareness of organisational and strategic risks and use this to inform decision making and resource allocation.

3. Recommendation

- 3.1 The recommendation for each matter is set out in each appendix to this report.

4. Reason for Recommendation and associated Key Risks

- 4.1 The reason and risks for each matter are set out in each appendix to this report.

5. Alternative Options (if any)

- 5.1 Any alternative options are set out in each appendix to this report.

6. Background

- 6.1 In accordance with paragraphs 2.19 of Part 3 of Torbay Council's Constitution (responsibility for functions), the attached schedules contain details of proposals that require approval in relation to goods or services where the estimated or actual (whichever is the higher) total contract value exceeds £50,000.

7. Appendices

- Appendix 1: Provision of Occupational Health Services for Employees
Appendix 2: Footway Maintenance
Appendix 2A: Suggested value of contract for Footway Maintenance
Appendix 3: Temporary Accommodation for ten homeless households
Appendix 4: Care Package – Case 09/09/05 (exempt)

Corporate Priority: Corporate Improvement	Business Unit: Human Resources
Details of contract/address of property: Three-year contract for provision of Occupational Health Services for employees including pension and employee welfare management to enable the Council to manage long term health issues.	Reason for Expenditure: Provision of Occupational Health Services for employees.
Recommendation: That Plymouth Hospitals NHS Trust be awarded a three-year contract for the provision of Occupational Health Services for employees.	Reason for Recommendation: <ol style="list-style-type: none"> 1. Cheapest tender 2. Continuity 3. Qualitative assessment 4. Partnership working with local Public Service Authority
Suggested Value: £55,470 for Core Services	Is budget available? Yes
	Is this a Key Decision? No
Alternative options/Key Risks: Other tendering organisations which would involve significant cost increase.	Legal implications: Utilising an Occupational Health (OH) service is crucial to the Council's ability to fulfil its duties under the regulatory framework created pursuant to the Health and Safety at Work Act 1974. An HSE-led taskforce is currently consulting with a view to imposing a mandatory requirement to obtain OH advice with respect to long term sickness absence in the public sector. Receipt of such a service is in any event a legal pre-condition of the council's existing insurance arrangements.
	Is the proposal supported by the Procurement Manager? Yes
Name of Executive Member with responsibility for this matter: Councillor Gordon Jennings	Is the Executive Member in agreement with the proposal? Yes
Contact:	Name of responsible officer: Geoff Williams Telephone no: 207340

Corporate Priority: Valuing our Environment	Business Unit: Highways and Engineering
Details of contract/address of property: Contract for footway maintenance for 2005-2006.	Reason for Expenditure: To carry out necessary preventative maintenance to defective footway areas.
Recommendation: (i) That tenders for a contract for footway maintenance for 2005-2006 be invited; and (ii) That the Assistant Director (Highways and Engineering), in consultation with the Executive Member for Environmental Services, be authorised to accept the quotation that is identified as the most economically advantageous.	Reason for Recommendation: The surfaces of the footways require treatment and maintenance to prolong their life.
Suggested Value: The suggested value of the contract is contained in Appendix 2A which contains exempt information as defined in paragraph 8 of Part 1 of Schedule 12A of the Local Government Act 1972.	Is budget available? Yes
	Is this a Key Decision? No
Alternative options/Key Risks: Failure to repair defects upon the public highway may incur claims for personal injury etc.	Legal implications: The Council, as the Highway Authority has a legal obligation to maintain the Highway. Failure to repair identified defects may result in claims for personal injury.
	Is the proposal supported by the Procurement Manager? Yes
Name of Executive Member with responsibility for this matter: Councillor A Faulkner – Executive Member (Environmental Services)	Is the Executive Member in agreement with the proposal? Yes
Contact:	Name of responsible officer: Ian Jones Telephone no: 7835

Corporate Priority: Improving access to good quality affordable housing	Business Unit: Housing Services
Details of contract/address of property: To provide temporary accommodation for ten homeless households at the Linton Hotel, 7 Elmsleigh Road, Torquay.	Reason for Expenditure: To meet statutory requirements under the Housing Act 1996, as amended by Homelessness Act 2002 to provide temporary accommodation to homeless households.
Recommendation: 1. That a block contract for temporary accommodation for ten homeless households be granted to the proprietors of the Linton Hotel, 7 Elmsleigh Road, Torquay. 2. That the strategic Director for Community, in consultation with the Executive Member (Housing and Leisure), be authorised to approve the transfer of any similar spot purchase contracts to block contracts, where it is deemed appropriate.	Reason for Recommendation: To convert provision from spot purchase to a block contract, where the Council becomes the lessee, allowing higher levels of Housing Benefit subsidy to subsidise the provision. To allow the Council to negotiate more cost effective contracts with service providers.
Suggested Value: Annual contract value of £61,276.56, plus VAT	Is budget available? Yes
	Is this a Key Decision? No
Alternative options/Key Risks: To continue to spot purchase at higher cost and risk continued breach of Office of the Deputy Prime Minister requirement that homeless families do not stay in Bed and Breakfast accommodation for longer than 6 weeks. Liability for contract payment lies with Council regardless of level of occupancy.	Legal implications: Liability for contract payment lies with Council regardless of level of occupancy. Is the proposal supported by the Procurement Manager? Yes
Name of Executive Member with responsibility for this matter: Councillor Lomas – Executive Member (Housing and Leisure)	Is the Executive Member in agreement with the proposal? Yes
Contact: Name of responsible officer: Simon Sherbersky Telephone no: 208692	