

**GROUNDS MAINTENANCE CONTRACT –
PROCUREMENT DELAY**

Presented by the Corporate Director

EXECUTIVE SUMMARY

The current Grounds Maintenance contract was re-tendered during 2013 and the contract was awarded to Glendale Grounds Maintenance Ltd for an initial 5 year period and an optional 2 year extension was granted in 2018 which terminates on 31 October 2020. The procurement process for a new Grounds Maintenance contract to commence on 1 November 2020 is underway. However due to public health guidance (i.e., social distancing) it is highly unlikely that the Authority will be in a position to provide the necessary information, which would require site visits, maps, Bills of Quantities and Specification, which are vital to any Grounds Maintenance contractor in their submission of a bid. Therefore, as the procurement process could be compromised it is proposed to delay procurement of a new Grounds Maintenance contract by one year and to offer the current contractor a further extension.

RECOMMENDATIONS

- Members Approve:
- (1) to delay procurement of a new Grounds Maintenance contract by one year; and
 - (2) to offer the current Grounds Maintenance contractor a further one year extension to the current contract.

BACKGROUND

- 1 The current Grounds Maintenance (GM) contract with Glendale Grounds Management Ltd comes to an end on 31 October 2020. This will be after a two year extension that was granted in 2018 to the initial five year period which commenced on 1 November 2013.
- 2 The Park has changed markedly over the last six years (since the commencement of the current contract on 1 November 2013) with areas added, areas subtracted, changes to management regimes and commencement of the Leisure Service Contract (LSC) in 2015, itself retendered in 2019 with GM management of all six LSC sites returning to the Authority's GM contractor.

(N.B. Three of the sites were already managed under the current contract, with the remaining three – Lee Valley Athletics Centre, Lee Valley VeloPark and Lee Valley Hockey & Tennis Centre - additional to this.)

- 3 In order to ensure that all changes have been considered a range of officers have been involved with review of:
 - 1) the Grounds Maintenance Specifications;
 - 2) the accompanying Geographical Information System (GIS) layered contract maps (to become an online platform with ESRI);
 - 3) the Bill of Quantities; and
 - 4) site management plans.

Following review by a wide range of officers the current Specification has been revised from several previous iterations and Rangers have been looking at the current Contract Maps and the Bill of Quantities to consider any changes to areas/management regimes in tandem with the Biodiversity department.

- 4 Another factor being considered is the opportunity to look at the financial aspects of the contract by consideration of reducing grass cutting or litter collection, taking items out of the contract, such as toilets, and the possibility of managing the meadow cut areas as a separate item/in-house.
- 5 As part of its terms of reference the Levy Strategy Working Group has also reviewed the approach to the GM Specification, efficiencies and cost reduction options as part of procurement for the new GM contract.

CURRENT POSITION

- 6 Prior to the commencement of the tendering process meetings were due to be held to clarify the draft specification, revise/update the Bill of Quantities and review maps. Due to the close-down of Myddelton House in response to Government public health guidance, it has not been possible to have these meetings which would require officers to be in the same room, comparing map areas and definitions with those covered in the Bill of Quantities.
- 7 In addition, conversion of all the maps from their current format (CadCorp software) to the new format (ESRI), together with enhancements such as the splitting of GM sites into areas in our freehold ownership and those maintained by the Authority historically but not owned by us for budget reasons and inclusion of the landscape scheme for the new Ice Centre, have not been completed.
- 8 It is vital that we have finalised maps, Bill of Quantities and final draft Specification for the ITT stage of procurement to ensure all prospective tenderers can fully evaluate and price their bid.

ISSUES IN PROCEEDING WITH CONTRACT PROCUREMENT

- 9 Due to the restrictions on travel and work practices imposed by the Government, compilation of maps (including browser elements and datasets), as well as a range of other processes necessary for this procurement are now constrained.
- 10 From a prospective tenderer's point of view, GM contractors are also having to manage their current contracts with staff shortages and restrictions on travel that

may be considered unnecessary. As part of the tender process, companies would expect free and unimpeded access to all of the Park's open spaces and venues to enable them to evaluate and prepare their bids. As part of the procurement Industry Open Day all companies indicated that they would require to visit the Park extensively with their tender teams.

PROCUREMENT TIMETABLE

- 11 Delaying the procurement by a shorter period, such as six months, would result in any new contract commencing during the peak grass growing season, putting any contractor on the back foot and undoubtedly would result in loss of incentive payments, which may be a less attractive proposition for the bidders and potentially reduce interest in/competition for the contract.
- 12 Therefore it is suggested that the procurement process timetable is revised to recommence with a new Prior Information Notice (PIN) issue in December 2020, with all subsequent dates updated to suit.

EXTENSION OF CURRENT CONTRACT

- 13 The current contractor has advised that a minimum extension of one year would be required to allow it to:
 - 1) appoint seasonal staff for the contract;
 - 2) ensure that any machinery for the contract is available, with things like vehicles requiring a minimum year lease; and
 - 3) ensure that the lease on their current base of operation can be extended for the relevant period (again, most leases are for a minimum period).
- 14 Extending the current contract would require the Authority to publish details of the modification by way of an OJEU notice stating which Regulations under the Public Contracts Regulations 2015 it had relied on.

ENVIRONMENTAL IMPLICATIONS

- 15 There are no environmental implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 16 There are no financial implications arising directly from the recommendations in this report.

HUMAN RESOURCE IMPLICATIONS

- 17 There are no human resource implications arising directly from the recommendations in this report.

LEGAL IMPLICATIONS

- 18 Factoring in the recent legal challenge to the LSC contract award, the process used for the selection of a GM contractor must be robust and able to withstand any legal challenge and enable the Authority to select the best contractor for this long term high value contract.

RISK MANAGEMENT IMPLICATIONS

19 The risks specific to this procurement are:

- legal challenge from unsuccessful bidders with the inherent additional cost of refuting any challenge; and
- increased cost to the Authority with possible high tender submissions, greater than the forecasted amount.

EQUALITY IMPLICATIONS

20 There are no equality implications arising directly from the recommendations in this report.

Author: Vince Donaldson, 01992 709 816, vdonaldson@leevalleypark.org.uk

BACKGROUND REPORTS

None

PREVIOUS COMMITTEE REPORTS

Executive E/401/15 Grounds Maintenance Contract Renewal 26 March 2015

LIST OF ABBREVIATIONS

GM	Grounds Maintenance
LSC	Leisure Services Contract
PIN	Prior Information Notice
GIS	Geographical Information System
OJEU	Official Journal of the European Union