
REPORT FOR: CABINET

Date of Meeting: 12th July 2018

Subject: Procurement of Arboriculture Services

Key Decision: Yes, as it is significant in terms of its effects on communities living or working in an area of two or more wards of the Borough.

Responsible Officer: Paul Walker, Corporate Director Community

Portfolio Holder: Cllr Varsha Parmar – Portfolio Holder for Environment

Exempt: No

Decision subject to Call-in: Yes

Wards affected: All

Enclosures: None

Section 1 – Summary and Recommendations

This report seeks Cabinet approval to embark on a procurement exercise for the provision of the Council's Arboriculture Services.

Recommendations:

Cabinet is requested to:

1. Grant approval to procure and select the provider(s) for Arboriculture Services.

2. Delegate authority to the Corporate Director, Community in consultation with the Portfolio Holder Environment and the Portfolio Holder for Finance and Resources, to finalise the procurement exercise and award the contract/s.

Reason: (For recommendations)

To ensure the Council fulfils its statutory responsibilities to maintain its Arboriculture Assets.

Section 2 – Report

- 2.1** Harrow has a statutory duty to maintain its arboriculture assets. The Council is responsible for the management of all trees on Council owned land including trees on the public highway, parks, allotments, cemeteries, woodlands and open spaces. The Council also manages and maintains trees on a number of school sites. The current tree stock stands at circa 300,000 trees.
- 2.2** The Council fulfils its functions via a third party contract which expires at the end of December 2018. There is no option to extend this contract and so a procurement exercise needs to be undertaken to ensure a contract is in place by 1st January 2019.
- 2.3** The services to be procured includes the following:
- tree surveys where requested in preparation for maintenance programme;
 - planned cyclical maintenance to trees on streets, in school grounds and on Housing Estates where requested;
 - ad-hoc tree works as requested; i.e. tree and stump removal; reduction pruning; crown lifting, removal of stem and basal growth as requested;
 - tree planting as per annual planting programme;
 - ceremonial tree planting as requested;
 - standby emergency service 365 days;
 - removal of dead and/or dying trees, and
 - specialist support in dealing with insurance claims.

3 Options considered

- 3.1** The following options were considered:
- Provide the service in-house - this option was discounted as it is estimated to be a less cost-effective way of providing these services. There is a mature market of Arboriculture service providers and this has enabled costs for an external service to be more cost-effective as most providers tend to own nurseries and can supply trees at a cheaper rate than the Council would have to buy these if it delivered the service in house.
 - Procure via a framework – this option was discounted as it is unlikely that frameworks will provide the opportunity for the Council to maximise best value for its specific requirements.
 - Procurement via a restricted tender process - this is the option that is being proposed as it allows the Council the opportunity to set out its specific requirements and an evaluation mechanism that will provide the maximum opportunity for savings.

Risk Management Implications

The risk associated with this procurement is mainly financial and relates to the Council being unable to find suitable affordable proposals. This risk will be managed in the procurement process via an evaluation mechanism that provides the balance between price and quality.

Risk included on Directorate risk register? No

Separate risk register in place? Yes

N/A

Procurement Implications

<p>The procurement will follow OJEU guidelines for a restricted process. The procurement will be done as one single basket of services to provide the economies of scale that will make this attractive to bidders.</p> <p>The procurement documents incorporate a number of Lots that cover each of the options. The Invitation to Tender will set out the high level evaluation criteria with a price weighting of 60% and a quality rating of 40% and make clear the affordability target that the Authority is working towards.</p> <p>.</p>
--

Legal Implications

<p>The procurement process will be conducted in accordance with the Public Contract Regulations 2015 (the "Regulations") (PCRs) and the Council's Contract Procedure Rules (CPRs).</p>
--

<p>The tendering process must comply with the EU Procurement principles of equal treatment, transparency, mutual recognition and proportionality. As the total value of the contract will exceed the procurement threshold for services and it will be necessary to advertise the contract in the Official Journal of the European Union using a restricted process in accordance with the Council's Contract Procedure Rules.</p>
--

<p>The Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014" (TUPE) is likely to apply and officers will be required to give due consideration to the implications the transfer of staff during the tender process.</p>
--

Financial Implications

<p>The costs of the Arboriculture contract are currently funded from the revenue budget within Highway Services, which is supplemented by the S106 contributions allocated for trees work as well as external funding relating to</p>

successful funding bids.

The revenue budget in 18/19 is £230k for trees related work. Any financial saving arising from this procurement exercise will be used to contribute towards the saving target in the existing MTFS (saving reference COM18.19_S07 which has a target of £250k in 19/20 which is anticipated to be achieved from various contract procurements being undertaken during 18/19). The level of saving will be informed once the procurement exercise is complete.

The level of S106 funding available for trees is stipulated by the individual S106 agreements and is normally for specific geographical areas. Other external funding is subject to successful funding bids. Works will only be commissioned if the funding is made available.

..

Equalities implications / Public Sector Equality Duty

There are no equalities Implication to this decision.

Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

The proposals meets the Council's priorities and the Harrow Ambition Plan in terms of being more businesslike as it seeks to provide all possible options to ensure maximizing the financial benefits from the procurement. The procurement also ensures the continuation of the range of environmental benefits that trees provide.

Section 3 - Statutory Officer Clearance

Name: ...Jessie Mann..... on behalf of the
Chief Financial Officer

Date: ...June 10th, 2018.

Name: ...Sarah Inverary.... on behalf of the
Monitoring Officer

Date: ...June 10th, 2018.....

Section 3 - Procurement Officer Clearance

Name: ...Nimesh Metha..... Head of Procurement

Date:June 11th, 2018.....

Ward Councillors notified: NO as it impacts on all wards

EqIA carried out: NO

EqIA cleared by: Not required as the decision in the report is to make a capital provision only.

Section 4 - Contact Details and Background Papers

Contact: Venetia Reid-Baptiste- Divisional Director- Commissioning and Commercial Services.
Phone: 020 8424 1492 Email- venetia.reid-baptiste@harrow.gov.uk

Background Papers: None

Call-In Waived by the Chair of Overview and Scrutiny Committee NO
(Call-in applies)