



Report for: Cabinet

Date of Meeting:	27 July 2023
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:	Dipti Patel - Corporate Director of Place Cathy Knubley- Director of Environment
Portfolio Holder:	Councillor Anjana Patel - Portfolio Holder Environment and Community Safety Councillor David Ashton - Portfolio Holder for Finance and Human Resources
Exempt:	No, except for appendices 1 - 4 which are exempt by virtue of Paragraph 3 of Schedule 12A of the Local Government Act 1972 because they contain information relating to the financial & business affairs of the Council
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 Draft Call off Contract (Exempt) Appendix 2 Draft Arboriculture Services Specification (Exempt) Appendix 3 Draft Invitation to Tender (Exempt) Appendix 4 Draft Pricing Schedule (Exempt)

Section 1 – Summary and Recommendations

This report requests authority from Cabinet to commence a procurement exercise for the provision of the Council's boroughwide Arboriculture Services.

Recommendations:

Cabinet is requested to:

- 1) Grant approval to commence a procurement exercise, subject to consultation with the Portfolio Holders for Environment and Community Safety and Finance and Human Resources, for the selection of a provider to deliver the boroughwide Arboriculture Services Contract.
- 2) Approve the tender documents.
- 3) Delegate authority to the Corporate Director for Place, following consultation with the Portfolio Holders for Environment and Community Safety and Finance and Human Resources to make any changes required to the tender documents, finalise the procurement exercise.
- 4) Delegate authority to the Corporate Director of Place, following consultation with the Portfolio Holders for Environment and Community Safety and Finance and Human Resources and the Director of Finance, following a competitive and compliant procurement process, to award and appoint the provider for the Arboriculture Services Contract requirement.

Reason: (For recommendations)

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

Section 2 – Report

Introductory paragraph

- 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 Schools and Housing Sites. The current tree stock stands at circa 300,000 trees.
- 2) The Council fulfils its functions via a third-party contract which expires at the end of February 2024. 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 March 2024.

3) The services to be procured include 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

Options considered

5) The following options were considered:

- 6) **Option 1:** 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 due to the economies of scale associated with operating multiple contracts.
- 7) **Option 2:** Procure via a compliant framework – frameworks were investigated and were found to be geared towards estates tree maintenance by non-specialist facilities management providers, therefore 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.
- 8) **Option 3:** Procurement exercise via an open 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 a best value contract.

Ward Councillors' comments

9) None as it impacts on all Wards

Risk Management Implications

10) 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.

11) Risk included on Directorate risk register? No

12) Separate risk register in place? Yes

13) The relevant risks contained in the register are attached/summarised below. n/a

14) The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
The Council is unable to find financially suitable and affordable proposals to maintain its arboriculture stock of some 300,000 trees	<ul style="list-style-type: none">▪ Undertaking a competitive tender exercise will generate competition and deliver best in market value.▪ A soft market testing exercise has indicated that the proposed contract specification is deliverable within available budgets.▪	GREEN

Procurement Implications

15) The estimated contract value is above the Public Contract Regulations 2015 for a restricted process. (PCR's) threshold for services and as such the tender will be conducted as a compliant regulated process consistent with the Councils Contracts Procedure Rules (CPR's).

16) Bidders will be required to provide technical and commercial submissions, with all Tenders being evaluated for both their technical and commercial suitability in relation to the Councils requirements.

17) The high-level evaluation criteria for this procurement is 60% price weighting and 40% quality.

Legal Implications

18) The Cabinet report is seeking approval to commence a tender activity. In accordance with the Council's Contract Procedure Rules, (Table 1 Authorisation and Acceptance Thresholds) approval to procure contracts with a value of £500k plus should be obtained by completing a Cabinet Report and having a Cabinet decision prior to any tender activity commencing.

19) Any procurement of supplies, services, and works over the current Financial Thresholds requires a UK Notice and advertising.

- 20) 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).
- 21) 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 advertised and tendered via the London Tenders Portal and Contracts Finder using a open procedure in accordance with the Council's Contract Procedure Rules.
- 22) 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) may apply and officers will be required to give due consideration to the implications of the transfer of staff during the tender process.

Financial Implications

- 23) The majority of costs of the Arboriculture contract are currently funded from the revenue budget within the Traffic Highways and Asset Management Service, supplemented by s106 contributions allocated for trees work as well successful grant funding bids.
- 24) The revenue budget in 23/24 is £200k for trees related work.
- 25) 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

- 26) There are no equalities implication to this decision.

Council Priorities

Restoring Pride in Harrow and Putting Residents First

- 27) The proposal meets the Council's vision to restore pride in Harrow and put residents first. Good maintenance of public trees greatly enhances Boroughwide appearance and public safety. The procurement also ensures the continuation of the range of environmental and social benefits that trees provide.

Section 3 - Statutory Officer Clearance

Statutory Officer: Jessie Man

Signed on behalf of the Chief Financial Officer

Date: 4th July 2023

Statutory Officer: Patricia Davila

Signed on behalf of the Monitoring Officer

Date: 10th July 2023

Chief Officer: Dipti Patel

Signed by the Corporate Director

Date: 3rd July 2023

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 27th June 2023

Head of Internal Audit: Neale Burns

Signed on behalf of/by the Head of Internal Audit

Date: 27th June 2023

Has the Portfolio Holder(s) been consulted? Yes

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all wards

EqlA carried out: NO, there are no equalities implications to this decision as it covers all wards

Section 4 - Contact Details and Background Papers

Contact: Tony Donetti - Infrastructure Manager

tony.donetti@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee - NO