



REPORT FROM: CORPORATE DIRECTOR

TO: POLICY AND RESOURCES COMMITTEE

DATE: 25TH JUNE, 2020

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TENDERS AND OTHER CONTRACT RELATED MATTERS

PURPOSE OF REPORT

To report, for information, tenders which have been received and accepted and to report any exemptions from the requirements of the Contract Procedure Rules.

RECOMMENDATION

That the Policy and Resources Committee notes:-

- (1) the tenders which have been received and accepted;
- (2) the renewal of various insurance covers;
- (3) the exemption granted from Contract Procedure Rules for the provision of internal audit.

REASON FOR RECOMMENDATION

To agree acceptance of tenders/offers in accordance with Contract Procedure Rules.

ISSUE

Award of Contracts

1. Following the relevant procurement process, tenders have been received and accepted in relation to the following projects:-

(a) Brierfield Back Streets 2020, Phase 2

Tenderer	Tender Figure (£)
Monk of Colne Limited	10,159.99
Colin Braithwaite Excavators Limited	13,322.48
O'Callaghan Limited	13,436.92

The contract has been awarded to Monk of Colne Limited and will be funded from Brierfield Town Council and Brierfield and Reedley Committee.

(b) Highway Improvements to Back 2-28 Camden Street, Nelson

Tenderer	Tender Figure (£)
A&G Landscapes and Groundworks Limited	10,375.59
Colin Braithwaite Excavators Limited	12,328.80
Monk of Colne Limited	12,915.10
Marchbridge Builders Limited	16,023.98

The contract has been awarded to A&G Landscapes and Groundworks Limited and will be funded from Nelson Committee and Nelson Town Council.

(c) Public Realm Improvements – Town Square, Barnoldswick

Tenderer	Tender Figure (£)
O'Callaghan Limited	171,748.86
Monk of Colne Limited	175,086.37
Marchbridge Builders Limited	203,531.38
A&G Landscapes and Groundworks Limited	207,505.27
Colin Braithwaite Excavators Limited	210,823.72

The contract has been awarded to O'Callaghan Limited and will be funded from the approved Capital Programme, West Craven Committee and Barnoldswick Town Council.

Insurance Renewal

2. The Council completed a formal OJEU procurement exercise during 2019/20 for the renewal of various insurance covers. The Council was supported throughout this process by AON as it was in 2013 when the service was last subject to Tender.

The insurance covers required were split in to 8 lots comprising:

- Lot 1 Property Damage
- Lot 2 Combined Liability
- Lot 3 Motor Fleet
- Lot 4 Personal Accident & Travel
- Lot 5 Fidelity Guarantee
- Lot 6 Engineering Inspections
- Lot 7 Cyber Liability
- Lot 8 Terrorism

Following a detailed assessment of the proposals received from Insurers against the evaluation criteria, the decision was made to award Lots 1 – 6 under a package arrangement with Zurich Municipal. As a result of this arrangement the Council benefit from a package discount. Cover for Lot 8 was sourced following a separate exercise and was subsequently awarded to AON Underwriting Managers with Lloyds. Excluding Lot 7 (cyber), the outcome from this procurement is a net saving of £44k when comparing the package cost for 2020/21 with the equivalent for 2019/20. Cyber liability insurance is currently being sourced.

Exemptions from Contract Procedure Rules (CPRs)

3. CPR 5 includes provision for exemption from the requirements to comply with CPRs in certain circumstances where it is considered justifiable, value for money is maintained and such action does not contravene EU and domestic legislation. Exemption from CPRs is, however, subject to the prior approval of the Corporate Director and Chief Financial Officer provided that details of such exemptions granted are reported to the next possible meeting of the Policy and Resources Committee.
4. Since the last meeting of the Policy and Resources Committee, the following exemption to CPRs has been granted:-

Provision of Internal Audit

At the meeting of the Policy and Resources Committee in March 2020, the Committee considered a report on the future provision of Internal Audit. It was resolved that:-

- (a) the Council outsources the provision of its Internal Audit function, and*
- (b) the Chief Executive (as Section 151 Officer) be authorised to take the necessary action, in compliance with relevant procurement regulations, to complete the above during 2020/21, and*
- (c) a further report be presented to this Committee on the outcomes resulting from (b) above.*

Work is about to commence on the outsourcing process which is likely to be concluded towards the end of the year with any new arrangements in place from April 2021. In the meantime, consideration has been given to the provision of Internal Audit for the remainder of the current financial year 2020/21.

Discussions have taken place with Mersey Internal Audit Agency (MIAA) who have provided aspects of the Internal Audit Service over recent years and, latterly, have helped the Council complete the Internal Audit plan for 2019/20. A consequence of these discussions is that it is proposed that MIAA will be retained to provide Internal Audit services for the remainder of the 2020/21 financial year.

In view of the need to make progress on the Internal Audit Plan, an exemption from the requirements of CPR has been sought and agreed with the Corporate Director and Chief Finance Officer. This is on the basis of the short term nature of the agreement and the work planned in 2020/21 on a longer term outsourcing arrangement for Internal Audit. The cost of this arrangement will be within the present budget for Internal Audit.

IMPLICATIONS

Policy:	None arising directly from the report.
Financial:	The financial implications are as provided in the report. Assessment of awarded tender against budget provision available is part of the budget tendering exercise.
Legal:	None arising directly from the report.
Risk Management:	None arising directly from the report.
Health and Safety:	None arising directly from the report.
Sustainability:	None arising directly from the report.
Community Safety:	None arising directly from the report.
Equality and Diversity:	None arising directly from the report.

APPENDICES: None