

Guildford Borough Council

Report to: Executive
Date: 3 October 2024
Ward(s) affected: All Wards
Report of Strategic Director of: Finance and Resources
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Status: Open
Key decision: Yes

Procurement of contract for provision of an NEC Supervisor

1.0 Executive Summary

- 1.1 The Council has recently reviewed its governance processes and a new Scheme of Delegation was adopted on 23 July 2024. The new arrangements provide the award of any contract which results in a Key Decision will be made by Executive. The purpose of this report is to seek approval from Executive for the award of a contract which will enable the Council to make individual appointments of a supervisor whose role will be to manage and monitor specific New Engineering Contract (NEC) form contracts entered into by the Council.
- 1.2 The Executive should note that the procurement for this contract was commenced under the previous scheme of delegation and that the General Exception procedure has been used as it is necessary to make appointments under this contract on an urgent basis. As required under Procedure Rules the Proper Officer has posted a General Exception Notice and notified the Chairmen of both Overview and Scrutiny Committees. The item is now listed on the Forward Plan as of 24 September 2024.

2.0 Recommendation to Executive

- 2.1 That the Executive resolves to authorise the entering into of a contract for the appointment of NEC Supervisors with a financial cap of £2 million pounds for a term of 4 years.

3.0 Reasons for Recommendations

- 3.1 It will save time and resources for the Council to undertake a single procurement exercise and award a contract enabling services to be called off as and when required for individual projects.

4.0 Status of Report

Open

5.0 Strategic Priorities

- 5.1 A resilient and well managed Council as the consideration of the contracts being procured provides best value and use of council resources.

6.0 Background

- 6.1 The Council is in the process of procuring a contract for an NEC Supervisor (see below for further details) which can be utilised by a) the WUV Project; b) the Council as a whole as and when required during the lifetime of the contract. There will be a spend cap on the contract of £2 million over the term of contract allowing for multiple projects to utilise the contract.
- 6.2 The New Engineering Contract (NEC) essentially provides a suite of contracts that can be used for construction and engineering projects. As part of the WUV Project, the Council has entered into a number of NEC Contracts. This particular contract is for an NEC Supervisor which is a contract required to appoint a specific Consultant (Supervisor) to manage and monitor the works being carried out under NEC Contracts.

- 6.3 The process for appointing Ross Quality was via a direct award on the Pagabo NEC Supervisor Framework. They are the top ranked supplier for quality and cost.
- 6.4 Whilst this contract is intended to be utilised by the Council generally, the WUV Project currently has two NEC Contracts in existence which require an NEC Supervisor to be put in place imminently as the works in the main NEC Contracts are due to start and as such it was impracticable to publish a Notice of Key Decision in the Forward Plan in order to comply with the statutory 28 days' notice requirement.

7.0 Options

- 7.1 If we do not enter into a contract, the Council will not have any one in place to monitor or manager the NEC contracts it enters. This presents a significant risk to the Council given the nature and requirements of NEC contracts.
- 7.2 The contract is awarded enabling NEC Supervisors to be appointed as and when necessary. This will provide appropriate oversight, management and monitoring on the Council's NEC contracts without the need for multiple procurements and therefore it saves time and money.

8.0 Consultation

- 8.1 Consultation was sought with Procurement and Legal services prior to and during the procurement process.
- 8.2 The Lead Councillor for Regeneration Councillor Tom Hunt was consulted and is in support.

9.0 Key Risks

- 9.1 If the Council does not have a supervisor in place for its NEC contracts there is a risk of poor contract management and substantial financial costs as a result. This could also have a negative impact on the projects being undertaken by the Council.

10.0 Legal and Governance Implications

- 10.1 Procurement and legal advice has been sought, and provided throughout, the tender process. The procurement has been conducted compliantly in accordance with the Procurement Procedure Rules that were in place at the time of the tender and in accordance with relevant legislation.
- 10.2 The new Scheme of Delegation and Contract Procedure Rules require that Executive decides whether to enter a contract where the decision is a Key Decision. This is a Key Decision as the value of the contract exceeds £200,000.

11.0 Financial Implications

- 11.1 There are no financial implications arising from this report but it is acknowledged that individual call-offs will have financial implications which will be considered at the time against the relevant budgets.

12.0 Human Resources Implications

- 12.1 There are no HR implications as the activity is not provided in house therefore no posts are affected.

13.0 Equality and Diversity Implications

- 13.1 There are no equality and diversity implications for the purpose of this report.

14.0 Climate Change and Sustainability Implications

- 14.1 There are no climate change/sustainability concerns at this time.

15.0 Next Steps

- 15.1 A Forward Plan item was submitted 24 September 2024
- 15.2 A “Notice under the General Exception Procedure set out in Access to Information Procedure Rule 15” was to given stating that it was

impracticable for the council to comply with the statutory 28-day notice period for a key decision.

16.0 Background Papers

None

17.0 Appendices

None