

Office Furniture

REPORT TO: Gary Fielding, Corporate Director, Strategic Resources

DECISION DATE: 14 September 2020

SUPPORTING ANNEX: N/A

PROPOSED RECOMMENDATION

It is recommended that the Authority approves the utilisation of the first available extension to the Office Furniture contract. The option to extend runs from 1 February 2021 to 31 January 2022.

BACKGROUND TO SUPPORT THE RECOMMENDATION

The contract for Office Furniture commenced on 1 February 2018 for an initial term of three years. There is provision within the contract for two 12 month extensions giving a potential contract end date of 31 January 2023.

The current supplier has successfully delivered the current contract in line with the contract requirements and is meeting all of their contractual obligations. All work is carried out to the Council's specification.

A significant proportion of the spend on this contract has been in relation to the refurbishment of the County Hall campus, however, the emergence of Covid-19 has had an impact on spend over the last few months.

The Accommodation Team is reviewing the property portfolio in light of Covid-19 and given the overall success of home working. Sites that are due to re-open are being made Covid secure and this has involved a change in the furniture items purchased. Some sites may not re-open for the foreseeable future.

It is difficult to know what the new "normal" will be going forward with home working set to continue for the majority of Council staff until at least the New Year. This may impact on future service volumes but there will be no price increases for the duration of the extension.

Brexit may also have an impact on any future arrangements with the UK's transition period coming to an end at the end of this year.

Taking the above facts into account, it would not be considered prudent to re-procure the service at present.

LEGAL AND GOVERNANCE COMPLIANCE

There is provision to extend the existing contract for a period of 12 months and this falls under the following "safe harbours" detailed in Regulation 72 of the Public Contract Regulations 2015:

72 (1) (b) – more of the same;

72 (1) (e) – not substantial.

This arrangement is agreed between both parties at operational level.

As the whole life cost of the contract exceeds the financial thresholds specified in Rule 18.2 of the Procurement and Contract Procedure Rules, the Gateway process will be completed and signed off by the relevant officers. If approved, a contract extension document will be drafted for signature.

RECOMMENDATION

It is recommended that the Authority approves the utilisation of the 12-month extension.