

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Executive Lead Member for Universal Services
Date:	3 March 2025
Title:	Spend Approval - Property Term Maintenance Contract
Report From:	Director of Universal Services

Contact name: Toby James

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1. The decision:

- 1.1. That the Executive Lead Member for Universal Services gives approval to spend and enter into contractual arrangements, in consultation with the Head of Legal Services, for a five year single supplier contract commencing on 1 August 2026 for the delivery of engineering and building fabric reactive maintenance, and engineering planned preventative maintenance, for Hampshire County Council's built estate (including SLA schools), at a value of up to £130million to be drawn from existing repairs and maintenance funding.
- 1.2. That the Executive Lead Member for Universal Services, in consultation with the Head of Legal Services, approves the option to incrementally extend the contract for a period or periods of up to 5 years, from 1 August 2031 running through to 31 July 2036 and to spend at an additional value of up to £120 million to be drawn from existing repairs and maintenance funding.

2. Reasons for the decision:

- 2.1. The current Property Term Maintenance Contracts end on 31 July 2026 and there is an ongoing need to provide a service to deliver reactive and planned preventative maintenance across the Hampshire County Council and Service Level Agreement (SLA) schools' estate.
- 2.2. A single supplier contract removes the additional overheads, management and administration resource that is necessary when dealing with multiple contractors and provides a streamlined more efficient service delivery model, that delivers best value.

3. Other options considered and rejected:

- 3.1. Re-procurement of the current model with three (or more) contractors to deliver services, was considered. Whilst an enhanced and modern contract would reduce some of the inefficiencies caused by having several contractors, there would still be issues around having multiple management, administration and helpdesk teams, as well as continued difficulties in developing consistent ways of working, overlap and duplication of supply chains. It does not offer the best

opportunity for financial, operational or strategic benefits to be realised and is therefore rejected.

- 3.2. Maintaining a geographical split with a contractor delivering a combined engineering and building fabric service in the east and another in the west was also considered. Whilst this option provides a degree of resilience and the ability to compare performance between contractors, it results in less opportunity for benefits realisation than the sole contractor model. It does not offer the best opportunity for financial, operational or strategic benefits to be realised and is therefore rejected.
- 3.3. Other options also considered during the early stages of the options appraisal included Total Facilities Management (FM), a multiple specialist contractor framework, insourcing the service or setting up an enterprise arrangement, however these were quickly identified as delivering fewer benefits and, in some instances, increasing the complexity and likely cost of service delivery. None of these offer the best opportunity for financial, operational or strategic benefits to be realised and are therefore rejected.
- 3.4. Making use of the option to extend for a further year to the maximum 10 year term of the existing contract was considered as a potential further short term approach. It was not deemed necessary with the completion of options analysis and would delay realisation of potential efficiencies. Separately it is no longer an option contractually as there will be insufficient capacity within original published contract values (as tendered in 2016) to extend by a further year.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker: None.
- 4.2. Conflicts of interest declared by other Executive Members consulted: None.

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

- 7.1 I would like to thank the Universal Services Select Committee for their robust pre-scrutiny of this decision earlier today. Following the Committee's recommendation, I have amended the wording of the second part of the decision, to make clear that any decision to incrementally extend the contract for a period or periods of up to 5 years will be taken in consultation with the Head of Legal Services. I also note the Select Committee's intention to add the pre-scrutiny of any such decision to their work programme.

Approved by:

Date:

3 March 2025

**Executive Lead Member for Universal Services
Councillor Kirsty North**