

Report of Head of Property Maintenance

Report to Chief Officer, Civic Enterprise Leeds

Date: 10th October 2013

Subject: Extension of Contract LCC13234 Asbestos Sampling 'Air' and 'Bulk'

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

Property Maintenance holds the asbestos license for Leeds City Council and is the Internal Service Provider for providing an Asbestos service to all Leeds City Council departments.

In order to deliver its asbestos removal service it relies on a contract that is in place to provide asbestos 'air' and 'bulk' sampling analysis service. This service is essential in order for Property Maintenance to deliver its asbestos removal and asbestos surveying service to the statutory legal requirements.

The service was commissioned three years ago by Property Maintenance following a competitive tendering exercise to form a framework contract for the provision of both an asbestos 'air' testing analysis service and also an asbestos 'bulk' sampling analysis service and was offered in 'Lots' for each service. The contract was awarded to three contractors for each 'Lot' as follows:

Lot 1 Asbestos Air Sampling to:-

- Environtec
- ADMAS Limited
- Scientifics (ESG Asbestos Ltd)

And Lot 2 Asbestos Bulk Sampling to:-

- Asbestos Sample Analysis Ltd
- ADMAS Limited
- Scientifics (ESG Asbestos Ltd)

The contract makes provision for the contractors to work from schedules of rates, with all work going to the most competitive contractor, until their resources are fully utilised and then the next contractor is used. If necessary this process is repeated until all the contractors are used.

The current contract is for three years plus one 12 month extension and commenced on 2nd January 2011.

Property Maintenance has decided not to use the option to extend the contract for the full 12 months and plan to test the market for the provision of this service. In order to provide enough time to complete a full tender exercise it will be necessary to extend the contract for six months to allow for a procurement exercise to be concluded.

1. Recommendations

The Chief Officer for Civic Enterprise Leeds is recommended to extend the contract with the afore mentioned contractors for six months from 3rd January 2014 in accordance with Contractor Procedure Rule 25.1. This will allow for a procurement exercise to be undertaken.

2. Purpose of this report

- 2.1 The purpose of this report is to seek approval to extend this contract for a further six months from the 3rd January 2014 in accordance with the terms of the existing contract.

3. Background information

- 3.1 In early 2010, Property Maintenance took the decision to secure the services of asbestos 'air' and 'bulk' sample analysis contractors through a procurement exercise to ensure that Property Maintenance could deliver the asbestos removal service to the statutory legal requirements.
- 3.2 It was decided that the procurement exercise would be used to develop a framework contract consisting of 'Lots' for each of the analysis services required and that three contractors who would be ranked by the quality of service and competitiveness for each of the 'Lots'.
- 3.3 The procurement exercise was conducted utilising the restricted procedure which entails using a PQQ to determine whether organisations have the technical and commercial ability to service the contract.

- 3.4 The scheme was advertised on the council's electronic tendering portal "scms.alito" on the 15th March 2010 and in the official Journal of the European Union, expressions of interest were received from 25 organizations of which 18 were short listed to tender.
- 3.5 The organisations could bid on the basis of proposing to provide one or both of the following asbestos analysis services
- Lot 1 Asbestos Air Sampling and
- Lot 2 Asbestos Bulk Sampling.
- 3.6 It was intended that a maximum of three successful bidders will be placed on a framework list for each of the Lots (Lot 1 and Lot 2), although the same bidders may be placed on both framework lists if they have successfully tender for both Lots
- 3.7 Fourteen organisations were short-listed to tender through the PQQ evaluation that was undertaken by officers from Property Maintenance and the Procurement Unit.
- 3.8 The short-listed organisation where asked within the tender to submit a pricing schedule of rates and a quality submission questionnaire that was evaluated by officers from Property Maintenance and the Procurement Unit.
- 3.9 All bids were evaluated on the basis of price/quality model, with the quality element weighted at 60% and financial element at 40%.
- 3.10 In line with the bid documents issued and the evaluations undertaken the nine organisations were reduce to three companies for each 'Lot' with the best overall score from the evaluation. These companies were awarded a place on the framework contract for the supply of Asbestos 'Air' and 'Bulk' Sampling Analysis services and were ranked in order that they scored. The companies awarded the contract for each of the 'Lots' are as follows:

Lot 1 Asbestos Air Sampling to

- Environtec
- ADMAS Limited
- Scientifics (ESG Asbestos Ltd)

And Lot 2 Asbestos Bulk Sampling to

- Asbestos Sample Analysis Ltd
- ADMAS Limited
- Scientifics (ESG Asbestos Ltd)

4. Main issues

- 4.1 The contract has now operated very successfully for nearly three years and is used to ensure that Property Maintenance delivers its asbestos removal and surveying service to the statutory legal requirements.
- 4.2 The contract is continuously monitored by Property Maintenance and other LCC clients departments and throughout the three years it has been operating, there have not been any issues with performance which includes costs

5. Corporate Considerations

6. Consultation and Engagement

- 6.1 The decision to extend the contract has been discussed at SMT and at Procurement meetings.

7 Equality and Diversity / Cohesion and Integration

- 7.1 There are no issues concerning equality and diversity with the extension of the Asbestos 'Air' and 'Bulk' Sample Analysis contract.

8 Council policies and City Priorities

- 8.1 The services provided under this report will contribute to the 'Health and Wellbeing' City Priority Plan.

9 Resources and value for money

- 9.1 This framework contract is used only when there are requirements for an Asbestos Removals and Asbestos Survey service and the 'Air' and 'Bulk' Sample Analysis is used in conjunction with both these services. This contract is tested for value for money through the use of 'competitively established schedules of rates.' The contract is monitored monthly by Property Maintenance and throughout the last three years has provided value for money and a quality service.

10 Revenue Effects

- 10.1 Property Maintenance generates its own income through providing and charging for its services to other Leeds City Council clients and therefore there will not be any impact on revenue related costs.

11 Legal Implications, Access to Information and Call In

- 11.1 Contract Procedure Rule 25.1, allows the contract to be extended before its expiry date where it is in accordance with its terms and has proved to deliver best value for money.

12 Risk Management

12.1 There are no particular risks in extending this contract for five months.

13. Conclusions

13.1 The contract is to be extended for five months to allow for a procurement exercise to be concluded so that the provision for this service can be market tested for service provision and value for money.

14. Recommendations

14.1 The Chief Officer for Civic Enterprise Leeds is recommended to extend the contract with the afore mentioned contractors for six months from 3rd January 2014 in accordance with Contractor Procedure Rule 25.1.

15. Background documents¹

15.1 DDN and Contract Award Report from January 2011.

¹ The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.