



Report of: Head of Property and Fleet

Report to: Chief Officer, Civic Enterprise Leeds

Date: 8th June 2015

Subject: Extension of the 'Asbestos Removal Framework Contract' for 12 months from 1st December 2015

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. This contract is a framework arrangement for the supply of Asbestos Removal Services to Property Maintenance section who are the direct labour organisation providing an Asbestos Removal service to all Leeds City Council departments.
2. The service was commissioned two years ago by Property Maintenance following a competitive tendering exercise to form a framework contract for the provision of Asbestos Removal services. The contract was awarded to the following contractor:
 - Thompson Limited
3. The contract makes provision for the contractor to work from schedules of rates, with all work going to the most competitive contractor.
4. The current contract is for two years plus one 12 month extension and commenced on 1st December 2013.
5. Property Maintenance expressed satisfaction with the current contract which provides continuing evidence of 'value for money' through the use of the schedule of rates and also ensures that resource levels are always adequate to meet the demands of the business.
6. The value of this extension is in the region of £1.35 m.

Recommendations

7. The Chief Officer, Civic Enterprise Leeds is recommended to extend the contract with the afore mentioned contractors for one year from 30th November 2015 in accordance with Contractor Procedure Rule 21.1.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to extend this contract for a further twelve months from the 1st December 2015 in accordance with the terms of the existing contract.

2 Background information

- 2.1 In 2013 Property Maintenance took the decision to secure further asbestos removal resources for this service through a procurement exercise.
- 2.2 It was decided that the procurement exercise would be used to develop a framework contract consisting of three contractors who would be ranked by the quality of service and competitiveness for the asbestos removal schemes that needed their services.
- 2.3 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.
- 2.4 The scheme was advertised on the 9th July 2013 on LCC's electronic tendering system (Yortender) and received 15 applicants.
- 2.5 Three organisations were short-listed to tender through the PQQ evaluation that was undertaken by officers from Property Maintenance and the Procurement Unit.
- 2.6 The short-listed organisations were asked within the tender to submit a pricing schedule of rates and a quality submission questionnaire that were then evaluated by officers from Property Maintenance and the Procurement Unit.
- 2.7 All bids were evaluated on the basis of price/quality model, with the quality element weighted at 60% and financial element at 40%.
- 2.8 In line with the tender documents issued and the evaluations undertaken 2 of the 3 organisations did not make the minimum tender threshold, therefore were excluded. This left only one company that exceeded this threshold and had the best overall score from the price and quality evaluation. The contract was therefore awarded to:
- Thompson Limited

3 Main issues

- 3.1 The contract has operated successfully for nearly two years and is used to supplement existing internal resources. The contract has become increasingly valuable in providing the extra resources needed to meet the increased work load and demands of clients.
- 3.2 The contract is continuously monitored by Property Maintenance and other LCC clients departments and throughout the two years it has been operating, there have not been any issues with service performance which includes costs.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The decision to extend the contract has been discussed with Housing Leeds and the Procurement Unit.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no issues concerning equality and diversity with the extension of the Asbestos Removal services contract.

4.3 Council policies and City Priorities

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

4.4 Resources and value for money

4.4.1 This framework contract is used only when there is requirement for an Asbestos Removal service and the serviced provided by 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 two years has provided value for money and a quality service.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Contract Procedure Rule 21.1, 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.

4.5.2 As the yearly spends on this contract is above the threshold for a major decision (£250k) the decision will be subject to call in.

4.6 Risk Management

4.6.1 There are no particular risks in extending this contract.

5 Conclusions

5.1 Given that the contract is performing well with no current performance issues and can be shown to be financially competitive, it would not represent value for money to re-tender the contract at this stage.

6 Recommendations

6.1 The Chief Officer of Civic Enterprise Leeds is recommended to give approval to extend the contract with the present suppliers for one year from 1st December 2015.

7 Background documents¹

7.1 DDN and Contract Award Report from November 2013.

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.

