

Report of: Head of Leeds Building Services

Report to: The Director of Resources & Housing

Date:

Subject: Leeds Building Services - Approval to procure and award from a framework contract for Multi Trade works (contract 9LGN-34NA5W)

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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1 Leeds Building Services (LBS) is the internal service provider (ISP) for Leeds City Council. It maintains approximately 19,000 of Housing Leeds housing stock, within the East North East area of the city as well as maintaining other buildings such as schools, leisure centre's, aged person's homes, children's homes and the Civic Estate (non housing)

2 Work is delivered through a mix of our own direct labour workforce, and a framework of sub contractors.

The current framework agreement (9LGN-34NA5W) was approved in February 2015 and has been effective from 1st April 2015. There were originally 4 contractors on the framework but prior to any works being issued 1 of the contractors went into administration (Southdale). This left 3 providers on the framework, all of whom have met various quality checks, have provided assurances on Health and Safety and safeguarding and agreed to support the council's ambition to be the Best Council in the Best City.

3 Throughout the year Leeds Building Services is required to call off from the framework depending on the demand for building works and the capacity of the ISP.

The value of each individual call-off can be of any value however in line with CPR 3.1.18 (Article 13.4 b) anything over £250k needs to be treated as another key decision.

Children's Services have commissioned Leeds Building Services to procure and manage a programme of Bulge Cohort works for schools, of which one of the schemes (Hunslet St Mary's Primary), is estimated to have build costs in excess of £250k.

Recommendations

- 1 The Director of Resources & Housing is requested to note that a procurement from the framework arrangement for Multi Trade works (9LGN-34NA5W) will commence and call-off from the contracts will be greater than £250k in value, therefore a key decision is required.

Purpose of this report

- 1.0 To advise the Chief Officer, Environment & Housing that procurement and the award from a multi trade framework (9LGN-34NA5W) will commence for the provision of Bulge Cohort extension and associated building works to Hunslet St Mary's Primary School, of which costs are expected to be in excess of £250k, making this a key decision.

2 Background information

- 2.1 Leeds Building Services (LBS) is the internal service provider (ISP) for Leeds City Council. It maintains approximately 19,000 of Housing Leeds housing stock, within the East North East area of the city as well as maintaining other buildings such as schools, leisure centre's, aged person's homes, children's homes and the Civic Estate (non housing).

The organisation has recently re-aligned two separate ISP's (Construction Services and Property Maintenance) into one organisation to work for Leeds City Council. The sub contracts work for the ISP to compliment operational resources and to meet service demand through peaks and / or specialist requirements.

- 2.1 The service is currently provided by a mix of our own direct labour workforce as well as the utilisation of a framework contract for multi trade sub contractors as and when required.
- 2.2 The framework contract was awarded in February 2015 with a contract start on 1st April 2015.

3 Main issues

- 3.3 All contractors on the framework will be invited to tender for works. The contracts will be awarded on a 60/40 price quality split, the quality score having been determined as part of the original framework award.
- 3.4 The estimated annual spend for this Key Decisions is as follows:

- Hunslet St Mary's Primary school £250k

It is not possible to provide an exact figure for this spend as it has not yet been procured but the budget to pay for these works is held by the client department and should the tenders exceed the £250k estimated figure which is already approved, then they will seek further approval for the additional monies.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.2 Consultation with clients takes place on a regular basis in order that their requirements are fully met; as a result the original framework contract included specific clauses which give assurances that successful contractors have met various quality assurances and will be managed through the contract terms and conditions.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration screening report was considered for the original framework arrangement and a further Equality Impact Assessment is not required for this request.

4.3 Council policies and City Priorities

- 4.3.1 The proposals within this report will contribute to the continued delivery of effective building related works and maintenance by Leeds Building Services for Leeds City Council

4.4 Resources and value for money

- 4.4.1 A framework contract has been let and orders will be placed in accordance with its terms and the Council's Contract Procedure Rules. Competition has been used throughout the process to assure value for money.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The value of the contracts will vary therefore throughout the year, therefore for transparency this decision will be treated as a key decision and available for call in.

4.6 Risk Management

- 4.6.1 If Leeds Building Services does not obtain approval they will be unable to meet the demand of the client and would impact on the timetable for delivering the Bulge Cohort programme, resulting in Children's Services not being in a position to take a full intake of pupils in September 2016.

5 Conclusions

- 5.1 Leeds Building Services are commissioned by clients to deliver a number of building works to support service needs.

- 5.2 The service is provided through a mix of an in house fleet and the utilisation of a framework agreement whereby multi trade contractors are invited to bid for work as and when required.

- 5.3 Without the framework such services to clients would be severely compromised.

- 5.4 In order to meet the demand call off contracts are tendered and awarded. The value of these varies but in the main are less than the £250k threshold.

- 5.5 There is one contract which following a competitive tender is likely to exceed the £250k threshold; Hunslet St Mary's Primary school scheme.

- 5.6 The value of each individual call-off can be of any value however in line with CPR 3.1.18 (Article 13.4 b) anything over £250k needs to be treated as another key decision.

6 Recommendations

The Chief Officer, Resources & Housing is requested to authorise the request to call off from the framework and to award a contract which will be greater than £250k in value;

Hunslet St Mary's Primary School.

The estimated budget for this call off is set out in section 3.3 (main issues) of this report.

7.0 Background documents¹

Previous award report - Award of Phase III of the Non-Housing (Civic Enterprise Leeds) Sub contractor Framework Contract.

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.