

Report of: Capital Programme Manager

Report to: Chief Officer, Property and Contracts

Date: 20th March 2018

Subject: Waiver of CPRs 8.1 and 8.2 to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works

| | | |
|---|---|--|
| Are specific electoral wards affected? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If relevant, name(s) of ward(s): Burmantofts and Richmond Hill | | |
| 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? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If relevant, access to information procedure rule number: Appendix number: | | |

Summary of main issues

1. This waiver report seeks approval to waive CPRs 8.1 and 8.2 and formalise the current service provision with Mason Clark Associates for a period of 52 weeks to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works.
2. Shakespeare Towers, Grange and Court are 3 multi storey blocks, in LS9, located opposite St James Hospital. Each block is 17 storeys high and have 100 units each. These 3 multi storey blocks are experiencing particular wear and tear to their concrete fabric resulting in some concrete pieces and render to fall. This poses a significant health and safety risk to the residents, and general public alike.
3. Engie Regeneration Limited have been appointed to carry out these works as the result of a competitive procurement process. Mason Clark Associates will support them in a technical adviser capacity for the duration of the works. Mason Clark Associates were previously engaged in the pre-tender work and as a result already have a detailed knowledge of the work, so makes good business sense to continue using them for this commission.
4. The estimated annual spend under the new short term contract with Mason Clark Associates will be £96,720 in total. The contract will commence on 30th May 2018 for 52 weeks which is the duration of the works programme.

5. In approving this commission, the Chief Officer, Property and Contracts is agreeing to Wavier Contract Procedure Rule 8.1 and 8.2.

Recommendations

1. The Chief Officer, Property and Contracts approve the Waiver of 8.1.and 8.2 to commission Mason Clark Associates to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works.
2. The Chief Officer, Property and Contracts is recommended to note that the agreement will be for a period of 52 weeks whilst the works are undertaken.

1 Purpose of this report

- 1.1 This waiver report seeks approval to waiver CPRs 8.1 and 8.2 to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works.
- 1.2 This will be to the sum of £96,720. This is broken down in the following way:
 - Each week the clerk of works will visit the site for half a day = 5 x £190 (£950 per week)
 - Each week the supervising engineer will visit the site for 8 hrs = 8 x £65 (£520 per week)
 - Each week (it is estimated) MCA will provide 6 hrs of support = 6 x £65 (390 per week)

This comes to a weekly total of £1,860 and over a 52 week period equates to £96,720. The contract will commence on 30 May 2018 for 52 weeks. The rates Mason Clark Associates have provided are based on the YORConsult rate card. As a result the rates have been competitively market tested.

2 Background information

- 2.3 The 3 Shakespeare multi storey blocks were built in the 1960s. They are of Wimpy No Fines construction type. Each block has 100 flats.
- 2.4 Annual surveys are undertaken by the Steeple jack contractor to assess each high rise block in the city. Over the past few years the number of repairs relating to failing render and concrete has increased from these blocks. In 2015 after a significant piece of concrete fell, one elevation of Shakespeare Towers was repaired.
- 2.5 As a result, Housing Leeds commissioned a specialist consultancy in summer 2015 who reported that urgent repairs should be further investigated and undertaken.
- 2.6 The Capital Programme for 2017/18 has £2m allocated to undertake the necessary repairs and external wall insulation to these 3 blocks.
- 2.7 A competitive procurement exercise has been carried out using the YORBuild2 framework and Engie Regeneration Limited have been recommended for award.

3 Main issues

- 3.1 The major asset management investment decisions regarding the council housing stock in Leeds are now focused on the non-traditional build stock, and in particular the high rise portfolio. There are 116 high rise blocks in the city. Many of these blocks were built in the 1960s/ 1970s with an expected life span on 30 years. As this period has now been exceeded, Housing Leeds Officers require highly technical advisers to support major stock investment decisions. As a result since October 2016, officers begun discussions through YORConsult to consider the procurement of Consulting Engineers. Housing Leeds wishes in the long term to

appoint a Consulting Engineer service to provide very specialist technical advice that will complement the service provided by Norfolk Property Services(NPS).

3.2 However, due to the health and safety concerns regarding render or even concrete falling from one of the Shakespeare blocks, immediate action was required. Therefore, Housing Leeds appointed Mason Clark Associates to advise on the structural integrity of the 3 blocks, the extent of the repairs required and proposed costs.

3.3 Mason Clark Associates then carried out the following work:

- An Assessment of the structural form of the buildings, including some intrusive investigations in the interior and exterior of the buildings.
- Development of a comprehensive specification and schedule of repair works, building on the specification that Housing Leeds already has.
- Provision of an estimate cost of repair work, and cost of external wall insulation.
- Develop a tender package based upon a NEC (Design and Build) contract.
- Management of the tender process including tender assessment and contract information.

Therefore it makes good business sense for Mason Clark Associates to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works. This will run concurrently with Engie Regeneration Limited carrying out the works. This has been previously considered when Mason Clark Associates quoted for the work to investigate the structural integrity of the 3 high rise blocks, develop a specification, a tender package and a cost plan.

3.4 The intention is to waive CPRs 8.1 and 8.2 (undertaking a competitive procurement for works under £100k) for 52 weeks.

3.5 The NEC Professional Services Contract will be used as the contract form for this work.

4 Corporate considerations

Consultation and engagement

4.1 Consultation has taken place with SMT, Property & Contracts, the Projects, Programmes and Procurement Unit (PPPU) and Property & Contracts operational teams. NPS have also been informed that Housing Leeds is intending to procure advice for this particular project.

4.2 The three ward members for Burmantofts and Richmond Hill ward have been kept informed throughout the process.

Equality and diversity/cohesion and integration

- 4.3 The Equality, Diversity, Cohesion and Integration Screening document has been considered and completed. No adverse or otherwise impacts have been identified.

Council policies and best council plan

- 4.4 In accordance with the CPRs, a Waiver of 8.1 and 8.2 is being sought.
- 4.5 This contract will contribute towards the Best Council Plan 2015 – 2020 by:
- Enabling money to be spent wisely so that as a result of the this report a detailed specification, cost plan, and tender is produced for procurement
 - That the health and safety of both the residents of the 3 Shakespeare blocks and general public is maximised by the prompt commissioning of such work.

Resources and value for money

- 4.6 The Cost of this commission has been quoted at £96,720. The rate is based on the YORConsult tendered rates which have been market tested.

Legal implications, access to information and call-in

- 4.7 In developing this commission the CPRs have been adhered to. As a result a waiver of CPRs 8.1 and 8.2 is being sought. PPU legal team have been consulted on this.
- 4.8 This is a significant operational decision and therefore call in is not required.

Risk management

- 4.8 The council does have a Joint Venture with NPS to provide consultancy advice. However, the Service Level Agreement in 4.1.8 does provide an exception for works that are “specialist” in nature. Officers are currently in discussion with NPS regarding their interpretation of this exception. However, NPS have admitted in 2016, when undertaking consulting work on another block of high rise flats, that they do not have the specialist knowledge to advise Housing Leeds. To mitigate any risk, NPS have been informed that Housing Leeds wish to engage with Mason Clark Associates for this work.

5 Conclusions

- 5.1 This waiver report seeks approval to waive CPRs 8.1 and 8.2 and formalise the current service provision with Mason Clark Associates for a period of 52 weeks to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works.

6 Recommendations

- 6.1 The Chief Officer, Property and Contracts approve the Waiver of 8.1 and 8.2 to commission Mason Clark Associates to manage a clerk of works, a visiting engineer and continued support from their own team for the Shakespeare Façade Repairs & External Wall Insulation Works.

6.2 The Chief Officer, Property and Contracts is recommended to note that the agreement will be for a period of 52 weeks whilst the works are undertaken.

7 Background documents¹

None

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