



Report of: Head of Property Management

Report to: Director of Resources and Housing

Date: 16/06/2020

Subject: Proposal to extend a contract for the provision of Steeplejack and Roofing Surveys including Minor Repairs of Multi Storey Flats.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open 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

1. Main issues

- The provision of Steeplejack and Roofing Surveys including Minor Repairs of Multi Storey Flats required for Leeds City Council (LCC) has been carried out for the past 3 years (1st October 2017 to 30th September 2020) by HRS Services Ltd following a competitive tender process.
- The company have recently changed their trading name to Stroma Specialist Access Limited and will be referred to as this throughout the rest of the report. This is purely a name change and the company registration number and thus legal entity remain the same.
- This contract has been in place for 3 years with the provision to extend for a further 1 x 24 month as is allowed for within the contract for the period from 1st October 2020 to 30th September 2022. The service is required and as such it is proposed that a decision is taken to extend the Provision of Steeplejack and Roofing Surveys including Minor Repairs of Multi Storey Flats Contract for a further 24 months.
- This report outlines the reasons for the proposed extension of the Steeplejack and Roofing Surveys contract.

2. Best Council Plan Implications (see the [latest version of the Best Council Plan](#))

- The extension of this contract will support the Best Council Plan as it shows the commitment of the Council to the upkeep, maintenance and investment in housing stock and intention of improving life in the city and communities.

3. Resource Implications

- The proposed extension to this contract will maintain an efficient method of delivering this essential service.
- The financial implications of this extension has been discussed and it is an essential health and safety contract.
- During the initial period a full tender analysis was carried out and Stroma (then HRS) submitted the most economically advantageous tender and provided the best value for money.
- Due to the specialist nature of these works, the quantity surveyors calculated the estimated value of £240,000 for the 1 x 24 month extension period by reviewing historical tendered rates as well as average costs for the responsive minor repairs element of this contract. This figure also has a contingency built into it to cover any unforeseen market rate increases.
- The expected value of the contract in the first 3 years was £120,000 per annum, however the contractor has delivered works to the value of approximately £350,494. This has meant to that a value of £240,000 has been given to the 1x24 month extension to ensure that this overspend doesn't occur again.
- The contractor have maintained the continued delivery of a quality service in regards to performance standards required under the contract and it is with this knowledge that the Council are satisfied that the costs are proportionate and represent value for money.

Recommendations

- a) The Director of Resources and Housing is recommended to approve the extension of DN253431 Provision of Steeplejack & Roofing Surveys and Minor Repairs of Multi Storey Flats contract with Stroma Specialist Access Limited for the period from 1st October 2020 to 30th September 2022, as is allowed for within the contract at an estimated value of £240,000.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to implement the available extension provision within the contract for the Provision of Steeplejack & Roofing Surveys and Minor Repairs of Multi Storey Flats with Stroma Specialist Access Limited, in conjunction with Contract Procedure Rule (CPR) 21.

2. Background Information

- 2.1 This contract with Stroma Specialist Access Limited has provided Steeplejack & Roofing Surveys and Minor Repairs of Multi Storey Flats on a City Wide basis for the past 3 years, (1st October 2017 to 30th September 2020) .
- 2.2 This service covers the close inspection of multi storey blocks of flats in the City of Leeds, hammer testing or penetration testing as appropriate, the removal of all loose materials and the identification and recording of the condition of all parts of the external fabric of the buildings. There is also an element for responsive minor repairs required following survey or as day to day repairs require.

3. Main issues

- 3.1 In discussions with Procurement, Building Surveyors and Quantity Surveyors within Housing Leeds consideration has been given to the following available options. The contract could be retendered, however the disadvantages of this could be:
 - The cost of administration required to potentially change supplier
 - Potential cost increase, as there is no guarantee of securing the same prices and quality of service elsewhere, or with the incumbent contractor if they won the tender.
- 3.2 The contractor have been meeting expectations and the service the Council receive from them is good. They have demonstrated a helpful and reliable service, they provide well planned regular surveys and the information the Council receive from them in their reports is comprehensive and received in a timely manner. Therefore based on this, and also giving consideration to the factors listed in 3.1, it is proposed to extend the contract in line with the contract conditions for 24 months.
- 3.3 Having given consideration to the current circumstances and climate around COVID-19, this 24 month period is deemed appropriate, as it provides the Council with continuity of key services provided by a contractor to effect essential repairs and safety to the exterior fabric of multi storey blocks.
- 3.4 Performance levels have been specified and the monitoring process outlined; the contractor is currently working and achieving the clear targets and performance measures as contained in the contract documentation.
- 3.5 These performance levels have been monitored by managing the turnover of site surveys and reports received, which are captured at the monthly meetings. The monthly meetings give a platform for these to be monitored as well as discussing any blocks that may have been difficult to access which would then result in reducing scope. A Structural Engineer from Norfolk Property Solutions (NPS Leeds) also monitor the consistency of the reports. In addition to this, the Health and Safety KPIs are monitored by the compliance team undertaking audits.
- 3.6 These will continue to be managed and monitored over the proposed contract extension period during the life of the contract to ensure that the quality of the service provided by the contractor is sufficient and in accordance with performance indicators.
- 3.7 The Contract Manager will continue their responsibility in a proactive manner in managing the following throughout this contract extension period:
 - KPI monitoring and reporting processes
 - Contract Management Plan

- Monthly contract Meetings

3.8 The specification of the contract has been reviewed and it has been concluded that there isn't any scope for reduction. This is due to the specification including only the specified works, the proposed pricing is specific and bespoke and covers only what the Council requires.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 There has been internal consultation around the proposed extension decision. This has included consultation with the Procurement and Commercial Services Team. Given the circumstances detailed in the report, the project team are of the opinion that it would be more advantageous to extend the existing contract rather than re-procure.

4.2 Equality and diversity / cohesion and integration

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

4.3 Council policies and the Best Council Plan

4.3.1 It is paramount that procurement and associated contract extensions are undertaken with a view to ensure openness, transparency and fairness and in line with Leeds City Councils' Contract Procedure Rules.

4.3.2 This contract will contribute to the delivery of the following Councils' policies and priorities:

- Best City for communities
- Safer and Stronger communities
- Spending money wisely

4.3.3 This contract demonstrates the commitment of the Council to the upkeep, maintenance and investment in housing stock and intention of improving life in the city and communities.

Climate Emergency

4.3.4 At Full Council on 27th March 2019, LCC passed a motion declaring a Climate Emergency. In addition, the Leeds Climate Commission have proposed a series of science based carbon reduction targets for the City so that Leeds can play its part in keeping global average surface temperature increases by no more than 1.5c.

4.3.5 The extension of the provision of Steeplejack and Roofing Surveys including Minor Repairs of Multi Storey Flats will not have a positive or negative impact on the climate emergency or emissions.

4.4 Resources, procurement and value for money

- 4.4.1 The procurement of the original contract was carried out in an open and transparent manner in line with the Public Contract Regulations 2015, while ensuring competition was sought to identify best value throughout the contract term.
- 4.4.2 The service will operate on the agreed tender price with clear costs and ways of working laid out during the tender process. The contractor won these works in a competitive tender process and are delivering works to a standard that meets or better the contract KPIs for the prices in the schedule of rates.
- 4.4.3 As per point 3 – Resource Implications, this procurement has been reviewed and assessed and the extension of the contract should go ahead due to the contract being a priority for the health and safety of the Councils’ tenants and the general public.
- 4.4.4 As part of this Covid-19 has been taken into account and discussions have been undertaken between the Council and Stroma to ensure that the Covid-19 crisis will not affect the service that is to be undertaken. Stroma have worked on surveys and necessary Health and Safety related repairs throughout the lockdown period as the works can be socially distanced.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This is a significant operational decision, subsequent to the original award decision and will not be subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 4.5.2 While there are no legal implications in taking up the extension, (assuming it is to be taken up in line with the terms of the original tender), in making their final decision, the Director of Resources and Housing should be satisfied that the course of action proposed represents best value for the Council.

4.6 Risk management

- 4.6.1 A project risk register is currently in place and has been managed during the lifetime of the contract and will be continued over the next 24 months.
- 4.6.2 A contract management plan is also in place which will continue to be managed over the next 24 months.

5. Conclusions

- 5.1 There is an ongoing requirement to provide the Provision of Steeplejack and Roofing Surveys including Minor Repairs of Multi Storey Flats.
- 5.2 The proposed contract extension will be supported by a clearly defined specification and robust arrangements for contract management that will continue throughout the extension period.
- 5.3 The contractor is currently delivering a satisfactory service and working to and achieving the required key performance indicators and value for money. The contractor has delivered the service to a high standard over the past 3 years that the Service and Contract Manager are both happy with.
- 5.4 One 24 month extension period is available and it is proposed that this option will be executed. Having considered the current circumstances and climate around COVID-19, this period is deemed appropriate, as it provides the Council with continuity of

key services provided by a contractor to effect essential repairs and safety to the exterior fabric of multi storey blocks.

6. Recommendations

- 6.1 The Director of Resources and Housing is recommended to approve the extension of DN253431 Provision of Steeplejack & Roofing Surveys and Minor Repairs of Multi Storey Flats contract with Stroma Specialist Access Limited for the period from 1st October 2020 to 30th September 2022, as is allowed for within the contract at an estimated value of £240,000.

7. Background documents¹

- 7.1 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.