



Report of: Chief Officer Civic Enterprise Leeds
Report to: Director of Resources
Date: 16th April 2021
Subject: Authority to procure contractors to undertake Damp Proofing Prevention Works Including Timber Treatment

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 checked="" type="checkbox"/> Yes <input 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 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

1. Main issues

- Leeds Building Services has a need to procure up-to 2 contractors to undertake damp proofing preventive works including timber treatment to Leeds City Council domestic occupied and unoccupied (void) properties across the city.
- Currently, this requirement is being carried out by multi trade contractors under an interim arrangement. This report seeks to formally procure a contract specifically for this area of specialist work.
- The proposed start date is 1st July 2021 for a duration of 2years with 2x12months possible extension. The value of this framework is £244,000 per annum giving a potential total contract value of £976,000.00
- Following a procurement options review and the need to increase competition, the conclusion was that the procurement of a Leeds City Council framework using constructionline contractors would be the preferred route of delivery for this requirement.

Best Council Plan Implications

- These damp proofing services will support Leeds City Council's ambition for Leeds to be a compassionate and caring city that tackles poverty and reduces inequality. Through the provision of these service we ensure that council tenants (including

some of the most vulnerable people in our city) are able to enjoy living in safe, accessible and well maintained homes

- The services will contribute to the 'Best Council Plan 2018/19 – 2020/2021 – tackling poverty and reducing inequalities'
- With regard to housing it will contribute to having 'Housing of the right quality, type, tenure and affordability in the right places'

2. Resource Implications

- The service will operate on the agreed tender prices with clear costs and ways of working laid out during the tender process, utilising the NHF Schedule of Rates.
- Any appointed contractors annual turnover should be at 25% above the total potential contract value.
- Contractors appointed will have specialist skill, technical expertise and knowledge that will ensure all works are completed with consideration to Health and Safety and the Environment.
- It is proposed 2 contractors will be appointed to this contract and all works would be allocated to the first ranked contractor and the second contractor would only be offered work where capacity is an issue with the first contractor

Recommendations

- a) The Director of Resources is requested to approve the use of a restricted constructionline tendering process as the procurement route to establish a framework of 2 contractors. This framework will start 1st July 2021 for a duration of 2 years with an option to extend for a further 2 x 12 months. The value is estimated at £244,000 per annum and a potential total framework value of £976,000.

Purpose of this report

- 1.1 The purpose of this report is to seek approval from the Director of Resources to carry out a restricted constructionline procurement exercise to establish a framework of 2 contractors to undertake a damp proofing preventive works including timber treatment to the council's domestic occupied and unoccupied (void) properties across the city.

2. Background information

- Currently, this requirement is being carried out by multi trade contractors under an interim arrangement. This report seeks to formally procure a contract specifically for this area of specialist work.

3. Main issues

- 3.1 LBS currently delivers approximately £244,000 per annum in relation to the damp proofing prevention works including timber treatment across the city.
- 3.2 It is proposed that a contract be put in place for a 2 year period starting 1st July 2021 with the option to extend for a further 2 x 12 months.
- 3.3 In accordance with CPR 15.2 the proposed evaluation approach to be implemented is the Quality & Price separated methodology, this means contractors will be required to meet a minimum threshold on the quality submission. Following this assessment organisations who pass the set threshold will be evaluated on a price only basis.
- 3.4 This contract will be via the use of JCT Measured Term
- 3.5 Due to the nature of the works, there is no guarantee of any volume of works throughout the contract term.
- 3.6 A procurement options review was undertaken and the following procurement options have been considered in line with CPR 3.1.7

3.7 Procurement Options

- 3.7.1 **Do Nothing** – This option was discounted as there would be no procurement activity and therefore no contractor to deliver the programme resulting in either in non-compliant spend and activity, or the council being unable to deliver essential services.
- 3.7.2 **Internal Service Provider-** LBS do not have the internal resource to meet this requirement.
- 3.7.3 **Call off from an existing framework-** A number of existing externally managed frameworks have been considered and reviewed, however, there were no frameworks available which meet these requirements.
- 3.7.4 **Procure Leeds Own Restricted Constructionline Contract (Recommended) -** This route is considered to be the most appropriate route as the value is below the Public Procurement threshold. An expression of interest will be undertaken and the shortlisted contractors will be invited to tender via YORtender. Utilising this route enables us to procure Leeds own contract as opposed to using external frameworks.
- 3.7.5 The proposed timetable for the delivery of this arrangement is

An Indicative timetable for the proposed procurement process is set out below	
Issue Tender Documentation	May 2021
Tender Evaluation (Inc. governance reporting and contract award prep)	June - July 2021
Contract Award	August 2021
Contract Start	August 2021

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Council's Procurement and Commercial Services Team, LBS, and Housing Leeds have been consulted and all are supportive of the proposals contained in the report
- 4.1.2 Trade Union representatives will be made aware of this requirement and will be presented with the opportunity to review any relevant information to satisfy themselves that this procurement and the resulting contract will have no adverse effect on the Council's workforce

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An equality, diversity, cohesion and integration screen has been undertaken which has indicated that there are no negative impacts arising from undertaken this procurement.

4.3 Council policies and the Best Council Plan

- 4.3.1 It is paramount that procurement within Leeds City Council is undertaken with a view to ensure openness, transparency and fairness and procured in line with Leeds City Council's Contract Procedure Rules
- 4.3.2 This contract will contribute to the delivery of the Best Council Plan key priorities; by ensuring that Leeds public spaces and buildings are made accessible, safe, clean & welcoming to people

Climate Emergency

- 4.3.3 The Council declared a Climate Emergency in March 2019. 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 temperatures to no more than 1.5c.
- 4.3.4 The appointment of a contractor is unlikely to have a negative or positive impact on the reduction of carbon emissions. However the contractor will be asked to provide plans on how they intend to reduce the carbon emissions from carrying out of this contract

4.4 Resources, procurement and value for money

- 4.4.1 The procurement will be carried out in an open and transparent manner in line with Contract Procedure Rules by ensuring competition is sought to identify best value.
- 4.4.2 The works will have a named project manager and resources set aside (from the LBS delivery team) to manage the contract and facilitate the contractors in gaining access to properties. This is to ensure the contract adheres to any programme of works.

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

- 4.5.1 A Privacy Impact Assessment was completed from which it was determined that the delivery contractor role would be that of Data Processor. Assessment of how contractors respond to the requirements of the Data Protection Act 2018 is part of the quality evaluation criteria. Documentation will be in line with all data protection legislation and we are currently working with the Leeds City Council Information Governance Team in order to develop these
- 4.5.2 Given the cost related to this contract, this decision will be a Key Decision and will be eligible for call in. There are no grounds for keeping the contents of this report confidential under the Access to information Rules

4.6 Risk management

- 4.6.1 The contract will be managed and monitored regularly by service area representatives to ensure the benefit of the services are maximised and the supplier performance will be measured over the life of the contract
- 4.6.2 A contract management plan will be developed that will clearly identify roles and responsibilities of officers with contract ordering and performance management & monitoring activities. This plan will also set out clear roles and responsibilities of the council and the contractor, along with how the aims and objectives will be delivered, and success measured and realised.

5. Conclusions

- 5.1 In conclusion, this report highlights the proposed procurement route and sets out the proposed contract structure for damp proofing preventive works including timber treatment to the Council's domestic occupied and unoccupied (void) properties across the city.
- 5.2 LBS and procurement officers have reviewed all the potential procurement options and have concluded that the preferred option would be to conduct a restricted constructionline procurement exercise to seek competitive bids.

6. Recommendations

The Director of Resources is requested to approve the use of a restricted constructionline tendering process as the procurement route to establish a framework of 2 contractors. This framework will start 1st July 2021 for a duration of 2 years with an option to extend for a further 2 x 12 months. The value is estimated at £244,000 per annum and a potential total framework value of £976,000.

7. Background documents¹

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.