

Authority to Procure Report for the BITMO 2021-22 Gable and External Wall Repairs Scheme for 20 Properties on Broom Nook, Broom View and Broom Mount , Belle Isle, Leeds

Date: 6th July 2021

Report of: Head of Repairs, Maintenance and Investment at BITMO.

Report to: Chief Officer, Housing

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

- BITMO have identified 20 properties that require rebuilding of part gables and wall tie replacement works to some Riley timber framed properties located on Broom Nook, Broom View and Broom Mount, Belle Isle.
- In order to proceed with the proposed procurement, a significant operational decision (SOD) will be required based on the estimated cost of the repair works to the gable walls and replacement of defective wall ties with an estimated works cost of £350,000.
- It is proposed that the Council will procure these works using a JCT intermediate form of contract and using an activity schedule for pricing.
- This report seeks authority under CPR 3.1.6 to undertake a procurement in competition.

Recommendations

- a) In accordance with the Councils Contract Procedure Rule 3.1.6, the Chief Officer Housing is recommended to approve the use of a restricted tender process using Constructionline to undertake a competitive procurement process leading to the appointment of a contractor to carry out this remedial programme. The pre tender estimated cost of these works is £350,000 with a proposed start on site date of October 2021.

1.0 Why is the proposal being put forward?

- 1.1 BITMO manages, on behalf of Leeds City Council, housing stock in the Belle Isle area of the city, of which 20 dwellings require remedial works that include partial rebuild of gable walls and replacement of corroded wall ties in 2021-2022.
- 1.2 The remedial works including taking down and rebuilding bowed gable walls and replacing defective wall ties to 20 identified Riley timber framed non-traditional properties. The properties included within the scope are semi-detached properties.
- 1.3 BITMO Board of 28th January 2021 approved this project which is due to commence in 2021/22.
- 1.4 Each of the 20 properties where movement has been identified to the external wall structure have been surveyed by an independent structural engineer. NPS, our consultants have worked with the structural engineer to develop a specification for remedial works that involves taking down and rebuilding affected gable walls and replacing corroded wall ties.
- 1.5 A pilot project was carried out by Mears in 2020 where the gable wall was taken down and rebuilt and the wall ties replaced at 52 Broom Nook. This property was selected as a pilot to identify works as it was also subject to a disrepair claim.
- 1.6 The properties identified within this report are the only ones that have been affected by wall tie failure and movement of the external skin. The other council owned properties on these streets are of traditional construction or Riley properties that are not affected by the issues outlined in this report.
- 1.7 This procurement exercise will allow the delivery of a programme which will eradicate a known defect to this type of property construction and increases the lifespan of the properties.

Re-pointing and repairs to chimney stacks will be undertaken in conjunction with these proposed works whilst scaffolding is erected at each property.
- 1.8 A formal competitive tender will provide both the best value and best service delivery for the work required under this contract. It would be desirable to tender and engage a service provider solely for this scheme under a JCT Intermediate Works Contract.

2.0 What impact will this proposal have?

Wards Affected: Middleton

Have ward members been consulted? Yes No

3.0 What consultation and engagement has taken place?

- 3.1 The BITMO Board are fully aware of this project which was part of our Capital Programme for 20-21 that was approved by them on 26th March 2020. As this programme has been delayed due to the impact of Covid, the project will now form a critical part of the Capital Programme for 21/22 which was approved by the Board on 28th January 2021.
- 3.2 The 3 Local Ward Members (2 of which are Members of the BITMO board) have been consulted on this scheme as part of the overall programme.
- 3.3 Residents have been made aware of this proposed scheme via letter drops and individual house visits, where we have carried out surveys to establish the scope of works required.

3.4 Within BITMO, the CEO, Head of Repairs, Maintenance and Investment and Head of Governance and Finance have been consulted. In addition, within the Council procurement and legal officers in Procurement and Commercial Services and our Consultants NPS have worked together to develop the proposed procurement strategy.

3.5 These proposed works do not require leaseholders' consultation.

4.0 What are the resource implications?

4.1 This project was initially part of the Capital Programme for 2020/21 and was approved by the BITMO Board on 26 March 2020. However, due to delays caused by Covid regarding the delivery of this project, this scheme has been moved back into financial year 2021/22 and the budget required to deliver this project has been allocated in the BITMO Capital Budget for 2021/2022. The Capital Programme for 2021 -2022 was approved by the BITMO Board on 28th January 2021.

4.2 The proposal is to invite 6 organisations who have expressed an interest through the proposed Constructionline procurement route. This will enable competition between them thereby ensuring value for money achieved through a competitive process.

5.0 What are the legal implications?

5.1 This is a significant operational decision due to the value of this works and is not subject to call-in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

5.2 In making their decision, the Chief Officer Housing should be satisfied that the use of Constructionline to select the contractors in this tendering exercise will represent value for money.

6.0 What are the key risks and how are they being managed?

6.1 A risk register will be developed for this project to monitor known risks during the duration of the contract. The main risk will be that the contractor chosen becomes financial insolvent during the contract. However this risk will be mitigated by financial checks being carried out on the contractor prior to awarding the contract. Payments for works will also be closely scrutinized by NPS, prior to issuing applications for payment.

7.0 Does this proposal support the council's 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

7.1 The works undertaken will contribute to the Best Council Plan in making sure that the Council is being responsible to the local needs of the tenants.

7.2 At Full Council on 27th March 2019, Leeds City Council 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 increase to no more than 1.5c.

8.0 Options, timescales and measuring success

a) What other options were considered?

There were a number of options that the Council and BITMO have considered as follows:

i. Option 1 – Do Nothing

This is not considered to be a viable option as the works are essential as part of the ongoing maintenance programme.

ii. Option 2 – Use of Internal Service Provider

Leeds Building Service (LBS) have been consulted as per CPR 3.1.4. The Head of LBS confirmed in January 2021 that on this occasion, given that these works require installation of wall ties and taking down and rebuilding walls, these works are of a specialist nature and LBS do not have the resources to undertake this work at this time.

iii. Option 3 – Restricted Tender via Constructionline (recommended)

Construction line is a recognised database of approved contractors who have been vetted and are able to do construction works. The council has used this route successfully in the past for various construction works which are below the works threshold set out in the Public Contracts Regulations 2015 (Regulations) and have found it to be an excellent source for contractors. An initial expression of interest via construction line has identified six who would be interested in tendering for this work in competition.

iv. Option 4 – Open Tender

Open tender has been considered but due to the requirement to widen the competition process this option would lengthen the overall tender duration.

Given the position and level of interest we have received from the expressions of interest via the Constructionline database, there would be little benefit going to open tender.

After due consideration of all the above options, it is considered that delivering the competitive procurement exercise through Constructionline provides the Council with the most appropriate option.

b) How will success be measured?

The works undertaken will contribute to the Best Council Plan in making sure that the council is being responsible to the local needs of the tenants. By investing in these properties we will rectify an existing building defect and will extend the expected lifespan of these desirable properties.

c) What is the timetable for implementation?

The proposed timetable for this procurement is as follows:

Task	Date
Tender Out	30th July 2021
Tender Return	28 th August 2021
Tender Evaluation & Governance approval	31 st August -17 th September 2021
Contract Award	20 th September 2021
Contract Start	12 th October 2021

Appendices

9.0 A - Address Schedule

Background papers

10.0 None