

Report title- Tender Evaluation report and proposed Contract Award- Scaffolding Works to Leeds City Council Housing and Non-Housing Properties Citywide- DN415804

Date: September 2021

Report of: Head of Leeds Building Services

Report to: Chief Officer of Civic Enterprise Leeds

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- To seek approval to award a contract to the successful contractors for the provision of scaffolding works to the council's housing and non-housing properties across the city, following conclusion of a below threshold tender process using Constructionline contractors.
- It should be noted this contract will be used for scaffolding schemes up to £20,000.
- This contract when awarded will contribute to the Best Council Plan outcomes in the following areas:
 - **Inclusive Growth** – 'Supporting growth and investment' and 'Supporting businesses and residents to improve skills, helping people into work and into better jobs'.
 - **Safe, Strong Communities** – 'Keeping people safe from harm, protecting the most vulnerable' and 'Being responsive to local needs, building thriving, resilient communities'.
 - **Housing** – 'Housing of the right quality, type, tenure and affordability in the right places' and 'Improving energy performance in homes, reducing fuel poverty'.

Recommendations

- a) The Chief Officer, Civic Enterprise Leeds is requested to approve the award of the scaffolding contract for a period of 4 years commencing 1st October 2021 to 30th September 2025, with 4 x 12 months possible extensions with an estimated contract value of £3,600,000 (annual value £450,000) to the following contractors.
 - RIM Scaffolding (Leeds) Limited
 - Repairs Management Areas – Housing & Non-Housing scaffolding works within - Lot 1, Lot 2, Lot 3, Lot 4, Lot 5 & all Non-Housing scaffolding works in the West area of the City.
 - County Scaffolding Services Ltd

- Repairs Management Areas - Housing & Non-Housing scaffolding works within - Lot 6, Lot 7, Lot 8, Lot 9.
- b) It should be noted that the proposed contract value per contractor is approximately £2,400,000 for RIM Scaffolding (Leeds) and £1,200,000 for County Scaffolding Service Ltd.
- c) It should be noted that as per the Authority to procure, scaffolding schemes exceeding £20,000 will be tendered competitively outside of this contract, via an alternative route engaging additional providers in the market. Authority to procure and authority to spend will be obtained at the point of need for these major scaffolding schemes.

Why is the proposal being put forward?

- 1 The purpose of this report is to describe the evaluation process and to obtain approval to award a contract for the scaffolding works to RIM Scaffolding (Leeds) Limited and County Scaffolding Services Ltd, following conclusion of a below threshold tender exercise.
- 2 A restricted Invitation to Tender was issued via Yortender approaching 23 Constructionline approved contractors on 27th April 2021 and following closure of the tender opportunity on 24th May 2021, 6 tenders were subsequently received. However, 1 bid was withdrawn because the tenderer submitted an incomplete pricing and failed to standby their submission.
- 3 The 5 remaining tenders were evaluated on Quality / Price separated approach, and upon conclusion of the quality assessment, only tenderers who had achieved the minimum quality thresholds outlined within the tender documentations were assessed further.
- 4 Following conclusion of the quality assessment two organisations failed to achieve the minimum thresholds for quality and were subsequently excluded from the financial review.
- 5 Following conclusion of the evaluation assessment, only 3 contractors achieved quality compliance. It is proposed to appoint the 2 lowest priced submissions and exclude rank 3 due to the price submitted being higher than those ranked 1 and 2.
- 6 Evaluation Summary

Bidder	Quality Score	Price	Rank
RIM Scaffolding Ltd	Pass	Lowest	1
County Scaffolding Services	Pass	2 nd Lowest	2
Highscuff Services	Pass	3 rd Lowest	3
Haven Building and Maintenance	Fail	N/A	Non-compliant failed to achieve the required quality threshold
Komplete (Leeds)	Fail	N/A	Non-compliant failed to achieve the required quality threshold

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 7 There are no significant impacts to the affected wards anticipated
- 8 An Equality, Diversity, Cohesion and Integration impact assessment has been undertaken for this scheme and there are not expected to be any negative impacts in relation to the planned works

What consultation and engagement has taken place?

- 9 Leaseholder consultation has been conducted in line with legislation to ensure all associated recharges can be made. The consultation period concluded on 20th August 2021.
- 10 Procurement and Commercial Services have been consulted throughout the procurement process.
- 11 Trade Unions are consulted regularly with regards to all LBS procurement activity, and subcontracting arrangements
- 12 WAM & WBR were consulted in obtaining Authority to Procure
- 13 The Chief Officer, CEL has been consulted throughout the development and implementation procurement strategy which includes this proposed contract
- 14 LBS and Housing Leeds have been involved throughout the procurement activity

What are the resource implications?

- 15 The contractors selected have specialist skill, technical expertise and knowledge that will ensure all works are delivered in accordance with our requirements and with regards to Health and Safety and Environmental consideration. LBS will manage this contract on site.
- 16 The successful contractors are required to provide the full service at the agreed tender price with clear costs and ways of working laid out from the tender process
- 17 The estimated contract value is approximately £450,000 per annum across all management areas, this equates to approximately £50,000 for each repairs management area.
- 18 It is proposed that rank 1 contractor will receive approximately £300,000 of work orders per annum and rank 2 contractor approximately £150,000 works orders per annum
- 19 Head of Leeds Building Services has reviewed the price submissions and he is satisfied with the rates submitted by rank 1 and rank 2 contractors are comparable to the current market price.

What are the legal implications?

- 20 The procurement has been undertaken in compliance with the Council's Contract Procedure Rules.
- 21 This is a Significant Operational Decision as a direct consequence of the original Authority to Procure (Key Decision) taken on the 25th September 2020, and is therefore not subject to call-in. Other than confidential Appendix 1, there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

- 22 The information in Appendix 1 of this report has been identified as exempt/confidential under the Access to Information Rules 10.4 (3). The public interest in maintaining the exemption in relation to the confidential appendix outweighs the public interest in disclosing the information and financial details which, if disclosed would adversely affect the business of the Council and the business affairs of several individual companies.
- 23 The tenders have been evaluated in accordance with the evaluation criteria set out in the tender documents and therefore, provided the works are still required and affordable the winning contractors should be appointed. In making the final decision, the Chief Officer, Civic Enterprise Leeds should be satisfied that this contract represents best value for the Council.

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

- 24 Ensuring the contract is managed and monitored by the appointed Contract Manager within LBS to ensure the benefits of the services are maximised to meet the Client's requirements
- 25 The Contract Manager in LBS will ensure that regular contract meetings take place throughout the duration of the contract and they will monitor performance measures/KPIs that are included within the specification and Contract Management Plan. The Contract Manager will ensure performance standards are met by the contractors and if they are found to be underperforming and failing to meet minimum standards, appropriate action will be taken to rectify the cause of failure
- 26 Financial checks have already taken place and the proposed contractors are confirmed as financially stable prior to contract award.
- 27 Expenditure against budgets provision will be monitored regularly by the Contract Manager to ensure that contractors are on track with expected levels of spend.

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

Inclusive Growth Health and Wellbeing Climate Emergency

- 28 **Inclusive Growth** – ‘Supporting growth and investment’ and ‘Supporting businesses and residents to improve skills, helping people into work and into better jobs’.

Successful contractors have demonstrated a commitment to deliver local recruitment, employment, and establish local supply chains to support their business in delivering works for LBS.

- 29 **Health & Wellbeing** - Safe, Strong Communities – ‘Keeping people safe from harm, protecting the most vulnerable’ and ‘Being responsive to local needs, building thriving, resilient communities.

- 30 **Climate Emergency** – All tenderers have committed to employing from Leeds locality to reduce excess travel, plan travel effectively, and have long term vision in place to implement alternative fuelled vehicles for their operatives and travelling workforce.

Options, timescales and measuring success

a) What other options were considered?

- 31 Alternative procurement options were considered by LBS including delivering the provision in-house, however, this is not recommended because LBS do not have the resources, capacity or

materials to undertake scaffolding works directly, and therefore will sub-contract any need for scaffolding for both housing and non-housing works they are commissioned to undertake.

32 Consideration has been given to awarding all management areas to the lowest priced tender, however the strategy is to have a blended approach to ensure wide engagement with the local SME sector, in addition having a single contractor for provision of this work could leave the council at significant risk should the selected organisation encounter financial stability issues. Awarding a contract with multiple suppliers ensures there are contingency measures in place should we encounter a supplier failure.

33 Consideration was given to appointing all 3 compliant tenderers, however the cost difference between rank 2 & 3 exceeds acceptable levels.

b) How will success be measured?

Key Performance Indicators have been applied to this contract and will be monitored throughout its life. The KPIS include

- Completion of Works within agreed Target Time and Cost
- Compliance of Health and Safety Site Inspection
- Inspection Reports to verify the Safety of the Scaffolding

c) What is the timetable for implementation?

34 This contract is anticipated to commence 1st October 2021 for an initial period of 4 years with the option to extend for a further 4 x 12 months periods, subject to mutual agreement.

Appendices

Confidential Appendix 1 – HMT Tender Evaluation Matrix

Background papers

35 Authority to Procure: [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk)