

Windows and Doors framework call-off for Year 4 (47946): Proposed award of call off contract

Date: 25th April 2022

Report of: Head of Strategy and Investment

Report to: The Director of Communities, Housing and Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Appendix 1 - Confidential under access to information rule 10.4.3

What is this report about?

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

- This report seeks approval to award a contract to Kingfisher UPVC Windows & Doors Ltd to deliver planned window and door replacements following the call-off carried out as a price only mini-competition under year 4 of the Windows and Doors framework contract. It will also document the procurement and tender evaluation process undertaken.
- The contract will deliver activity that supports the Council's ambition for residents to live in good quality homes.

Recommendations

The Director of Communities, Housing and Environment is requested to: -

- a) Approve the award of a £1.4m contract to Kingfisher UPVC Windows & Doors Ltd to deliver replacement windows and doors work to council homes across the City.

Why is the proposal being put forward?

- 1 The replacement of windows and doors to residents' properties is an ongoing part of the housing capital investment programme and is funded by the Housing Revenue Account (HRA).
- 2 To maintain competition, the current windows and doors framework agreement was set up to enable price competition between the four appointed contractors – either for annual work packages, or for any additional work packages if needed. It commenced on 1st April 2018 for a 4-year period.
- 3 A Key decision was taken by the Director of Communities, Housing and the Environment on 21st February 2022 to approve the undertaking of a price only mini competition through the framework to enable a single contractor to be appointed to deliver the year 4 works estimated to be approximately £1.4m, as this would help the Council to achieve greater cost savings. All contractors agreed to this approach.
- 4 Three of the contractors on the framework tendered for the work and a price only evaluation was undertaken by the Commercial Team within Strategy and Investment. For the price evaluation, contractors were requested to complete an Activity Schedule based on a sample of 150 properties with sundry requirements for the replacement of different window and door types. This formed 95% of the price evaluation. Contractors were also asked to complete a Schedule of Variations for non-standard work which formed the remaining 5% of the price evaluation (please see table below).

	Description	Maximum marks available	% of Price Evaluation
1	Sample activity schedule	950	95%
2	Schedule of variations	50	5%
	Total	1,000	100%

- 5 Full details of this price evaluation of the three tender submissions can be found in the confidential Appendix 1, prepared by the Commercial team.
- 6 Following completion of the price only evaluation, a summary of the results is listed below:

	Contractor	Total Score (out of 1,000)
1	Kingfisher UPVC Windows & Doors Ltd	977.43
2	Kier	913.87
3	Anglian	354.88

- 7 The contractor recommended to be awarded the contract to deliver the year 4 windows and doors works is Kingfisher UPVC Windows & Doors Ltd.
- 8 The overall evaluation/due diligence process has not identified any significant risks in terms of awarding the contract to the successful bidder. They have the capacity, resource and experience within this operational field of work considered necessary to deliver the service requirement.
- 9 Contract management plans are being reviewed and will be ready for implementation May 2022. It is expected that the mobilisation period will require a lead time of 4 to 6 weeks and the contractor will start installations in June 2022.

What impact will this proposal have?

Wards Affected: City wide

Have ward members been consulted? Yes No

- 10 The award of this contract will add significant value to many of our residents across the city through the upgrade and modernisation of their homes. Replacing windows and doors when needed helps fulfil our obligations under the Landlords and Tenants Act 1985, making sure that homes are fit for purpose and of good quality.
- 11 There are no equality and diversity, or cohesion and integration issues related specifically to this framework call-off for the windows and doors works.
- 12 An EDCI screening was completed for the competitive procurement of this framework and informed the requirements we place on the contractors, such as in relation to the contractors Resident Liaison Role. This and the completed Privacy Impact Assessment, also informed how we make sure appropriate resident information is provided to contractors in a safe and secure way.

What consultation and engagement has taken place?

- 13 A Key Decision (D54981) for the Windows and Doors framework call-off was made by the Director of Communities, Housing and the Environment on 21st February 2022 and Legal and Procurement colleagues have been consulted in the development of this report.

What are the resource implications?

- 14 A due diligence exercise has been undertaken on pricing to ensure that it is viable, comprehensive, realistic, sustainable and offers value for money.
- 15 The year 4 Windows and Doors call-off order is valued at approximately £1.4m. No minimum values are guaranteed to the contractor.
- 16 The work will be funded by the HRA and Authority to Spend of £1.4m was approved as part of the February Key Decision.

What are the legal implications?

- 17 This report is a subsequent decision of a previous Key Decision of 21st February 2022 and is, therefore, a Significant Operational Decision which is not subject to call-in.
- 18 The tenders have been evaluated in accordance with the evaluation criteria set out in the tender documents of the mini-competition, in that the call-off for year 4 has been based on price only.
- 19 Appendix 1 of this report is exempt under the Access to Information Procedure Rules 10.4.3. The public interest in maintaining the exemption in relation to the confidential appendices outweighs the public interest in disclosing the information and financial details which, if disclosed would adversely affect the business of the Council and business affairs of the organisations involved.

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

- 20 A risk register has been produced for the year 4 call-off. The project team will continue to monitor the identified risks and consider any new risks moving forward through the contract award and mobilisation.
- 21 The procurement of the framework agreement was undertaken in accordance with the Regulations and the Council's Contacts Procedures Rules, with full guidance and support from the Procurement and Commercial teams.
- 22 Work is now progressing to make sure that there is an appropriate planned and resourced contract mobilisation activity with clear roles and responsibilities between now and the start of the year 4 call-off contract .
- 23 Notable risks relevant to this procurement are: -
- Contractor is not adequately resourced to deliver works:
Mitigations: when the original framework was being evaluated and at short listing stage this was a key focus to make sure any new contractors who took over work had sufficient resource to carry out works. There are KPI's which are attached to the framework which the contractor must adhere to regarding planned delivery.
 - Contractor does not perform to expected standards:
Mitigation: A clear and detailed performance specification was included in the framework. Project managers will work with the successful contractor to ensure that they are ready to deliver to the expected standards from day one of the new call off order. Furthermore, the contractor has successfully delivered these works during the past two years of the framework.

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

Inclusive Growth

Health and Wellbeing

Climate Emergency

- 24 Investment in these works and the resulting activity contributes to all of the Council's 3 Key Pillars as follows:
- The contractor has committed to a social value plan which includes employment and skills targets and will be held to these commitments through contract management activity. These commitments include training days, workshops and work experience opportunities, a commitment that jobs will go through Employment Leeds, and in-kind funding support for works of community led organisations.
 - The programme will improve the living environment of our residents which will help towards our Health and Wellbeing target of reducing health inequalities and improving the health and wellbeing of our tenants.
 - The works programme will help to provide a positive impact on the climate emergency and carbon emissions as replacement windows and doors will help reduce the need for gas and electricity in homes as they are warmer, thus leading to lower bills and emissions.

Options, timescales and measuring success

What other options were considered?

- 25 The internal service provider Leeds Building Services (LBS) has declined this work as they do not have the resource capacity to undertake this volume of work within the required timeframe.
- 26 The option to allocate the work to the two most competitive contractors on the Windows and Doors framework was discounted as greater potential cost savings could be achieved by selecting a single contractor through a mini competition on a price only basis.

How will success be measured?

- 27 The key performance indicators which will be used to measure success includes:
- a) Percentage of planned installations completed.
 - b) Percentage of customers satisfied with the service provided by the contractor.
 - c) Reduction in contractor waste to landfill.

Appendices

- 28 Appendix 1 – Tender Evaluation report from Commercial QS

Background papers

- 29 [D54981](#) – Windows & Doors Key Decision February 2022