

46896: Call-off from the Re-Roofing and Associated Works framework for 2022/23

Date: 20th June 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

Brief summary

This report seeks approval to undertake a call-off from the Council's Re-Roofing and Associated Works framework and run a mini-competition to appoint two contractors to deliver works in 2022/23 to the value of £2m (£1m per contractor).

Recommendations

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

- a) Approve the call off from the Re-roofing and Associated Works framework 2022/23 (year two) based on a price only mini competition to appoint two contractors to carry out works to an approximate value of £2m (£1m per contractor).

What is this report about?

- 1 This report seeks approval to undertake a call-off from the Council's Re-Roofing and Associated Works framework and run a price only mini-competition to appoint two contractors to undertake the works in 2022/23 (year two) for a total approximate value of £2m (£1m per contractor).
- 2 Re-Roofing work is part of the Housing Capital programme. A Key Decision was taken by the Director of Resources and Housing in July 2020 to approve the procurement strategy and the overall scope and budgets for contracts to deliver planned investment to council housing stock. To take forward works each year a further Key Decision to call off from the framework is required.
- 3 The Housing Leeds Re-Roofing and Associated Works framework agreement commenced on 1st April 2021 for a four-year period and four contractors were appointed to the framework.

- 4 The selection process for year one (2021/22 spend) under the framework specified that the contractors who scored 1st and 2nd as part of the competitive procurement activity for the framework would be appointed to carry out the works.
- 5 For years two to four (2022/23 to 2024/25) of the framework, all four contractors will be invited to tender in competition, with the two lowest priced tenderers being appointed contracts for those years.
- 6 Following the call off process in competition, the contract award will be the subject of a separate, subsequent report that will be a Significant Operational Decision.
- 7 Leeds Building Services (LBS) also deliver re-roofing works across the City to the value of approximately £1m.

What impact will this proposal have?

- 8 The approval of this framework call-off will add significant value to many of our residents across the city and support the upgrade and modernisation of their homes.
- 9 An EDCI screening was carried out for these works and can be found in the key decision (see background documents). There are no equality, diversity, cohesion, and integration issues related specifically to the framework call-off for Re-Roofing and Associated Works.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 10 This work is strongly aligned to the three pillars at the centre of the Leeds Best City Ambition and will:
 - Support communities and tackle fuel poverty, improve housing quality and standards
 - Promote sustainable and inclusive economic growth
 - Reduce carbon through the improved insulation of our housing stock
- 11 Investment in these works and the resulting activity contributes to all of the Council's 3 Key Pillars as follows:
 - The re-roofing programme will improve the quality of council housing, reducing the likelihood of water ingress which can result in housing disrepair and the thermal efficiency of housing assets. This improves the living environments for tenants and contributes to improved Health and Wellbeing and reducing health inequalities within communities.
 - The skills programmes, apprenticeships and employment support provided by the programme will help towards our Inclusive Growth target of supporting businesses and residents to improve skills, helping into work and into better jobs.
 - The proposed re-roofing programme will have a positive impact on our Zero Carbon target as loft insulation is improved or installed as part of all new roof replacements. This will make properties more energy efficient and help to reduce carbon emissions.

What consultation and engagement has taken place?

Wards affected: City wide

Have ward members been consulted? Yes No

- 12 Legal and Procurement teams have been consulted in the development of this report.
- 13 The Strategy and Investment team will ensure full engagement with tenants throughout the period of re-roofing contract.
- 14 Leaseholder engagement will take place in accordance with *Section 20* of the Landlord and Tenant Act 1985 (as amended 2002).

What are the resource implications?

- 15 The call-off from this framework will be carried out in an open and transparent manner in line with the Contract Procedure Rules. It will ensure that competition is sought to identify best value.
- 16 The resources for delivery of these capital works are from within the Housing Revenue Account (HRA). A total of £2m will be contracted from this framework agreement and will be split between the two successful contractors. This figure is less than the figure quoted in the List of Forthcoming Key Decisions published on 29th November 2021. This is due to some of this funding being required for works that needed completion prior to the spend for 2022/23 being approved.
- 17 The framework agreement will run until 31st March 2025, officers in the Strategy and Investment team are accountable for ensuring LCC continues to achieve value for money in this contract.

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

- 18 A contract management plan will be in place for each successful contractor and will provide clear roles, responsibilities, and regular review points during the life of the framework agreement.
- 19 A risk register has been produced and the project team will continue to identify and monitor risks through all stages of the contract, including contract award and mobilisation.
- 20 Notable Risks include:
 - Housing ICT System – The new Civica system is now operational and Housing ICT Project staff will continue to work with Housing Leeds officers and contractors to train on the functionality of the new system where appropriate.
 - Financial vetting – This was undertaken as part of the initial framework procurement and presented a snapshot in time; to mitigate this risk further financial vetting will continue to be undertaken and monitored throughout the framework term to ensure all contractors have the requisite financial stability.

What are the legal implications?

- 21 As a call-off from an existing framework, to comply with the Council's Contracts Procedure

Rules 3.1.7, this report is a Key Decision and is therefore subject to call in. A tender evaluation report and proposal to award a contract will be brought for approval once the call-off stage has concluded.

22 Leaseholder engagement will take place in accordance with *Section 20* of the Landlord and Tenant Act 1985 (as amended 2002).

Options, timescales and measuring success

What other options were considered?

23 The alternative options were to:

- Do nothing- this was disregarded as the work must be undertaken to ensure council properties are wind and watertight in line with landlord obligations.
- Allocate the work to the Internal Service Provider. This option was disregarded, LBS have already committed to delivering a programme of roofing work in 22/23, the Head of LBS has confirmed that they do not have capacity to undertake an additional £2m of re-roofing work.

How will success be measured?

24 The programme directly contributes to the achievement of a number of the key performance indicators which the Council will use to measure success including:

- a) Providing enough homes of a high standard by maintaining properties to the Leeds Homes Standard.
- b) Supporting economic growth and access to economic opportunities, Employment and Skills targets for contractors helps create training and employment opportunities in Leeds.
- c) Providing skills programmes and employment support – creating apprenticeships and other training and employment opportunities through our contracting activity.
- d) All tenderers were required to complete social value plans for evaluation, including Employment and Skills targets when the Re-Roofing and Associated Works framework was originally tendered in 2021. The successful contractors for 2022/23 will be held to their social value commitments through contract management activity.

What is the timetable and who will be responsible for implementation?

25 The timetable for implementation is as follows:

Task/Milestone	Date
Tenderers invited to tender and issued with tender documents	Monday 4 th July 2022
Last date for tenderers to submit tender clarification queries	Monday 11 th July 2022
Tender submission date (Appendices 1 and 2)	Monday 18 th July 2022
Assessment and evaluation	Tuesday 19 th July to Monday 25 th July 2022
Tenderers notified of outcome	Friday 5 th August 2022
Contract awarded	Monday 15 th August 2022

Mobilisation period to contract start date	August 2022
Contract end date (excluding extensions)	31 March 2023

Appendices

- None

Background papers

- [D52029 – Reroofing Framework Authority to Procure – Key Decision](#)
- [D53998 – Reroofing Framework Contract Award](#)