

Tender Evaluation report in connection with proposed award of a contract for repair to TV Aerials.

Date: 24th October 2022

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

Brief summary

This report outlines the evaluation of the Repair of TV Aerial tender and seeks to gain approval to award the Responsive Repair of TV Aerials contract to MRM Electrical Solutions Limited.

This scheme supports the Council's activity to tackle the climate emergency, and the 'Best City Ambition' strategies towards growth, health & wellbeing to maintain and improve housing quality and standards.

Recommendations

- a) The Chief Officer of Civic Enterprise Leeds is recommended to note this report and approve the award of the Repairs to TV Aerial contract to MRM Electrical Solutions Limited for a period of four years with the option to extend for up to a further 12 months. The estimated value of the contract will be £50,000 per annum. The contract will start on the 21st November 2022 and end on the 20th November 2026, with a further option to extend for up to 12 months.

What is this report about?

- 1 This report provides details of the tender evaluation process and seeks approval from the Chief Officer Civic Enterprise Leeds to award the contract for the Repair of TV Aerials across Leeds City Region for housing and civic properties.
- 2 This report is a subsequent decision from a significant operational decision of 11th May 2022 that approved the procurement strategy to procure a contractor via a restricted tender process.
- 3 A tender was published on the 3rd August 2022 to four contractors who expressed an interest via an expression of interest (EOI) carried out in December 2021. A further update was carried

out in July 2022 prior to tender publication to ensure that contractors who responded to the initial EOI did still wish to be involved in the tender. The tender submission date was the 7th September 2022. Two contractors submitted a response to the tender. Two contractors did not submit bids and no reason was given for not submitting a bid.

- 4 The two contractors who submitted a bid have been scored on a price only basis as approved in the Authority to Procure decision. As part of the tender process and due diligence, the contractors have also had to provide referees for previous contracts carried out and references have been obtained from these referees. The contractors have also had to verify their turnover was suitable for the value of the contract. This information has been verified using CreditSafe and company accounts provided by the contractor and verified by the Finance team.
- 5 The maximum points that could be achieved was 1000 points for pricing. The table below outlines the scores for each contractor.

Tenderer	Price Score	Rank
MRM Electrical Solutions Limited	1000.00	1
Cube Communications Ltd	955.39	2

- 6 The contractor who is recommended for the contract award is MRM Electrical Solutions Limited. The rates submitted by the contractor have been benchmarked against current industry rates and are deemed to be within acceptable parameters for works of this nature.
- 7 References have been obtained from three contracts that MRM Electrical have carried out that are of similar size and nature to the proposed LBS contract and MRM have been asked to provide their accounts to assure the Council of their financial standing and ability to carry out a contract of this value.

What impact will this proposal have?

- 8 This proposal will provide a contractor to carry out Repairs to TV Aerials on Housing and Civic buildings across the Leeds City region.

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 9 The contract will support Health and Wellbeing by providing the responsive repair to TV Aerials required allowing residents to safely and securely enjoy TV in their homes and that Civic Buildings have safe and working TV systems in place if required.
- 10 The contract will support the Climate Emergency Pillar through climate and sustainability actions that will be used as part of a plan to reduce the impact on the environment.
- 11 The contract will support Inclusive Growth by supporting residents having up to date TV facilities in their properties that can function as required.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 12 Consultation and engagement with procurement colleagues to ensure the tender process has been compliant and followed the Council's Contract Procedure Rules. Leeds Building Services Responsive Repairs team have ensured that specifications and pricing documents cover all the requirements of these works.

What are the resource implications?

- 13 LBS anticipate with historical data the requirement for the for the servicing and responsive repair of TV Aerials that a budget of £50,000 per annum will be required. The contract is proposed to be for a period of 4 years with the option to extend for a further 12 months. The approximate value over the 5 years will be £250,000.

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

- 14 Risks of a procurement challenge are present in any procurement that is undertaken. However, this procurement has been carried out in full compliance with the Councils Contract Procedure Rules and Public Contract Regulations 2015, the risk of any procurement challenge is low.
- 15 Risks on site will include working at height on high rise blocks and in confined spaces in other Council Buildings. The risk of this will be mitigated by ensuring that the contractor has the Health and Safety accreditations required to carry out the works. The Contractor will be required to provide RAMS for the works they carry out and these will be checked by LBS service managers to ensure the works are carried out safely and in line with Health and Safety guidelines.
- 16 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.
- 17 The Contract Manager will ensure that regular contract meetings take place throughout the duration of the contract, and ensure performance standards are met by the contractor 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.
- 18 Expenditure against budgets provision will be monitored regularly by the Contract Manager to ensure that the contractor is on track with expected levels of spend.
- 19 Although the proposed contractor has been sourced from Constructionline, they have also been checked for both technical references from previous delivery of works and including financial checks and due diligence. The contractor proposed for award has been confirmed as financially stable prior to contract award. Records are stored on file for audit purposes.
- 20 If the contractor rejects any work from LBS, the Contract Manager will closely monitor the contractor and identify the reasons for the rejection, as it could be an early sign of financial difficulty.
- 21 If the contractor has capacity issues, the proposed contingency plan will be to utilise the Tender Hub team who will obtain a minimum of 3 quotes and offer the work to the lowest priced quote.

What are the legal implications?

- 22 This is a Significant Operational Decision and as such is not eligible for call in as this is a consequential decision of a previous Significant Operational Decision to carry out the procurement which is linked in the background papers section.
- 23 The procurement has been undertaken in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015, as relevant. The tender has been evaluated in accordance with the evaluation criteria set out in the tender documents. Following the tender evaluation, the successful contractor has been identified as MRM Electrical Solutions Limited.

24 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 appendices 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 a number of individual companies.

Options, timescales and measuring success

What other options were considered?

- 25 Several framework agreements were explored to see if these could support the procurement. However, no frameworks agreements were available to deliver the requirements for these works.
- 26 The decision to use a price only method rather than quality/price split has been approved in the Authority to Procure decision and agreed by all parties on the project team given the value of the contract being quite low.

How will success be measured?

- 27 Success will be measured with regular meetings between the contract manager and contractor to ensure that delivery of the responsive works takes place in an agreed timeframe. A contract management plan will be in place to ensure the contract is carried out as required by the Service.

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

- 28 Contract Award November 2022
- 29 Contract Start November 2022
- 30 Contract end November 2026

Appendices

- 31 Appendix 1 – Tender Analysis Report (Confidential)

Background papers

- [Authority to Procure Report](#)