

Authority to Procure a Contract for the Supply and installation of Modular Ramps

Date: 6th November 2023

Report of: Chief Officer, Civic Enterprise Leeds

Report to: Director of Strategy and Resources

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

Leeds Building Services (LBS) request authority to undertake a competitive procurement exercise with an estimated annual contract value of up to £550,000 per annum with a proposed strategy to appoint 1 contractor for the supply and installation of Modular Ramps to support delivery of public sector adaptations.

Initially the contract is proposed to be for 2 years with the option to extend for up to a further 2 x 12 months dependant on the needs of business and contract performance.

Recommendations

- a) This report requests the Director of Strategy and Resources to approve an open procurement procedure to seek to appoint 1 contractor for works scheme for the supply and installation of modular ramps for the Council, the contract will be for an initial period of 2 years with the option to extend for a further 2 x 12 months. The estimated total value including the potential contract extensions available is approximately £2,200,000.

What is this report about?

- 1 This report seeks the approval from the Director of Strategy and Resources to utilise an open procurement procedure as the proposed procurement route for the appointment of 1 contractor to undertake the supply and installation of modular ramps for public sector adaptations.
- 2 LBS do not currently have the capacity to deliver this work direct and therefore require external contractor(s) support to meet the requirements of the commissioning services within Council departments. The proposed contract and contractor will be managed by LBS within the overall programme of works they deliver to Housing Leeds.
- 3 It is anticipated that annual expenditure will be £550,000 and will be delivered by to 1 contractor for an initial period of 2 years with the option to extend for a further 2 x 12 months.
- 4 It is proposed that the tender evaluation methodology will be based on the quality/price separated approach. Contractors will be required to meet the minimum threshold in their quality submission. Thereafter contracts will be awarded to 1 contractor that has submitted the lowest price, subject to viability and affordability of the priced submission. This will enable value for money whilst still maintaining a good standard of work which LBS expect during the period of the contract.
- 5 The contractors that are invited to tender will have demonstrated they that have the specialist skills, technical expertise and knowledge that will ensure that all the works are carried out in line with Health and Safety and Environmental considerations.

What impact will this proposal have?

- 6 It is anticipated that there will be no significant impact on the wards.
- 7 An Equality, Diversity, Cohesion & Integration (EDCI) has been undertaken which has indicated that there are no negative impacts arising from undertaking this procurement exercise.
- 8 The contract will support LBS with their responsibilities of delivering the supply and installation of modular ramps as part of the public sector adaptations programme to Housing Leeds.
- 9 As part of the contract, there will be a requirement to achieve additional social value benefits. Social value success will be measured and monitored by the Social Value Engine. The Contractor will make social value commitments during the tender stage which will be recorded in the social value engine. During the life of the contract, adherence to the contractor's social value commitments will be monitored by the contract manager, to ensure that social value is delivered.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 10 This proposed procurement will support the Council's ambition to be a compassionate and caring city that tackles poverty and reduces inequality. It will do this by ensuring that tenants, many of them vulnerable members of the community, are able to live in safe, accessible, and well-maintained homes.
- 11 The specification for this procurement is for modular ramps which are designed to be able to be installed and then dismantled and reused once they are no longer required due to a change in residents' circumstances. This contributes to the council ambition for Zero Carbon.

What consultation and engagement has taken place?

Wards affected: N/A

Have ward members been consulted? Yes No

- 12 Leaseholder consultation is not required for this procurement exercise.
- 13 LBS have consulted with the Civic Enterprise Leeds Senior Management Team, Finance, LBS stakeholders along with the Procurement and Commercial Services, and Trade Unions. All parties are supportive of the proposal.

What are the resource implications?

- 14 The report seeks authority for LBS to put in place a contract for the supply and installation of modular ramps as part of the adaptations budget. The length of the initial contract will be 2 years with the option for an extra 2 x 12 months at an estimated value of up to £2,200,000 for the full 4 years.
- 15 As part of the tender submission, tenderers will be required to price a schedule of rates to deliver these works as well as having to provide written responses to a number of quality related questions.
- 16 The procurement process will require resources from the service to assist with the formulation of documentation for tender and tender evaluation, the mobilisation and on boarding, all of these are handled through business as usual with no additional resource required. Quantity Surveyor resource has been acquired from Housing Leeds to support on this procurement.

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

- 17 A risk register for this project is in place and will continue to be managed to monitor, mitigate and identify any new risks as they arise. Once a contractor is in place, the appointed contract manager within LBS will work with them to review risks regularly. Notable key risks include:
- 18 Risk of limited interest – there is a risk of limited interest in the tender due to the lack of contractors locally who can carry out the works. This can be mitigated by advertising the tender via the relevant channels.
- 19 Financial due diligence will be undertaken on the bidders to ensure their financial stability to undertake the requirements of the contract.
- 20 Due diligence checks of the preferred contractor(s) will be done to ascertain their technical evidenced experience and their financial position prior to contract award. This will ensure we are contracting with a financially sound organisation limiting the risk of works not being completed.

What are the legal implications?

- 21 This is a Key Decision, as the anticipated value of the contract will be over the £500,000 and as such is eligible for call-in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

Options, timescales and measuring success

What other options were considered?

- 22 The following procurement options have been considered in line with the current CPRs.

- a) **Do Nothing** – This option was disregarded as LBS do not have the capacity undertake to this work. Doing nothing would result in a high level of off contract spend. Therefore, this is not a viable option.
- b) **Call off from external Framework** – Despite some research this has identified that they are no specific external frameworks available or appropriate for this work. Therefore, this is not a viable option.
- c) **Conduct a Below Public Contracts Regulations 2015 Works Threshold Open Tender (Recommended option)** – It is recommended that the tender opportunity be advertised externally on Yortender, this will allow the Council to obtain greatest exposure to the market. This route provides the maximum opportunity to reach the widest range of contractors to maximise competition for this tender process. Applicants will be required to complete a PAS91 document to demonstrate their experience and expertise to deliver these works. An open expression of interest has been carried out where 7 contractors registered their interest for this procurement, which further supports this recommended option.

How will success be measured?

23 Success will be measure by letting the contract within the estimated value and in accordance with the timetable set out in paragraph 25 below.

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

24 The timetable proposed for the delivery of this programme is as follows:

Milestone	Month
Issue of Tender Documents	November 2023
Tender Return (minimum 5 week tender period)	December 2023
Tender Evaluation (inc. governance reporting, and contract award Prep)	By end January 2024
Contract Award	End of February 2024
Contract Start	April 2024

Appendices

- N/A

Background papers

- Equality, Diversity, Cohesion, and Integration Screening