

Approval to Award the Isolated Rewires and Kitchen and Bathroom Rewires Contract

Date: 29th January 2024

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 tender evaluation of the Isolated Rewires including Kitchen and Bathroom Rewires tender submissions and seeks to gain approval to award the contract to A Coole Electrical and GAP Property Services (Leicester) Limited.

This scheme supports the Council's activity to tackle the climate emergency, and the 'Best Ambition' strategies towards growth, health and wellbeing by providing operatives with the tools required to maintain and improve the quality and standards to housing.

Recommendations

- a) The Chief Officer of Civic Enterprise Leeds is recommended to note this report and approve the award of the following contracts:
 - Lot 1 Kitchen and Bathroom Rewires for Leeds Building Services (LBS) to A Coole Electrical for an estimated value per annum of £1,000,000.
 - Lot 2 Isolated Rewires to GAP Property Services (Leicester) Limited for an estimated value per annum of £200,000.
 - Both contracts will be for a period of two years with the option to extend for a further 1 x 12 months. The contracts will start on the 1st April 2024 with a total estimated value of £3,600,000 including if the extension option is exercised..
- b) Recognises that Appendix 1 should be designated exempt from publications in accordance with Access to Information Procedure Rule 10.4(3).

What is this report about?

- 1 This report provides details of the tender evaluation process and seeks approval from the Chief Officer of Civic Enterprise Leeds to award a contract for Isolated Rewires and a further contract for Kitchen and Bathroom Rewires.
- 2 This report is a subsequent decision from a Key Decision on the 5th June 2023 that approved the procurement strategy to procure a contractor via an open tender process. The Authority to Procure report was published on the 5th June and referred to a budget of £1,500,000 with £1 million being allocated to Kitchen and Bathroom Rewires and £500,000 being allocated to Isolated Rewires. However, since this publication the budget for these works has been reduced to stay in line with previous budget allocations. Therefore, the overall estimated budget for these works is £1,200,000. This is to be split with Planned Kitchen and Bathroom Rewires being allocated £1,000,000 and Isolated Rewires being allocated £200,000.
- 3 A tender opportunity was published on the 5th September 2023 to the YORtender portal as an open tender. The submission date was the 11th October 2023. Interested organisations were required to complete and submit a PAS91 to demonstrate their past experience, along with their tender submission for the 2 work areas. The PAS91 contained requirements for interested parties to demonstrate that they had the necessary experience (in the context of historical experience) of undertaking similar works as to those we required.
- 4 As per the tender documents all organisations that achieved the PAS91 requirements then had their tender submission evaluated. This was undertaken on the basis of a price, quality separated approach whereby all contractors that scored the minimum quality threshold of 60% on their quality submission were then evaluated on price only.
- 5 Seven tenderers submitted a bid. During the scoring of the PAS91 responses by officers from the Service area (LBS), one bidder did not achieve the PAS91 scoring requirements and in line with the tender instructions and evaluation process they were not scored on their quality and pricing responses for their full tender submission.
- 6 The six remaining tenders received were evaluated by the evaluation panel made up of three officers from within LBS.
- 7 The pricing element of the bids required some clarifications to ensure that their pricing was complete and a compliant tender submission. This element of the submission was evaluated by the Commercial Team Quantity Surveyor in Housing Leeds.
- 8 The six submissions were scored in line with the tender evaluation criteria as contained in the tender documents. All tenderers were required to score a minimum quality threshold of 600 points to ensure they could deliver the level of service required.
- 9 One bidder did not score above the minimum quality threshold. The table below outlines the results of the tender evaluation scores.

Bidder	Quality Score	Price Score	Rank
A Coole Electrical	Pass	1000.00	1st
GAP Property Services (Leicester) Limited	Pass	914.15	2nd
Bidder A	Pass	814.63	3 rd
Bidder B	Pass	712.61	4 th
Bidder C	Pass	121.87	5 th

Bidder D	Failed minimum threshold	Failed to pass minimum threshold (price not scored)	N/A
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- 10 Subsequently in line with the tender instructions regarding the awarding of the Lots, the 1st placed bidder will be awarded Lot 1 Kitchen and Bathroom Rewires. The 2nd placed contractor will be awarded Lot 2 Isolated Rewires. Therefore Lot 1 will be awarded to A Coole Electrical as 1st placed bidder and Lot 2 will be awarded to GAP Property Services (Leicester) Limited as 2nd placed bidder which is outlined in the scoring table above.
- 11 The specification for this tender outlines the provision that if either contractor on one of the Lots cannot accept certain works for any reason then the refused work will be offered to the contractor for the other Lot. This would allow the service to ensure works can still be carried out and this option can only be used where the Lot 1 or 2 contractor has refused works via letter or email.

What impact will this proposal have?

- 12 The proposed award of contracts will provide a specific contractor to carry out Kitchen and Bathroom rewires and another specific contractor to deliver Isolated rewires works in housing council properties. It will support the planned Kitchen, Bathroom and full house rewires works by providing essential rewires works to take place before the kitchen or bathroom fit takes place. These works will also ensure that houses have the up to date and correct wiring in place to support either a new kitchen or bathrooms.

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 13 The proposed award of contracts will support Health and Wellbeing by providing up to date and safe wiring in properties that is fit for the installation of new kitchens and bathrooms. Therefore, providing safe facilities for tenants to use.
- 14 The contract will deliver social value benefits under themes measures and outcomes (TOMS) as submitted by the contractor as part of their tender to support inclusive growth in the Leeds city region with supporting local Leeds business and suppliers.
- 15 The contract will support the zero-carbon policy through the carrying out of the wider works improving efficiency of kitchens, bathrooms and rewiring in homes that use less energy and therefore less emissions.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 16 Consultation has taken place with Procurement and Commercial Services (legal team), the Construction and Housing procurement team to ensure the procurement and subsequent contract is compliant.

What are the resource implications?

17 LBS estimate the contract agreement value per annum to be £1,200,000 per annum of planned works. This will be split via the Lots as outlined below. Lot 1 for Kitchen and Bathroom rewires will be £1,000,000 and Lot 2 Isolated Rewires will be £200,000. The contract agreement is proposed to be for a period of 2 years with the option to extend up to a further 1 x 12 months, so £3,600,000 in total over 3 years.

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

- 18 Risks of procurement challenges will be present in any procurement that is undertaken. To manage this, a fully compliant and transparent tender process has been carried out in line with the Contract Procedure Rules.
- 19 Due diligence has been completed in regard to the proposed contractors for award of contracts with relevant vetting carried out to obtain technical references from previous works of a similar nature of works, financial checks and due diligence on Health & Safety and safeguarding. Records are stored on file for audit purposes.

What are the legal implications?

- 20 This is a significant operational decision as a direct result of a key decision Reference: D56433 taken on 05/06/2023 and is therefore not open to call in. Other than Appendix 1 – Tender Analysis Report, there are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 21 This procurement has been undertaken in compliance with the Council's Contract Procedure Rules. The tender has been evaluated in accordance with the evaluation criteria set out in the tender documents. Following the tender evaluation, the successful contractors have been identified as Lot 1 Kitchen and Bathroom rewires: A Coole Electrical and Lot 2 Isolated Rewires: GAP Property Services (Leicester) Limited.
- 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 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?

23 Several frameworks were explored to see if these could support the procurement of the Isolated Rewires including Kitchen and Bathroom Rewires, however none of the frameworks available supported the works LBS needed or contained the current contractors carrying out the works now.

How will success be measured?

- 24 KPI's as contained in the tender will be managed and monitored and will contribute to measuring the success of the contract.
- 25 The contract will be delivered and supported with a robust contract management in place, that will be the responsibility of the contract manager in LBS.

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

26 Contract Award February 2024

27 Contract Start April 2024

28 Implementation will be carried out by the Head of Leeds Building Services and Team Managers in the Planned works team.

Appendices

- Appendix 1 – Tender Analysis Report (confidential)

Background papers

- Authority to procure report: [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk/council-and-democracy)