

Proposed Procurement Strategy for the appointment of a specialist demolition consultant to advise on the proposed demolition of a number of Large Panel System (Reema) residential tower blocks.

Date: 3rd September 2024

Report of: Chief Officer Asset Management and Regeneration.

Report to: Chief Officer Housing, Communities, Housing & Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The October 2022 Executive Board agreed the recommendation that the Large Panel System built (Reema) high-rise housing blocks at Gipton Gates East and West, and at Alderton Heights should be safely demolished, creating clear sites for future housing development.

Subsequently in October 2023 Executive Board agreed that the Large Panel System built high-rise housing blocks at Bailey Towers, Brookland Towers, Ramshead Heights, Leafield Towers, Raynville Court and Raynville Grange should also be safely demolished, creating clear sites.

Having regard to Executive Board's decision to proceed with the demolition of eleven Large Panel System built high-rise residential tower blocks across the city, this report seeks approval to undertake a mini competition using Lot 1 of the Fusion21 Framework to procure a specialist demolition consultant to prepare amongst other things technical designs and specifications for the demolition works for each tower block, to provide technical advice, monitor and supervise the demolition works on site. The report also seeks approval to the evaluation methodology to be applied, which is proposed to be a quality/price separated approach.

The report supports the Council's Pillars of Health and Wellbeing, Inclusive Growth and Zero Carbon

Recommendations

The Chief Officer Housing is requested to:

- a) Approve the procurement of a specialist demolition consultant via a mini competition using Lot 1 of the Fusion21 Framework to provide design and technical advice for the demolition of Large Panel System built high-rise residential tower blocks at Gipton Gate East and West and Alderton Heights.
- b) Approve the subsequent direct appointment without competition to be made for the remaining Large Panel System built blocks, conditioned on the satisfactory performance of the consultant with regard to the demolition of the Alderton Heights and Gipton Gate blocks and the fee proposal for the remaining blocks affording value for money to the Council.
- c) Approve the evaluation methodology to be applied to assess the tenders received to undertake the proposed commission, with the evaluation criteria being a quality/price separated approach.

What is this report about?

- 1 In October 2022 Executive Board agreed that the high-rise housing blocks at Gipton Gates East and West, and at Alderton Heights should be safely demolished, creating clear sites for future housing development. Furthermore in October 2023 Executive Board agreed that the high-rise housing blocks at Bailey Towers, Brookland Towers, Ramshead Heights, Leafield Towers, Raynville Court and Raynville Grange should also be safely demolished, creating cleared sites for redevelopment.
- 2 The residents of Gipton Gates East and West and Alderton Heights are currently being re-housed with vacant possession expected July 2025 for Gipton Gates East and West, and October 2025 for Alderton Heights.
- 3 Before procurement of a demolition contractor can begin, a safe method of demolishing each high-rise housing block that has regard to local circumstances must be produced. The proposed demolition methodology for each tower block will provide the required works and site Information for inclusion in the tender documentation to be issued to contractors bidding for the demolition works.
- 4 The retained consultant will be tasked with providing all services to develop the demolition methodology works and site Information comprising of, but not limited to, commissioning all necessary surveys, utility disconnections, specialist consultants (planning, transport etc.), structural analysis, demolition specification/employers requirements documentation, Principal Designer service (Construction Design Management Regulations), advice on contractor procurement/frameworks and tender appraisal content, tender appraisal support, validation of contractor Risk Assessment and Method Statements, Health & Safety and contractors proposals and post contract award project management/contract administration.
- 5 In discussion with the Council's Procurement and Commercial Services (PACS) team, it is proposed to procure the specialist demolition consultant via a mini competition using Lot 1 of the Fusion21 Framework and, that the evaluation criteria to be used to assess tender submissions will be a quality/price separated approach, whereby only those bidders that meet the quality threshold set out in the tender documentation will have their price submission evaluated. Thereafter, the consultant submitting the lowest price will be selected as the consultant to undertake the commission.
- 6 The form of contract will be a NEC 4 Professional Services Contract.

- 7 The Chief Officer Housing should note that it is proposed to initially appoint a demolition consultant to provide advice for the demolition of the Alderton Heights and Gipton Gate high rise blocks. There may be the opportunity for a subsequent direct appointment without competition to be made for the remaining Large Panel System built blocks, based on the satisfactory performance of the consultant with regard to the demolition of the Alderton Heights and Gipton Gate blocks and the fee proposal for the remaining blocks affording value for money to the Council.

What impact will this proposal have?

- 8 The appointment of a demolition consultant will ensure the works and site information required to form part of the tender documentation for the appointment of a demolition contractor is comprehensive and produced in full to enable a valid Invitation To Tender to be issued.
- 9 Working to empty and then demolish these tower blocks will enable the Council to replace the existing housing stock that has exceeded its design life, with new modern, energy efficient quality housing in buildings with a 60+ year life expectancy.

What consultation and engagement has taken place?

- 10 Ward Members and the Executive Member for Housing are regularly briefed on the progress of each site.
- 11 PACS has been consulted and is supportive of the recommendations contained in the report.

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

x Health and Wellbeing

x Inclusive Growth

x Zero Carbon

- 12 Health and wellbeing. Given the known investment needs of these blocks, for many residents a new home will have a positive impact on their health and wellbeing. For example, a number of residents are living in flats which are not meeting expectations for quality homes, and others where a housing priority will enable them to move more swiftly into a property more suited to changed needs.
- 13 In 2023 Leeds became a Marmot City seeking to strengthen shared commitments to reduce health inequalities, with housing identified as a priority area. The proposal to demolish the blocks supports that Marmot City work to reduce health inequalities by addressing issues with poor quality, inefficient housing and helping to reduce fuel poverty.
- 14 The proposed demolition works will support Inclusive Growth through the provision of direct employment and training opportunities.
- 15 During the demolition works on site, the contractor will be required to minimise and report total carbon dioxide emissions from the demolition process i.e., setting targets for site energy consumption and where relevant litres of fuel used as well as potable water consumption arising from the use of plant, equipment and site accommodation. Targets for minimising transportation movements and impacts resulting from the delivery of materials to or from site, including demolition waste to disposal, processing or recovery centres will also be set.

What are the resource implications?

- 16 The estimated contract value of the consultancy work for Gipton Gates East and West, and Alderton Heights is circa £750k (including survey and contingency costs and an estimated pre and post demolition works programme of approx. 30mths). The actual contract price and subsequent appointments will only be established upon receipt of tender submissions.

17 The Chief Officer Housing should note that there is the opportunity for a subsequent direct appointment of the demolition consultant without competition to be made for the remaining Large Panel System built blocks (Bailey Towers, Brookland Towers, Ramshead Heights, Leafield Towers, Raynville Court and Raynville Grange), based on satisfactory performance on the demolition of the Alderton Heights and Gipton Gate blocks and the fee proposal for the remaining blocks affording value for money to the Council, then the additional estimated contract value of the consultancy work is estimated at circa £900k .

What are the legal implications?

18 This decision is a direct result of a previously taken key decision taken by Executive Board in October 2023 and therefore is not subject to Call In. It should be noted that decisions that flow from this including the award of the contract to the successful tenderer and the Authority to Spend will also be treated as a Publishable Administrative Decision.

19 In making a final decision, the Chief Officer Housing should note the above comments and be satisfied that the course of action chosen will provide best value for the Council.

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

20 The work to be undertaken by the demolition consultant is essential to ensure the timely demolition of the blocks once vacant possession has been achieved, reducing the opportunity for vandalism and anti-social behaviour, with consequential cost implications to the Council.

21 There is a risk of a lack of interest from consultants in tendering for the works. To mitigate this as far as possible an Expression of Interest document was issued to consultants on Lot 1 of the Fusion21 Framework and the level of response received from consultants indicates a positive interest in the proposed commission

22 There is a risk that the tender for the proposed works will exceed the budget available. This will only become apparent upon receipt of the tenders. This risk cannot be completely mitigated.

What other options were considered?

23 One to one negotiation with the demolition consultant appointed for the Highways and a direct call off from an established framework were considered. These options were both discounted as they would likely not result in value for money as there would be no market competition.

How will success be measured?

24 A preferred consultant with the required experience will be appointed in accordance with the programme for the demolition of the high-rise tower blocks and whose tender submission is within budget.

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

25 The high level procurement timeline for the appointment of the demolition consultant is as follows:

Tender Returns	26/10/24
Tender Evaluation Start	27/10/24
Tender Evaluation End	01/12/24
Authority to Award Contract Publishable Admin Decision	05/12/24
Consultant Appointed	12/12/24

26 The Chief Officer Housing will be responsible for implementing the recommendations in the report.

Appendices

27 EDCI Reema Demo MDST Procurement Strategy v0.1.doc

Background papers

- [Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk)
- [Council and democracy](#)