

Central Bedfordshire Council

EXECUTIVE - 10 February 2015

AWARD OF THE ROOF REPLACEMENT CONTRACT 2015 - 2018

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This report relates to a Key Decision

1. This report recommends the award of the contract for the Roof Replacement of council dwellings for 2015 – 2018. This contract will help meet priority 6 of the Housing Asset Management Strategy, i.e. to ensure the housing stock is kept in good repair and meets tenants' current and future expectations.

RECOMMENDATIONS

The Executive is asked to:

1. award the Housing Roof Replacement Contract to Contractor C.

Overview and Scrutiny

2. This issue has not been considered by Overview and Scrutiny.

Issues

3. This report outlines the outcome of the tendering of the Housing Service Roof Replacement Contract. This contract was procured using standard contract documentation (JCT Measured Term Contract).
4. The new contract allows for the renewal of pitch roof coverings and flat roof replacement in different forms.

Reasons for decision

5. This contract will help to meet priority 6 of the Housing Asset Management Strategy (HAMS) to ensure the housing stock is kept in good repair and meets tenants' current and future expectations. This contract will allow the Council's Housing Services to continue the Roof Replacement programme during 2015 – 2018.
6. The existing contract for Roof Replacement ends in March 2015 and the Council is required to enter into new contract arrangements that will commence from April 2015.

Council Priorities

7. The actions support the Council priorities by:
 - a. Making a positive contribution towards employment and training initiatives that will benefit the community within Central Bedfordshire by providing local employment opportunities.
 - b. Generating efficiencies and value for money through economies of scale, supply chain management and improved working practices.

Corporate Implications

Procurement

8. The contract has been tendered in accordance with the Council's Corporate Procurement Rules.

Sustainability

9. Recycling targets will be agreed at contract award with the contractor with a bespoke Site Waste Management Plan and utilise the SMART Waste online system to develop a waste forecast. In line with the Council's Housing Asset Management Strategy, contractors will be expected to demonstrate the same level of commitment to environmental sustainability as the Council.
10. Contractors will use Forest Stewardship Council certified timber products, use local business suppliers to reduce transport and recycle/re-use of materials wherever possible be expected to ensure any waste from programmes is minimised. The Contractor is committed to the *WRAP voluntary agreement to halve waste to landfill. Where necessary the contract will allow to the increasing of loft insulation to current standards.

*Worldwide Responsible Accredited Production (WRAP)

Legal Implications

11. Standard contract documentation JCT measured term contract, with schedule of rates for the roofing works.

Financial Implications

12. The Housing Revenue Account (HRA) annual programme indicates budgetary provision for Roof Replacements of £550,000 in 2015/16, £505,000 in 2016/17 and £510,000 in 2017/18. The contract is initially for a three year period with a further two years extension possible subject to satisfactory performance review at the Council's discretion. The above budgetary allowances are included in the Housing Services Business Plan, which reflect the average spend on roof replacement in recent years. Whilst this budget provision is available within the Housing Service Business Plan, there is no obligation within the contract to spend a minimum sum with the chosen contractor. The Council has the flexibility to adapt its strategy to meet its current priorities without financial loss. The contract evaluation is based upon an equal 80% price and 20% quality assessment to help ensure value for money from the contract.

Equalities Implications

13. Equality and diversity are key issues for all directorates within Central Bedfordshire Council. As part of the tender evaluation contractors' demonstrated their compliance with the Corporate Equalities Policy and incorporate this commitment within their method statements. As part of ongoing contract monitoring arrangements the Council will check that statutory service delivery and employment requirements relating to equality are met.

Risk Management

14. The following risks have been identified:
 - Failure to deliver the roof replacement programme programme.
 - Failure to effectively utilise the 2015-18 budget provision for the purpose intended.
 - Failure to deliver value for money.
 - Failure to deliver the Housing Strategy (i.e. to ensure that the housing stock is kept in good repair and meets tenants' needs and expectations) and other council priorities.

The Contract

15. This is a three year contract with a two years extension and subject to performance and annual review.

16. The Contract employs standard commercial terms following the JCT Form of Measured Term Contract supported by a priced bespoke schedule of rates.
17. Using this type of contract, the contractor is paid for the measured area of the roof construction replaced. The contractor is responsible for all associated design.
18. Variation orders are agreed for any adjustment to the original works using pre-priced rates before the contractor is paid any additional or reduced sums.

Tender Evaluation

19. A contract advert was placed on the 9 June 2014 in an appropriate trade magazine Roofing Today, local newspapers and on the CBC website.
20. Eight pre qualification questionnaires were received on the 4 July 2014 and six contractors were shortlisted.
21. One contractor declined to tender, five tenders were received by the closing date and therefore evaluated.
22. The Standard Award Criteria Evaluation Model is a points system based upon 80% of the points being awarded for financial submissions and 20% of the points being awarded for quality method statement submissions/site visit. The criteria for assessment of quality covered the following specific areas: Environment; Equalities, Health & Safety, Insurances & Data Handling, Method of Delivery of the service, Resources to be allocated, Business Continuity, Quality control and Performance Management (KPI's), Customer Care and Social Values.
23. A joint evaluation panel made up of officers and tenants was established to evaluate all tender bids. The information provided in the quality method statements was reviewed. The outcome of the evaluation was to recommend a contractor who met quality and financial criteria, and provided the most economically advantageous tender.

Conclusion and next Steps

24. The conclusion of the report is for the Executive to approve Contractor C for the Housing Roof Replacement contract. The next step if Contractor C is approved; for housing to prepare the contract and award the works.

Appendices

25. Appendix A is attached. The appendix is exempt under category number 3 “information relating to the financial or business affairs of any particular person (including the authority holding that information)”.
26. Appendix A – Exempt report Award of the Housing Roof Replacement Contracts 2015 -2018.

Background Papers

27. The following background papers, not previously available to the public, were taken into account and are available on the Council’s website:

None