


REPORT TO CABINET

9 September 2020

Subject:	Urban Design & Building Services Repairs and Maintenance Framework – 2020/2024
Presenting Cabinet Member:	Councillor Danny Millard – Cabinet Member for Inclusive Economic Growth
Director:	Interim Director – Regeneration and Growth- Tammy Stokes
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Cllr Danny Millard
Director Approval:	Tammy Stokes
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	N/A
Scrutiny Consultation Considered?	Scrutiny have not been consulted
Contact Officer(s):	David Harris Strategic Assets & Land david_harris@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

- a) Authorise the Interim Director – Regeneration and Growth to award a contract for delivery of Mechanical & Electrical (M&E) Repairs and Maintenance and Minor Works to Dodd Group (Midlands) Ltd as a call off against Lot 2 of the Constructing West Midlands Framework for Repairs and Maintenance for non-housing related works, with an approximate value of £15,881,000.
- b) Authorise the Interim Director – Regeneration and Growth in consultation with the Section 151 Officer to award of a contract for delivery of Building Fabric Repair & Maintenance and Minor Building Works as a call off against Lot 1 of the Constructing West Midlands Framework for Repairs and Maintenance and Minor Building Works for non-housing related works.
- c) That in connection with 1 and 2 above, authorise the Director - Law and Governance and Monitoring Officer to enter into or execute under seal any documentation in relation to award of the framework contracts and/or other agreements as may be deemed necessary.
- d) Authorise the Interim Director – Regeneration and Growth to extend the current Solihull MBC contract for Non-Council House Repairs and Maintenance for those areas of the procurement process that may not be procured in time for a proposed start date of the 1st October 2020, on terms to be agreed by the Interim Director – Regeneration and Growth in consultation with the Section 151 Officer.

1 PURPOSE OF THE REPORT

- 1.1 Further to the Cabinet report of 22 January 2020, this report now seeks approval to award contracts at mini-tender stage as part the Constructing West Midlands Framework for Repairs and Maintenance for non-housing related works;
 - Lot 1 - Building Fabric Repair & Maintenance and Minor Building Works
 - Lot 2: Mechanical & Electrical (M&E) Repairs and Maintenance and Minor Works

2 IMPLICATIONS FOR THE VISION 2030

- 2.1 The proposed contracts will contribute to the following Ambitions for Vision 2030.

- 2.2 Community life (Ambition 8); quality of schools (Ambition 4). Effective repairs and maintenance of the councils operational and commercial estate will allow schools, leisure centres and other community assets to be available for use by the community.
- 2.3 Lowering crime and Anti-Social Behaviour (Ambition 5). Effective repairs and maintenance of the councils operational and commercial estate, and the on-going security of vacant sites will help reduce crime and disorder.
- 2.4 Getting things done (Ambition 10). The proposed contracts will provide a specialised service to external bodies as a route to getting things done.
- 2.5 Local economy (Ambition 9). Effective repairs and maintenance of the councils operational and commercial estate will support regeneration and growth helping to boost the local economy.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 Acivico and Sandwell MBC have been working together jointly, pooling their technical resources to develop a suite of frameworks primarily focused on delivering a best value solution for their respective internal construction, repair, maintenance and refurbishment programmes.
- 3.2 The Constructing West Midlands Framework is the CWM2 'Repair and Maintenance' for the provision of planned and reactive Repairs and Maintenance services covering Building Fabric and Mechanical & Electrical components, to include statutory / planned maintenance and inspections, emergency and reactive maintenance and a provision for minor construction and refurbishment works. The term of the framework is 4 years from 2020 to 2024. There are two lots under this framework:
 - Lot 1 - Building Fabric Repair & Maintenance and Minor Building Works
 - Lot 2: Mechanical & Electrical (M&E) Repairs and Maintenance and Minor Works

4 THE CURRENT POSITION

- 4.1 The current contract is called off against a framework arrangement with Solihull MBC that comes to an end on 30 September 2020. An interim arrangement has been put in place further to Cabinet authority in August 2019.
- 4.2 Cabinet approved the award of the new Constructing West Midlands framework agreement at its meeting of 22 January 2020. This report further details the subsequent mini-tendering exercises for Lots 1 & 2.

- 4.3 A mini tender exercise has now been completed for Lot 2 Mechanical & Electrical (M&E) Repairs and Maintenance and Minor Works, with subsequent results detailed further below.
- 4.4 The mini tendering exercise for Lot 1 - Building Fabric Repair & Maintenance and Minor Building Works, is still ongoing with a planned completion date of end of September 2020. Approval is sought for the award of this tender to allow both Lots to be let simultaneously.
- 4.5 The tendering exercise for Lot 1 - Building Fabric Repair & Maintenance and Minor Building Works has been delayed due to specification alterations which are required further to the wider scope of the Framework tender.
- 4.6 Once the mini-tendering exercise has been completed for both Lot 1 & 2, a period of mobilisation would be required by the successful contractor. Dependent upon whether this is an existing provider, or a new provider will determine the mobilisation period of between 1 to 3 months.
- 4.7 It may be necessary to extend the existing contract with Solihull MBC for Non-Council House Repairs and Maintenance whilst procurement of Lot 1 is concluded. This will also take in to account the subsequent mobilisation period of both Lots. The extension if required would be for no longer than a 3-month period taking the contract end date for the current arrangement with Solihull MBC to 31st December 2020.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Individual contracts let for works under the proposed framework on council land and properties may require public consultation to be undertaken as part of the Statutory Planning process and throughout the delivery of the any specific project plans.

6 ALTERNATIVE OPTIONS

- 6.1 If the contracts are not called off against the Constructing West Midlands Framework', then individual works would need to be procured on an item by item basis. This option would involve individual procurement exercises resulting in
 - additional costs and time to appoint a suitable contractor for the works;
 - reduced ability to react quickly in cases of urgent works;
 - no income generation from outside bodies; and
 - loss of a close working relationship with contractors across the identified works and a lack of consistency with risks to quality and value.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The proposed call off contracts as part of the CWM framework make no financial commitment or guarantee of levels of work to be let under the terms of the agreement.
- 7.2 This report seeks approval to accept the tender of Dodd Group Ltd for the Mechanical & Electrical Repair and Maintenance Framework Contract 2020 – 2024 of tender for Lot 2, as set out below.
- 7.3 Procurement and Contract Procedure Rules 2018-2019 clause 16.2 provides authority to the Cabinet to award contracts above the value of £250,000.
- 7.4 The Cabinet meeting on 22 January 2020 approved delegated authority to Chief Officers to complete CWM Framework tender process and award at Framework level.
- 7.5 As part of the Framework approach, we are now seeking subsequent approval to award the contract for the Mechanical & Electrical Repair and Maintenance Framework Contract 2020 – 2024 under the mini- tendering process as part of the overall Framework.
- 7.6 In accordance with the tendering procedures, the top two tenderers were invited to take part in a further mini-competition.
- 7.7 The second top scoring tenderer had also submitted a valid tender for the Building Fabric Repair and Maintenance Framework Contract 2020 – 2024. The conditions of tender were that suppliers could tender for both frameworks but would only be appointed to the one for which they expressed a preference. This company preferred The Building Fabric Repair and Maintenance Framework Contract 2020 – 2024 and therefore took no further part in the evaluation process.
- 7.8 However, the second top scoring tenderer confirmed in writing that they would not take part in the further mini-competition due to the large gap between their score and the top scoring company.
- 7.9 Mini competition documents were issued with a tailored specification required currently by Sandwell. The Larger framework prices represent a wider range of activity which will provide flexibility for other public bodies to access the framework over the tender period.
- 7.10 The result was:

Dodd Group (Midlands) Ltd £15,880,724.64

- 7.11 The tender of Dodd Group (Midlands) Ltd, in the sum of £15,880,724.64, has been checked and found to be technically and arithmetically correct.
- 7.12 The successful contractor will work with officers from Building Services in the management of the repair and maintenance framework 2020 - 2024.
- 7.13 In regard to Lot 1 - Building Fabric Repair & Maintenance and Minor Building Works, the same due diligence, procurement compliance and checking will be undertaken before requesting delegated authorisation.
- 7.14 Of the four framework providers the top two companies for Lot 1, Graham Asset Management Ltd and Fortem Solutions Ltd will be invited to bid further as part of the mini-tendering exercise.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The procurement exercise is in compliance with The Public Contract Regulations 2015 and the Council's Procurement and Contract Procedure Rules.
- 8.2 The financial management of the proposed framework and any contract let under the framework will be carried out using the council's financial systems and according to its financial regulations.
- 8.3 The call off contracts as part of the mini-tendering exercise will not requiring advertisement in the OJEU as the framework has already been tendered in and OJEU compliant process. Individual contracts will only be let under the proposed framework when respective Cabinet/Director approvals for budget expenditure have been received for the individual projects.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 Individual call off contracts let for works under the proposed framework on council land and properties will be required to have been through a Project Appraisal or Revenue Budget approval process where an Equality Impact Assessment screening exercise will be carried out.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 This report does not relate to the collection of personal information and therefore a privacy impact assessment is not required.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 Individual call off contracts let for works under the proposed framework on council land and properties will be required to have been through a Project Appraisal or Revenue Budget approval process where the Corporate Risk Management Strategy (CRMS) will be complied with throughout, in identifying and assessing the significant risks associated with the individual projects. This would include (but not limited to) political, legislation, financial, environmental and reputation risks. A project risk register will be compiled and will be reviewed and updated on a regular basis. The risk register will be monitored by the project team.
- 11.2 Approval of the recommendations being sought, will assist in the mitigation of the directorate risk in respect of 'Repairs and Maintenance to operational premises' which is currently assessed as red.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 Individual call off contracts let for works under the proposed framework on council land and properties will be required to have been through a Project Appraisal or Revenue Budget approval process where proposals for sustainability will be considered.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 Individual call off contracts let for works under the proposed framework on council land and properties will be required to have been through a Project Appraisal or Revenue Budget approval process where the impact on health and wellbeing will be considered
- 13.2 The Public Services (Social Value) Act 2012 requires that all public service contracts at OJEU threshold are subject to appropriate social value criteria and that these contracts include some "added value" benefit to the community. The tender provides for 50% of the assessment to be based on a quality submission, which includes a social value component where appropriate.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 Individual call off contracts let for works under the proposed framework on council land and properties will be required to have been through a Project Appraisal or Revenue Budget approval process where the impact on any Council managed property or land will be considered.

14.2 Having access to a new Framework call off contracts with an extended brief to cover most repairs & maintenance will enable more detailed and consistent analysis to be undertaken and supporting services procured at the feasibility stage to better inform the project appraisal process.

15 **CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 The award of Lot & Lot 2 Call off contracts as part of the Construction West Midlands Frameworks will result in the following benefits:

- Saving cost and time when seeking to tender individual projects and to appoint suitable consultants for the works through an established mechanism designed to maximise both quality and value;
- The ability to react quickly in cases of urgent works;
- The potential to generate partnerships and close working relationships with specialist contractors on complex projects with health & safety and other critical issues.

16 **BACKGROUND PAPERS**

16.1 Cabinet Report 22nd January 2020

17 **APPENDICES**

17.1 None