

Report to CABINET

Construction & Highways Services Framework

Portfolio Holder:

Councillor Abdul Jabbar, Finance and Corporate Services

Officer Contact:

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Report Author:

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Ext. 4028

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Reason for Decision

This report requests approval to establish a new Construction Framework.

The current framework was set up in 2015, but is due to expire (as detailed in Appendix A), to deliver Low Value Construction & Highways Services (that are managed by Unity Partnership as the Council's Strategic Partner), which are to facilitate the future delivery of maintenance works.

Executive Summary

A review of the delivery of Low Value Construction & Highways Services Multi-Lot Framework currently managed by Unity Partnership and the Council has identified that a new framework needs to be established.

The proposal is to establish a new Construction and Highways Works & Services Framework, which includes a variety of lots (as detailed in Section 2.6) to cover the majority of the Council's maintenance work requirements. The Council needs to ensure that all procurement activity is fully compliant with Oldham Council Contract Procedure Rules and EU Procurement Regulations.

The Framework Agreement is to be established initially for a two-year period, with the option to extend by an additional two years (in one-year increments), if considered appropriate to do so at that time.

Recommendations

That Cabinet approval is given to establish this Construction and Highways Works & Services Framework (CHWSF).

Construction and Highways Works & Services Framework

1. Background

- 1.1 The existing Oldham Council Term Frameworks are coming to their expiry date (end October 2019). The Council and Unity Partnership need to ensure all procurement activity is fully compliant with Oldham Council Contract Procedure Rules and EU Procurement Regulations.
- 1.2 This paper sets out the requirement to establish an over-arching master framework agreement, divided into value banded work categories (as detailed below), as a route to market to cover all maintenance, servicing, statutory, repairs and minor / moderate works that will be required to the Council's building stock; whether a reactive or planned requirement. It is proposed that the framework agreement period, will initially be for a two - year fixed period, with the option to extend by an additional two years (one - year increments), if considered appropriate to do so at that time.
- 1.3 The resultant framework termed, the Construction and Highways Works & Services Framework is divided into the following Lots:

2. Current Position

- 2.1 Due to the value of the CHWSF framework estimated as circa £13m per annum, it has been necessary to procure the framework in line with the EU Public Contracts Regulations 2015, advertised via the Council's Procurement Portal; The Chest.

A Prior Information Notice was issued in 2018 and was also advertised on Contracts Finder. In addition, a Soft Market Testing questionnaire (to warm up the market) was issued and several responses received. The feedback was that the proposed lotting and allocation of work generally meets the market expectations. The questionnaire also contained details of a supplier engagement day, which was held on the 23rd October 2018. Procurement and Unity representatives also attended a Construction Club in 2018 to promote the event as well as advertising on Oldham Council's social media to attract as much local interest as possible.

The ITT involved 2 stages – Stage 1 – involved completion of a Selection Questionnaire (SQ) as well as Stage 2 the Qualitative (Technical) and Quantitative (Pricing) sections. The SQ was assessed on a Pass/Fail basis and the result was that the majority of suppliers passed this section. Two companies failed this part of the process.

- 2.2 As a co-operative council, we wanted to ensure a fair and open process that delivered high performance. The outcome of the SQ process was aimed at identifying the top highest scoring bidders for each lot, which would be invited to progress to the Invitation to Tender (ITT) stage. The SQ evaluation was undertaken by Oldham Council's Procurement Team. The Council received 82 (82) bidder responses. The Qualitative and Quantitative sections were assessed by both Oldham Council Procurement Team and Unity Partnerships dedicated evaluation team.
- 2.3 The ITT stage was undertaken and scored as follows:

An assessment on price was undertaken, relevant to each Lot, which was scored via various methods i.e. by using a mixture of schedule of rates, bills of quantities, sample

schemes, assessment of labour rates and charges, with material and overhead / profit percentage mark ups.

2.4 A technical assessment was undertaken as aforementioned, which involved scoring a set of predetermined questions focused on framework management, the approach to partnership working, continuous improvement, operational management, sustainability, project delivery and our co-operative values, initiatives and behaviours. Lot specific questions also covered technical related questions to the relevant discipline.

2.5 The outcome of the ITT evaluation process identified the top highest scoring four to six bidders that would be considered, for a place on the relevant Framework Lot. This would be further reinforced by having a 'ranked' system whereby the highest scoring supplier would receive directly awarded works to a certain value (in the main up to £50,000 – with lower limits for Lots 1, 3, 14 and 17). This would be a ranked system, so if the top-ranking supplier did not perform as required, the offer would drop down to the next ranked supplier, and so on. Any work procured over the direct award threshold, will be administered via a competitive mini competition (quote process) between all relevant suppliers.

2.6 The outcome of the ITT is as follows. The suppliers / bidders are identified in ranking order for Lot as follows:

Lot Nr	Work Type	Framework Suppliers	Reactive/Planned
Lot 1	Roofing Works – Flat / Pitched - Responsive & Minor Repairs	1. Fulwood Roofing Services (Northern) Ltd	Reactive
Lot 2	Included with Lot 12		
Lot 3	Building Repairs/Maintenance	1. E Smith & Son	Reactive/Planned
		2. Connor Ltd	
		3. J Greenwood Builders Limited	
		4.P&L Construction Ltd	
Lot 4	Mechanical Works	1. Ellesmere Group Limited	Reactive/Planned
		2. MWA Ecosystems Ltd	
		3. DFP Services Ltd	
		4. WH Good Ltd	
Lot 5	Electrical Works	1. Corlett Electrical Engineering Co Ltd	Reactive/Planned
		2. DFP Services Ltd	
		3. Openview Security Solutions Limited	
		4. GTM Electrical Services Ltd	
		5. MUK Failsworth Electrical Limited	
Lot 6	Asbestos Remediation Works	1. D Hughes Demolition & Excavation Ltd	Planned
		2. Northern Insulation Contractors (UK) Ltd	

		3. Woods Building Services Limited t/a AA Woods	
		4. Reddish Vale Insulations Ltd	
Lot 7	Lift Servicing	1. Concept Elevators (UK) Ltd	Reactive/Planned
		2. Total Lift Care Ltd	
		3. Ascendant Lifts Limited	
Lot 8	Legionella Risk Assessments & Remediation	1. Maxigiene Environmental Services Ltd	Planned
		2. HSL Compliance	
		3. Integrated Water Services Ltd	
		4. Pure Tech UK Ltd	
Lot 9	Fire Alarms Servicing	1. Guardian Technical Maintenance Ltd	Reactive/Planned
		2. SPIE Scotshield Fire and Security	
		3. Amalgamated Ltd	
		4. Openview Security Solutions Limited	
Lot 10	Security & CCTV	1. Openview Security Solutions Limited	Reactive/Planned
		2. SPIE Scotshield Fire and Security	
		3. ADT Fire and Security Plc	
		4. Amalgamated Ltd	
Lot 11	Highways Minor Works	1. J Hopkins (Contractors) Ltd	Planned
		2. J Cooney Ltd	
		3. Knowsley Contractors Limited trading as King Construction	
		4. Colas Ltd	
		5. Bethell Construction Ltd	
		6. George Cox & Sons Ltd	
Lot 12	Minor Works - Highway Structures & Drainage	1. Rowan Ashworth Ltd	Planned
		2. Bethell Construction Ltd	
		3. Coating Services Ltd	
		4. First Time Drainage Solutions Ltd	
Lot 13	Highways Lining / Road Marking	1. Rhodes & Sons Construction Ltd	Planned/Reactive
		2. Northern Marking Ltd	
		3. Knowsley Contractors Limited trading as King Construction	
		4. Wilson & Scott Highways Ltd	

		5. Kays Traffic Management Limited	
		6. Trustseal Ltd	
Lot 14	Building Repairs / Maintenance / New Build / Extensions / Refurbishment	1. E Smith & Son	Planned
		2. F Parkinson Ltd	
		3. J Greenwood Builders Limited	
		4. Connor Ltd	
		5. Westshield Limited	
		6. P&L Construction Ltd	
Lot 15	Roller Shutter and Automatic Doors	1. Industrial Doors Solutions Ltd	Reactive/Planned
		2. ABC Industrial Doors Ltd	
Lot 16	Lightning Protection	1. Osborne Delta Limited	Reactive/Planned
Lot 17	Roofing Works – Flat / Pitched	1. Fullwood Roofing Services (Northern) Limited	Planned
		2. Mac Roofing & Contracting Limited	
		3. SBS Roofing Ltd	
Lot 18	Highways Surfacing Carriageway	1. J Hopkins (Contractors) Ltd	Planned
		3. Knowsley Contractors Limited trading as King Construction	
		3. Colas Ltd	
		4. Tarmac Trading Limited	
		5. Hanson Quarry Products Europe Ltd t/a Hanson Asphalt & Contracting	
		6. Aggregate Industries UK Ltd	
Lot 19	Highways Surface Dressing	1. Kier Highways Limited	Planned
		2. Colas Ltd	
		3. Knowsley Contractors Limited trading as King Construction	
		4. Road Maintenance Services Limited	
Lot 20	Major Works - Bridges & Structures	1. Dyer & Butler Ltd	Planned
		2. Rowan Ashworth Ltd	
		3. The Casey Group Ltd	
		4. Bethell Construction Ltd	
		5. Eric Wright Civil Engineering Ltd	
		6. Westshield Limited	
Lot 21	Major Works - Drainage	1. Bethell Construction Ltd	Planned
		2. Westshield Limited	
		3. Eric Wright Civil Engineering Ltd	
		4. Dyer & Butler Ltd	
		5. Coating Services Limited	

		6. STEM Construction Ltd	
Lot 22	Groundworks & Landscaping	1. Saddleworth Plant Hire Ltd	Planned
		2. The Casey Group Ltd	
		3. Horticon Ltd	
		4. Rowan Ashworth Ltd	
		5. Carey McMullan Limited	
Lot 23	Fire extinguishers/Fire Signage	1. Walker Fire UK Ltd	Planned
		2. Fire Queen Limited	
		3. DFP Services Ltd	
		4. Amalgamated Ltd	
Lot 24	Sprinklers	1. Openview Security Solutions Limited	Reactive/Planned

3. Options/Alternatives

3.1 There are two options available:

3.2 **Option 1** – To approve the proposed new CHWSF and award the framework to those suppliers listed for each Lot to ensure continuity of supply. This will ensure that this delivery model commences as proposed in August 2019, firstly to comply with Oldham Council Contract Procedure Rules and EU Regulations, and secondly, to deliver best value for the council and for local residents, alongside efficiencies savings, in terms of service delivery as well as allowing the necessary time for implementation and transition of new suppliers.

3.3 **Option 2** – Not to award the framework, which is not considered viable, as the consequence of this will leave the Council in breach of Oldham Council Contract Procedure Rules, unless each scheme is individually quoted or tendered for, which is considered an inefficient procurement method and would not provide best value.

4. Preferred Option

4.1 **Option 1** – to award the Construction and Highways Works & Services Framework to the proposed panel of suppliers, who have demonstrated through a robust OJEU compliant tender procedure to have offered the most economically advantageous bids in relation to cost and service delivery.

5. Consultation

5.1 The tender has progressed in consultation with The Corporate Procurement Unit, Corporate Property Facilities Management and Unity Partnership.

6. Financial Implications

6.1 There are no direct financial implication of setting up the new CHWSF framework. However, the use of the framework should ensure that the Council complies with the Contract Procedure rules and EU regulations and that the council receives value for money when procuring Construction and Highways Works and Services. (James Postle)

7. Legal Services Comments

- 7.1 The Council has followed a robust procurement process in compliance with its own Contract Procedure Rules to select the most economically advantageous tenderer for each lot. (Elizabeth Cunningham Doyle)

8. Co-operative Agenda

- 8.1 The technical assessment included, amongst other criteria, evaluating suppliers based on our co-operative values and behaviour, as well as their approach to partnership working. This process will help ensure that we procure suppliers who are the best choice for Oldham as well as those who support our co-operative values. (Dominic Coleman)

9. Human Resources Comments

- 9.1 N/A

10. Risk Assessments

- 10.1 N/A

11. IT Implications

- 11.1 None

12. Property Implications

- 12.1 The Council realises that if buildings are not maintained, they will cease to fulfil their intended functions. Implementing the LVCF is recognised as a cost-effective measure of dealing with outstanding backlog maintenance issues, which if deferred or left will ultimately result in future increased costs, possible consequential damage and liabilities to the property estate.

The implementation of the CHWSF will create an efficient model for dealing with building and highway maintenance issues and also reduces the Council's risks in terms of loss of service and business continuity. (Peter Wood).

13. Procurement Implications

- 13.1 The Procurement has been carried out in line with EU Regulations and Oldham Council's Contract Procedure Rules.
- 13.2 The financial status of the Framework suppliers has been assessed by the Council (Mint Report report), with input by Finance with all outcomes of increased risk addressed accordingly.
- 13.3 Social value, the 'Get Oldham Working' initiative and Oldham's 'Fair Employment Charter' formed part of the tender submission. The successful suppliers will be expected to deliver locally and will be monitored to ensure commitments are carried through accordingly.
- 13.4 The Framework as a whole will be framework managed through the Council Commercial Procurement Unit, Commercial Services to improve supplier performance and report on the deliverables. (Jay Thind)
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14. Environmental and Health & Safety Implications

- 14.1 Oldham Council's Health and Safety Team have no objections as we are assured that all contractors will have signed up to construction line. Specific risk assessments and other safety documentation will still need to be checked for individual jobs/projects during the planning/construction phases of any works (Laura Smith).
- 14.2 Environment: Environmental management formed part of the Pre-Qualification Questionnaire scoring for this framework, and a basket of environmental performance measures will be applied to contractors undertaking some of the larger Frameworks with greater environmental risk. (Andrew Hunt)

15. Equality, community cohesion and crime implications

- 15.1 None

16. Equality Impact Assessment Completed?

- 16.1 No

17. Key Decision

- 17.1 Yes

18. Key Decision Reference

- 18.1 ECEN-09-19

19. Background Papers

The following is the previously approved Waiver Report that provides a background to this report, based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Low Value Extension Framework

Name of File: Contract Decision in respect to extending existing Measured Term Frameworks for Repairs and Maintenance

Records held in Property Services Department, Henshaw House, Cheapside, Oldham. OL1 1NY

Officer Name: Peter Wood

Contact No: 0161 770 4028.

20. Appendices

- 20.1 Appendix A – Current or expired Frameworks.
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Appendix A

Current Term Framework Agreement: Note suppliers highlighted in green are active until the end of August 2019, suppliers highlighted in red no longer apply.

Lot Nr	Work Type	Successful Framework Suppliers (Ranked Position in brackets)
Lot 1	Roofing Works – Flat / Pitched – Responsive & Minor Repairs	1. Fulwood Roofing Services (Northern) Ltd (1 st).
		2. New Charter Building Company (2 nd).
		3. Prime Roofing (Rochdale) Limited (3 rd).
		4. WRPS Limited (4 th).
Lot 2	Drainage Works	Merged to Lot 3. May re-tender as standalone Lot again.
Lot 3	Building Repairs/Maintenance	1. E Smith and Son (1 st).
		2. Jackson, Jackson & Sons Limited (2 nd).
		3. New Charter Building Company (3 rd).
		4. Kaberry (4 th).
		5. P&L Construction Limited (5 th).
		6. Connor Limited (6 th).
Lot 4	Mechanical Works	1. Ellesmere Engineering Co Limited (1 st)
		2. MWA Eco Systems Limited (2 nd)
		3. Tudor Northwest Limited (3 rd)
		4. New Charter Building Company (4 th)
Lot 5	Electrical Works	1. Corlett Electrical Engineering Co Limited (1 st)
		2. New Charter Building Company (2 nd)
		3. Carey Electrical Engineering (3 rd)
		4. GTM Electrical Limited (4 th)
Lot 6a	Asbestos Remediation Works	1. Northern Insulation Contractors (1 st)
		2. Reddish Vale Insulation Limited (2 nd)
		3. Interserve Industrial Services Limited (3 rd)
		4. Aspect Frameworks Limited (4 th)
Lot 6b	Lift Servicing	1. Concept Elevators (1 st)
		2. E A Foulds Limited (2 nd)
		3. Total Lift Care Limited (3 rd)
Lot 6c	Legionella Risk Assessments, Tank & Scald Protection	1. Hertel (UK) Limited (1 st)
		2. Graham Facilities Management (2 nd)
		3. Maxigiene Limited (3 rd)
		4. Hydro-X Water Treatment Limited (4 th)
Lot 6d	Fire Alarms Servicing	1. Guardian Technical Maintenance Limited (1 st)

		2. Tudor Northwest Limited (2 nd)
		3. Amalgamated Limited (3 rd)
		4. Spie Scotshield Limited (4 th)
Lot 6e	Security & CCTV	1. Spie Scotshield Limited (1 st)
		2. Quadrant Security Solutions Limited (2 nd)
		3. ADT Fire & Security (3 rd)
		4. Stanley Security Solutions Limited (4 th)
Term Contract	Fire Extinguisher Servicing	1. Fire Queen Limited (extended until 31 st March 2016)
Lot 7	Highways Minor Works	1. J Hopkins (Contractors) Limited (1 st)
		2. J Cooney Limited (2 nd)
		3. Eric Wright Civil Engineering Limited (3 rd)
		4. Westshield Limited (4 th)
		5. Kenny Bros (CE) Limited (5 th)
Lot 8	Highways Lining / Road Marking	1. Rhodes and Sons Construction Ltd (1 st)
		2. NSL Limited (2 nd)

Expired Term Framework Agreement applies to the following Lots:

Lot 9	Building Repairs / Maintenance / New Build / Extensions / Refurbishment	1. E Smith and Son
		2. Harry Fairclough Construction
		3. J Greenwood (Builders) Limited
		4. Jackson, Jackson & Sons Limited
		5. Rosslee Construction Limited
		6. City Build Manchester Limited
Lot 10	Mechanical Works	1. WH Good Limited
		2. Tudor Northwest Limited
		3. Jackson, Jackson & Sons Limited
		4. Lewis Facilities
Lot 11	Electrical Works	1. Carey Electrical Engineering
		2. Corlett Electrical Engineering Co Limited
		3. Link Contracting Services Limited
		4. GTM Electrical Limited
Lot 12	Roofing Works – Flat / Pitched	1. Fulwood Roofing Services (Northern) Limited
		2. M&J Group (Construction & Roofing) Limited
		3. WRPS Limited
		4. J Greenwood (Builders) Limited
Lot 13	Highways Carriageway Surfacing	1. J Hopkins (Contractors) Limited
		2. Tarmac Trading Limited
		3. Hanson Contracting
		4. J Cooney Limited

		5. Kenny Bros (CE) Limited
Lot 14	Highways Surface Dressing	1. Kiely Bros Limited
		2. Cola Limited
		3. Road Maintenance Services Limited
Lot 15	Bridges & Structures and Drainage	1. Eric Wright Civil Engineering Limited
		2. Balvac
		3. Bethell Group PLC
		4. Coating Services Limited
		5. Westshield Limited

Please note:

A delegated Waiver report was approved in April 2019, to extend the (current) lots shown above to the end of October 2019, to coincide with the commencement of this Construction and Highways Works & Services Framework Agreement.