

## ***Decision by Portfolio Holder***



**Report reference: HPS-003-2019/20**

**Date of report: 02 July 2019**

**Epping Forest  
District Council**

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**Portfolio: Housing and Property Services**

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**Democratic  
Services: J Leither Ext. 4756**

**Subject: Acceptance of Tenders – Contract 1289 Flat Roof Covering Renewal and Liquid Waterproofing to Asphalt Walkways 2019-24, to Council owned blocks of flats.**

### **Decision:**

- (1) That, Tower Asphalt Ltd be awarded the one-year contract renewable annually for up to a maximum of four-further years, for the planned and ad-hoc renewal of flat roof covering and liquid waterproofing to asphalt walkways and associated works to Council owned blocks of flats in the tendered sum of £323,206.00, being the lowest economically advantageous tender received; and**
- (2) That, should it not be possible to enter into contract with Tower Asphalt Ltd that Acclaim Contracts Ltd be awarded the contract as a reserve contractor, being the second most economically advantageous tender received, with a tender sum of £341,973.66; and**
- (3) That, the overall value of the works be capped to the sum included in the Capital Programme identified for Flat Roofs and Balcony Resurfacing on an annual basis; and**
- (4) That, this contract be designated as a serial contract to facilitate the annual adjustment to the tendered rates in accordance with the Royal Institution of Chartered Surveyors (RICS) BCIS ALLCOS Resource Cost Index of All Construction: All Repair and Maintenance Work #7419.**

<b>ADVISORY NOTICE:</b>	
<i>A Portfolio Holder may not take a decision on a matter on which he/she has declared a Pecuniary interest. A Portfolio Holder with a non-pecuniary interest must declare that interest when exercising delegated powers.</i>	
I have read and approve/ <del>do not approve</del> (delete as appropriate) the above decision:	
Comments/further action required: None	
Signed: Councillor H Whitbread	Date: 16 <sup>th</sup> July 2019
<i>Non-pecuniary interest declared by Portfolio Holder/ conflict of non-pecuniary interest declared by any other consulted Cabinet Member:</i>	<i>Dispensation granted by Standards Committee: Yes/No or n/a</i>
None	N/A
<b>Office use only:</b> Call-in period begins: 17 <sup>th</sup> July 2019	Expiry of Call-in period: 24 <sup>th</sup> July 2019

**After completion, one copy of this pro forma should be returned to Democratic Services IMMEDIATELY**

**Reason for decision:**

Roof coverings are listed as a “Key Building Component” within the Governments definition of a Decent Home, therefore flat roof covering renewals and balcony resurfacing are major programmes of works within the Housing Capital Works Programme and are carried out on a planned and on an ad-hoc basis.

The existing contract for the replacement of flat roof covering and balcony resurfacing has expired and a new contract needs to be procured and approved in accordance with the Councils Procurement Rules.

The undertaking of a competitive tender exercise for works of this value is not only a requirement of the Councils Procurement Rules, but is also a requirement of Section 20 of the Commonhold and Leasehold Reform Act 2002 when works are undertaken on the communal areas of Council blocks of flats.

**Options considered and rejected:**

The main alternative options considered are:

- (1) To re-tender the contract on an annual basis. However, this would-be time consuming and inefficient. Re-tendering would not guarantee more competitive tenders.
- (2) To seek quotations on an individual basis for each flat roof covering renewal and balcony resurfacing works. However, this is very time consuming and is not cost effective, and given the volume of flat roof covering renewal and balcony resurfacing works carried out per annum, this would breach the Council’s Procurement Rules C2 (9) with the works exceeding £25,000 in value during one financial year.

<p><b>Initialled as original copy by Portfolio Holder:</b></p>
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## Background Report:

1. The existing contract for undertaking planned and ad-hoc renewal of flat roof covering and liquid waterproofing to asphalt walkways and associated repair works has reached the end of its term and as such it is necessary to re-tender the works.
2. A fully specified two-year planned schedule of work for flat roof covering renewals and liquid waterproofing to asphalt walkways along with a comprehensive schedule of rates for ad-hoc works have been included in the tender for Contract 1289 for the Flat Roof Covering Renewal and Liquid Waterproofing to Asphalt Walkways 2019-24.
3. The Service Director Housing and Property Services authorised the Contractor Selection Record Sheet for Invitations to Tender (ITT) to be sent to four-contractors who are registered on Constructionline and are accredited and experienced in undertaking this type of work.
4. The ITT letter was attached to an email on the 23<sup>rd</sup> January 2019 and issued to the following contractors;

Contractor;		Constructionline Registration Number;
1.	Tower Asphalt Ltd	98550
2.	Acclaim Contracts Ltd	1914
3.	Ifield & Barrett Roofing Ltd	49739
4.	Thameside Roofing Ltd	112662

5. The contract, initially for a period of one-year is renewable annually for a maximum period of a further four-years, subject to the budget allocation within the Capital Works Programme and the contractor's performance and quality of workmanship.
6. The contractors were advised that their responses would be a competitive tender exercise and an Excel file titled the 'Contractors Tender Submission Pricing Template Contract 1289' contains within the nine-schedules all the items that are to be priced by the contractor in the tender process.
7. The contractors were advised that their completed scanned Tender Submission must be uploaded into the Delta eSourcing Tender-box no later than 12 o'clock midday on Friday 22<sup>nd</sup> February 2019.
8. The tenders were opened on the 26<sup>th</sup> February 2019, through the Delta eSourcing platform, tender-box opening Access Code; BC4AC725R3, and present at the tender opening were the Leader of the Council, the Assistant Director – Technical and two representatives of Epping Forest District Council, a Committee Officer and the Housing Assets Manger.
9. All four contractors uploaded their tender return documents into Delta eSourcing Tender-box before the return date and time. The results of the tender opening based on the Collection Page Totals submitted by the contractors are shown in the table below:

Contractor;		Tender Sum £;	Position;
1.	Tower Asphalt Ltd	323,206.00	1 <sup>st</sup>
2.	Acclaim Contracts Ltd	341,973.66	2 <sup>nd</sup>
3.	Ifield & Barrett Roofing Ltd	368,578.00	4 <sup>th</sup>
4.	Thameside Roofing Ltd	362,877.21	3 <sup>rd</sup>

10. In order to ensure consistency between the submitted tenders a full and comprehensive Tender Evaluation Report was undertaken on all four submitted tenders for Contract 1289. The tender evaluation included a full arithmetical check, schedule of rate item comparison and the identification of any pricing inconsistencies within the pricing schedules.
11. The budget for Flat Roofs and Balcony Resurfacing currently allocated in the Capital Programme 2019-20 is £372,000 and expenditure on the budget is split between the two Capital Programmes.
12. Due to the ad-hoc nature of some of the works, the combined maximum value of the work undertaken by Tower Asphalt Ltd will be capped at the budgets allocated within the existing Capital Programme 2019-20 for Flat Roofs and Balcony Resurfacing.
13. The lowest tenderer, Tower Asphalt Ltd are registered on Constructionline, and have complied fully with the tender process. As part of the tender evaluation a full Constructionline Supplier Report on Tower Asphalt Ltd was run on the 2<sup>nd</sup> April 2019.
14. It is therefore recommended that Tower Asphalt Ltd, be awarded the contract for the Flat Roof Covering Renewal and Liquid Waterproofing to Asphalt Walkways 2019-24, for works to Council owned properties, for up to a maximum of five-years, for the tender sum of £323,206.00, being the lowest tender received.
15. In order to mitigate the risk of the Council not being able to enter into a contract with Tower Asphalt Ltd for whatever reason or if in the future they cease trading or perform poorly, it is recommended that Acclaim Contracts Ltd, be selected as the Council's Reserve Tenderer for the Flat Roof Covering Renewal and Liquid Waterproofing to Asphalt Walkways 2019-24 to Council owned properties. If necessary Acclaim Contracts Ltd, the Council's Reserve Tenderer be awarded an annual contract for up to five-years, being the second most economically advantageous tender received, with a Tender Sum of £341,973.66.
16. It should be noted that when the contract is extended beyond the first year, all tendered schedule of rate items are to be increased annually in accordance with the Royal Institution of Chartered Surveyors (RICS) BCIS ALLCOS Resource Cost Index of All Construction: All Repair and Maintenance Work #7419.

#### **Resource Implications:**

The combined budget for Flat Roofs and Balcony Resurfacing currently allocated within the existing Capital Programme 2019-20 is £372,000.

#### **Legal and Governance Implications:**

The financial expenditure is below that requiring an OJEU Procurement Exercise. Therefore, this

tender complies with the requirements as set out in the Council's Procurement Rules

**Safer, Cleaner and Greener Implications:**

This programme of work provides a safer home environment for tenants and all visitors Council owned and managed blocks.

**Consultation Undertaken:**

None

**Background Papers:**

A completed Tender Evaluation Report for Contract 1289 Flat Roof Covering Renewal and Liquid Waterproofing to Asphalt Walkways 2019-24.

**Impact Assessments:**

**Risk Management:**

A risk assessment has been undertaken which includes performance, quality, and health and safety risks.

A review of the Supplier Report has been undertaken on the current membership of Tower Asphalt Ltd Constructionline Registration Number; 98550 has been completed and a further review will be undertaken prior to the contract award.

It should be noted that, these works are issued under low value individual HRP Works Orders and invoices are not settled until the works have been inspected and completed therefore these works are considered to be a low risk.

**Key Decision Reference (Y/N): N**

**Equality Analysis:**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an Appendix to the report.