

15/124+
EXEMPT.
appendix
DECISION NOW
MADE

Notice of KEY Executive Decision containing partly exempt information

Subject Heading:	Contract for Asbestos Removals across Council Premises and Schools
Cabinet Member:	Cllr Ron Ower, Lead Member for OneSource Management
CMT Lead:	Deborah Hindson
Report Author and contact details:	Sue Wilks Head of Health & Safety 01708 432903 sue.wilks@havering.gov.uk
Policy context:	High customer satisfaction. Commission goods and services in a way that provides the best possible value of money.
Financial summary:	The approximate anticipated total value of the contracts to be procured over the four-year duration is £2.4m for removals (600K per annum) depending on the actual requirements which arise during the course of the contracts. Funding for individual schemes removals will be agreed prior to any works orders being raised under the contract. Expenditure for schools will be recharged to the individual schools or recharged through the Schools Capital Programme.
Reason decision is Key	The anticipated spend is over £500,000.
Date notice given of intended decision:	<i>13th May 2015</i>

Relevant OSC:	Overview and Scrutiny board.
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for
 People will be safe, in their homes and in the community
 Residents will be proud to live in Havering

Place an X in the [] as appropriate

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

That the Managing Director for OneSource authorise the award of a contract for removal of asbestos-containing materials on behalf of Havering Council ('the Council') to Ductclean (UK) Limited.

AUTHORITY UNDER WHICH DECISION IS MADE

A:14 – Scheme of Delegation - To award contracts with a total contract value under £5,000,000.

STATEMENT OF THE REASONS FOR THE DECISION

Authority to start this procurement process was given via an Executive Decision signed by the Managing Director of OneSource on 8th May 2015.

The LHC framework commenced in May 2014 and has been procured using a process which complies with European and UK public procurement requirements.

A mini tender was held amongst the contractors appointed to Workstream 3 of the LHC Framework 'AS1 – Asbestos works and services'. Workstream 3 was the 'lot' for asbestos removal works.

The four contractors on workstream 3 were all invited to submit a tender for asbestos removals, and all four companies responded. The ITT was evaluated on a 50/50 split of quality/price. Given the inherent health and safety risks that asbestos poses, and given the varying quality of actual service delivery in the market, quality needed to have a 50% weighting. The ITT required the bidders to provide responses to five method statement questions, and provide prices for the following works:

- Half day non-notifiable works
- Full day non notifiable works
- Half day notifiable works
- Full day notifiable works
- Hourly rate work under 2 hours duration

The tender process has been managed by Sue Wilks, Head of Health and Safety with support and advice from the following:

- Asbestos Manager
- Senior Health and Safety Adviser
Maintenance Manager, Homes and Housing
- Senior Procurement Adviser

- Procurement Support Officer

Tenders were evaluated by Greg Loughnane and Daniel Darkens. Following the evaluation, the tenderer with the highest score was Ductclean (UK) Limited, scoring 43.09 out of 50 for price, and 38 out of 50 for quality, giving a overall score of 81.09 out of 100.

Details of all the bidder's scores are set out in the exempt appendix attached.

Based on the outcome of the evaluation, it is proposed that Havering Council awards the contract for their Asbestos Removals to Ductclean. The Asbestos Removals form of contract will be based on the current JCT Measured Term Contract.

TUPE does not apply for this contract as there will be no staff transferring from the current contractor to the new proposed contractor.

OTHER OPTIONS CONSIDERED AND REJECTED

- That Havering conduct a stand-alone procurement process , for Asbestos Works. This was rejected as this would require at least three more months to be added to the procurement timetable and would require more internal resources to manage. Most of the additional work to be done would only repeat that done by LHC in setting up its framework.
- That Havering collaborate with London Borough of Newham – Newham is currently procuring a wide-ranging framework which will cover many works and services including those relating to asbestos. However this framework is unlikely to be available until the end of this year.
- Have separate contracts for (i) asbestos surveys and general analysis and (ii) air sampling. This was rejected as it would have increased the resources required for contract monitoring over the proposed four-year duration of the service provision.


PRE-DECISION CONSULTATION

Before the procurement process began, several meetings were held with interested parties within Havering Council including the Housing, Technical Services and Health and Safety teams. There was no formal consultation with members of the public as this is not a front-line service.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Sue Wilks

Designation: Head of Health and Safety

Signature: 

Date: 9th October 2015

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

None other than as set out in this Executive Decision subject to the contract having been awarded under a legally compliant framework arrangement, and in accordance with Havering's Contract Procedure Rules. The Council will contract with the successful bidder on the current JCT Measured Term contract

Robin Bloom, Principal Locum Lawyer (Contracts)

FINANCIAL IMPLICATIONS AND RISKS

The approximate total value of the removals contract is £2.4million over 4 years (600K per annum), depending on the actual requirements that arise over the course of the contract. Funding for the individual removal schemes will be agreed before placing any orders under the contract. Expenditure for schools will be recharged to the individual schools or funded through the School's Capital Programme.

The contract is a framework agreement with no commitment as to the level of services to be purchased. As such there is no risk of any penalty clause costs arising through the contract should Havering make any changes to services which impact on its requirements for asbestos removal/surveys.

The risk of not placing a contract for these services would be that future requirements are sourced from suppliers outside the framework of a contract and therefore at significantly greater cost than the contracted prices.

Sam Gable – Finance Business Partner

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no HR implications arising from this report as the TUPE of staff will not apply

Approved by Geraldine Minchin, Strategic HR Partner, 2nd July 2015

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The process complies with UK and European procurement requirements, as well as the Council's internal procurement policies and processes, including relevant equality and diversity requirements.

Andreyana Ivanova, Diversity

Non-key Executive Decision

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley,, Committee Administration Manager, in the Town Hall.

<p>For use by Committee Administration</p> <p>This notice was lodged with me on _____</p> <p>Signed _____</p>
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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

~~Proposal NOT agreed because~~

Details of decision maker

Signed 


Name: *Deborah Hindson.*

Cabinet Portfolio held:
CMT Member title: *M.D. one source*
Head of Service title:
Other manager title:

Date: *27.10.15*

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration	
This notice was lodged with me on	<u><i>3 November 2015</i></u>
Signed	<u></u>

EXEMPT APPENDIX

This exempt appendix to the Executive Decision is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972.

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EXEMPT.
APPENDIX

	Bidder1	Bidder 2	Bidder 3	Bidder 4
	Shield on Site - S	Ductclean - D	Clifford Devlin - CD	Aspect - A
	Price	Price	Price	Price
	Score	Score	Score	Score
Half Day non-notifiable work	399.00	200.00	100.00	200.00
	2.51	5.00	10.00	5.00
Full day non-notifiable	766.00	275.00	250.00	325.00
	3.26	4.09	10.00	7.69
Half day notifiable work	483.00	250.00	400.00	225.00
	4.66	9.00	5.63	10.00
Full day notifiable	840.00	300.00	800.00	345.00
	3.57	3.00	3.75	8.70
Hourly rate work under 2 hours duration	55.00	32.50	55.00	40.00
	5.91	10.00	5.91	8.13
	19.91	43.09	35.28	39.51
Quality Question 1 - Removal processes for different property types (type 1)	6	12	3	9
Quality Question 2 - Removal processes for different property types (type 2)	6	12	3	12
Quality Question 3 - Dealing with emergency removal requests	6	8	6	10

Quality Question 4 - Works process from initialisation to project completion	6	6	6	8	8
Quality Score	24	38	40	39	
Overall Score	43.91	81.09	55.28	78.51	

NOT FOR PUBLIC ATTION