



## Report of: Executive Member for Housing and Development

<b>Executive</b>	<b>Date: 6 February 2020</b>	<b>Ward(s): All</b>
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## **SUBJECT: Procurement Strategy and Contract Award for Works to Fire Doors (flat front entrance doors in purpose built blocks)**

### **1. Synopsis**

- 1.1 This report seeks pre-tender approval for the procurement strategy and award of contract for Works to Fire Doors (flat front entrance doors to purpose built blocks) in accordance with Rule 2.7 of the council's Procurement Rules.
- 1.2 This is urgent work that we need to progress to comply with current building regulations. By entering into a contract with Mears Plc via the ProcurePlus framework agreement we estimate that works will be able to commence with a 2-4 week lead in.

### **2. Recommendations**

- 2.1 To approve the procurement strategy for Works to Fire Doors (flat front entrance doors in purpose built blocks) as outlined in this report.
- 2.2 To award a call-off contract to Mears Plc via the ProcurePlus framework agreement for "Fire Precaution Works (South)".

### **3. Background**

#### **3.1 Nature of the service**

The council requires a contractor to undertake the removal of existing fire doors and install new, fully certified fire door-sets, which are to comply with the new fire door testing requirements set out by the Ministry of Housing, Communities and Local Government (MHCLG). Certified fire doorsets (door, frame and ironmongery) must be compliant with the test standard BS 476: 1987-Part 22. In carrying out this work the council is fulfilling the requirements of repairing, maintaining and improving the housing estate and property stock in accordance with the Housing Act 1985.

Utilising an existing framework agreement means that prices are benchmarked in a market where there is high demand following the tragic fire at Grenfell Tower in North Kensington.

Procuring via ProcurePlus will provide a cost effective, value for money driven agreement that will mitigate prolonged lead times for flat entrance fire door replacement activities to approximately 3,800 flats.

#### **3.2 Estimated Value**

The cost of these works for 3,800 properties (at a cost of £1,617 per door set) is £6,305,700.

Leaseholders of affected properties are responsible for their own front doors and any costs associated with these. They are able to take up the council's offer to install compliant doorsets at cost. There are therefore no additional costs to the council for leaseholders' front entrance doors.

#### **3.3 Timetable**

Approval to proceed - February 2020.

Call-off via the ProcurePlus framework agreement - February 2020.

Contract start date - March 2020.

Completion – April 2022 (it is likely that there will be some difficult to access cases but the aim is for the vast majority of installations to be completed within this timescale).

#### **3.4 Options appraisal**

The ProcurePlus framework agreement for fire prevention works has been established following a competitive tendering exercise in accordance with EU procurement legislation.

By directly awarding a call-off contract via the framework agreement with ProcurePlus we estimate that Mears PLC will be able to commence works with a 2-4 week lead in. These works need to be carried out as soon as possible in order to comply with current Building Regulations.

The option of advertising a bespoke contract for these works has been considered, however, this process would take far longer than utilising an existing framework agreement.

Collaboration with another borough is not appropriate at this time, as requirements for works following recommendations post-Grenfell will differ from borough to borough.

### 3.5 Key Considerations

The payment of London Living wage will be a condition of the contract.

Whenever vacancies arise the provider will work in partnership with the council's iWork Employment Service to engage Islington residents.

We expect an evidenced policy commitment to a sustainable transport policy, underlining the use of low or no emissions vehicles and an evidenced policy commitment to reduction of waste generated by the service.

There are no known issues relating to TUPE, pensions or staffing implications.

### 3.6 Evaluation

The award criteria for organisations who tendered to join the ProcurePlus framework agreement was 50% quality, 50% price.

The 50% Quality criteria was broken down as follows:

- Proposal for the management of health and safety
- proposal for how you will manage the pre-start stage of the works
- Proposal for the management of the works
- Proposal for resident engagement
- Proposal for the efficient management of materials.

The terms of the access agreement signed by Islington Council permit a direct award of contract to be made as a call-off from the framework agreement.

### 3.7 Business Risks

The phase two recommendations from the Grenfell Tower Inquiry will cover specific details of the repair and maintenance works carried out on the block prior to the tragic fire in June 2017. It is anticipated that there will be a number of wide-ranging recommendations as to fire safety and these will have a direct impact on all social landlords.

The Council is in regular contact with MHCLG and London Councils on all matters relating to improving the fire safety of blocks within the borough, and it is not anticipated that the Grenfell phase two recommendations will affect the current Building Regulations on fire doorsets for flat front entrance doors.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.
- 3.9 The following relevant information is required to be specifically approved in accordance with rule 2.8 of the Procurement Rules:

<b>Relevant information</b>	<b>Information/section in report</b>
1 Nature of the service	Approve the procurement strategy for the direct award of contract to Mears PLC in order to facilitate the installation of 2,100 flat entrance fire doors to comply with the relevant regulations.  See paragraph 4.1
2 Estimated value	The estimated value of the call-off contract is £6,305,700.  See paragraph 4.2
3 Timetable	Award of Contract: March 2020. Aim for completion within two years (difficult to access cases are likely to take longer). See paragraph 4.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	There are no collaboration opportunities with these works, the works are required for the rectification of previously non-compliant fire safety works.  See paragraph 4.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Targeted employment, London Living Wage and best value for the proposed scope of works.  See paragraph 4.5
6 Award criteria	The framework agreement was advertised in accordance with the rules laid down by OJEU.  See paragraph 4.6
7 Any business risks associated with entering the contract	Business risks stated within the report. See paragraph 4.7

8 Any other relevant financial, legal or other considerations.	Financial and Legal risks stated within report.  See paragraphs 5.1 & 5.2
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## 4. Implications

### 4.1 Financial implications:

It is important to note that the replacement of fire doors referred to in this report is required to meet the authority's health & safety obligations in terms of complying with current building regulations.

The estimated cost of the fire door replacement works to 3,800 properties (including tenants and leaseholders) is £6.3m, of which £2.9m (in respect of 1,800 properties), although not included in the current approved capital programme, is reflected in the current HRA 30 year investment plan/business plan and is being brought forward to be carried out sooner than anticipated in order to ensure compliance with current building regulations, as such it is not anticipated that this will give rise to a long term budget pressure.

However, the remaining estimated cost of £3.4m in respect of 2,700 properties represents growth to the overall investment plan/business plan and as such could adversely impact on the delivery of other schemes within the long term investment plan/business plan however Property Services will seek to mitigate the adverse impact by a number of means for example by deferring schemes that include items where it is possible to extend their use.

There will be no further charges levied to leaseholders.

### 4.2 Legal Implications:

The council is responsible for undertaking the repair, maintenance and improvement of its housing estates and properties pursuant to the Housing Act 1985. Accordingly, the council may enter into a contract for the replacement of 600 Fire Doors (flat front entrance doorsets) (Section 1 Local authorities Contracts Act 1997).

The proposed contract is a public works contract. The value of the proposed contract is below the financial threshold for such contracts and therefore did not have to be advertised in the Official Journal of the European Union (OJEU). However, the Council's Procurement Rules require a competitive tendering exercise.

The Procure Plus framework for fire prevention works has been established following a competitive tendering exercise in accordance with EU Procurement Legislation and the council has access to that framework. Accordingly, the council may award the contract for the replacement of the flat entrance doors pursuant to Mears plc via the Procure Plus framework provided that the decision maker is satisfied that the price represents value for money for the council.

The value of the contract is above the level for a key decision (£1m capital).

In considering the recommendation in this report, the Executive should have regard to the information set out in the report and be reasonably satisfied that Mears plc tender represents VFM.

### **5.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:**

The fire door replacement programme will have environmental impacts that include energy used in the installation process, vehicle journeys made by the contractor, material use for the new doorsets, and the disposal of the old doorsets.

The removal of the Glass Reinforced Plastic (GRP) fire doorsets is a positive environmental step forward, these are now to be replaced with solid timber doorsets. The GRP doorsets will be collected by a reputable Waste Collection contractor and disposed of at a registered Waste Collection Station. All of the recyclable fittings will be dismantled and recycled, i.e. metal door handles, letterboxes, hinges, etc., the GRP door leaf will be dismantled into its component parts and recycled.

The Contractor should ensure that waste materials are kept to a minimum and that waste leaving sites is reused or recycled where practicable. The Contractor will have a duty of care to ensure that any waste disposal is done legally and in alignment with the waste hierarchy.

### **5.4 Resident Impact Assessment:**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 18<sup>th</sup> December 2019. This procurement will not have any negative impact on any persons within the protected characteristics groups. This contract will have a positive impact on vulnerable groups, as it will ensure that their properties are maintained to a high standard. Diversity and equality were considered during the procurement process. Potential service providers were asked a scored question during the procurement process about how they assess and manage repairs for customers with any of the equalities characteristics. It is a contractual requirement for service providers to work to Islington Council's policies and procedures, where health and safety, equality, diversity and an accessible service for all are factored into service delivery procedures.

## **5. Reasons for the decision:**

- 5.1 A new contract is required to appoint a contractor to ensure the council fulfils its legal obligation in installing fully compliant fire certified doorsets to flat front entrance doors to purpose built blocks of flats.

### **Appendices**

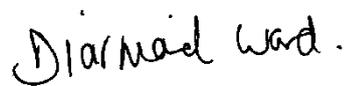
- Resident Impact Assessment.

### **Background papers:**

- None

Final report clearance

### **Signed by:**



29 January 2020

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for Housing and Development

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