

Report to Cabinet
14 November 2018
Report of Director of neighbourhoods
Subject Procurement for the supply, installation and commissioning
of new boilers and equipment at Fellowes Close sheltered
housing

Item

10

KEY DECISION

Purpose

To advise cabinet of the procurement process for installing a new heating system at Fellowes Close sheltered housing and to seek approval to award the contract.

Recommendations

To award the contract to install a new heating system at Fellowes Close sheltered housing to Panks Engineering Ltd.

Corporate and service priorities

The report helps to meet the corporate priority a healthy city with good housing.

Financial implications

The financial consequence of this report is the award of a contract for structural repairs and improvements with a tender cost of £399,348 which is included within the Housing Revenue Account budgets for 2018/19.

Ward/s: Wensum

Cabinet member: Councillor Harris - deputy leader and social housing

Contact officers

Lee Robson, head of neighbourhood housing 01603 212939

Carol Marney, interim operations director NPS Norwich 01603 227904

Background documents

None

Report

Introduction

1. Fellowes Close sheltered housing site consists of 40 bungalows and a communal centre. It is situated off Cadge Road and was constructed in 1990.
2. All of the bungalows are heated by a communal heating system which is now beyond economic repair. There are four boilers, two of which are not operating due to faults and non-availability of spare parts. The two operational boilers are of the same age so there is a risk of spare parts not being available should repairs be required. The radiators in the dwellings are the original units and the hot water cylinders which currently use electric immersion heaters to heat the hot water all need replacing
3. The budget estimate for the works is £400,000. The new boilers will be more energy efficient resulting in a lower cost of heating and lower carbon footprint for the centre. The new radiators will allow the low surface temperature system to heat the dwellings more effectively, and the new hot water system will also be more cost effective than the current immersion heaters.

Procurement Process

4. The opportunity was advertised on the council's e-procurement portal and Contracts Finder on 14 September and five tender submissions were received. The submissions were opened on 11 October 2018.
5. Suppliers were asked to submit details of their organisation in terms of finance, contractual matters, insurances, quality assurance, environmental standards, health and safety, equality and diversity credentials, references and previous experience. These aspects were evaluated to ensure that suppliers met the Council's basic requirements.
6. At the same time suppliers were asked to submit details in the form of method statements proposing how they will meet the requirement for the work package and the price that they will charge to carry out this work. These method statements were evaluated once it had been confirmed that the supplier had met the Council's basic requirements.

Tender evaluation

7. Tenders were received from:

Company	Location
CPS Building Services Ltd	Cambridge
Dodd Group	Telford
Panks Engineers Ltd	Norwich
PJ Plumbing , Heating and Maintenance Ltd	Norwich
Princebuild Ltd	Peterborough

8. The supplier selection process required suppliers to complete a questionnaire. The responses given were evaluated against pre-determined criteria. This quality assessment carried a maximum of 40% of the marks. The lowest price was allocated 60% of the marks and marks were deducted, pro-rata, with each increasing tender price.
9. The supplier with the highest cumulative score was deemed the best value submission. The results are shown below:

Price	Price score	Quality score	Total score
£ 399,348.00	60.00	40	100
£ 423,359.00	56.39	40	96.39
£ 429,316.74	55.5	40	95.50
£ 463,287.09	50.39	40	90.39
£ 499,540.87	44.95	40	84.95

10. The tender submitted by Panks Engineering Ltd received the highest score and therefore represents the best value for money. It should be noted that Panks are a local company and employ local people.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete	
Committee:	Cabinet
Committee date:	14 November 2018
Director / Head of service	Lee Robson
Report subject:	Procurement for the supply, installation and commissioning of new boilers and equipment at Fellows Close sheltered housing
Date assessed:	19 June 2018
Description:	New boilers, radiators and hot water cylinders

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Open tendering will ensure that best value is achieved.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The new equipment will be more efficient resulting in lower energy bills for residents
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The new equipment will consume less energy than that being replaced.
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is a low risk that the appointed supplier could fail during the life of the contract. There is little risk to the council as it is not investing in the supplier. The risk is one of service continuity rather than financial which is further mitigated by the fact that the contract is planned in nature.

Recommendations from impact assessment	
Positive	
The works will help to reduce fuel poverty and reduce consumption of energy from fossil fuels.	
Negative	
Neutral	
Issues	