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|------------------|--|-------------|
| <b>Report to</b> | Cabinet<br>12 November 2014  | <b>Item</b> |
| <b>Report of</b> | Executive head of strategy people & neighbourhoods                               | <b>9</b>    |
| <b>Subject</b>   | Contract award - St James's House sheltered housing scheme refurbishment project |             |

## KEY DECISION

### Purpose

To advise cabinet of the tender process for the contract for St James's House sheltered housing scheme refurbishment project and to consider the award of the contract.

### Recommendation

To award the refurbishment contract to T Gill & Sons (Norwich) Ltd, the supplier who submitted the most economically advantageous tender.

### Corporate and service priorities

The report helps to meet the corporate priority "Decent housing for all" and the service plan priority to continue to deliver the programme of making all council homes decent.

### Financial implications

The financial consequences of this report are the award of a contract with a tendered cost of £2,193,719.13 which is included within the Housing Capital Programme forecasts and budgets for this financial year (2014/15).

**Ward/s:** Thorpe Hamlet

**Cabinet member:** Councillor Bremner - Housing

### Contact officers

|  |              |
|--|--------------|
| Russell O'Keefe, Executive head of strategy people and neighbourhoods      | 01603 212908 |
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| Chris Rayner, Operations director, NPS Norwich Ltd                         | 01603 212412 |
| Robin Hare, Strategic contract & procurement manager, Norwich City Council |              |

### Background documents

None

# **Report**

## **Background**

1. On 13 June 2012, as the result of the phase two sheltered housing provision review, cabinet resolved to invest approximately £2.6m over a five year period to ensure that sheltered housing provision remained fit for purpose. This has since been increased to £3.4m following review.
2. After consultation with stakeholders the decision was made to refurbish the St James House Sheltered Housing Scheme, St James Close, Norwich NR3 1NU.
3. The scheme was originally built in 1972 and contains 34 one bedroom homes and 1 bungalow. The intention of the project is to refurbish the 34 one bedroom homes and convert the bungalow into two new homes.

## **Tender process**

4. A priority for the project is to complete the works as soon as possible in order to return the homes to occupation and receive an income stream from rent.
5. In order to achieve this it was decided to take the quickest legally compliant competitive route to market by engaging the Norfolk County Council constructors framework to select a suitable contractor.
6. This process involved conducting a mini competition amongst the seven constructors on the framework using the works specification produced by NPS Consultants Ltd.
7. Four constructors submitted tenders for the opportunity.

## **Tender evaluation**

8. The aim of the tender evaluation process was to select the constructor who submitted the most economically advantageous tender in terms of price (70%) and quality (30%).
9. The evaluation panel consisted of council tenant representatives, NPS Property Consultants Ltd design team members, NPS Norwich Ltd project team members and the councils sheltered housing project manager.
10. The panel evaluated eight method statements covering subjects such as engaging with the Building Futures in Norwich project, paying staff at least the national minimum living wage, and deployment of a resident liaison officer along with more technical construction related issues.
11. The evaluation identified that the most economically advantageous tender was submitted by T Gill & Sons (Norwich) Ltd who scored the 100 marks (70 for price and 30 for quality).

## 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 completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

|                         |   |
|-------------------------|---|
| <b>Committee:</b>       | Cabinet   |
| <b>Committee date:</b>  | 12 November 2014  |
| <b>Head of service:</b> | Executive head of strategy people & neighbourhoods  |
| <b>Report subject:</b>  | Contract award - St James's House sheltered housing scheme refurbishment project  |
| <b>Date assessed:</b>   | 22 October 2014   |
| <b>Description:</b>     | To advise Cabinet of the tender process for the contract for St James's House sheltered housing scheme refurbishment project and to consider the award of the contract. |

|  | Impact                              |                                     |                          |   |
|--|-------------------------------------|-------------------------------------|--------------------------|---|
| Economic<br>(please add an 'x' as appropriate)                             | Neutral                             | Positive                            | Negative                 | Comments  |
| Finance (value for money)  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The tender process will ensure that the Council achieves the best value for money at that particular time.        |
| Other departments and services<br>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 type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The selected supplier is a local organisation with a high proportion of its employees living locally.             |
| Financial inclusion  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The selected supplier has confirmed that they will be paying employees at least the national minimum living wage. |
| Social<br>(please add an 'x' as appropriate)                               | Neutral                             | Positive                            | Negative                 | Comments  |
| Safeguarding children and adults   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Improved homes will support the safety of the tenants by reducing the risk of trips and falls..                   |
| <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"/> |   |

|  | Impact                              |                                     |                          |   |
|--|-------------------------------------|-------------------------------------|--------------------------|---|
| Health and well being  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Improved homes will support the welfare of the tenants.                                       |
| Equality and diversity<br>(please add an 'x' as appropriate) | Neutral                             | Positive                            | Negative                 | Comments  |
| Relations between groups<br>(cohesion)                       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |   |
| Eliminating discrimination &<br>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<br>(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 type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The contracts will ensure the built environment is maintained and improved to a high standard |
| Waste minimisation & resource<br>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 checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |   |

|                                    | Impact                              |                          |                          |   |
|------------------------------------|-------------------------------------|--------------------------|--------------------------|---|
| (Please add an 'x' as appropriate) | Neutral                             | Positive                 | Negative                 | Comments  |
| Risk management                    | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <p>1. There is a risk of challenge from an unsuccessful supplier. This risk is mitigated by the fact the value of contract is below the thresholds in the Public Contracts Regulations. Also, the tender has followed a regulated contract framework procedure with award criteria being based on the terms and conditions of the framework.</p> <p>2. There is a risk that the appointed supplier could fail during the duration of the contract. This is low risk due to the relatively short nature of the contract and the planned nature of the works.</p> |

## Recommendations from impact assessment

### Positive

Value for money & built environment.

Economic development

Financial inclusion

Safeguarding children and adults

Health and well being

Natural and built environment

### Negative

None

### Neutral

Other departments and services e.g. office facilities, customer contact

ICT services

S17 crime and disorder act 1998

Human Rights Act 1998

Relations between groups (cohesion)

Eliminating discrimination & harassment

Advancing equality of opportunity

Transportation

Waste minimisation & resource use

Pollution

Sustainable procurement

Energy and climate change

**Issues**

None