

Report to Cabinet

20 October 2021

Subject:	Composite Door Programme
Cabinet Member:	Cabinet Member for Housing, Councillor Zahoor Ahmed
Director:	Director of Housing Gillian Douglas
Key Decision:	Yes an executive decision which is likely to result in the Council incurring expenditure, the making of savings or the generation of income amounting to: -£250,000 or more where the service area budget exceeds £10m;
Contact Officer:	Steve Greenhouse – Service Manager – Asset Management and Maintenance steve_greenhouse@sandwell.gov.uk Jonathan Rawlins – Business Manager – Asset Management and Maintenance Jonathan_rawlins@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given to award a contract to undertake the Composite Door Programme to various properties within the North of the housing stock owned by Sandwell Council to Sycamore Windows Limited for a contract period of two years, from November 2021 to October 2023 to a value of £5m per annum.




- 1.2 That the Director – Law and Governance and Monitoring Officer be authorised to enter into appropriate contract with Sycamore Windows Limited.

2 Reasons for Recommendations

- 2.1 This report seeks approval to award the contract to undertake composite door replacements to various locations within the North of the housing stock owned by Sandwell Council. The delivery of this will include both planned programmes of replacement as well as reactive maintenance where existing doors fail or are not fit for purpose.
- 2.2 Since Cabinet awarded these works within the North of the Borough at its Cabinet meeting of 17th March 2021, both the appointed contractor Lovell Partnerships Limited and the third-place contractor have formally withdrawn their bids owing to not being able to hold their bids at their prices as tendered, leaving the fourth placed contractor as being the most economically advantageous tender submitted for the North. The second placed contractor has already been awarded the contract to undertake composite door replacements within the South of the Borough and therefore could not be considered, as Contractors were afforded the opportunity of applying for one or both contract areas but would only be awarded one contract.

3 How does this deliver objectives of the Corporate Plan?

	<p>Quality homes in thriving neighbourhoods. This contract is required to allow Sandwell MBC to continue to maintain and upgrade its housing stock as and when required.</p> <p>The delivery of this contract will both improve the security and the appearance of the Council's Housing stock.</p>
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4 Context and Key Issues

- 4.1 The Council is responsible for the management, upkeep and repair of Sandwell's housing stock. This is currently achieved utilising a mix of in house resources and external contractors.
- 4.2 This contract is required to enable the Asset Management and Maintenance section of the Housing Directorate to install composite front, rear and fire doors to tenanted Sandwell MBC properties on both a reactive and planned maintenance basis.
- 4.3 Composite doors are made from multiple materials including insulating and secure foam core enclosed by a weather resistant glass reinforced plastic (GRP) outer skin. With the insulating foam core and strong outer frame, the multi layered composition provides strength and resilience as well as excellent energy efficiency.
- 4.4 Some of the biggest impacts of a composite door are that they don't require time-consuming and costly maintenance as they're not prone to fading, warping, or cracking and they also enhance the security of properties by being an accredited Secured by Design product, as detailed further within the Implications section of this report.
- 4.5 At its meeting of 17th March 2021, Cabinet approved the award of contracts to undertake the Composite Door Programme to various properties to Lovell Partnerships Limited and Nationwide Windows Limited for a contract period of two years, from April 2021 to March 2023 to a value of £10m per annum.
- 4.6 Since the contracts have been awarded, Lovell Partnerships Limited who were awarded the contract in the North of the borough proposed to use an alternative product to that upon which they based their tendered rates. They have stated that if we were to insist on them using the specified doors, as priced, they would want an additional article added to the contract indemnifying Lovell for any direct cost and or losses due to any failure in the performance of the nominated doors.



- 4.7 The Council's Legal Services team have advised and confirmed that there can be no change to the terms and conditions from what was agreed in Lovells' original bid. This has been relayed to Lovell Partnerships Limited accordingly.
- 4.8 Lovell Partnerships Limited have subsequently stating in writing as at 9th July 2021 that due to the unpredictability in the industry, fluctuation in material costs, supply issues and labour shortages that they don't believe that the contract can be carried out successfully for the rates tendered and have returned their contract.
- 4.9 The Procurement Team, in conjunction with Legal Services subsequently approached the third placed contractor on 22nd July 2021, Solar Windows Limited, to establish whether they would still be interested in supplying the required products to the Council at their original tendered rates.
- 4.10 Solar Windows Limited replied on 2nd August 2021 stating that owing to raw material price increases they had no alternative but to formally withdraw their tendered price.
- 4.11 After further consultation with the Procurement Services Manager and receiving advice from the Councils Legal Services Team an agreement was reached to approach the fourth placed bidder from the procurement exercise, Sycamore Windows Limited, based on them being able to meet all requirements and their tender being both within budget and held at tendered rates.
- 4.12 The tender submission of Sycamore Windows Limited has been reviewed and is still deemed to provide a high-quality bid and the price, while £692k higher than Lovells original bid still represents value for money compared to the alternative options and is still within the original budget allocation for these works. Sycamore Windows Limited also scored very highly on quality so there are no concerns regarding their capability. Sycamore's bid has been confirmed as having been priced upon one of the specified doors, which has been evaluated by Officers and is fully compliant, meeting all the Councils requirements.



- 4.13 Sycamore Windows Limited were contacted on 19th August 2021 to establish whether they would still be interested in entering in to a contract for the supply of composite doors, which would be subject to them being able to supply on original tendered rates and agreement of terms and conditions.
- 4.14 Sycamore Windows Limited have replied indicating that having reviewed their tender submission they confirm they can still deliver on their tendered rates and on the same terms and conditions upon which they tendered.
- 4.15 It is therefore recommended that a contract be awarded to Sycamore Windows Limited to a value of £10million (£5million per annum) for a contract period of two years.

5 Alternative Options

5.1 The alternatives are: -

Option 1

- 5.1.1 To award the works to the fourth placed bidder which is deemed to provide value for money and is still within the original budget allocation for these works. Sycamore Window Limited's bid will provide the Council with right quality product at a still competitive price.

Option 2

- 5.1.2 To re-procure the works within the North of the Borough, however it is felt that owing to the current uncertainty around material prices within the industry that the tender of Sycamore Windows Limited provides the best value option and outweighs the cost of re-tendering and the risk of receiving higher bids. If we were to re-procure, alternative doors may have to be evaluated and there will be the possibility of costs being higher now due to the unstable market.



Option 3

5.1.3 To award the works within the North of the Borough to Nationwide Windows Limited, who are the Contractor appointed to deliver these works in the South of the Borough. This is not an option as Contractors were afforded the opportunity of applying for one or both contract areas but could only be awarded one contract.

Option 4

5.1.4 To continue to undertake the replacement of Composite Doors within the North via the Contractor currently delivering an External Refurbishment programme within the same area. This is not a viable option owing to the cost of the doors via this route being 50% more.

Option 5

5.1.5 To not invest in our Council Housing Stock which in turn may lead to dissatisfaction from existing and potential new tenants as well as disrepair and additional burden on the Housing Revenue Account.

5.2 5 Options were explored and based on the above summary, Option 1 is recommended as the most viable option.

6 Implications

Resources:	<p>The proposed budget for the contract is £10m (£5m per annum) and will be funded by the Housing Revenue Account and reserves.</p> <p>The budget is intended to provide capacity to deliver replacement composite doors to every Council owned property.</p> <p>The funding set out within this report is part of an affordable programme that remains within our borrowing capacity limits.</p>
Legal and Governance:	<p>The contracts will be awarded in accordance with the Council's Procurement and Contract Procedure Rules and Public Contract Regulations 2015.</p>



Risk:	<p>All door sets must be Secure by Design accredited to BSI – BS: PAS 24.</p> <p>Secured by Design (SBD) is a Police initiative to guide and encourage those engaged within the specification, design and build of new homes, and those undertaking major or minor property refurbishment, to adopt crime prevention measures. Secured by Design is owned by the Police Service and is supported by the Home Office and referenced in Building Regulations 2010 Approved Document Q Security – Dwellings.</p> <p>The benefits of Secured by Design are supported by independent academic research consistently proving that SBD housing developments experience up to 75% less burglary, 25% less vehicle crime and 25% less criminal damage.</p> <p>Where burglaries and or forced entry occurs to Council owned housing stock, necessary repairs are undertaken through the Asset Management and Maintenance Service area in Housing and Communities. However, working closely with the West Midlands Police data identifies areas within the Borough where there is a concentration or repeat offences. To mitigate against this, as part of this contract, where specific areas are identified, these are undertaken as a priority to ensure doors are replaced where necessary.</p> <p>The sharing of any relevant data for the delivery of this contract will be in compliance with the General Data Protection Regulations.</p>
Equality:	An Equality Impact Assessment was not undertaken as this is a Boroughwide contract.
Health and Wellbeing:	There are no health and wellbeing implications arising from this proposal.
Social Value	<p>Social Value will be achieved through the inclusion of an Employment and Skills Plan (ESP) contained within the formal contract with Sycamore Windows Limited. The plan includes contractual performance indicators such as work experience placements, apprenticeships in addition to school engagement and community activities.</p>



	<p>Sycamore Windows Limited, through their tender submission, will fully embrace SMBC's Construction Employment Skills Plan as detailed for this Project. They view the requirements as minimum standards and are confident they will be able to improve on them in many instances.</p> <p>They intend that this Project will provide new, local opportunities and they already have a reserve list of experienced installers who live in Sandwell.</p> <p>They will provide a Project Waste Management Plan clarifying their objectives to effectively manage all waste arising on this project and will state their intention to reduce waste to landfill by minimising, reusing and recycling.</p> <p>They will incorporate a number of key Carbon Initiatives into this contract from the outset.</p>
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7. Appendices

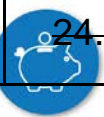
Appendix 1, Tender return results.

8. Background Papers

Cabinet Report 17th March 2021

Appendix 1 Tender Return Results

SMBC20101 – Composite Doors Evaluation			
	Price Score	Quality Score	Total Score
North			
Lovell Partnerships Limited (withdrawn)	65.72	30.00	95.72
Nationwide Windows Limited (awarded contract in the South)	69.49	24.78	94.27



Solar Windows Limited (withdrawn)	70.00	21.38	91.38
Sycamore Windows Limited	60.55	30.00	90.55
Contractor E	56.49	30.00	86.49
Contractor F	55.47	25.45	80.92
Contractor G	48.00	26.85	74.85
Contractor H	45.97	17.20	63.17

