

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 14 November 2016

Rotherham Construction Partnership (RCP) Framework

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Damien Wilson – Strategic Director - Regeneration and Environment

Report Author(s)

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Ward(s) Affected

All

Summary

This report seeks authority for the procurement of a Construction Contractor Framework for the following lots: Flat Roofing (individual contracts not exceeding £250k), Pitched Roofing (not exceeding £250k), Demolition (not exceeding £250k), Asbestos Removal (not exceeding £250k), Building Works 1 (up to £150k), Building Works 2 (between £150-£500k), Structural Repairs (not exceeding £50k), Mechanical Works (not exceeding £200k) and Electrical Works (not exceeding £200k).

Recommendations

1. That approval be given to the procurement of a framework of contractors to cover the works detailed in this report.
2. That the Council enter into framework contract agreements with the contractors appointed.

List of Appendices Included

Appendix A - Private Addendum for RCP Framework

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

Public report with exempt appendix

Title

Rotherham Construction Partnership (RCP) Framework

1. Recommendations

- 1.1 That approval be given to the procurement of a framework of contractors to cover the works detailed in this report.
- 1.2 That the Council enter into framework contract agreements with the contractors appointed.

2. Background

- 2.1 The majority of the Council's building construction is procured through either the YORbuild framework or the Efficiency North Framework (for social housing). The Council's own approved lists (for building works up to £150k and mechanical and electrical works up to £500k) expired in May 2016. As such the Council don't have an alternative in place as a fall-back to using either YORbuild or Efficiency North without issuing open tenders.
- 2.2 There are instances where it is not wholly appropriate to use the frameworks for example with roofing or demolition projects. These projects are currently procured through YORbuild and would be sub-contracted to a specialist contractor, with the main YORbuild contractor applying a management fee. This management fee can be in the region of 10% of the tender price and clearly this does not present best value to the authority.
- 2.3 It is proposed to create a new Rotherham Construction Partnership (RCP) Framework to replace the expired approved lists mentioned in 2.1 and also to cover those elements of work which are specialist in nature and would currently incur a main contractor management fee.
- 2.4 The proposed lots within the framework are as follows:
 - Flat Roofing (individual contracts not exceeding £250k),
 - Pitched Roofing (not exceeding £250k),
 - Demolition (not exceeding £250k),
 - Asbestos Removal (not exceeding £250k),
 - Building Works 1 (up to £150k),
 - Building Works 2 (between £150-£500k),
 - Structural Repairs (not exceeding £50k),
 - Mechanical Works (not exceeding £200k) and
 - Electrical Works (not exceeding £200k).

- 2.5 It is intended to use the RCP Framework for a period of 2 years with an option to extend for a further 12 months. The Council will engage with local contractors to ensure they are made aware of the opportunity and by engaging through the Chamber of Commerce. In addition as part of the quality evaluation the method statement questions will consider the use of local labour and the benefits that this may provide to the borough, these could include apprenticeships, work experience and visits to schools. Proposed methods for utilising the local supply chain and sub-contractors will also be considered.
- 2.6 In order to ensure both fairness of opportunity and value for money there will be a robust mechanism for using the list, selecting the next 4 contractors on the list plus the lowest 2 contractors from the previous tender in that category – subject to satisfactory checks.
- 2.7 Contractor performance will be monitored and poor performance will result in missed tendering opportunities.

3. Key Issues

- 3.1 The key issue is the approval to enter into a procurement process to appoint a list of successful contractors to the framework.

4. Options considered and recommended proposal

- 4.1 If approved, the Council will enter into framework agreements with the successful contractors in each relevant lot. Individual works contracts will be formed as required between the contractor concerned and the Council.

5. Consultation

- 5.1 The Procurement team has been consulted to ensure that the procurement of the framework is compliant with the Public Contracts Regulations 2015.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The existing approved lists expired in May 2016. To ensure the Council has a compliant framework in place for the proposed lots Officers estimate a procurement process of between 3 and 6 months.

7. Financial and Procurement Implications

- 7.1 The RCP Framework will be used to generate competitive tenders for construction works, providing best value to the Council.
- 7.2 All financial information relating to the framework is held in Appendix A the exempt appendum.
- 7.3 It is also proposed to allow other public sector bodies within South Yorkshire and the Sheffield City region to access the framework subject to legal advice.
- 7.4 Standing Orders 48 requires contracts valued at £50,000 and above to be tendered. This will be completed via the YORtender system.

8. Legal Implications

- 8.1 The procurement exercise will be carried out in accordance with the Public Contracts Regulations 2015. Appropriate advice from the Procurement team has been sought to minimise the risk of any challenge.

9. Human Resources Implications

- 9.1 There are no HR implications relevant to this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no Children and Young People and Vulnerable Adults implications arising from this report.

11 Equalities and Human Rights Implications

- 11.1 Equalities and Human Rights Implications will be assessed as part of the tendering process.

12. Implications for Partners and Other Directorates

- 12.1 The framework will be available for use by the Council and subject to advice from Legal, could be made available to other public sector and voluntary sector bodies within the South Yorkshire and Sheffield City Region.

13. Risks and Mitigation

- 13.1 The contractors will be made aware that there is no guarantee of any work through the use of the framework; therefore there will be no liability over and above individual project contracts.
- 13.2 There is a risk that local contractors and small and medium sized enterprises (SME's) do not apply for or are not successful in securing a place on the framework. A suitable advertising strategy will be drawn up to ensure that local contractors are forewarned and kept informed.

14. Accountable Officer(s)

Paul Woodcock – Assistant Director, Planning, Regeneration and Transport,
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Approvals Obtained from:-

Strategic Director of Finance and Customer Services:-

Jon Baggaley, Finance Manager: Regeneration & Environment and Capital - 30th September 2016

Assistant Director of Legal Services:-

Ian Gledhill, Legal Services - 30th September 2016

Head of Procurement (if appropriate): Lorna Byne, Senior Category Manager,
Corporate Procurement Service - 6th October 2016

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