

REPORT OF
The Strategic Director for Place
TO
Procurement Board
ON
16th February 2022

TITLE: Approval to award the contract, for the conversion of a former family centre on Wingate Road, Little Hulton into four 1 bedroom apartments, to Schofield and Sons Limited.

RECOMMENDATION:

That Procurement Board approve the award of the contract to Schofield and Sons as detailed in the table below:

Detail required	Answers
Title/Description of Contracted Service/Supply/Project	Refurbishment of the family centre, Wingate Road, into 4 x 1 bed apartments.
Name of Successful Contractor	Schofield and Sons Ltd
Supplier Registration Number <i>(to be supplied by Corporate Procurement)</i>	025459259
Type of organisation <i>(to be supplied by Corporate Procurement)</i>	Private Limited Company
Status of Organisation <i>(to be supplied by Corporate Procurement)</i>	SME
Contract Value (£)	£190,037.11
Contract Duration	3 months
Contract Start Date	28/02/2022
Contract End Date	05/05/2022
Optional Extension Period 1	months
Optional Extension Period 2	months

Detail required	Answers
Who will approve each Extension Period?	Procurement Board (extension > £150k)
Contact Officer (Name & number)	Konrad Magdzinski 793 2197
Lead Service Group	Place
How the contract was procured? (to be supplied by procurement)	Framework Call-Off (Mini Competition)
Framework Details (where applicable) (procurement body, framework reference & title, start/ end date)	Minor Building Works Framework Lot 2
Funding Source	Capital Programme
Ethical Contractor (EC): Mayor's Employment Charter	√
EC: Committed to sign up to charter	√
EC: Accredited Living Wage Employer	√

EXECUTIVE SUMMARY:

This report seeks approval to award the contract for the conversion of a former family centre into 4 x 1 bed apartments. It will be delivered by one of the councils preferred construction partners and will take around 10 weeks to complete. The apartments will provide self-contained supported housing to help meet an acute need for additional move on accommodation in the city.

BACKGROUND DOCUMENTS:

- Homelessness Strategy
 - Lead Member for Property and Regeneration 8th November 2021: Salford's Rough Sleepers Accommodation Programme (RSAP) Update.
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KEY DECISION: No

DETAILS:

1. Background

Homelessness has been increasing in the city since 2012 and the council is currently housing 314 people who have slept rough or been at significant risk of rough sleeping. There is an acute need for move on accommodation, particularly for those

who have complex needs. In response, the council submitted four bids to the Rough Sleepers Accommodation Programme (RSAP), for the delivery of new move on accommodation in the city. All four bids were successful and attracted grant of £1,591,500 with a requirement of match funding of £1,100,000 from the council's capital programme. A high-level estimate of £183,500 for the Wingate scheme was included within the bid.

Planning permission for the scheme was granted on 28th January 2022.

The tenancies will be allocated and managed by the council's Supported Tenancy service. Revenue funding has also been obtained through RSAP to deliver the ongoing support.

This report seeks to approve the appointment of Schofield and Sons Ltd to deliver the first 4 units of the RSAP at Wingate Road. This scheme involves the conversion of an existing former social care provision into 4 x 1 bed apartments.

2. The Procurement Process

A mini competition was advertised via the Council's Minor Building Works Framework Agreement. A 70% Price and 30% Quality Award Criteria were selected on the basis that cost was the main consideration of the scheme.

One submission was received and evaluated. The table below illustrated the outcome of the evaluation:

Name of Bidder	% Price score Max 70%	% Quality score Max 30%	% Overall Score 100%
Bidder A	70	30	100

The Tender Evaluation Team consisted of technical representatives from Capita (who are appointed project managers) and officers of the council.

The final contracted cost for the scheme came in at £190,037.11 exc Vat which has been recommended by Capita after they undertook a value engineering process to finalise the submitted costs.

As per the tender submission, the appointed contractor has agreed to deliver the scheme within 10 weeks starting from 28th February 2022.

3. Social Value

The contractor's ability to deliver additional social value outcomes were assessed as part of the selection criteria for getting on the Council's Minor Building Works

Framework. All potential bidders had previously demonstrated a satisfactory capacity to deliver the required social outcomes and wider community benefit.

The evaluation criteria for this contract included assessment of how the contractor would contribute towards the environmental, social and economic wellbeing of the area.

Schofield and Sons Ltd have been operating in Salford for 45 years, with over 85% of their employees being Salford residents. They deliver social value in various ways. The immediate environment would be enhanced through cutting back and removing overgrown foliage to all elevations and power-washing the hardstanding to the rear and paths around the building. This would be done free of charge.

Schofield and Sons have assisted various Salford based community groups and events including: Monton Village Association, Salford Community Leisure awards event, Cadishead Rhino's Rugby Club, Boothstown Scout & Cubs and Salford Met's Athletic Club. With all these organisations, and events, either cash donations or free labour has been provided.

Following successfully obtaining works to Salford Schools last Summer Schofield and Sons were able to recruit 3 new Site managers, all of whom are Salford residents. This new work would enable them to continue the employment of one of the site managers.

Schofield and Sons pay all their employees a 'Living Wage' and have recently received accreditation certification with the Living Wage Foundation.

Schofield and Sons are now accredited as a 'Disability Confident committed employer'. The Disability Confident Scheme encourages long-term behavioural change. It makes the business case for employing disabled people, ensuring that they can fulfil their potential.

KEY COUNCIL POLICIES:

Housing and Regeneration

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

The delivery of new homelessness move on accommodation and affordable housing helps to address equality outcomes through the provision of good quality, well managed and secure housing.

ASSESSMENT OF RISK: Low

Risks will be monitored and mitigated through the project group. The main risk is achieving spend in accordance with grant funding requirements. Approval of the report will ensure the Wingate Road units begin before the end of March 2022.

There are also potential construction risks of rising costs and material shortages.

SOURCE OF FUNDING:

The cost of this scheme is included within the approved capital programme funded from a combination RSAP Grant and council match funding.

LEGAL IMPLICATIONS: Supplied by: The Shared Legal Service – Tony Hatton

When commissioning contracts for the procurement of goods, services or the execution of works, the Council must comply with the Public Contracts Regulations 2015 (PCR) and its own Contractual Standing Orders (CSOs), failing which a contract may be subject to legal challenge from an aggrieved provider. CSO's stipulate that where a suitable framework exists, this must be used unless there is an auditable reason not to do so.

The report seeks approval for the appointment of Schofield and Sons to undertake the conversion of former social care accommodation to support the RSAP as described in the report. Schofield and Sons have been appointed via the existing Lot 2 Minor Civils Framework following a mini competition exercise.

FINANCIAL IMPLICATIONS: Submitted by: Chris Mee – Strategic Finance Manager Ext 0434

Provision for the council's contribution is included within the approved capital programme following internal financial modelling based on 40 years borrowing with the rents covering the cost of borrowing, management and maintenance costs and life cycle costs from year 6. The modelling assumed that rents would increase by CPI + 1%. Revenue funding has also been obtained through RSAP to deliver ongoing support.

PROCUREMENT IMPLICATIONS: Supplied by: Deborah Derbyshire x 6244

The minor works framework Lot 2 was utilised for the procurement of the project. All companies on Lot 2 were invited to tender but only one returned a compliant bid. The return was accepted and on budget therefore this complies with the contractual standing orders and the procurement contract regulations.

HR IMPLICATIONS: N/A

CLIMATE CHANGE IMPLICATIONS:

These implications are addressed in other reports and processes.

OTHER DIRECTORATES CONSULTED:

Place, People and Service Reform have all been engaged.

CONTACT OFFICER: Konrad Magdzinski, Principal Officer Development

TELEPHONE NUMBER: 0161 793 2197

WARD(S) TO WHICH REPORT RELATE(S):

Walkden North