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Contract

Provision of Repairs & Maintenance, Gas Servicing and Capital Improvement Works Programmes - Interim Contracts 2024-2026

BIRMINGHAM CITY COUNCIL

F03: Contract award notice

Notice identifier: 2024/S 000-009696

Procurement identifier (OCID): ocds-h6vhtk-044c9e

Published 25 March 2024, 4:15pm

Section I: Contracting authority

I.1) Name and addresses

BIRMINGHAM CITY COUNCIL

10 Woodcock Street

BIRMINGHAM

B4 7WB

Email

cps@birmingham.gov.uk

Country

United Kingdom

Region code

UKG31 - Birmingham

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<https://www.birmingham.gov.uk/>

Buyer's address

www.in-tendhost.co.uk/birminghamcc

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Provision of Repairs & Maintenance, Gas Servicing and Capital Improvement Works Programmes - Interim Contracts 2024-2026

Reference number

P0787_2023

II.1.2) Main CPV code

- 45300000 - Building installation work

II.1.3) Type of contract

Works

II.1.4) Short description

The appointment by Birmingham City Council of two Contractors for the provision of Responsive Repairs & Maintenance Services, Gas Servicing and Capital Improvement Work Programmes (including Major Adaptations) and Standalone Projects regarding the Council's housing stock in all areas of Birmingham. The contract period is for two years commencing 1st April 2024 to 31st March 2026.

II.1.6) Information about lots

This contract is divided into lots: Yes

II.1.7) Total value of the procurement (excluding VAT)

Lowest offer: £423,000,000 / Highest offer: £603,000,000 taken into consideration

II.2) Description

II.2.1) Title

North, West and East

Lot No

1

II.2.2) Additional CPV code(s)

- 09300000 - Electricity, heating, solar and nuclear energy
- 45200000 - Works for complete or part construction and civil engineering work
- 45300000 - Building installation work
- 45400000 - Building completion work
- 50510000 - Repair and maintenance services of pumps, valves, taps and metal containers
- 50530000 - Repair and maintenance services of machinery
- 50700000 - Repair and maintenance services of building installations
- 50850000 - Repair and maintenance services of furniture
- 51100000 - Installation services of electrical and mechanical equipment
- 51510000 - Installation services of general-purpose machinery and equipment
- 71000000 - Architectural, construction, engineering and inspection services

II.2.3) Place of performance

NUTS codes

- UKG31 - Birmingham

II.2.4) Description of the procurement

Birmingham City Council is the largest local authority in Europe and one of the largest social landlords in the country with a stock portfolio of approximately 60,000 properties. The Council requires contracts to provide a day to day repair service, (including 24 hours cover for emergency repairs); repair work to void properties prior to re-letting; cyclical repairs; planned maintenance and improvement programmes; retrofit works to the Council's housing stock to reduce carbon impact, disabled adaptations; inspection services; planning supervisor services; design specification; work planning and quality control, together with customer relations and the appropriate financial and administrative support. The scope of the gas and heating installations, servicing and maintenance workstream includes providing an annual service to all appliances, in line with the Council's statutory obligation. The Council has bespoke contract terms and a 'price per' approach for repairs (Price per Property), gas servicing and repairs (Price per Gas & Heating) and capital elemental works (Price per Element), voids are priced via the National Housing Federations Schedule of Rates and standalone projects are priced

separately priced. The Council is committed to providing quality services to customers. Contractors are required to assist the Council in achieving and furthering this objective through continuous service improvement. The Council has established key performance indicators which contractors are expected to consistently meet. Under this contract the contractors and their supply chains are required to actively participate in the achievement of the Contracting Authority's social, economic and environmental objectives.

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: No

II.2) Description

II.2.1) Title

South

Lot No

2

II.2.2) Additional CPV code(s)

- 09300000 - Electricity, heating, solar and nuclear energy
- 45200000 - Works for complete or part construction and civil engineering work
- 45300000 - Building installation work
- 50510000 - Repair and maintenance services of pumps, valves, taps and metal containers
- 50530000 - Repair and maintenance services of machinery
- 50700000 - Repair and maintenance services of building installations
- 50850000 - Repair and maintenance services of furniture
- 51100000 - Installation services of electrical and mechanical equipment
- 51510000 - Installation services of general-purpose machinery and equipment
- 71000000 - Architectural, construction, engineering and inspection services

II.2.3) Place of performance

NUTS codes

- UKG31 - Birmingham

II.2.4) Description of the procurement

Birmingham City Council is the largest local authority in Europe and one of the largest social landlords in the country with a stock portfolio of approximately 60,000 properties. The Council requires contracts to provide a day to day repair service, (including 24 hours cover for emergency repairs); repair work to void properties prior to re-letting; cyclical repairs; planned maintenance and improvement programmes; retrofit works to the Council's housing stock to reduce carbon impact, disabled adaptations; inspection services; planning supervisor services; design specification; work planning and quality control, together with customer relations and the appropriate financial and administrative support. The scope of the gas and heating installations, servicing and maintenance workstream includes providing an annual service to all appliances, in line with the Council's statutory obligation. The Council has bespoke contract terms and a 'price per' approach (for repairs (Price per Property), gas servicing and repairs (Price per Gas & Heating) and capital elemental works (Price per Element), voids are priced via the National Housing Federations Schedule of Rates and standalone projects are priced. The Council is committed to providing quality services to customers. Contractors are required to assist the Council in achieving and furthering this objective through continuous service improvement. The Council has established key performance indicators which contractors are expected to consistently meet. Under this contract the contractors and their supply chains are required to actively participate in the achievement of the Contracting Authority's social, economic and environmental objectives.

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed

below

- The services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

In January 2023 Birmingham City Council (the Council) commenced a procurement for the provision of Responsive Repairs and Maintenance Services, Gas and Heating Servicing, Capital Improvement Work including Major Adaptions and Retrofit Works to Council Housing Stock (approximately 60,000 properties), contract reference P0787, for the value of £1.4 billion which was advertised on the Find a Tender Service, notice reference number 2023/S 000-001326. The intention of that procurement was to source two contractors, one for each lot for a five year contract with the option to extend for a further five years. The procurement was conducted under the competitive procedure with negotiation. The procurement proceeded through the SQ stage to the ISIT (Invitation to Submit Initial Tenders) stage. The Council took the decision to abandon the procurement in August 2023 following receipt of initial tender submissions, when the commercial evaluation presented challenges due to the scale and scope of the works required. In addition, as a result of work which the Council had carried out since the tender had been published regarding its capital programme, there had been a significant increase in the volume and values of works required. The Council undertook an objective assessment of its options and reached the conclusion that entering into negotiations with its two incumbent providers to secure interim contracts for a two year period would best meet its needs. The negotiations have focused on securing better value for money for the Council through a reduction in cost, service continuity and improvement in resident services, a more balanced approach to risk, increased throughput of the planned programme and a new approach for materials supply. The Council will rely on Reg 32(2)(b)(ii) of the Public Contract Regulations 2015 in awarding these contracts, where the works, supplies or services can be supplied only by a particular economic operator where competition is absent for technical reasons. The decision taken to work with the incumbents was due to the Council's view that competition is absent in this particular case due to the time required to mobilise and transition to new contractors in time for the new contracts to commence from the 1st April 2024. The award of these interim contracts will provide the Council sufficient time to undertake a service review, re-procure long-term contracts, mobilise and exit/transition and for these reasons believes that no other suppliers could meet the Council's requirements during this interim contract period.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract

Contract No

P0787_2023

Lot No

1

Title

P0787_2023 Provision of Repairs & Maintenance, Gas Servicing and Capital Improvement Works Programmes - Interim Contract 2024-2026 - North, West and East

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

20 March 2024

V.2.2) Information about tenders

Number of tenders received: 1

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor

Equans Regeneration Limited

Newcastle upon Tyne

NE12 8BU

Country

United Kingdom

NUTS code

- UKC - North East (England)

Companies House

1738371

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Lowest offer: £259,700,000 / Highest offer: £371,300,000 taken into consideration

Section V. Award of contract

Contract No

P0787_2023

Lot No

2

Title

Provision of Repairs & Maintenance, Gas Servicing and Capital Improvement Works Programmes - Interim Contract 2024-2026 - South

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

15 March 2024

V.2.2) Information about tenders

Number of tenders received: 1

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor

Fortem Solutions Limited

Letchworth Garden City

SG6 4ET

Country

United Kingdom

NUTS code

- UKH - East of England

Companies House

04638969

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Lowest offer: £163,300,000 / Highest offer: £231,700,000 taken into consideration

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

Royal Courts of Justice, Strand

London

WC2A 2LL

Country

United Kingdom