

Report of: Head of Oxford City Homes
To: City Executive Board
Date: 23 July 2008 **Item No:**
Title of Report : Painting & Pre-Paint Repairs – Tender Approval.

Summary and Recommendations

Purpose of report: To advise the Board on the tenders received for the Painting and Pre-paint repairs contract within the HRA Planned Maintenance programme for 2008/09.

Key decision: Yes

Board Member: Councillor Ed Turner

Report Approved by:
Finance: David Higgins
Legal: Lindsay Cane

Policy Framework: More Housing, better housing for all.

Recommendation(s): That the lowest tender for Painting and Pre-paint repairs be accepted.

Background –

1. The HRA Planned Maintenance budget was approved by the Executive Board in January 2008 and Council in February 2008. A total budget of £4,583,852 (excluding fees) was approved for the financial year 2008/09. Within this budget, a sum of £581,950 was allocated for External Painting and Pre-paint repairs.
2. The works involve pre-paint joinery repairs and external painting to Council HRA housing and garage stock, together with the painting of internal communal areas in blocks of flats. The pre-paint joinery repairs include the replacement, or repair of, timber doors,

windows, cladding, fascias and soffits, together with ironmongery replacement, prior to painting.

3. Competitive tenders have been received for this work, the results of which are shown in the Financial Implications section below. Six tenders were invited but only four were submitted.
4. The works will be carried out in the following roads:-

Blocks of flats only in - Atwell Place, Barton Road, Bayswater Road, Bonar Road, Brome Place, Burchester Avenue, Chillingworth Crescent, Colemans Hill, Cress Hill Place, Field Avenue, Girdlestone Road, Gladstone Road, Heath Close, Long Close, Masons Road, Mattocks Close, North Place, Northfield Road, Nuffield Road, Pauling Road, Peat Moors, Pickett Avenue, Slade Close, Sorrel Road, Stephen Road, Stowford Road, The Slade, Threefields Road, Underhill Circus, Warren Crescent, Woodfarm Road.

Houses and flats(if applicable) in – Barnet street, Barracks Lane, Bartlemas Road, Boundary Brook Road, Catherine Street, Charles Street, Cowley Road, Cricket Road, Cumberland Road, Essex Street, Fairacres Road, George Moore Close, Gillians Way, Glanville Road, Golden Road, Howard street, Iffley Road, Laurel Farm Close, Magdalen Road, Malford Road, Milton Road, Morris Crescent, Percy Street, Pipkin Way, Quartermain Close, Saunders Road, Shelley Road, Sidney Street, Southfield Park, Southfield Road, St Marys Road, Westfield Close.

Garages in – Boundary Brook Road, Catherine Street, Cress Hill Place, Colemans Hill, Gladstone Road, Green Road, High Cross Way, Chillingworth Crescent, George Moore Close, Girdlestone Road, Heath Close, Masons Road, Nuffield Road, Pauling Road, Slade Close, Southfield Park, The Slade,

5. Consultation with tenants and leaseholders on colours of doors, communal areas and painted external rendered areas are on-going.

Legal implications -

6. The contract will be a fixed price contract under the JCT Intermediate Form of Contract and will be for a period of eighteen months from the date of commencement of the works, all subject to contract.
7. Leaseholders are being fully consulted in accordance with the Commonhold and Leasehold Reform Act 2002, Section 151. Upon completion of the works they will be recharged their proportion of the costs.

Financial implications -

8. The following tenders were received:

- A. £ 443,455:47
- B. £ 663,355:50
- C. £ 855,380:00
- D. £1,079,127:00

9. The lowest tender (A) submitted by J & S Seddon (Painting) Ltd has been checked and found to be arithmetically correct with no omissions or qualifications. Officers have recently inspected a sample of their current work for Stroud District Council and are happy with the quality and it meets the Council's standards. The majority of their labour is directly employed and what sub-contractors they do use have been employed by them over a number of years. Officers of Stroud District Council have confirmed that they are happy with their performance and have recently entered into a long term contract with them.

10. Tender A is significantly lower than the current contract and therefore provides good value for money.

11. The estimated spend for the allocated budget of £581,950 for this project within this financial year is split as follows:-

£210,950 for the completion of the previous painting contract and associated works.

£325,000 for works completed within the proposed contract within this financial year.

It was always anticipated that some work within this contract will be undertaken in 2009/10 and paid for from the painting and pre-paint budget in that year.

This shows a potential saving within this budget of £46,000 in 2008/09. However, at this stage, it is proposed to keep the budget sum unchanged, monitor it closely and keep it under review.

12. There is also a potential saving in 2009/10 as the contract price is lower than the current base budget for External Painting and Pre-paint repairs. This potential saving will be taken into account when work on the 2009/10 budgets begins. However, the intention is to tender for and enter into a partnership arrangement for painting works in the next financial year and the proposed partnership will overlap this contract midway through 2009/10. Therefore, at this stage, with so many unknowns, the current budget level will remain unchanged.

13. It should also be noted that an income sum, in the region of, £75,000 is predicted in 2009/10 in respect of recharges made to Leaseholders for works which are included within the tender sum.

Environmental implications -

14. The current, more environmentally friendly, water based paints do not have the longevity to suit the Council's painting cycle and to shorten the cycle would have considerable financial implications for the HRA Planned Maintenance budget. Oil based paints are still being specified but the situation will be reviewed in eighteen months time before the next tendering process for the painting programme.
15. The contract includes the cleaning of PVCu windows and the solutions specified have as low an environmental impact as possible while still remaining effective.

Recommendation -

16. It is recommended that the lowest tender in the sum of £443,455:47 submitted by J & S Seddon (Painting) Ltd be accepted.

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Background papers:

Specification and tender returns.