

To: City Executive Board

Date: 3 March 2010 **Item No:**

Report of: Head of Oxford City Homes

Title of Report: Replacement of Windows – Tender Approval.

Summary and Recommendations

Purpose of report: To advise the Board on the tenders received for the replacement of windows in the Council's housing stock.

Key decision? Yes

Executive lead member: Councillor Joe McManners

Report approved by:

Finance: Jane Rees
Legal: Lindsay Cane

Policy Framework: More housing, better housing for all.

Recommendation(s): That the lowest tender for the replacement of windows, at a reduction in the schedule of rates price of 15.25%, submitted by Nationwide Windows be accepted but, should the contract with Nationwide Windows fail to proceed, then the next lowest tender from Anglian Windows be accepted.

Background –

1. This project was approved by the City Executive Board and Council in February 2009 as part of the HRA 2009/10 Capital programme. The budgets allocated to this particular project are to be found in the Financial Implications section of this report.

2. The works involve the replacement of windows and doors (when part of a combination frame) in houses and flats in various areas of the City. The previous contract period with Anglian Windows has just finished although retention monies are still outstanding and these are shown in the Financial implications section below.
3. Competitive tenders have been received for this work, the result of which is shown in the Financial Implications section below. Documents were sent to six interested companies and four tenders were received by the due time/date.
4. The lowest tenderer, Nationwide Windows, are based in Rugby and have successfully carried out, or currently undertaking, multi-million pound contracts with Local Authorities and Housing Associations. To date they have not carried out works for Oxford City Council but officers have visited a site in Bicester which was recently completed by them and have inspected/tested a sample window, built to the City Council specification criteria, and all were to a good standard.

Legal implications -

5. The contract will be a fixed price contract under the JCT Intermediate Form of Contract, all subject to contract. It is a 15 month contract which it is estimated to start at the beginning of April 2010.

Financial implications –

6. Because of the on-going nature of this planned maintenance work, budgets span a few years. The budget for this contract (including 10% fees) is made up as follows:-

2009/10 -	£235,370 will be allocated from this years budget of £310,000 and will be carried forward into 2010/11. The sum of £74,630 (including fees) has already been committed, £51,078 of which is for retention and works carried out by the previous supplier.
2010/11 -	The full windows budget of £320,000 will be allocated for 2010/11.

It is predicted that £486,087 will be spent in 2010/11 with £69,283 being carried forward into 2011/12. Approximately 200 homes will have their windows replaced.

7. The tender documents contained given schedule of rates prices which were based upon window/door sizes. There is no tender figure as such, tenderers were given an indicative budget upon which they could base their percentage figure over or below the schedule of rate price. The percentage rates tendered were as follows:
 - A. Reduction of 15.25%
 - B. Reduction of 10.41%
 - C. Reduction of 5%
 - D. Increase of 30% with 150% increase on “extra-over” items.
8. The tenders have been checked and there are no anomalies or errors in pricing. An evaluation of the tenders based on best value criteria has been undertaken, with a weighting of 70% price and 30% quality. On quality issues, the lowest and second lowest tenderers were equal and therefore the lowest tenderer has achieved the best overall score.
9. Leaseholders are being fully consulted in accordance with the Commonhold and Leasehold Reform Act 2002, however, because the work is classed as an improvement, leaseholders have a choice as to whether they have their windows replaced.

Environmental implications -

10. The lowest tenderer has confirmed that their windows will be built to Category A standard, effectively top of the range, with a special thermal reinforcement and argon filled sealed double glazing with a special thermal spacer. It is estimated that a saving of 30.4 tonnes of carbon will be saved per home (average semi-detached) over 20 years (1.5 tonnes per year) and 300 tonnes for the contract.
11. The windows and doors will be constructed to Secure by Design standards where appropriate and fully complying with the Council's specification.

Equalities impact -

12. There are no equalities implications to this report.

Level of risk -

13. The level of financial risk is low. Health and Safety risks are higher owing to the nature of the works, working at heights etc. The contractor's assessments have been closely checked and they will

be monitored by the Project Surveyor, Clerk of Works and Oxford City Homes's Health and Safety Advisor as works proceed. An assessment has been carried out on the tenderers by Constructionline, a Government partner who pre-qualify contractors' ability to deliver and their financial stability etc.

14. A Risk Register highlighting any risks associated with this report not being approved is attached, Appendix 1.

Appendices -

15. Appendix 1. Risk Register.

Recommendation -

16. That the lowest tender for the replacement of windows, at a reduction in the schedule of rates price of 15.25%, submitted by Nationwide Windows be accepted but, should the contract with Nationwide Windows fail to proceed, then the next lowest tender from Anglian Windows be accepted.

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Background papers: Tenders and Specification.
Council & CEB Budget Reports
February 2009.

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