

LGSS ASBESTOS REMOVAL FRAMEWORK CONTRACT

To: General Purpose Committee

Date: 27th January 2015

From: Director of LGSS Law, Property & Governance

Electoral division(s): All

Forward Plan ref: 2015/017 Key decision: Yes

Purpose: To consider the procurement of an Asbestos Removal Framework Agreement to commence on 1st June 2015 for a duration of four years, to operate across LGSS works and to also be open for LGSS customers to use. It will complement the Asbestos Consultancy Contract procured in late 2014. Services are currently procured via the use of ESPO framework contractors, the procurement of our own framework will allow improved control of health & safety, quality and specification.

Recommendation: General Purpose Committee is recommended to:

- (a) Approve the commencement of procurement of a framework of asbestos removals contractors with the intention that the new service provider(s) will commence on 1st June 2015 for a duration of 4 years; and**
- (b) Delegate authority to the LGSS Director Law, Property & Governance and the Head of Property Services to appoint framework contractors following a competitive process and complete all necessary contractual documents in accordance with Council procedures.**

<i>Officer contact:</i>	
Name:	James Thorpe
Post:	Standards, Governance & Commercial Manager, Property Services
Email:	jthorpe@northamptonshire.gov.uk
Tel:	07734 983042

1. BACKGROUND

- 1.1 The Council's properties require proactive asbestos management to comply with relevant legislation and to promote a healthy and productive working environment. Such management regularly requires the removal of asbestos containing materials as part of the day-to-day asbestos management, routine/reactive maintenance, refurbishment & capital projects and changes in buildings' use.
- 1.2 The current procurement method for this work is to use ESPO framework contractors. This proposal will put LGSS in control of the specification and direction of the contract.
- 1.3 The procurement of our own framework will give trading opportunities in its own right as well as supporting existing trading arrangements for asbestos management/advice.

2. MAIN ISSUES

- 2.1 The current ESPO contract is coming to an end in Summer 2015 and we need to decide whether to continue with this arrangement or source our own framework.
- 2.2 By procuring our own framework we will have complete control of the management, health, safety and environmental contracting chain for all asbestos works which will enable us to ensure high standards are maintained in this sensitive area of work.
- 2.3 The procurement of this framework follows the LGSS ethos of trading services with others, in order to reduce the overall cost of providing the service to the partner councils.
- 2.4 Alternative Options Considered:
 - i. The principle alternative is to maintain the existing system of relying on ESPO's framework contractor arrangements which will be being re-tendered themselves in the latter part of 2015 and are unlikely to give us the level of control over contractors.
 - ii. The anticipated cost of LGSS procuring this framework is £8,000. The cost of Property Services assisting ESPO in their previous framework procurement was £2,000 and we would expect it to be similar with their reprocurement, if we were to stay with their model. Therefore, the nett additional cost of LGSS procuring this framework is £6,000.
 - iii. Over the four year framework, assuming they operate a 1% fee for access as they do for other frameworks, we anticipate that the cost to access the ESPO framework would be £5,000.
 - iv. By utilising our own framework with existing LGSS Property Services clients, based on historic levels of use, we would expect to recoup £4,000 through charging to access our own framework.

- v. Our experience with the Asbestos Consultancy framework procured in late 2014 is showing a market interest in trading access to LGSS frameworks amongst other Public Sector organisations in our area.
- vi. The services could potentially be broken down into individual 'request for quotations' – however this would not provide the Authority with the flexibility to react to the risks from sites as and when they arise or any trading opportunities. This method is also very time consuming and may result in exceeding procurement thresholds.
- vii. We need to ensure we have specialist technical resources at hand to reflect our needs going forward. This includes providing the Authority with an emergency response to technical/environmental issues which is particularly relevant to asbestos management, due to its known risks and locations.

2.5 Financial Implications

- viii. There will be no increase in spending commitments, as this report is seeking only to continue the current system of utilising framework contractors.
- ix. Although asbestos removal works are variable in nature and assessed on a case-by-case basis, annual expenditure is generally in the region of £125k.

2.6 What benefits will the proposal deliver?

- x. Complete control of the asbestos management and removal process to our own standards required in what are often sensitive properties.
- xi. Value for money – the frameworks will be competitively tendered to establish schedules of rates and where these cannot be used mini-competitions between framework contractors can be held quickly and efficiently.
- xii. A variety of contractors with different strengths can be employed on the framework – e.g. greater experience in working within schools/residential homes/etc. allowing us to appoint experienced contractors for specific project needs.
- xiii. The bulk procurement and management of the service will minimise the Council's management burden and costs, and will produce a highly competitive unit cost for the service.
- xiv. Trading opportunities.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

There are no significant implications within this category.

4.2 Statutory, Risk and Legal Implications

a) Risk(s) associated with the proposal

Risk	Mitigation
No LGSS framework of our own in place, therefore we continue to use the existing ESPO frameworks, which are due for re-tender in late 2015.	A procurement plan has been created highlighting key dates and deadlines. Property Services working closely with LGSS legal and procurement teams.

b) Risk(s) associated with not undertaking the proposal

Risk
The existing ESPO frameworks used are due for re-tender in late 2015, we do not know the form that these new arrangements will take, or the specification that they will include.

4.3 Equality and Diversity Implications

It is unnecessary to proceed to a full impact assessment due to there being no known relationship between the service and the equality of its impact on different protected groups. The service will impact all property occupiers / users equally.

4.4 Engagement and Consultation Implications

As the proposal set out in this report would not result in any changes to the current, long established principle of using framework contractors for this work, it is considered that consultation is not necessary.

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

The award of this contract will require the evaluation of the supplier's Health & Safety Policy and other related accreditations and capability during the PQQ and ITT stages in order to establish that they are suitably qualified and experienced to perform the contract.

Source Documents	Location
ESPO Asbestos removal services Framework Dated 2011	http://www.espo.org/Frameworks/Environmental-services-waste-management/3062-Asbestos-Removal-Services