**2**

**Direct Award Report**

Reactive Repairs and Empty Properties Framework 2022-2026

Lot 1b

Rooftop Housing Group

Ref: 16863

February 2023

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1. Project Particulars

|  |  |
| --- | --- |
| **Document Type** | Direct Award Report |
| **Project Ref** | Ref 16863 |
| **Framework** | Reactive Repairs and Empty Properties Framework 2022-2026 |
| **Lot** | Lot 1b |
| **Fusion21 Member** | Rooftop Housing Group |
| **Issue Date** | 17th February 2023 |
| **Approx Value** | £20,000.00 per annum |
| **Contract Term** | 3 years plus 2 years extension |
| **Fusion21 Management Fee** | 3.5% |

1. Introduction

Rooftop Housing Group is carrying out a programme of responsive repairs and void property works to a residential complex of around 50 units located next to the Weston Super Mare General Hospital. This document outlines the process undertaken to identify the supplier eligible for a Direct Award under Lot 1b of Fusion21’s Reactive Repairs and Empty Properties Framework and to demonstrate such an award represents value for money.

1. Framework Procurement

In accordance with public procurement legislation a procurement exercise took place with a Contract Notice 2022/S 000-015105 and a corresponding Contract Award Notice 2022/2 000-027265.

After bid compliance checks and supplier selection, bids were evaluated using Most Economical and Advantageous Tender criteria (MEAT). Suppliers were ranked on their Framework submissions based on 40% cost / 60% quality.

This resulted in a select list of contractors with which Fusion21 entered into Framework Agreements for the Fusion21 Reactive Repairs and Empty Properties Framework. The Framework commenced on 1st October 2022 and is open for Fusion21 Members to use.

1. Framework Tender Process
   1. Supplier Selection

A total of 36 contractors applied to join the Fusion21 Reactive Repairs and Empty Properties Framework for Lot 1. Fusion21 checked contractors’ accreditations, financial standing, arrangements for quality, health & safety etc. and contractors passed supplier selection.

* 1. Evaluation of Lot 1

Suppliers on the Fusion21 Reactive Repairs and Empty Properties Framework Lot 1 were evaluated and ranked based on the award criteria of 40% Cost /60% Quality. 29 suppliers were successfully appointed to Lot 1 of the Framework as shown below.

|  |
| --- |
| Axis Europe plc |
| Bell Decorating Group Limited |
| Breyer Group Plc |
| Chigwell (London) Ltd |
| Combined Facilities Management Ltd |
| CTS PROJECTS |
| DLP Services (Northern) Ltd |
| Dodd Group (Midlands) Limited |
| EQUANS Regeneration Limited |
| Fortem Solutions Limited |
| Foster Property Maintenance Ltd |
| Ian Williams Limited |
| LCB Construction |
| M.D. Building Services Ltd |
| M&Y Maintenance and Construction Ltd |
| Maurice Flynn & Sons Ltd |
| MCP Property Services Ltd |
| Mears Group PLC |
| MNM Property Services Limited |
| Penny Lane Builders Limited |
| PiLON Limited |
| PK Murphy Construction Ltd |
| Prestige Domestic Property Maintenance LTD |
| Sovini Property Services |
| Unitas Stoke-on-Trent Ltd |
| United Living |
| Up Holland Property Services |
| Uppingham House (legal name Jeakins Wear) |
| Wates Group |

1. Call-off Process

Rooftop Housing Group is seeking to appoint a supplier to deliver a programme of responsive repairs and void property works. Fusion21 revisited the Framework evaluation to identify the top-ranked contractor fulfilling the Direct Award criteria in the Framework Agreement. The works are located across the south west geographical NUTS region. In order to ensure the appropriate supplier list is invited to express their interest in the works Fusion21 identified only those suppliers appointed to the region and ranked the suppliers in accordance with their ranking, the table below shows the top rank suppliers for Lot 1b in the south west region in rank order:

|  |  |
| --- | --- |
| **LOT 1B - South West** |  |
| **Supplier** | **Rank** |
| M.D. Building Services Ltd | 1 |
| United Living | 2 |
| Ian Williams Limited | 3 |
| Fortem Solutions Limited | 4 |
| Dodd Group (Midlands) Limited | 5 |
| Bell Decorating Group Limited | 6 |
| MD Building Services | 7 |
| LCB Construction | 8 |

In line with Schedule 13 of the Fusion21 Reactive Repairs and Empty Properties Framework Agreement for a direct award process, suppliers are invited to express their interest in the project in framework rank order. Where a supplier declines the opportunity the next highest ranked framework supplier is given the same opportunity.

Following this process the suppliers ranked at numbers 1, 2, 3, 4 and 6 declined the opportunity and the supplier ranked at number 5 did not respond. The supplier ranked 7th confirmed their interest in the contract and were, therefore, invited to submit their pricing and delivery proposals in line with the framework direct award process.

1. Award Due Diligence

The following information was checked for M.D. Building Services Ltd on 17th February 2023 The criteria for the colour coding is included in Appendix A.

|  |  |  |  |
| --- | --- | --- | --- |
| Area | Assessment | Result | RAG |
| Financial | D&B Overall Business Risk Rating | Low - Moderate | ⚫ |
| Financial | D&B Failure Score | Low - Moderate | ⚫ |
| **Area** | Assessment | Result | RAG |
| Insurances | Public Liability Insurance | £10m – Expiry 01/06/2024 | ⚫ |
| Insurances | Employers Liability Insurance | £10m – Expiry 01/06/2024 | ⚫ |
| Insurances | Product Liability Insurance | £10m – Expiry 01/06/2024 | ⚫ |
| Insurances | Professional Indemnity Insurance | £5m – Expiry 01/06/2024 | ⚫ |

In compiling the above information Fusion21 has undertaken a basic due diligence exercise that indicates the financial stability and competency of the supplier identified for this contract. Members should satisfy themselves as to the level of diligence they require and the standing of the supplier before making an award decision.

1. Fusion21 Recommendation

Rooftop Housing Group is seeking a supplier to carry out a programme of responsive repairs, void property work and gas servicing/maintenance works. Based on Rooftop Housing Group’s requirements and in accordance with the original Framework evaluation, Fusion21 has identified M.D. Building Services Ltd. as the supplier offering the best value-for-money solution for this category of work. It is Fusion21’s recommendation that M.D. Building Services Ltd. is appointed to carry out the required works and/or services as a Direct Award under the Fusion21 Reactive Repairs and Empty Properties Framework.

*Note: In accordance with regulation 112 of Public Contracts Regulations 2015 and Crown Commercial Services Procurement Policy Note* [*09/21*](https://www.gov.uk/government/publications/ppn-0921-requirements-to-publish-on-contracts-finder)*, you may be required to publish a contract award on ContractHi Wis Finder. If so, please make sure you do this as Fusion21 is unable to do it for you.*

Appendix A – Due Diligence Criteria

**Dun & Bradstreet Overall Business Risk Assessment**

The Overall Business Risk is a high-level prediction of the company’s risk of paying its bills extremely late, or its likelihood of going out of business. It is a comprehensive evaluation that considers factors such as trade payments, risk indicators, financial data, as well as a business’ size and years in operation. It scores businesses on a five-point scale, from low to high risk, with additional statements describing the business’s current and future health.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Low | Low-Moderate | Moderate | Moderate-High | High |

Further information about D&B’s Risk Assessment: [D&B Business Credit Reports](https://www.dnb.com/content/dam/english/business-trends/dbcredit-report-ebook.pdf)

**Dun & Bradstreet Failure Score**

The D&B Failure Score predicts the likelihood that an organisation will obtain legal relief from its creditors or cease operations over the next 12 month period. The Failure scorecard also looks for events signalling the onset of failure, such as a meeting of creditors, administrator appointed, bankruptcy, receiver appointed, and petition for winding-up.

|  |  |
| --- | --- |
| **Failure Score** | **Probability of Failure** |
| 86-100 | Minimum risk |
| 51-85 | Lower than average risk |
| 11-50 | Higher than average risk |
| 1-10 | High risk |
| - | Insufficient information |

Further information about D&B’s Failure Score: ”[A Guide to Dun & Bradstreet’s Predictive Indicators](https://www.dnb.co.uk/content/dam/english/dnb-data-insight/DB_Rating_Guide_2015.pdf)”.

**Insurances and Accreditations**

Fusion21’s RAG colour coding is as follows:

Moderate risk would be where a certificate is due for renewal within 30 days or (for example) an inappropriate insurance cover level. High would be includes the unaccredited or the uninsured.

|  |  |  |
| --- | --- | --- |
| Low | Moderate | High |