

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 07/10/2024

Subject: Fire Door Installation Programme (Phase 1)

Cabinet Member: Councillor Frances Umeh, Cabinet Member for Housing and Homelessness

Report Authors: Richard Buckley, Assistant Director, Residents and Buildings Safety / Danny Doyle, Head of Fire Safety Works

Responsible Director: Richard Shwe, Director of Housing / Sukvinder Kalsi, Executive Director of Finance and Corporate Services

SUMMARY

The installation and upgrading of fire doors are crucial not only for the heightened safety of high-rise residential buildings but also to meet compliance requirements under UK fire safety laws. As integral components of fire safety design, fire doors play an essential role in preventing the spread of fire and smoke, thereby safeguarding both the residents and the building.

To ensure that we are compliant with UK fire safety laws, the Fire Safety Works team has identified the need as part of a comprehensive programme to install and upgrade fire doors across the borough. This programme will involve works to circa 2,800 fire doors. This programme will also place an emphasis on 231 high-rise buildings which contain five stories or more as legislation requires us to prioritise these properties.

To manage this programme, within existing resources, we propose awarding a contract to work through the higher risk premises of the phase 1 plan. Within this prioritisation, 2,800 doors (which is 67% of the total 4,161 doors in phase 1) have been identified. The cost is projected at a total of £7 million. A subsequent programme will be implemented post successful delivery of this scheme to complete the remaining 33% of phase 1 doors. The cost of this work will be met by Hammersmith and Fulham Council and therefore leaseholders will not be charged for these works.

To source a supplier to undertake these works, we are seeking approval to undertake a mini competition via the Fusion 21 Building Safety and Compliance Framework, 'Passive Fire Protection - Fire Doors' category. We are anticipating starting these works by early 2025. The works will be managed and overseen by Housing's Fire Safety Works team and its appointed Principal Designer.

RECOMMENDATIONS

1. To note that Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. For Cabinet to approve the procurement strategy to undertake a mini-competition via the Fusion 21, Building Safety and Compliance Framework, 'Passive Fire Protection - Fire Doors' category for works relating to phase 1 Fire Door Works.

Wards Affected: All.

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The supplier will be required to deliver Social Value as per the Framework call-off. This should have a positive impact on local wellbeing and prosperity.
Creating a compassionate council	The works undertaken via this programme will ensure that our buildings will have robust and compliant fire-safety infrastructure and therefore by undertaking this programme we are providing our residents with safe and quality housing.
Doing things with local residents, not to them	This work is driven by strict regulation and building control guidelines. The service however does inform residents of their workplan via coffee morning, letters/flyers and attendance at resident forums.
Being ruthlessly financially efficient	This framework category evaluated and ranked suppliers based on a 40% cost and 60% quality weighting. The cost evaluation was comprehensive as it based costing evaluation on a comprehensive schedule of rates. We therefore have a good cost baseline of the supplier on this framework. At call-off competition stage we will encourage further cost competition by applying a 40% weighting to cost. This will further drive value for money.

Our Values	Summary of how this report aligns to the H&F Values
Taking pride in H&F	It is important that the Council provides tenants with homes to be proud of. Safe and compliant buildings is the first and foremost fundamental step in achieving this ambition.
Rising to the challenge of the climate and ecological emergency	The tender will assign an element of the evaluation weighting to sustainability. A method statement will be requested from suppliers requiring them to evidence how they operate in a manner that demonstrates a commitment to sustainability. These method statements will be scored and any supplier who fails to meet an acceptable score will not be progressed.

Financial Impact

The report does not request budget approval, rather it seeks approval of a procurement strategy to source a contractor for the installation and upgrading of fire doors in residential blocks and high-rise buildings.

The expectation is that costs will be funded from existing budgets within the HRA Asset Management 4-Year Capital Programme for 2024-28 which was approved by Cabinet in February 2024 and contains a budget provision for the fire safety compliance programme, of £14.712m across financial years 2024/25 to 2027/28.

Once an appropriate contractor is selected via the framework, a further decision report will be required to appoint the contractor. This will include the necessary financial checks to ensure the financial solvency and stability of the contractor, as well as ensuring value for money is delivered.

Implications prepared by: Anjeli Chadha, Principal Accountant – Housing Capital, 12 July 2024

Implications verified by: Danny Rochford, Head of Finance (Housing), 16 July 2024

Approved by James Newman, Assistant director of Finance at the Contract Assurance Board, 21 August 2024.

Legal Implications

The Council is under a statutory obligation to carry out these works under the Regulatory Reform (Fire Safety) Order 2005 and the Fire Safety Regulations 2022.

The award of these works to a supplier will be a public works contract under the Public Contracts Regulations 2015 (PCR). The Council is entitled to use the Fusion 21 Building Safety and Compliance Framework which was advertised and let in accordance with the PCR and the works can be procured under Lot 8 Passive Fire

Protection – Fire Doors. This allows for mini competitions to be undertaken among the companies selected for this Lot.

This will be a high value contract for the purposes of the Council’s Contract Standing Orders. The use of a suitable third-party framework in accordance with its terms is a compliant method of procuring a contract of this value. The Fusion 21 framework proposed is suitable for this purpose. The requirements of Contract Standing Orders will therefore be met.

The approval of this strategy will be a key decision under the Council’s constitution and needs to be included in the key decision list on the Council’s website.

John Sharland, Senior Solicitor (Contracts and Procurement), 25 March 2024

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Background

1. To satisfy our regulatory obligation under Regulatory Reform Order 2005 and the Fire Safety Regulations 2022 we are required to ensure that all fire doors comply with the standards shown in Approved Document B.
2. The Fire Safety team has recently undertaken a review of H&F fire doors and have determined that a planned programme is required to ensure that we comply with our obligations set out in paragraph 1.
3. Specifically, we have identified that installation/upgrades are required to 1,666 residential blocks containing circa 11,735 doors.
4. To manage this vast programme, the Fire Safety Team has developed a three-phase programme, which we aim to start by Spring 2025.
5. These phases are as follows:
 - **Phase one** – This will involve those covered by the ‘Stay put policy’ and buildings above five stories. We anticipate this phase affecting **4,161 doors**.
 - **Phase two** – This will involve those covered by the ‘Stay put policy’ buildings below five stories. We anticipate this phase affecting **6,136 doors**.
 - **Phase three** – This will involve those covered by the full evacuation policy. We anticipate this phase affecting **1,438 doors**.
6. Indicative timelines relating to these phases can be found below:

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Five Stories +	Phase one										
Under Five Stories				Phase two							
Full evacuation Policy									Phase three		

7. Further details regarding this programme can be found in Appendix 1.
8. Given the complexity of these works, we propose rolling out phase one in two parts. The first phase will focus on works to 2,800 doors (which is 67% of the 4,161 doors identified within phase 1). A subsequent programme will be implemented post successful delivery of this scheme to complete the remaining 33% of Phase 1 doors.
9. By rolling out the first phase in a reduced and more controlled manner, we hope to use the learning and insights of these initial works to enhance the delivery and spread the costs further in relation to the remaining doors within phase 1 and the subsequent phases 2 and 3.
10. To deliver these works, we are required to source and procure a competent fire door installation supplier. The contract will be overseen and managed by the Fire Safety Works team and appointed Principal Designer. The team has to date successfully overseen the install of circa 4,000 fire doors within the 1,666 blocks.
11. To ensure procurement compliance and rigour around finding a supplier that has both the capacity and capability, the service is aiming to undertake a mini-competition via the Fusion 21 Building Safety and Compliance Framework, 'Passive Fire Protection - Fire Doors'.
12. This report therefore seeks approval to undertake a procurement exercise in line with route to market listed in paragraph 8.

Reasons for Decision

13. We require the work programme set out in Appendix 1 to be undertaken to comply with our duties under UK Fire Safety Laws such as The Regulatory Reform (Fire Safety) Order 2005 and Fire Safety Regulations 2022.
14. Given the analysis provided in 'procurement route analysis of options' section, a mini-competition via the Fusion 21 Building Safety and Compliance Framework, 'Passive Fire Protection - Fire Doors' is the preferred route to market.

Selection and Award Criteria

15. Achieving relevant values in awarded contracts will be secured through utilising the following Evaluation Criteria which will be used to determine the most economically advantageous tender

Evaluation Criteria	Weighting
Quality	50%
Social value	10%
Financial	40%
Total	100%

16. Several questions will be asked, to assess supplier's Resourcing, Management Systems, and Delivery Methodology as part of the Quality Criteria (totalling 50%), suppliers will be required to provide method statements answering each question to be evaluated and scored by the Council.
17. Suppliers will be required to demonstrate how the associated resident experience is embedded in their method statements.
18. Social value will be operated in line with the framework and as such we are applying the 10% social value. This is allowed under our Contract Standing Orders.
19. The social value explanation in the tender pack will highlight the core priorities for the authority in relation to Social Value in relation to this contract. These may include jobs, training and apprenticeships, community resources especially for the care experienced, and improved climate outcomes.
20. During the development of tender documents, the questions identified to assess suppliers' method statements may be further developed to ensure the Council focusses on the criteria most important to assessing delivery of a high-quality service, following approval of the procurement strategy.
21. In relation to the pricing element of procurement evaluation, a comprehensive schedule of rates will be requested from suppliers.
22. This schedule will enable cost transparency as we will establish a list of work costs (broken down by e.g., labour, materials, etc), central overhead costs, and profit levels. We will compare and evaluate suppliers based on total cost of delivery and the financial robustness of proposals.

Contract Specification Summary

23. See table below for a description of the works or services being procured:

Contract	Contract value	Description of Works/Services
JCT Major Project Construction Contract.	Contract value is to be confirmed.	In relation to the programme described in Appendix 1, this supplier will lead on the delivery of works for up to circa 2,800 fire doors.

Procurement Route Analysis of Options

24. **Option 1: Do nothing (Not Recommended)**

The Council has a statutory obligation to carry out these works, so it is not appropriate to do nothing.

25. **Option 2: Undertake a full regulated procurement process, advertised to the market (Not Recommended)**

This option offers a strong degree of competition, as it allows the whole market to bid for the opportunity, providing the opportunity for suppliers to bid for the work and compete with one and other as part of a cost and quality competition. This competition stimulates an environment whereby H&F can be confident that suppliers compete to offer the best and most competitive blend of quality and value for money in their bids.

26. **Option 3: Procure using a compliant framework or Dynamic Purchasing System (DPS) (Recommended)**

This option restricts the opportunity to those suppliers already on the framework. A DPS allows more flexibility than a framework as new suppliers can join a DPS and therefore can enter the competition, should timing around DPS qualification be facilitative. Additionally, established frameworks and DPSs have undertaken some form of quality/cost evaluation on Suppliers whereas an Open competition requires the client to undertake this activity. Suppliers on the framework or DPS are still presented the opportunity to bid for the work and compete with one and other on a cost and quality basis. This competition stimulates an environment whereby H&F can be confident that suppliers compete to offer the best and most competitive blend of quality and value for money in their bids.

Given that suppliers are required to satisfy a level of due-diligence and cost/quality assessment, the Council is not required to reassess standard criteria, which saves the client time, by relying on the Framework/DPS's provider's assessment. The Fire Safety Works Team requires this strategy to be approved by the Autumn/Winter of 2024, providing a 4–6-month window to source a suitable supplier.

As time is limited, and award using frameworks/DPS's is faster than undertaking a full regulated procurement process (due to some mandatory supplier assessment having already been undertaken) we are recommending a mini-competition via the Fusion 21 Building Safety and Compliance Framework, 'Passive Fire Protection - Fire Doors' category. This framework is acceptable in terms of capacity as it has 35 suppliers and therefore will offer H&F a suitable number of suppliers required for a competitive tender.

Market Analysis, Local Economy, and Social Value

27. The Fire Doors installation market is very well developed and mature. There are a vast number of Fire Door installation suppliers available to choose from via a range of well-developed procurement frameworks. This market consists of large tier 1 companies with a national presence as well as a high volume of local and sub-regional small and medium-sized enterprises (SMEs) Tier 2 and Tier 3 suppliers whom both contract directly with Clients or act as sub-suppliers to higher tier suppliers. Due to the mature nature of the market, we have a strong insight into market rates and market delivery models.

Risk Assessment and Proposed Mitigations

28. The Client team will proactively monitor and closely contact manage the supplier to ensure the contract Key Performance Indicators (KPIs) are delivered in line with the contract.
29. The contract will contain default/termination clauses in the event that the consultant's performance is either consistently inadequate or cannot be remedied.
30. Given the high value of these works, a reserve supplier will be selected. We will also insert clauses that allow us to seek damages due to any losses occurred due to non-performance.

Timetable

31. The timetable below provides an estimate of the competition process through to contract commencing.

Activity	Date
Key Decision Entry (Procurement Strategy and Contract Award)	22/03/2024
Contracts Assurance Board (Procurement Strategy)	21/08/2024
Cabinet Sign-off (Procurement Strategy)	07/10/2024
Tender issued	20/10/2024
Evaluation/moderation and preferred supplier identified	16/01/2025
Contracts Assurance Board (Contract Award Report)	22/01/2025
Cabinet Member Sign-off	05/02/2025

Activity	Date
Contract Start Date	01/04/2025

Contract Management

32. The contract will be monitored and managed by the Fire Safety Works client team. The contract will include a requirement for regular contract reviews. These reviews will include: a review of progress against the programme, performance against the KPI's and wider contract terms and conditions, discussions and resolutions around any issues that have materialized and any emerging contractual risks.
33. The contract sets out programme timelines, these timelines are the main KPI of the contract. The client closely monitors and manage this KPI delivery.
34. The contract will also set out general working practices expected of the consultant. Adherence to these practices is again managed by the client team.
35. Social value will be monitored and managed by the Fire Safety Works Service with support of the Contract Governance Team.

Equality Implications

36. These works will help our most vulnerable residents as we are inputting infrastructure that will protect safety of our housing residents (which are mostly social housing residents).

Risk Management Implications

37. There is a management risk that due to the ongoing nature of the project concerning prioritisation, planning, communication, and disruption to residents that a rigorous project management framework is established. This must include agreed management structures, planning, reporting, communication, and engagement with residents.
38. There is a management and reputational risk that work to implement the fire doors causes significant disruption to residents through but not limited to noise, dust, and restricted access. This can be mitigated through both a review of delivery controls from the suppliers as well as visiting sites where similar work has been completed to interview local residents and assess their opinions.
39. There is a risk that delivery of the doors is not completed adequately or that post-delivery assessment and 'snagging' is not completed. To mitigate this, sign off by the council immediately following completion and after a pre-defined period of not more than four weeks is completed. Successful post-delivery assessments should be added as a KPI.

Jules Binney, Risk and Assurance Manager, 23 February 2024

Climate and Ecological Emergency Implications

40. In developing the specification, the sustainability and energy efficiency of materials will be taken into account.
41. An element of the procurement weighting will factor in the supplier's method statement for sustainability, assessing on the sustainability and energy efficiency of materials, and the approach taken to delivering the works such as transport.
42. The supplier will be required to agree to compliance with our low-carbon supplier charter.

Verified by: Jim Cunningham, Climate Policy and Strategy Lead, 7 March 2024

Reverified by Hinesh Mehta, Assistant Director of Climate Change, 21 August 2024

Procurement Implications

43. The procuring officer of the works is required to work with the Procurement and Commercial team to ensure the call-off is undertaken compliantly and in accordance with the Public Contracts Regulations 2015, framework terms of use, and the Council's own Contract Standing Orders.
44. The framework proposed for use has been subject to full diligence checks by the Procurement and Commercial team. The only area to highlight as a minor risk to challenge is instead of being directly named as an organisation able to use the framework, the notices instead link to broad categories of eligibility, e.g., Local Government in England, etc. rather than clearly identifying contracting authorities (i.e., by name or more specific identification), in line with Regulation 33(5) of the Public Contracts Regulations 2015.

Chris Everett, Category Lead – Procurement and Commercial, 16 August 2024

Local Economy and Social Value Implications

45. It is a requirement that all contracts let by the council with a value above £100,000 propose and commit to social value contributions that are additional to the core services required under the contract. Paragraph 18 confirms that a minimum 10% will be required to align with the framework requirements.
46. It is recommended that the commissioner works with the Legal Service to ensure appropriate social value clauses are included in the contract so that the council can enforce its right to financial remedies if social value commitments are not delivered.

Verified by Oliur Rahman, Head of Employment and Skills, 21 August 2024

Consultation

47. As these works are driven by legislation and Health and Safety regulation, there is no consultation because the client team are required to adhere to a strict framework of rules.
48. That said however briefings and updates will take place with residents affected by the programme.

Property Implications

49. This programme involves work to our housing stock, the works are managed in manner that avoids disruption to residents and ensure the doors are fitted swiftly especially during autumn and winter months.
50. This programme ultimately will have a positive impact on our properties as they will have safer fire-safety assets within their properties.

LIST OF APPENDICES

Exempt Appendix 1 – Work Programme