

WELWYN HATFIELD BOROUGH COUNCIL
CABINET – 6 FEBRUARY 2023.
REPORT OF THE SERVICE DIRECTOR (PROPERTY MAINTENANCE AND CLIMATE
CHANGE)

AWARD OF PLANNED MAINTENANCE CONTRACTS

1 Executive Summary

- 1.1 The Council has increased the capital programme for property refurbishment to its social housing stock, allocating approximately £150million over the next 5 years.
- 1.2 This report provides details of the procurement process to appoint two contractors to support delivering the programme.

2 Recommendation(s)

- 2.1 That Cabinet agrees to award Planned Maintenance contracts to the following Contractors for a 5 year period, commencing on 1st April 2023:
 - 1) Equans Regeneration Limited
 - 2) Novus Property Solutions

3 Explanation

- 3.1 The Council requires additional contractor resource to deliver the enhanced capital programme for property refurbishment to its social housing stock.
- 3.2 The works will include but not limited to: Kitchens, Bathrooms and associated works, Windows and Doors Installations and Electrical Works.
- 3.3 A proportion of the work will be delivered by Morgan Sindall Property Services Limited under their Housing Maintenance term contract. The value of the works requires additional delivery resource as the estimated value of the Morgan Sindall contract does not have the ability to all of the programme.
- 3.4 It is considered that the two extra contractors are required to deliver the works and to manage the risk of contractor failure. The contracts will include the provision to increase or decrease work dependant on delivery performance between the three contractors.
- 3.5 The exact allocation of works has not been decided, but work is underway to develop a 5-year programme and route.
- 3.6 Officers have been working with representatives from a Procurement Consortia, Procurement for Housing to deliver the contracts through their Whole House Capital Works Dynamic Purchasing System.
- 3.7 The Part 2 report includes the results of the mini competition.

Implications

4. Legal Implications

- 4.1 A mini competition from the Procurement for Housing Whole House Capital Works Dynamic Purchasing System is in accordance with the Councils Contract Procedure Rules and the Public Contracts Regulations 2015.

5. Financial Implication(s)

- 5.1 The contracts are based on a series of schedule of rates. Estimated quantities were used during the tender evaluation process. These were multiplied against the tendered rates to give an estimated tender sum which was used for tender evaluation purposes.
- 5.2 The Council has increased the capital programme to circa £150m over the next 5 years. The new Morgan Sindall contract will allow £10m per annum to be allocated and therefore there is a need to procure an additional two contractors to carry out between £7.5m and £10 m per year each.

6. Risk Management Implications

- 6.1 As with any procurement of this value there is the risk of procurement challenge. A successful challenge risk is being mitigated somewhat by a competent evaluation panel reviewing tenders.
- 6.2 Due to the large procurement there is the risk that the programme would not be delivered on schedule. To help mitigate the risk of this, two contractors have been appointed and there is the ability to move work between the three contractors in the event of underperformance.

7. Security & Terrorism Implication(s)

- 7.1 There are no security or terrorism implications with the recommendations in this report.

8. Procurement Implication(s)

- 8.1 The recommendation is in accordance with the Public Contracts Regulations 2015 and the contract procedure rules

9 Climate Change Implication(s)

- 9.1 Bidders provided a number of Climate Change initiatives as part of their bids, such as policies to improve the EPC ratings of the properties.

10. Human Resources Implication(s)

- 10.1 Extra external resource, delivered by surveying/project management consultants will be appointed to manage the extra workload in delivering the projects together with the recruitment of internal staff.

11. Health and Wellbeing Implication(s)

- 11.1 There are no health and wellbeing implications arising from the recommendation.

12. Communication and Engagement Implication(s)

12.1 There are no direct implications arising from this report.

13. Link to Corporate Priorities

13.1 The recommendation contributes to our priority 'Quality homes through managed growth', as well as more specifically our commitment to Provide high quality housing, thriving neighbourhoods and sustainable communities.

14. Equalities and Diversity

14.1 An Equality Impact Assessment (EqIA) has not been completed because this report does not propose changes to service-related policies or the development of new service-related policies.

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