

Report to Cabinet
06 February 2019
Report of Director of neighbourhoods
Subject Procurement of the housing communal area mechanical
and electrical repairs and maintenance contract

Item

10

KEY DECISION

Purpose

To advise cabinet of the procurement process for the provision of a new contract to deliver a responsive repairs and maintenance contract for mechanical and electrical services located within the council's housing asset communal areas.

Recommendation

To delegate approval to the director of neighbourhoods in consultation with the deputy leader and portfolio holder for social housing to award the contract for housing communal area mechanical and electrical repairs and maintenance contract.

Corporate and service priorities

The report helps to meet the corporate priority a healthy city with good housing.

Financial implications

The financial consequence of this report is the award of a contract at an estimated cost of £3,900,000 over a six-year period. Expenditure for 2019-20 is included within the Housing Revenue Account (HRA) budget for the financial year commencing 2019/20 which is subject to approval by council in February 2019.

Ward/s: Multiple Wards

Cabinet member: Councillor Harris - deputy leader and social housing

Contact officers

Lee Robson, head of neighbourhood housing 01603 212939

Carol Marney, interim operations director NPS Norwich 01603 227904

Background documents

None

Report

Background

1. The council has a duty as landlord to service and maintain communal systems to ensure safety. This contract includes the programmed maintenance and responsive repair of communal electrical and mechanical systems such as landlord's lighting, community alarm systems, emergency lighting systems, fire alarm systems, industrial ventilation units, automatic ventilation units, lightning conductors, dry riser installations and fire points, access control systems. It also includes the upgrading of landlords lighting installations. The benefit to tenants is that they are able to live in safe buildings with good early warning systems and well maintained essential equipment.
2. The council's current contract for housing communal area electrical and mechanical maintenance and repairs is due to finish on 1st April 2019. On 5th July a procurement options recommendation was approved to commence a tender process with a view to awarding a new six-year term contract for this work with the option to end the contract after three years should it be required. The contract was tendered in January 2019 with tender returns anticipated in early February 2019. However it is unlikely that the evaluation process will have concluded before this cabinet meeting.
3. To enable the works to proceed without undue delay and allow an adequate mobilisation period before the proposed contract start date of 1st April 2019, it is proposed that the Director of neighbourhoods be given delegated authority to award the contract in consultation with the portfolio holder.

Procurement Process

4. An open tendering process has been selected for the procurement of this service provision. Tender documents have been produced and advertised on the council's e-tendering portal and contracts finder.
5. Evaluation of the interested suppliers will be carried out to determine the most economically advantageous return. Suppliers were asked to submit details of their company in terms of finance, contractual matters, technical and professional ability, insurances, quality assurance, environmental standards, equality and diversity policies, references and previous experience and these are to be evaluated to establish if the suppliers meet council requirements to deliver the service.

Tender evaluation

6. The supplier selection process requires suppliers to complete a questionnaire. The responses given will be evaluated against pre-determined criteria. This quality assessment carries a maximum of 40% of the marks. The lowest price will be allocated 60% of the marks and marks will be deducted, pro-rata, with each increasing tender price. Suppliers need to prove their capability of offering these works by means of specific quality questions and a number of "must have" requirements in terms of certifications and company accreditations.

7. The supplier with the highest cumulative score is deemed the best value submission. The results will be reported to the Director of neighbourhoods and the Portfolio holder for social housing to consider the award.

Finance

8. The HRA budget makes provision for electrical and mechanical work included within this contract and it is expected that the cost of this contract will be within existing forecasts.
9. The works are subject to leaseholder consultation.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	6 February 2019
Director / Head of service	Lee Robson
Report subject:	Procurement of the Housing Communal Area Mechanical and Electrical Repairs and Maintenance Contract
Date assessed:	9 January 2019

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Open tendering will ensure that best value is achieved.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Customer contact will continue to interface between tenants and contractor as current arrangements.
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ICT will need to set up IT interfaces as presently utilised by incumbent contractor.
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Good system maintenance is essential to provide safe systems for users of housing asset communal areas.

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is a low risk that the appointed supplier could fail during the life of the contract. There is little risk to the council as it is not investing in the supplier. The risk is one of service continuity rather than financial which is further mitigated by the fact that the contract is planned in nature.

Recommendations from impact assessment
Positive
The works will ensure ongoing maintenance and repair of essential communal area electrical and mechanical systems.
Negative
Neutral
Issues