



Committee Name: Cabinet

Committee Date: 07/07/2021

Report Title: The award of a contract for Structural and civil engineering consultancy services

Portfolio:	Councillor Gail Harris, Portfolio holder for social housing
Report from:	Executive director of community services
Wards:	All Wards
OPEN PUBLIC ITEM	

Purpose

To consider delegating authority to award a contract for structural and civil engineering consultancy services.

Recommendation:

It is recommended to delegate approval to the Executive Director for Community Services in consultation with the Portfolio Holder for Social Housing to award the contract for structural and civil engineering consultancy services at an estimated value of £800,000 (£200,000 per annum). The final award value will be within the existing allocated budget.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the Great neighbourhoods, housing, environment corporate priority

This report addresses the 'good quality housing' strategic action in the Corporate Plan

This report helps to meet people living well adopted policy of the Council

This report helps to meet Housing, regeneration and development objective of the COVID-19 Recovery Plan

[View the Corporate Plan 2019-22](#)

[View the COVID-19 Recovery Plan](#)

Report Details

Identification of need and background

1. NPS Norwich Ltd manage the maintenance and repair of the authority's social housing property portfolio. This is comprised of approximately 18,500 (including approximately 3,000 leasehold properties) conventional low- and high-rise properties with reinforced concrete stairways, walkways and landings, system-built properties, concrete framed high rise flats, timber framed dwellings and other properties of miscellaneous types of construction.
2. In order to maintain the property stock in good condition it is necessary to develop an ongoing programme of property assessments, repairs and maintenance as appropriate. This forms the planned works stream and it will be the responsibility of the successful supplier to work closely with NPS Norwich Ltd to identify and deliver. The consultants prepare reports containing recommendations for necessary works and provide justification for the works via specialist reports. Work is then procured and in some instances the consultants also provide a clerk of works or supervisory role when works are in progress. Overall responsibility for project delivery is with NPS Norwich Ltd.
3. In order to maintain the property stock in good condition it is also necessary at times to be prepared to respond quickly and effectively to urgent situations where properties have been subject to flooding, structural failure, subsidence, fire, damage as a result of severe weather and the effects of poor ground conditions (e.g.: solution features, chalk workings etc). This forms the responsive work stream and it will be the responsibility of the successful supplier to work closely with NPS Norwich Ltd to identify and deliver this.
4. The current contract expires on 31 July 2021 and as this cannot be extended, we shall be out of contract for a period of approximately one month. During this period and in accordance with the council's contract procedures, the Business relationship and procurement manager has confirmed the request for services during this period can be dealt with by the incumbent supplier via an Exemption Request, providing the value does not exceed £50,000. This exemption has been approved.
5. The new contract is proposed to commence on 01 September 2021 contract period for four years, consisting of an initial two-year term with

the option to extend for a further two years depending on performance and budget.

6. NPS Norwich have requested and received approval from the Executive director of community services and the Portfolio holder for social housing that the award of this contract be taken to Cabinet on 7 July 2021 as delegated authority.
7. We anticipate, subject to delegated authority approval and the subsequent call-in period that the award of the contract will be made by the end of July ready for the new contract commencement date of 01 September 2021.

Procurement Process

8. An open tender opportunity was advertised on the Council's E procurement portal (In-Tend) and contracts finder on 09 June 2021. The closing date for tender returns is Wednesday 07 July 2021 with evaluation due to take place from the following day.
9. The winning supplier will be that which shows best value for money and meets the quality criteria specified in the tender. The evaluation has been weighted 70% price and 30% quality.
10. The winning supplier should be known by Friday 16 July 2021.
11. The winning supplier will be required to confirm they can deliver the scheme during the required project timescale.
12. It is anticipated that the contract will start on 01 September 2021 for the initial two year period.

Approval to award

13. Approval to delegate the award is sought as the procurement timetable does not allow for a report to be brought to Cabinet identifying the winning supplier in the time frame allowed. Therefore, Cabinet is requested to delegate the decision to the Executive director of community services in consultation with the Deputy Leader and Cabinet member for social housing.

Consultation

14. No consultation process is required.

Implications

Financial and Resources

15. The cost of the work is expected to amount to £200,000 per annum. Once the value of the purchase order has been spent, another purchase order will be raised for the same value. Therefore, over a four year

period, the anticipated spend will be £800,000.

16. The service will be funded from the 2021/22 Housing Revenue Account structural repairs budget which was approved at Cabinet and Full Council in February 2021.
17. The budgets required to service the contract in future years will be confirmed by NPS through the annual setting process each February through Cabinet and Full Council.
18. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.
19. There are no proposals in this report that would reduce or increase resources

Legal

20. The contract will require and ACE Agreement No1 (2009) and ACE Schedule of Services part G (D) 2017 type of contract and will incorporate the Council's standard terms and condition.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Council's Standard policy included as part of tender package.
Health, Social and Economic Impact	
Crime and Disorder	
Children and Adults Safeguarding	Council's Safeguarding Policy statement. Included as part of tender package
Environmental Impact	Supplier will be required to consider design proposals which have an environmental benefit

Risk Management

Risk	Consequence	Controls Required
Failure to have a suitable contract in place and suitable level of annual budget allocated will expose the Council to the risk of failing to	Inability to manage, make safe and repair housing stock in a effective and timely manner. This	High level of risk if request to delegate award is not approved at Cabinet.

have a process in place to effectively manage structural defects and exceptional incidents e.g.: fire, flood, lightning etc) in its housing portfolio.	has the potential to present health and safety risks to tenants, residents, and the general public.	
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Other Options Considered

21. Do nothing: If the service is not carried out the implications are that a property could fall into further disrepair resulting in health and safety issues, decants of residents, loss of revenue income and depreciation of market value. There are also tenant's safeguarding and mental health related concerns. In addition to this we would receive increased tenant and councillor enquiries, complaints and possible press enquiries which would have a negative impact on the council.
22. In house provision: Norwich City Council does not have any existing in-house resources or skills to carry out these services.
23. Joint venture provision: the service cannot be provided by any of the council's current joint ventures or partnerships at this current time.
24. Identify a single supplier to award the contract to without competition: This route would be contrary to Contract Procedures as the value is estimated to be £800,000.
25. Utilise an existing framework: Frameworks were explored but as these are highly specific works a framework does not exist for this particular service.
26. Establish competitively tendered contract with one supplier: Run a competitive procurement exercise looking for a single supplier to meet the council's requirements. Following this route will ensure the opportunity will be made available to the competitive market, promoting value for money, yet reaching SMEs and local suppliers and is likely to achieve a better value for money outcome. Timescales allow for the requirement to be fulfilled by this method.

Reasons for the decision/recommendation

27. To ensure continuity of service provision between the end of the existing contract and the award of the new contract to the winning supplier.

Background papers: none

Appendices:

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