

<b>Report to</b>	<b>Cabinet</b>	<b>Item</b>
	12 July 2017	
<b>Report of</b>	Head of neighbourhood housing	<b>8</b>
<b>Subject</b>	Procurement of contract for housing electrical rewires, upgrades and periodic inspections	

## KEY DECISION

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### Purpose

To seek delegated authority to award a contract for housing electrical rewires, upgrades and periodic inspection.

### Recommendation

To delegate authority to the director of neighbourhoods, in consultation with the deputy leader and social housing portfolio holder, to award a contract to the best value supplier for electrical rewires, upgrades and periodic inspections after a mini tendering exercise is complete.

### Corporate and service priorities

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

### Financial implications

The financial consequences of this report is the award of orders for electrical rewires, upgrades and periodic inspections which will not exceed the budget of £1,120,000, included within the Housing Revenue Account financial forecasts and budgets for this financial year (2017/18).

**Ward/s:** All Wards

**Cabinet member:** Councillor Harris – deputy leader and social housing

### Contact officers

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Lee Robson, head of neighbourhood housing 01603 212939

### Background documents

None



# Report

## Electrical rewires, upgrades and inspections

1. The council has a need within its housing stock for various works relating to housing rewires/upgrades arising from the Electrical Inspection Condition Report (EICRs). This requirement includes the EICRs.
2. The proposed work for this year is approximately 1,350 inspection reports (ECIRs), 200 rewires and 500 upgrades, depending upon the results of the inspections.
3. Inspections are necessary to assess the condition of electrical wiring within the housing we manage as a landlord.
4. Where inspections determine that rewiring or upgrading is necessary this work will need to be carried out to maintain the housing stock in good condition.
5. At the February meeting, cabinet approved the award of the electrical rewire, upgrade and inspection contract to United Living, via the Eastern Procurement Ltd (EPL) framework. United Living had been keen to continue, but when the financial year ended they decided that they could not commit to another year without an adjustment to their pricing. Subsequently they submitted revised rates based on their experience within 2016/17.
6. As a point of principle, these rates should not be entertained since the ethos of all EPL frameworks is direct selection or mini-competition awards at framework rates or better, and constructors should not be allowed or encouraged to amend these rates during the framework term as this would undermine the whole essence of procuring the framework. In reality, United Living's revised rates have made them the most expensive of the five constructors on the framework, thus rendering them uncompetitive.
7. This means that for best value purposes a mini-competition is required to establish the best offer for this year's programme of work. EPL are running the mini competition at the time of writing this report and the results will be ready in mid July.
8. As there is no Cabinet meeting in August, delegated authority to award this contract is sought so that the programme can start as soon as possible to ensure it is completed in this financial year.
9. The budget for the work is contained within the HRA capital and revenue programmes as approved by cabinet and council in February.



## 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 completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	12 July 2017
<b>Head of service:</b>	Head of neighbourhood housing
<b>Report subject:</b>	Procurement of contract for housing electrical rewires, upgrades and periodic inspections
<b>Date assessed:</b>	24 May 2017
<b>Description:</b>	Award of contracts for housing electrical rewires, upgrades and periodic inspections

	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"/>	The mini-competition will ensure best value for money.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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"/>	Safe and efficient electrical systems will improve well being.
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"/>	

	Impact			
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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Safe and efficient electrical systems contribute to maintaining the built environment to a satisfactory standard.
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed to the framework recycle the vast majority of waste material
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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. Risk of challenge from unsuccessful suppliers:</p> <p>The tender has followed a restricted process carried out by EPL with input from officers in terms of evaluation etc, with award criteria being based on the most economically advantageous tender, but there is always a risk of challenge from unsuccessful suppliers.</p> <p>2. Risk of supplier failure:</p> <p>There is a risk that the appointed supplier could fail during the life of the contract. This is low risk as a number of suppliers have been appointed to the framework providing some cover should a supplier fail. In addition the Council is not investing in the supplier and so the risk is one of service continuity rather than financial, which is further mitigated by the fact that this contract is planned in nature.</p>



**Recommendations from impact assessment**

**Positive**

**Negative**

**Neutral**

**Issues**