

Report to Cabinet
10 July 2013
Report of Deputy chief executive (Operations)
Subject Award of contracts for structural repairs and improvements

Item

9

KEY DECISION

Purpose

To advise cabinet of the tender process for structural repairs and improvements.

Recommendation

To delegate to the deputy chief executive, in consultation with the portfolio holder for housing, authority to award the following contracts:

- (1) Contract A structural repairs;
- (2) Contract B structural repairs; and
- (3) Contract for phase 3 of the staircase renewal,

subject to a satisfactory evaluation process and the successful tender prices being within the investment plan forecasts.

Corporate and service priorities

The report helps to meet the corporate priority "Decent housing for all".

Financial implications

The financial consequences of this report are awarding three contracts the value of which is estimated to be £300,000 each for contracts A and B and £700,000 for the staircase renewal contract giving a total estimated sum of £1.3m, to be financed from existing budgets in the Housing Revenue Account.

Ward/s: All wards

Cabinet member: Councillor Bremner – Housing

Contact officers

Chris Rayner, Head of property services, NPS Norwich Ltd 01603 213208

Background documents

None

Report

Background

1. The Council has programme of structural repairs and improvements deemed necessary in order to ensure the housing stock remains in a good state of repair and tenants have quality homes to live in. The contracts covered in this report form a part of this programme of works.
2. To enable the works to proceed without undue delay, it is proposed that the Deputy Chief Executive be given delegated authority to award the three contracts in consultation with the portfolio holder for housing.
3. The scope of the contracts are as follows:
 - (1) Contract A consists of a range of repairs and improvements including drainage, underpinning/ground stabilisation, brickwork stitching/reinforcing repairs and plaster and repointing. Each individual site has its own bespoke list of defects and there are 20 properties included in the contract.
 - (2) Contract B consists of the same work content as Contract A and again there are 20 properties included in the contract.
 - (3) Contract for phase 3 of the staircase renewal removing the existing external communal staircases, installation of temporary staircases whilst new steel staircases are installed. A total of 126 properties will be affected by this work.

Tender process

4. An open tendering process has been used. This is the quickest competitive process and has been used in order to reach a conclusion at the earliest opportunity.
5. A notice was placed in "Contract Finder" (formally Supply2Gov) inviting tenders.
6. Suppliers were asked to submit details of their company in terms of finance, contractual matters, insurances, quality assurance, environmental standards, equality and diversity policies, references and previous experience and these are evaluated to see if there is any reason to disqualify the supplier from the process.
7. At the same time suppliers submitted details of how they will meet the requirement for work package and the price that they would charge for this work. These are evaluated at the same time as the company details.
8. Suppliers can submit tenders for all three packages or one or any combination and each package is treated individually.
9. The tender return dates for Contracts A and B are 25 June 2013 and 26 June for the staircase renewal. Tender evaluation process will then be carried out.

Tender evaluation

10. The supplier selection process requires suppliers to complete a questionnaire. The responses given are then evaluated against pre-determined criteria. This is a pass/fail evaluation and determines whether the tender submitted is compliant with the specification requirements.

11. The evaluation criteria are stated in the tender documents as lowest compliant tender, i.e. the lowest price that fully meets all the requirements of the specification.

Finance

12. The Housing Revenue Account makes budget provision for structural repairs and improvements and the cost of this contract is expected to be within existing forecasts for the 2013 - 14 programme.

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

Committee: Cabinet

Committee date: 10 July 2013

Head of service: Head of property services, NPS Norwich Ltd

Report subject: Award of contracts for structural repairs and improvements

Date assessed: 19 June 2013

Description:

	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 tender process should ensure that the Council achieves the 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	These contracts will ensure the built environment is maintained and improved to a high standard
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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>There is a risk of challenge from an unsuccessful supplier. This risk has been mitigated by the fact that the value of the contracts is below the thresholds in the Public Contracts Regulations. Also the tender has followed an open process with award criteria being based on the lowest price compliant tender, but there is always a risk of challenge from unsuccessful suppliers.</p> <p>There is a risk that the appointed supplier could fail during the life of the contract. This is low risk due to the relatively short nature of the contract and the planned nature of the work. In addition to this 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 the work type is planned not responsive in nature.</p>

Recommendations from impact assessment
Positive
Value for money
Negative
Neutral
Issues