

<b>Report to</b>	Cabinet	<b>Item</b>
	06 February 2019	
<b>Report of</b>	Director of neighbourhoods	<b>9</b>
<b>Subject</b>	Procurement of various housing upgrade and maintenance contracts	

## KEY DECISION

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### Purpose

To inform Cabinet of the procurement of various housing upgrades and to seek approval/delegated authority to approve to place the orders

### Recommendation

- (1) To approve the award of the heating installation contract to three contractors as set out in the report;

PH Jones Ltd  
Dodd Group  
Gasway Services Ltd

- (2) To approve the award of installation of composite doors to two contractors as set out in the report;

Ashford Windows Ltd  
Anglian Building Products Ltd

- (3) 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 the external wall insulation, and loft and cavity insulation contracts.

### Corporate and service priorities

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

### Financial implications

The costs arising from this report are included within the Housing Revenue Account (HRA) budget for financial years commencing 2019/20 which are subject to approval by council in February 2019.

**Ward/s:** All 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

## Introduction

1. The Council has a programme of housing repairs, servicing and upgrades implemented via a number of term contracts, framework contracts and ad-hoc tenders. The upgrades include replacement heating systems, new composite doors, and various forms of insulation. These works ensure that the Norwich standard for housing is upheld so that tenants can live in well-maintained homes that are fit for purpose and cost-effective to heat.
2. Fuel poverty is a significant issue for many council tenants but it can be reduced through the installing of insulation. External wall insulation and loft and cavity wall insulation are simple and effective ways to retain heat within a property, which help to reduce energy bills. The insulation also improves the energy score of the property which evidences a reduction in the carbon footprint of each property and of the city as a whole.
3. As one of the council's ongoing programmes of work which aims to help residents who experience fuel poverty, the programme targets homes that have been identified as having low levels of insulation, which are identified through various surveys.
4. This report seeks approval for the award of a number of contracts which seek to help alleviate the issues of fuel poverty.
5. These and a number of other contracts are procured through the frameworks set up by Eastern Procurement Ltd (EPL). As a member of EPL, the council benefits from the lower rates achieved from grouping the work required by all of its members. A framework lasts for up to four years. It is proposed that the contracts outlined in Appendix 1 are awarded to deliver the 2019/20 HRA capital programme.

## Replacement Heating Installations

6. The existing arrangement for delivery of heating installations has been through the EPL Framework contract and it is proposed to continue with this arrangement as it provides competitive rates. The 2018/19 delivery has been divided across three contractors to ensure successful delivery of the work. This arrangement has worked well during this year with all three contractors performing well.
7. It is recommended that this arrangement continues across the same three contractors with PH Jones being awarded the highest number of upgrades this year due to their lower cost and at the same time retaining the services of Gasway and Dodd, but at small number of upgrades as shown below:

Contractor	Volume of upgrades
PH Jones Ltd	472
Dodd Group	150
Gasway Services Ltd	150

8. There is no minimum value of work guaranteed to each of the contractors each year; however the estimated value of the heating installations that are proposed to be installed as shown above, is £2.7m. Cabinet are requested to award these contracts subject to the budget being approved by Council.

### **Replacement composite doors**

9. The Norwich Standard includes the commitment to renew all front and rear doors regardless of current age, type or condition.
10. The benefits of this are to reduce the need for maintenance such as painting as well as providing a higher degree of thermal comfort, by reducing heat loss through the door, because of greater insulation.
11. The door design also provides for greater security as the new door locking mechanism is secure by design, complying with new current regularity guidance.
12. It is proposed to continue with the same arrangement as in 2018/19 which is to award to two suppliers:

Ashford Windows

Anglian Building Products

13. Both companies are currently carrying out these contracts and are fully mobilised to carry out the new contracts for 2019/20.
14. All prices supplied for the framework contract (7 in total), except the first and last ranked suppliers' prices, were within 2.7% of each other with the two selected suppliers being at the lower end of this range.
15. There is no minimum value of work guaranteed to the contractor each year, however the estimated value of the new doors, awarded in equal proportions is £2.142m. Cabinet are requested to award these contracts subject to the budget being approved.

### **External Wall Insulation**

16. It is proposed to use the EPL dynamic purchasing system (DPS) to procure a contractor for external wall insulation. Tenders will be sent to the contractors on the DPS framework and evaluated by EPL. The value of work is estimated at £384,000 and the contract duration will be for one year.
17. Cabinet are requested to delegate authority to the director of neighbourhoods in consultation with the deputy leader and portfolio holder for social housing to award the contract once the tender has been evaluated.

### **Loft and Cavity Wall Insulation**

18. It is also proposed to use the dynamic purchasing system for appointing a contractor to install loft and cavity wall insulation. A tendering exercise will be run for a three year programme of works which will be subject to approval of the budget for each financial year. The estimated value of work is £500,000 per year including NPS Norwich fees for directly managing the contractors. This reduces the cost of delivering the works as additional managing agents

and fees are not required. The fee element will not exceed 10% of the value of the works. Over the three year period the contract value is likely to be £1.35m.

19. Cabinet are requested to delegate authority to the director of neighbourhoods in consultation with the deputy leader and portfolio holder for social housing to award the contract once the tender has been evaluated.

## 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:

Committee date:

Director / Head of service

Report subject:

Date assessed:

	Impact			
<b>Economic</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
Finance (value for money)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
Safeguarding children and adults	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



**Recommendations from impact assessment**

**Positive**

**Negative**

**Neutral**

**Issues**