



Award a framework contract to suppliers to deliver repairs assistance grant work, specifically the installation of central heating systems in domestic properties and associated work.

Cabinet Member for Planning and Housing Services

November 2014

Deadline date: 30 November 2014

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| Cabinet portfolio holder: Responsible Director: | Cllr Peter Hiller Cabinet Member for Planning and Housing Services Wendi Ogle-Welbourn, Director Communities & Targeted Services |
| Is this a Key Decision? | YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/19SEP14/01 |
| Is this decision eligible for call-in? | YES |
| Does this Public report have any annex that contains exempt information? | NO |
| Is this a project and if so has it been registered on Verto? | NO |

RECOMMENDATIONS

The Cabinet Member is recommended to authorise the award of a framework contract for repairs assistance grant work, specifically the installation of central heating systems in domestic properties, for a two year period commencing on 30th November 2014 with an option to extend for a further one year to the following contractors;

Gasway Services Ltd
Gaswise Services Ltd
Trevor Benton Construction Ltd

The contract value is estimated at £900,000 for the initial and extended contract period.

1. SUMMARY OF MAIN ISSUES

- 1.1 The Care & Repair section within the Council deliver repairs assistance grant work, in the form of arranging the installation of central heating systems in domestic properties.

- 1.2 The Housing Act 2004 imposes a duty on Local Authorities to deal with Category 1 hazards. Properties are assessed using the Housing Health & Safety Rating System (HHSRS). Where there is no or ineffective heating in domestic properties central heating / boiler replacement / installations can eliminate or mitigate the Category 1 Hazard of Excess Cold.
- 1.3 Grants are targeted at people who are elderly, vulnerable, sick and disabled (adults/children). The grants enable them to remain living independently in warm and safe homes.
- 1.4 The work is in accordance with the Council's Housing Renewal Policy which addresses The Regulatory Reform Order (Housing Assistance) (England & Wales) 2002 requirements.
- 1.5 This work keeps vulnerable adults and children warm, prevents accidents and illness, can reduce excess winter deaths, prevent fuel poverty, promotes independence and improves quality of life. The work spans care, health and housing strategies.
- 1.6 Approval is required to award a contract to a framework of contractors to deliver the boiler and central heating grant funded installations for a two year period with a 1 year extension.
- 1.7 A schedule and specification have been developed to cover all elements of heating /boiler installations. A pre-priced schedules operated on a framework agreement ensures installations are completed in a timely manner, at a high quality and for good value.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Planning and Housing Services to consider exercising delegated authority under paragraph 3.4.8(a) of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (c).

3. TIMESCALE

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| Is this a Major Policy Item/Statutory Plan? | NO | If Yes, date for relevant Cabinet Meeting | |
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4. DETAILS OF DECISION REQUIRED

- 4.1 Care & Repair delivers over 150 repairs assistance interventions per year. Work is confined to owner occupied, domestic properties. The grants are targeted at people who are elderly, vulnerable, sick, disabled (adults/children) and families with young children who are on low incomes. Referrals are received directly from the public, council members, professionals in health, social care and third sector organisations.
- 4.2 The work enables clients and their families to live in properties that are warm and safe where hazards and risks have been removed or reduced to acceptable levels. A large percentage of the work is addressing the HHSRS hazard of "Excess cold". To overcome this issue, it requires the installation of central heating or boiler replacement and associated works.
- 4.3 Care & Repair have developed a comprehensive schedule and specification. It itemises almost all elements of work associated with the heating installations.
- 4.4 The existing framework agreement has expired. The new framework agreement subject to this report will continue to enable priced schedules and specifications to be produced immediately following a visit by a Care & Repair surveyor. The successful contractors that form the framework will be allocated work based on availability, quality and price and delays in commencing the work will be minimised.
- 4.5 The decision required is to allow Care & Repair to deliver the repairs assistance grant relating to heating installations on a new framework agreement.

5. PROCUREMENT

- 5.1 The procurement process was carried out in accordance with the Council's contract rules due to the estimated value of the works falling below the threshold value set out in the Public Contracts Regulations 2006. A competitive Contract Notice was published through the Council's e-sourcing portal which publishes the opportunity to a number of tendering journals, such as Contract Finder and the Council's website. Contractors on the Care & Repair list were also notified of the tendering opportunity.
- 5.2 The open procurement process comprised of a qualification stage where bidders were assessed against criteria covering finance, insurance, quality assurance, health and safety, and specific requirements relating to the Agency's vulnerable client base.
- 5.3 The second stage consisted of two elements, key quality and price.
- 5.4 The specification and price schedule has been developed over several years by Care & Repair. The schedule has been updated for the procurement exercise and framework agreement. It was tendered as one of three lots. The other lots were minor aids & adaptation and disabled adaptation installation work. The lots were advertised together. A total of twenty six applicants returned the Pre-Qualification Questionnaires (PQQ). Invitations to Tender (ITT) were dispatched and twenty one returned. All the submissions have been evaluated for price and quality on a 70/30 ratio and clarifications sent to address anomalies.
- 5.5 The scores for all contractor were assessed in line with the ITT scoring mechanism and placed in a grid. The top 3 combined price and quality scorers have been selected for the framework contract.

| Contractor | Combined Total | Rank | Successful Yes/No |
|------------|----------------|------|-------------------|
| A | 91.15% | 1 | Yes |
| B | 80.39 | 2 | Yes |
| C | 74.24 | 3 | Yes |
| D | 67.55 | 4 | No |
| E | 65.09 | 5 | No |
| F | 63.46 | 6 | No |
| G | 63.42 | 7 | No |
| H | 61.65 | 8 | No |

- 5.6 All three contractors are new to Care & Repair but deliver similar or the same services for other local authorities.

6. CONSULTATION

- 6.1 In order to provide an efficient and effective service Care & Repair has consulted Foundations (Home Improvement Agency National Coordinating Body), and other local authorities as to the best way to deliver the service. The customer feedback results in

respect of the previous Framework were reviewed and demonstrated a satisfaction rate of over 99%.

7. ANTICIPATED OUTCOMES

- 7.1 The aim of the framework is to work with a number of contractors to deliver repairs assistance heating installation grants in a timely manner. The number of contractors ensures capacity exists to cope with fluctuations in demand. The framework enables work to be priced immediately avoiding lengthy delays relating to individual tender periods. Work allocation is based on availability to reduce start date delays. The allocation procedure will also take into account quality, responsiveness and price. This should result in the work continuing to be completed at a high quality and for competitive prices.

8. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 8.1 The Housing Act 2004 imposes a duty on local authorities to deal with Category 1 hazards. Properties are assessed using The Housing Health & Safety Rating System (HHSRS) (Housing Act 2004). Category 1 Hazard "Excess Cold" occurs where there is no or ineffective heating in domestic properties. The installation of central heating / boiler grant funded work can eliminate or mitigate such hazards for vulnerable people who are unable to address the hazard themselves.
- 8.2 Failure to provide repairs assistance heating grants, or completing them in a timely manner, can result in accidents, falls, injuries and in the most serious cases fatalities many of which are reported as excess winter deaths. Delays result in individuals needing alternative help, postpones hospital discharge and increases the number of untimely moves into full time care. Delays can lead to adults and children experiencing pain, increased anxiety, performing poorly at work or in education and deteriorations in physical /mental health. The Council could be considered culpable for a delay or failure in delivery which could result in complaints, challenges, Ombudsman involvement and legal proceedings.
- 8.3 The previous schedule of rates framework has operated successfully for several years. Care & Repair's performance is in the top quartile nationally. The Agency has received multiple national awards in recognition of its performance. The previous framework has been a significant factor contributing to the Agency's success and it's 99%+ satisfaction rates.
- 8.4 The tender process was in line with the Council's contract rules to develop a new framework to replace the expired framework. It will refresh the contractors, show best value, provide additional capacity and maintain standards.
- 8.5 The repairs assistance grants are a very important part of prevention work which results in saving for health and social care services.

9. ALTERNATIVE OPTIONS CONSIDERED

- 9.1 Extend the current contract again:
The contract has already been extended. A further extension is not acceptable.
- 9.2 Do nothing:
Not appropriate as the Council has a statutory duty in relation to the works.
- 9.3 Tender the jobs individually.
This would result in several hundred additional tenders during the proposed contract period and has huge resource implications for the Council and its contractors. It would lead to

delays specifically in respect to the tender period. It may lead to increased prices paid, in addition to increased costs.

- 9.4 Discontinue using a framework and tender all the work to one contractor:
This would potentially reduce capacity and flexibility. The ability to deal with delivery problems would be reduced. Relying on a single contractor potentially increases risk on the Council in its ability to meet its duties.

10. IMPLICATIONS

- 10.1 The legal and financial considerations of this Cabinet Member Decision Notice have been set out in the main body of the report.

11. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None.

12. BACKGROUND DOCUMENTS

Prequalification Questionnaire, Invitation to Tender.