

 Brent	Officer Key Decision
	Report to the Operational Director of Housing
AUTHORITY TO EXTEND THE INTEGRATED ASSET MANAGEMENT, PLANNED AND CYCLICAL MAINTENANCE WORKS AND RESPONSIVE REPAIRS MAINTENANCE WORKS CONTRACT WITH WATES CONSTRUCTION LIMITED	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Ryan Collymore Head of Service - Housing Management Property Email: Ryan.Collymore@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report seeks approval for the Council to extend a contract for Integrated Asset Management, Planned and Cyclical Maintenance Works and Responsive Repairs Maintenance Works contract with Wates Construction Limited from 6 August 2022 to 30 September 2024 in accordance with Contract Standing Order 112.

2.0 Recommendation(s)

That the Operational Director of Housing:

- 2.1 Approves the extension to the contract for Integrated Asset Management, Planned and Cyclical Maintenance Works and Responsive Repairs Maintenance Works with Wates Construction Limited for the period from 6 August 2022 to 30th September 2024.

3.0 Detail

- 3.1 The contract for Integrated Asset Management, Planned and Cyclical Maintenance Works and Responsive Repairs Maintenance Works (the "IAM Contract") with Wates Construction Ltd. ("Wates") commenced on 1st October 2014. The contract allowed for an extension of one consecutive 5 year period. On 30 September 2019 the contract was varied and extended for a 3 month period until 31st December 2019. The Contract was further varied and extended from 1 January 2020 for a period of 2 years and 6 months expiring 1st July 2022. A further 5 week extension was granted on 30th June 2022, which covers the period from 1st July 2022 to 5th August 2022.
- 3.2 Under the IAM Contract, Wates deliver various key work streams, which allow Brent to maintain its properties and keep its residents safe. They provide essential services, which require continuity at this current time, particularly with the volatility in the current market. Officers have reviewed options and consider that extension of the existing contract for the additional period provided for in the IAM Contract is appropriate. This will allow Officers adequate time to consider how best the services under the IAM contract should be delivered and plan for the procurement of the IAM contract. Therefore Officers recommend the extension of the IAM Contract with Wates for the 2 years one month and three weeks remaining of the 5 year extension permitted in the contract.
- 3.3 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Strategic Directors and Operational Directors are able to extend contracts and agreements without the need for Cabinet approval:
 - (a) provided that the extension would not be in breach of the Procurement Legislation.
 - (b) provided that the extension does not substantially alter the terms and conditions of the contract.

- (c) provided that there is sufficient existing budgetary provision.
- (d) if the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:
 - (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months; or
 - (ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.
- (e) the relevant cabinet member shall be consulted prior to a decision within (d) (i) or (ii) above and may request that the decision instead be referred to them.

3.4 It is considered that you have delegated authority as:

- (a) There is no breach of the Public Contracts Regulations 2015 as the contract provides for an extension to 30th September 2024 and the recommended extension is to this date.
- (b) The extension will be on the basis of the existing terms and conditions.
- (c) There is sufficient budget as set out in Section 4 for the work streams that will be covered by this extension.
- (d) The recommended extension does not go beyond the extension provided for in the contract.
- (e) As the proposed extension is in accordance with the provisions of the contract, consultation with the relevant cabinet member is not required.

4.0 Financial Implications

4.1 The contract extension with Wates will be on the basis of the existing terms and conditions, therefore a direct cost increase as a result of the extension will not arise.

4.2 The extension of the contract will be funded from existing budgets in the Housing Revenue Account (HRA). Revenue budgets for responsive

repairs have been set for the financial year at £13.6m. Capital budgets for planned maintenance works have been set at £15m on a rolling two-year basis. Expenditure profiling with Wates is expected to be contained within these budget limits.

- 4.3 Uncertainties in the current economic environment and cost inflationary uplifts in the construction industry could potentially impact future budgets, this will be managed as part of the budget setting and monitoring process.

5.0 Legal Implications

- 5.1 Officers recommend the extension of the IAM Contract for with Wates from 6th August 2022 to 30th September 2024.
- 5.2 The value of the original contract is such that it is subject to full application of the Public Contract Regulation 2015 (PCR 2015).
- 5.3 The contract contains express provision allowing for the extension to 30th September 2024 as recommended and as such extension is permitted in accordance with the PCR 2015.
- 5.4 The Operational Director is authorised pursuant to Paragraphs 9.5 and 9.7 of Part 3 of the Constitution to extend contracts subject to the conditions set out in paragraph 3.2 above. As set out in paragraph 3.3 above, none of these conditions preclude the Operational Director agreeing the recommended extension.

6.0 Equality Implications

- 6.1 The Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 6.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision

disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

6.3 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

6.4 The proposals in this report have been subject to screening and Officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

7.1 Ward members and stakeholders were consulted at the inception of the contract.

8.0 Human Resources/Property Implications (if appropriate)

8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from extending the contract.

Relevant documents:

Recordable Decision Report - Authority to Extend the Integrated Asset Management, Planned and Cyclical Maintenance Works and Responsive Repairs Maintenance Works Contract with Wates Construction Limited

Report sign off:

Hakeem Osinaike
Operational Director of Housing