

	Officer Key Decision
	Report to the Corporate Director of Resident Services
AUTHORITY TO AWARD CONTRACT FOR INSURANCE RELATED REACTIVE REPAIRS, MAINTAINANCE & COMPLEX & HOUSING DISREPAIR WORKS CALLED OFF TWO LOTS	

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>	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
No. of Appendices:	Appendix 1 – Names of Bidders (exempt) Appendix 2 – Evaluation Grid
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Graham Turner Repairs Manager Brent Housing Management Phone: 0208 937 2400 Ext 1160

1.0 Purpose of the Report

1.1 This report concerns the procurement of the Provision of Insurance Works and Housing Disrepair Cases. This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering a contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That the Corporate Director of Resident Services approves the award of the two contracts below (2.1 and 2.2) for the value of £1,872,000.00 (One million eight hundred and seventy-two thousand GBP) Total Costs (Combined value)

- 2.1 Approves the award the contracts for Reactive Repairs & Maintenance contract to Axis Europe plc for a period of 24 Months with the option of a 12 months extension if required in the sum of the departmental budget allowance of £936,000.00 for the term total.
- 2.2 Approves the award the contracts for Complex Works and Housing Disrepair contract to Prestige Domestic Property Maintenance Ltd for a period of 24 Months with the option of a 12 months extension if required in the sum of the departmental budget allowance of £936,000.00 for the term total.

3.0 Detail

- 3.1 The council requires the provision of Insurance Related Works and Housing Disrepair Cases. Council officers have undertaken a procurement exercise and identified a contractor providing the most economically advantageous offer in accordance with relevant evaluation criteria and therefore recommend award of a contract for insurance related works for housing stock (the "Contract").

The Tender Process

- 3.2 The Contract will be called off from the FUSION21 (the "Framework"), using the form of award and standard call off terms and conditions prescribed under the Framework.
- 3.3 A further competition exercise was carried out using the Framework in accordance with its rules.
- 3.4 In compliance with the Framework further competition guidance, the evaluation of tenders was on the basis of the evaluation criteria detailed in Appendix 2.

Evaluation process

Reactive Repairs & Maintenance Cases

- 3.5 The tender evaluation for the Reactive Repairs & Maintenance Works was carried out by a panel of officers from Housing and moderated by a member of procurement.
- 3.6 All tenders had to be submitted electronically no later than the 22nd of May 2023 at 12:00. Tenders were opened on 22nd May 2023 and 2 valid tenders were received. Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 3.7 The panel met on the 02nd June 2023 and each submission was marked by the whole panel against the award criteria.

- 3.8 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2A. It will be noted that Contractor Axis Europe plc was the highest scoring tenderer. Officers therefore recommend the award of the Contract to Contractor A namely Axis Europe plc.
- 3.9 The Contract will commence on the 26th of June 2023 subject to the Council's observation of the requirements of a 5 day call in period.

Complex Works and Housing Disrepair Tender

- 3.10 The tender evaluation for the Complex Works and Housing Disrepair Cases was carried out by a panel of officers from Housing and moderated by a member of procurement.
- 3.11 All tenders had to be submitted electronically no later than 24th April 2023 at 12:00. Tenders were opened on 24th April 2023 and 2 valid tenders were received. Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 3.12 The panel met on the 12th May 2023 and each submission was marked by the whole panel against the award criteria.
- 3.13 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2B. It will be noted that Contractor B was the highest scoring tenderer. Officers therefore recommend the award of the Contract to Contractor B namely Prestige Domestic Property Maintenance Ltd.
- 3.14 Within the ITT section 24.10.1 A response that is awarded a score of: 2 or less for two or more Quality/Technical or Social Value questions" will be deemed to be a fail overall and be excluded from the process. Contractor A for question 1 and 2 within the method statement scored 2 or less and therefore had been excluded from the tender.
- 3.15 The Contract will commence on the 26th of June 2023 subject to the Council's observation of the requirements of a 5 day call in period.

4.0 Financial Implications

- 4.1 Part 3 of the Council's Constitution states that the Corporate Director of Resident Services has delegated authority to approve the award of contracts for works valued at less than £5 million. The estimated value of each Contract is £936,000.00 so the combined contract values is £1,800,000.00. The annual estimated cost of the contract is £0.9m per annum for two years and will be funded from budgeted resources within the Housing Revenue Account (HRA).

4.3 Uncertainties in the economic environment and cost inflationary uplifts in the construction industry could potentially impact overall repairs budgets. This will be managed as part of the budget setting and monitoring process.

5.0 Legal Implications

5.1 The estimated value of the Contract over its lifetime is in excess of the Public Contracts Regulations 2015 (the “PCR 2015”) threshold for Works and the award of the Contract is therefore governed by the PCR 2015.

5.2 Officers recommend the use of a framework to procure the Contract. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework agreement need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework agreement and utilising the terms and conditions set out in the framework agreement.

5.3 The Council’s Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Corporate Director or Director and provided that the Corporate Director, Governance has advised that participation in the framework is legally permissible. The Corporate Director, Governance has confirmed that participation in the Framework is legally permissible.

5.4 The award of the Contract is subject to the Council’s own Standing Orders in respect of Medium Value Contracts. The Corporate Director has delegated power to award Medium Value Contracts in accordance with paragraph 9.5 [and paragraph 9.7] of Part 3 of the Constitution.

5.5 As the procurement of the Contract is from a framework, there is no requirement for the Council to observe a 10-day standstill period under the PCR 2015.

6.0 Equality Implications

6.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
- (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,

- 6.2 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.
- 6.3 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.
- 6.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 6.5 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 There is no requirement to consult with the lead member on these contracts.

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 retendering the Contract

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 9.2 A weighting of 10% is allocated for Social Value and has been included within the final tender documents, this was to be evaluated as part of the evaluation and scored between 0-5. The commitments are contractually required to be delivered and therefore have a monetary value against each element. Commitments will be monitored via the contract manager and in circumstances where Social Value commitments are failing we are able to call upon the monetary values and in this occurrence the funds will be diverted to the LBB Social Value pot which is dedicated to supporting local businesses within the borough.

Report sign off:

Peter Gadsdon
Corporate Director Resident Services