

	Cabinet 10 February 2025
	Report from the Corporate Director of Partnerships Housing and Resident Services
	Lead Member – Cabinet Member for Housing and Resident Support (Councillor Fleur Donnelly- Jackson)
Authority to award contract for Housing Repairs & Maintenance Service	

Wards Affected:	All
Key or Non-Key Decision:	Key
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:	Three Appendix 1: List of Tenderers (exempt) Appendix 2: Tender Evaluation Appendix 3: Equality Assessment
Background Papers¹:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Ryan Collymore, Head of Housing Property Services 020 8937 1204 Ryan.Collymore@brent.gov.uk

1.0 Executive Summary

- 1.1 This report concerns the outcome of the tender for the repairs and maintenance contract which expires 31 March 2025. This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering these contracts and, following the

completion of the evaluation of the tenders, recommends to whom the contracts should be awarded.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approve the award the contract for Lot 1 Responsive Repairs to Wates Property Services Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.
- 2.2 Approve the award the contract for Lot 2 Planned Works to Wates Property Services Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.
- 2.3 Approve the award the contract for Lot 3 Voids Repairs to Wates Property Services Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.
- 2.4 Approve the award the contract for Lot 4 Responsive Repairs to Masher Brothers Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.
- 2.5 Approve the award the contract for Lot 5 Planned Works to Mears Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.
- 2.6 Approve the award the contract for Lot 6 Voids Repairs to Greyline Group Limited for a term of five years plus an option to extend for three years and one further two year extension for the estimated annual value detailed in paragraph 6.1 below.

3.0 Detail

Cabinet Member Foreword

- 3.1 This report outlines the proposals for the future of the repairs service and how officers have worked closely with members to agree on a preferred option. It is anticipated that the service set out in this report will utilise a framework of local contractors and a handyperson's service. It is expected that some of the procured contractors will be based in Brent and some the handypersons recruited will be Brent residents. This is in line with the Council's strategic priorities of Prosperity and Stability in Brent, Community Wealth Building and Thriving Communities.

- 3.2 The Borough Plan includes two priorities specific to Housing, that are;
- Strategic Priority 1 – Prosperity and Stability in Brent
 - Strategic Priority 2 – A Cleaner, Greener Future
- 3.3 These two priorities re-affirm the Council's ambition to continue building new Council homes with a target of 1,700 homes by 2028 and improving the quality of housing across the private sector and in the Council's own housing stock. Housing is also a key stakeholder in the delivery of Green Neighbourhoods both through the engagement with Registered Providers and investment in Council owned homes, specifically retrofitting poorly performing housing. It is acknowledged that whilst Housing is not specified in the remaining priorities set out in the borough plan, a safe, suitable, and secure place to call home is a foundation for Thriving Communities, The Best Start in Life, and a Healthier Brent.
- 3.4 Other strategies that are relevant to Housing include:
- Black Community Action Plan
 - Climate and Ecological Emergency Strategy
 - Homelessness and Rough Sleeper Strategy
 - Equality Strategy
 - Health and Well-being Strategy
 - Procurement Strategy
 - Local Plan
 - Inclusive Growth Strategy
- 3.5 Future Strategies due for delivery this year that will also provide context are the Private Housing Strategy, Tenant and Leasehold Engagement Strategy and overarching Housing Strategy.

4.0 The Tender Process

- 4.1 Advertisements were placed on Find a Tender Service and Contracts Finder service on 27/06/2024 to seek expressions of interest, which elicited 44 initial enquires. Contractors were provided with the contract documents and details of the tender approach.
- 4.2 All tenders had to be submitted electronically no later than 30/08/2024 12:00. Tenders were opened on 02/09/2025, and 11 No. 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.
- 4.3 On 11 March 2024 Cabinet approved that the final evaluation criteria would be agreed by Corporate Director, Housing and Resident Services, in consultation with the Corporate Director, Finance and Resources. The agreed tendering

instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following:

- 50% weighting for Cost assessment
- 40% weighting for Quality assessment
- 10% weighting for Social Value assessment

4.4 Tenderers could submit a bid for all lots, but an award would be restricted to three per contractor. In addition, a tenderer could not be awarded the same workstream from both areas, for example, a tenderer could not be awarded lot 1 and lot 4, lot 2 and lot 5 & lot 3 and lot 6. However, a tenderer could be awarded lot 1,2 & 3 or lot 4,5 & 6 based on the tender considerations set forth above. A tenderer could be awarded multiple lots across both areas if it is not the same workstream, for example a tenderer could be awarded lot 3, lot 5, and lot 1. Where a tenderer scored overall highest in two lots with same workstream, the Council will award the tenderer based on the most economically advantageous grouping of the lots, subject to agreement by the tenderer.

4.5 The new contracts will be let using JCT contracts with amendments for an initial term of 5 years plus optional extension periods of 3 and 2 years respectively. The contracts for each lot should be materially the same to ensure contract management is not cumbersome.

5.0 Evaluation process

5.1 The tender evaluation was carried out by a panel of officers from Property Services and two local residents for one specific question.

5.2 All tenders had to be submitted electronically no later than 30/08/2024 12:00. Tenders were opened on 02/09/2025, and 11 No. 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.

5.3 The panel met (***moderation meetings***) between 08/12/2024 to 16/12/2024 and each submission was marked by the whole panel against the award criteria.

5.4 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. It will be noted that Tenderer **11** was the highest scoring tenderer for Lot 1, Tenderer **11** was the highest scoring tenderer for Lot 2, Tenderer **11** was the highest scoring tenderer for Lot 3, Tenderer **6** was the highest scoring tenderer for Lot 4 after discounting Tenderer 11 who bid for the same workstream in the other area, Tenderer **7** was the highest scoring tenderer for Lot 5 after discounting Tenderer 11 who bid for the same workstream in the other area and discounting Tenderer 8 because they withdrew from the process, Tenderer **3** was the highest scoring tenderer for Lot 6. Officers therefore recommend the award of the contract to

Tenderer **11** (Wates Property Services Limited for Lots 1, 2 and 3; Tenderer **6** (Masher Brothers Limited) for Lot 4; Tenderer **7** (Mears Limited) for Lot 5; and Tenderer **3** (Greyline Builders Limited) for Lot 6.

5.5 The contract will commence on 1 April, 2025 subject to the Council's observation of the requirements of the mandatory standstill period noted below.

6.0 Contract costs

6.1 The comparative contract costs are set out in the table below; however, these figures are estimates based on predicted volumes. These volumes will fluctuate particularly with responsive repairs and voids.

Area 1	New Tender £	Current Contract £	Difference £	Difference %
Lot 1 Repairs	3,237,418	1,824,451	1,412,967	77.45%
Lot 2 Planned	4,490,262	4,134,026	356,236	8.62%
Lot 3 Voids	2,107,828	2,636,002	(528,174)	(20.04%)
Total	9,835,508	8,594,479	1,241,029	14.44%
Area 2	New Tender £	Current Contract £	Difference £	Difference %
Lot 4 Repairs	2,668,823	2,097,980	570,843	27.21%
Lot 5 Planned	4,556,239	4,134,026	422,213	10.21%
Lot 6 Voids	1,209,626	2,547,029	(1,337,403)	(52.51%)
Total	8,434,688	8,779,035	(344,347)	(3.92%)
Grand Total	18,270,196	17,373,514	896,682	5.16%

7.0 Financial Considerations

7.1 Part 3 of the Council's Constitution state that contracts for works exceeding £10 million shall be referred to the Cabinet for approval of the award of the contract.

7.2 The annual value of this contract is currently estimated to be circa £18.24m at today's prices. The award of the contract is for an initial period of five years, with an option to extend for periods of three and two years respectively. This makes a total contact cost of £91.3m over five years at today's prices. The contract is subject to inflationary increases which will need to be considered as part of the Council's Medium Term Financial Planning.

7.3 It is anticipated that the cost of this contract will be funded from the Housing Revenue Account (HRA) budgets. In comparison, the current contract costs £17.3m, therefore there is a £0.8m increase in costs. The increase in costs has

been built into the HRA 30-year Business Plan in anticipation of this re-procurement.

- 7.4 The current level of responsive repair works and associated costs result in financial pressures on the existing budgets which are mitigated through wider efficiencies. This is in addition to broader budgetary pressures on the HRA fund associated with uncertainty around the inflation and interest rates, rising cost of major works, increasing complexities of additional requirements to building standards, such as fire safety, energy efficiency works and decarbonisation. The HRA is under significant financial pressures and any expenditure and investments plans must be considered carefully and mitigating measures might be required to continue achieving a balanced financial position.

8.0 Legal Considerations

- 8.1 The value of these contracts individually over their lifetime are in excess of the threshold for Works under the Public Contracts Regulations 2015 (PCR 2015) and the procurement and award of the contracts is therefore governed by the PCR 2015. As detailed in Section 3, a procurement process in compliance with the PCR 2015 has been conducted.

- 8.2 The award of the six contracts is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the contracts are valued at more than £5 million. Part 3 of the Council's Constitution state that contracts for works exceeding £10 million shall be referred to the Cabinet for approval of the award of the contract.

- 8.3 The Council must comply with the PCR 2015 relating to the observation of a mandatory minimum 10 calendar day standstill period before the contract can be awarded. Therefore, once the Cabinet has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the PCR 2015. After the standstill period ends, the successful tenderer will be issued with a letter of acceptance and the contract can commence.

- 8.4 The award of contracts will also be subject to leaseholder consultation pursuant to Section 151 of the Commonhold and Leasehold Reform Act 2002 (Section 20 consultation).

9.0 Equity, Diversity & Inclusion (EDI) Considerations

- 9.1 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) relevant protected characteristic and persons who do not share it,
- 9.2 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.
- 9.3 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.
- 9.4 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.
- 9.5 The proposals in this report have been subject to screening and Officers believe that there are no adverse equality implications as noted in Appendix 3.

10.0 Consultation with Ward Members and Stakeholders

- 10.1 A Members Repairs re-procurement working group, included the Lead Member for Housing, Homelessness and Renters Security was formed late last year to provide constructive oversight and feedback on the design and delivery of the hybrid Repairs delivery model. Several meetings were held where discussions took place about the vision for the service and the progress of the delivery model.
- 10.2 In June 2024 residents were asked to provide their feedback on the re-procurement proposals online, there was also an in-person workshop and an online briefing. Residents were also invited to take part in the tender evaluations and two agreed to take part and undertook evaluations of the questions focused on customer experience.

11.0 Climate Change and Environmental Considerations

- 11.1 All contractors submitted sustainability statements as part of the tender which outlined climate change and environmental considerations. These included

deadlines on decarbonising their fleet and details of their proposed waste management plans. All statements were scored as part of the submission.

- 11.2 These proposals will be formalised through the mobilisation period and monitored throughout the year at Core Group meetings.

12.0 Human Resources/Property Implications (if appropriate)

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

13.0 Public Services (Social Value) Act 2012

- 13.1 The Council is under 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.

- 13.2 Each Social Value Theme (Strong Foundations; Every opportunity to succeed; A cleaner, more considerate Brent) was allocated a weighting and responses to the KPIs under each Theme and were given a score to which the weighting was applied. In evaluating Social Value questions, the Council had regard to The Social Value Commitments (action plan) contractors offered as part of these contracts; and The supporting information (method statement) contractors provided on how they proposed to deliver Social Value commitments as set out in the action plan which they populated with units and monetary value. The Council requires a Social Value monetary commitment of 10% of the total contract value.

14.0 Communication Considerations

- 14.1 Communication plans will be agreed with each contractor during the mobilisation period, which will include “meet the contractor days” and other initiatives outlined in the tender submissions.
- 14.2 The move from one contractor to four will be a big change for residents who have had the same contractor for over 10 years. It is important that residents understand how their service will change and what the expected performance is based on the new contracts.

Related document(s) for reference:

Future of Housing Repairs Service 11 September 2023.

Future of Housing Repair Service Update 14 February 2024

Approval of Pre-tender Considerations for Repairs and Maintenance Contractors 17 June 2024

Report sign off:

Peter Gadsdon

Corporate Director of Partnerships
Housing and Resident Services.