

	Officer Key Decision
	Report to the Chief Executive (for approval under exceptional urgency powers)
	Lead Member – Cabinet Member for Housing and Resident Support
Authority to award additional 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:	Two Appendix 1: List of Tenderers (exempt) Appendix 2: Tender Evaluation
Background Papers¹:	Report to Cabinet – 10.2.25 – Authority to Award Contract for Housing Repairs and Maintenance Services
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1.0 Executive Summary

1.1 This report concerns changes to the outcome of the tender for the repairs and maintenance contracts to replace the Council's current repairs and maintenance contract (the "Current Repairs Contract") that expires on 31 March 2025. Following Cabinet approval to award contracts for Lots 1-6, the contractor selected to be awarded Lot 4 has withdrawn from the procurement process. As a result, approval is sought to extend the Current Repairs Contract, award Lot 4 to the next placed contractor, and appoint a substitute contractor for Lot 4 pending mobilisation of the new Lot 4 contractor. This report requests authority to award contracts as required by Contract Standing Order 88, and to extend contracts as required by Contract Standing Order 112.

2.0 Recommendation(s)

That the Chief Executive exercising urgency powers pursuant to paragraph 9.3.2 of Part 3 of the Constitution:

- 2.1 Notes that the contractor approved by Cabinet on 10 February 2025 for the award of Lot 4 (Responsive Repairs in Area 2) has withdrawn from the procurement process as detailed in paragraph 3.2 of the report.
- 2.2 Approves the temporary extension of the Council's current repairs and maintenance contract with Wates Property Services Limited at revised rates for a period of sixty (60) days for the reasons set out in paragraph 3.4 of the report.
- 2.3 Approves the award of the contract for Lot 4 (Responsive Repairs in Area 2) to Mears Limited for a term of five years (less mobilisation period) plus an option to extend for three years and one further two year extension in the sum of £14.1m.
- 2.4 Approves Wates Property Services Limited undertaking the Lot 4 services (Responsive Repairs in Area 2) from for a period of up to six (6) months while Mears Limited mobilise to commence provision of service.

3.0 Detail

3.1 Contribution to Borough Plan Priorities & Strategic Context

3.1.1 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

3.1.2 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.

3.1.3 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

3.1.4 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.

Background

3.2 Cabinet on 10 February 2025 approved the award of the contract for Lot 4 (Responsive Repairs in Area 2) to Mashers Brothers Limited ("Mashers"). Following approval to award, the Council commenced consultation with leaseholders pursuant to Section 151 of the Commonhold and Leasehold Reform Act 2002 (Section 20 consultation). During this consultation period. During this consultation period and prior to formal award, Mashers withdrew from the procurement process, citing concerns about capacity to deliver all relevant services.

3.3 In view of Mashers withdrawal from the procurement process, Officers reviewed the scoring for Lot 4 as detailed at Appendices 1 and 2 and the next highest rated contractor in the procurement for Lot 4 is Mears Limited ("Mears"). Officers therefore seek approval to award the contract for Lot 4 to Mears.

3.4 Subject to the Chief Executive approving the award of Lot 4 to Mears, the Council will need to undertake further Section 20 consultation and will need to send out standstill letters to contractors pursuant to the Public Contracts Regulations 2015. As a result, the Council will not be in a position whereby the Lot 1 – 6 contracts are able to commence on 1 April 2025 as originally envisaged. In the circumstances, Officers

recommend that the Council's existing contract with Wates Property Services Limited ("Wates") is extended for a period of sixty days at revised rates to enable such consultation and the issue standstill letters to take place. Officers have discussed proposals with Wates and they are in principle happy to agree to continue to provide services across the borough for this interim period.

3.5 As detailed at paragraph 3.3, Officers seek approval to award the contract to Mears. Officers have discussed with Mears the prospect of being awarded Lot 4 and Mears have confirmed that whilst they would wish to provide services, they will need a period in which to mobilise the service given that this will involve the transfer of staff pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006. Mears have estimated that they will be able to mobilise by 1st October 2025. As the interim cross borough arrangements with Wates will only continue for [sixty days] from 1st April 2025, further arrangements will be required to maintain Lot 4 services (Responsive Repairs in Area 2). As the contract for Lot 1 (Responsive Repairs for Area 1) allows the appointed contractor (Wates) to pick up Responsive Repairs works for Lot 4, Officers recommend that Wates provide these services pending Mears mobilisation.

3.6 Due to Mashers' withdrawal from the procurement process so close to the expiry of the existing contract on 31 March 2015, Officer consider that they have no alternative but to ask the Chief Executive to exercise urgency powers pursuant to paragraph 9.3.2 of Part 3 of the Constitution to approve the extension and award of contracts as set out in the Recommendations.

4.0 Stakeholder and ward member consultation and engagement

4.1 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.

4.2 The Cabinet Member for Housing and Resident Support has been kept abreast of developments since the Cabinet Meeting on 10th February 2025.

5.0 Financial Considerations

5.1 The original cost of Lot 4 services with the contractor approved by Cabinet on 10 February 2025 that subsequently withdrew from the procurement process was £2.7m (a 27% increase from the previous contract). The new contract cost with Mears Limited is £3.1m (a 47% increase from the previous contract).

- 5.2 The cost of Wates Property Services Limited undertaking the Lot 4 services for a period of six (6) months is anticipated to be £1.7m.
- 5.3 The cost of the temporary extension of the Council's current repairs and maintenance contract with Wates Property Services Limited for a period of sixty (60) days is not anticipated to result in additional charges as this will be in line with the new tender rates that have already been taken into account.
- 5.4 The above costs can be met from the HRA budgets and sufficient funding has been built into the HRA 30-year Business Plan in anticipation of this re-procurement.

6.0 Legal Considerations

- 6.1 The procurement of the Contract commenced prior to 24 February 2025 and the award of the Contract is therefore governed by the Public Contracts Regulations 2015 ("PCR 2015").
- 6.2 The estimated value of the Contract over its lifetime is in excess of the PCR 2015 threshold for Services and the award of the Contract is therefore governed in full by the PCR 2015. Section 3 of the report, and the attached Cabinet report of February 10, 2025, outlines how the Contract was procured in accordance with the PCR 2015.
- 6.3 Officers in Section 3 have outlined why they consider the matter is urgent and the decision cannot wait until the next Cabinet meeting. The Chief Executive is authorised pursuant to Paragraph 9.3.2 of Part 3 of the Constitution to exercise either executive or non-executive functions where the matter is urgent unless this is prohibited by law. The decisions, which are the subject of this report, are not prohibited by law and she may therefore exercise such powers if she is of the view that proposals are urgent.
- 6.4 It is proposed to extend the Current Repairs Contract by sixty days. It is considered that such extension is permitted in accordance with the requirements of the Council's Constitution and in accordance with the PCR. The Council can rely on Regulation 72 (1)(b) and (c) to justify the extension of the Current Repairs Contract.
- 6.5 It is proposed to award the Lot 4 contract to Mears. Given the withdrawal from the procurement process of Mashers and the subsequent identification of Mears as the most economically advantageous bidder, award to Mears is consistent with the Council's procurement practices and the PCR 2015. This will require the provision of standstill letters pursuant to the PCR 2015.

- 6.6 As detailed in paragraph 3.5, the contract for Lot 1 (Responsive Repairs for Area 1) allows the appointed contractor (Wates) to pick up Responsive Repairs works for Lot 4 at the Council's discretion. This provision was included to allow the Council to replace a contractor in one area if they were, for example, failing to provide service in accordance with the contract. There is therefore express contractual provision to allow Wates to provide responsive repairs service in Area 2 pending Mears mobilisation. Such change is permitted in accordance with Regulation 72(1)(a) of the PCR 2015.
- 6.7 The award of the Lot 4 contract to Mears will also be subject to Section 20 leaseholder consultation.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 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,
- 7.2 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.
- 7.3 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.
- 7.4 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.
- 7.5 An Equality Impact Assessment was carried out in relation to the procurement and a copy was appended to the report to Cabinet on 10th February 2025. It was indicated in that report that there were no adverse equality implication. The further proposals in this report have been

subject to screening and officers believe that there are no adverse equality implications.”

- 7.6 Officers do not consider that there are any adverse health equalities implications as a result of the Recommendations.

8.0 Climate Change and Environmental Considerations

- 8.1 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.

- 8.2 These proposals will continue to be formalised through the mobilisation period for all contractors, including Mears, and will be monitored throughout the year at Core Group meetings.

9.0 Human Resources/Property Considerations (if appropriate)

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

10.0 Communication Considerations

- 10.1 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.

- 10.2 The move from one contractor to four is a big change for residents who have had the same contractor for over 10 years. There will be some confusion given that s20 Consultation has taken place advising residents of the identity of new proposed contractors and this will now change with the proposed appointment of Mears. Officers will carefully communicate these changes to residents.

Related document for reference:

Report to Cabinet – 10.2.25 – Authority to Award Contract for Housing Repairs and Maintenance Services

Report sign off:

Spencer Randolph
Director Housing Services