

Chichester District Council

CABINET

6 June 2023

Contract for repairs and maintenance works for domestic properties

1. Contacts

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2. Recommendations

2.1 A) That Cabinet approves a 3-year contract with Contractor B (with an option to extend for up to a further 2 years) at a value over 5 years of £457,500, and budget growth of £6k per annum.

B) That Cabinet delegates authority to the Divisional Manager for Housing, Revenues and Benefits to extend the contract up to a further 2 years subject to satisfactory performance.

3. Background

- 3.1 The Council currently owns 61 residential properties at Freeland Close and Westward House, Chichester which provide short stay accommodation for homeless people.
- 3.2 There is a significant range of repairs and maintenance needed to manage and maintain these homes responsively. This includes daily internal and external responsive repairs, planned and cyclical maintenance work, the work needed to turn around void properties for re-letting as well as work to external and communal areas such as the laundry, bin store, on site office, steps, paving and parking areas. There is also the need for an out of hours service to deal with emergency and urgent situations which cannot wait until the next working day.
- 3.3 This work has historically been undertaken on an ad hoc basis with the need to seek at least two quotes, for all excluding emergency work, from contractors on the Council's approved list. This has become increasingly difficult operationally as contractors have more work than they can service and are not always willing or able to attend to quote for work they may not secure. In addition, the works are often low value in financial terms and therefore not always financially viable for them.
- 3.4 The Council has undertaken a thorough procurement exercise working with the Hampshire County Council Procurement Team to select preferred Contractor B.

4. Outcomes to be achieved

- 4.1 To ensure that best value is achieved for the works to be undertaken.
- 4.2 A contractor who is experienced in working for social landlords and understands the challenges of working in occupied properties.

5. Proposal

- 5.1 The proposal is to award the contract to contractor B as shown in the Part 2 Appendix one to this report.

6. Alternatives that have been considered and discounted

- 6.1 To continue with the current arrangement of seeking quotes. This would perpetuate the significant challenges as outline in section 3.
- 6.2 To procure individual contractors to undertake specific functions rather than one comprehensive contractor covering all areas. This would increase procurement work and will increase small contract management requirements for the Housing team. The volume of work would be small for the individual trades and would not help to minimise void turnarounds. In fact, co-ordination of contractors would remain. The solution needs to reflect that 64 is a small number of properties and contractors are often looking for volume work to reduce their overheads.

7. Resource and legal implications

- 7.1 The contract will be funded from the Housing Services existing revenue repairs and maintenance and asset replacement budgets (ARP).
- 7.2 There is a need for £30k budget growth (£6k per annum) over the full 5 years of the contract subject to satisfactory performance.
- 7.3 The contract will be awarded on a three year, plus one, plus one basis subject to satisfactory performance. Contact monitoring arrangements will be in place throughout the term to ensure that works are undertaken to a satisfactory standard.
- 7.4 Procurement work was undertaken on an open basis through the Intend Portal with local companies currently working with the housing team able to tender.
- 7.5 It is anticipated that by entering this contract the service will be more efficient as we will be able to accommodate homeless clients quicker by making empty properties available through less void or downtime.
- 7.6 The estimated costs for this contract to be delivered along with all the associated benefits as outlined in this report are set out in the table below: -

Number of units	Average number of times per year individual units are turned around	Average cost each time each unit is turned around for re-let	Total estimated cost
61	3	£500	£91,500

7.7 The table below shows a comparison of the total budgets needed per budget year and where they will be funded from. The Council's Estates Team are responsible for the 5-year electrical fixed wire testing, lightning and surge protection as part of the Council's corporate contracts. As such a proportion of the repairs and maintenance budget needs to be allocated accordingly.

Budget need	2023/24	2024/25	2025/26	2026/27	2027/28
Housing	91,500	91,500	91,500	91,500	91,500
Estates	32,000	14,000	14,000	14,000	14,000
Total	123,500	105,500	105,500	105,500	105,500

Available budgets	2023/24	2024/25	2025/26	2026/27	2027/28
Housing R & M budgets *	76,900	76,900	76,900	76,900	76,900
ARP	23,200	23,200	23,200	38,200	23,200
Total	100,100	100,100	100,100	115,100	100,100
Additional budget needed	23,400	5,400	5,400	-9,600	5,400

**both tables above do not include any inflationary uplift*

8. Consultation

- 8.1 Officers within the Housing Accommodation team, Divisional Manager, Director for Housing and Communities along with members of the Housing and Communities panel have all been consulted. The Finance and Estates teams have also been consulted.
- 8.2 Calford Seaden (the Council's Employer's Agent) previously appointed to manage the Freeland Close development due to their detailed knowledge of the 61 units at Westward House and Freeland Close and significant experience of running repairs and maintenance services for councils.

9. Community impact and corporate risks

- 9.1 There is no specific community impact for this proposal.
- 9.2 The contract will be managed in house and will be subject to robust contract management with regular contract management meetings taking place and performance monitored.

10. Other Implications

	Yes	No
Crime & Disorder		✓
Climate Change Part of the quality assessment within the procurement will include the contractor's approach to reducing waste, the impact on the environment and sustainability practices in undertaking the contract.	✓	
Human Rights and Equality Impact	✓	

The contract includes aspects such as compliance with human trafficking, social value clauses and specific equalities requirements such as training, apprentices and encouraging more women in the workforce.		
Safeguarding and Early Help The contract includes a safeguarding policy, and the contractor will need to demonstrate its operatives are trained in recognising and reporting safeguarding concerns they may witness.	✓	
General Data Protection Regulations (GDPR) The contractor will be handling (processing) limited amounts of personal data and needs to demonstrate that they are fully compliant with the provisions of the data protection legislation in the handling, processing, storage and deletion of data. A three-way data sharing agreement will be required between the council, the contractor and with Careline PPP taking care (who take out of hours calls for emergency repairs). The contract includes substantial GDPR requirements.	✓	
Health and Wellbeing		✓
Other (Please specify):		✓

11. Appendices

11.1 Part II Exempt – Tender Returns

12. Background Papers

None