

## Portfolio Holder for Housing

Item

2<sup>nd</sup> November 2020

<b>Report of</b>	<b>Assistant Director of Place &amp; Client</b>	<b>Author</b>	<b>Clare Lawrance</b>
<b>Title</b>	<b>Award of contract for the replacement of 100 kitchens in the housing stock</b>		<b>☎ 282506</b>
<b>Wards affected</b>	All wards		

### 1. Executive Summary

- 1.1 There are a number of housing improvement works contracts within the Housing Investment Programme (HIP) to maintain and improve our social housing stock. As part of the Council's ambition to drive economic recovery through construction works and create local employment opportunities, an additional kitchen works contract has been created to accelerate planned works and bring them forwards earlier. This report sets out the results of a procurement exercise and makes a recommendation for the award of a contract to a contractor for the replacement of approximately 100 kitchens in the Council's social housing stock over and above this years previously agreed HIP works.

### 2. Recommended Decision

- 2.1 To award a contract to Seager Home Solutions, for a quantity of approximately 100 kitchens (taking around 15 weeks to complete).
- 2.2 To award to the next placed bidder should the winning bidder not be able to fulfil the Council's requirements.

### 3. Reason for Recommended Decision

- 3.1 The Council wants to create employment opportunities early in order to help the economic recovery of the town after the impacts of Covid-19. The Council has a planned cyclical works programme that balances the maintenance and improvement of social housing held with the Housing Revenue Account over the lifetime of the properties and to individual elements within them. By bringing forwards planned works early, this creates opportunities for local contractors to bid for works. The opportunity for this contract was subject to an open procurement exercise and to not award a contract to the recommended bidder is likely to result in challenge.

### 4. Alternative Options

- 4.1 To use 2 smaller contracts and spread the work for even smaller contractors: The Council has carried out some of this work in recent years via a number of smaller contracts, which has proved successful in terms of customer satisfaction and the prices achieved. However, fewer SME contractors have been bidding for this work in recent months putting at risk the required level of investment in the Housing Assets and this contract is still not particularly large.
- 4.2 Issue a larger contract: Consideration has been given by Officers to entering into a larger term contract. However, it has been felt that commissioning a medium sized capital

contract would retain the interest of local SMEs whilst maintaining high levels of customer satisfaction.

## **5. Background Information**

- 5.1 This opportunity was published on 1 September 2020 and closed on 29 September 2020.
- 5.2 The Council received 27 expressions of interest for the contract and 11 bids were submitted. Tenders were opened by the Procurement Business Partner, Client Asset Manager and the Senior Surveyor from Colchester Borough Homes. The Portfolio Holder for Housing was unable to attend.
- 5.3 Of the 11 bids, 2 were immediately rejected for incomplete tender returns. The remaining bids were checked for compliance with the Essential Requirements, of which 3 bidders did not provide sufficient assurance to meet our minimum standards and those bids were not further evaluated. Evaluation of the remaining compliant bids was completed by the Senior Surveyor with the relevant Contract Manager. The results were moderated by that team together with the Procurement Business Partner and Client Asset Manager. A summary of the scores for the compliant bids is in Appendix A.
- 5.4 The scoring weighting for this contract was weighted 50% for price and 50% for quality including Social Value.
- 5.5 This contract opportunity was issued before the principles of using the Social Value Portal were finalised and so the habitual method of inviting contractors to express their approach to delivering Social Value via this contract was included in the weighting of the bidder responses.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 The works ensure that 100 new kitchens are provided to social homes and one of our less affluent member groups of our communities, tackling inequality in living standards and providing home improvement for the recipients. This is also true of the wider HIP works planned through an Asset Management Strategy. Equality Impact Assessment for the Council's Asset Management Strategy is [here](#)

## **7. Strategic Plan References**

- 7.1 Under the heading of Wellbeing the Council seeks to "Target support to the most disadvantaged residents and communities". The works delivered through this contract will ensure the Council's Social Housing is maintained to an excellent level in accordance with the [Asset Management Strategy](#).

## **8. Consultation**

- 8.1 Residents are individually consulted on the design of their new kitchen and the timing of works.

## **9. Publicity Considerations**

- 9.1 Residents are individually notified of the intention to carry out works and the commissioning of the contract will be included in CBH Communications.

## **10. Financial implications**

- 10.1 The budget for these works is contained within the Housing Investment Programme 2020/21 approved by cabinet in January 2020.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 This contract is part of the Housing Investment Programme for 2020/21 and contributes to the planned maintenance programme. It seeks to improve the overall condition and safety of the housing stock for current and future tenants.

## **12. Health and Safety Implications**

- 12.1 Experience of safely delivering similar works in occupied premises is a requirement of the contract specification. Consideration of the contractors track record on safety is an element of the scoring.

## **13. Risk Management Implications**

- 13.1 It is a Regulatory requirement that Registered Providers of Social Housing invest in their properties and maintain residents' homes to a good standard. There are clear implications for tenant satisfaction in the quality of homes in not carrying out routine and planned investment,

## **14. Environmental and Sustainability Implications**

- 14.1 At the present time most of the Council's social rented housing (with the exception of sheltered housing schemes) are excluded from the Council's carbon footprint calculation. The work contained within this contract are therefore unlikely to have any meaningful impact on the Council's carbon ambitions. However, ensuring properties remain desirable and in a good condition has clear benefits for current and future tenants.

## **Appendices**

Appendix A – summary of procurement exercise.

## **Background Papers**

None.