

Portfolio Holder for Housing

Item

February 2024

Report of	Chief Operating Officer	Author	Martin Norgett
Title	Award of Contract for Delivery of Retrofit Installations to Combat Fuel Poverty– ref: 0365		
Wards affected	All Wards		

1. Executive Summary

- 1.1 In March 2023, Cabinet delegated authority for the award of contracts within the Housing Improvement Programme to the Portfolio Holder for Housing to deliver a range of investment works to maintain and improve the condition of the Council owned stock that is managed by Colchester Borough Homes (CBH). This report seeks approval of a contract award, under that delegation, for the within the housing stock.
- 1.2 The recommendation to award a contract for the delivery of retrofit installations to combat fuel poverty follows a competitive open tender process issued through the Delta eSourcing portal and advertised on Contracts Finder. This will be a Council contract and the day-to-day contract management will be undertaken and administered by CBH in their capacity as Contract Administrator and our Arm's Length Management Organisation (ALMO).

2. Recommended Decision

- 2.1 To award a contract to Houghton & Sons Ltd to undertake the delivery of retrofit installations to combat fuel poverty.

3. Reason for Recommended Decision

- 3.1 Following evaluation of submitted bids against the scoring criteria, the recommended bidder submitted a bid that met the essential requirements and with the higher overall score. The bid offers the best combination of technical merit, social value benefits and pricing. The bid price is within the agreed budget.

4. Alternative Options

- 4.1 Not to award a contract, however this would result in a risk of not reaching the Governments targets for all homes to meet an energy rating of EPC C by 2030.
- 4.2 To award a contract to an alternative bidder would not provide the Council with the best tendered bid as assessed against the published criteria and may result in legal challenge as the procurement process has been run in compliance with current legislation.

5. Background Information

- 5.1 The Council has an ongoing Housing Investment Programme (HIP) using ring-fenced Housing Revenue Account (HRA) income to be reinvested to maintain Council homes in good condition, for the benefit of tenants.
- 5.2 This contract will contribute towards the Council's obligation as landlord to maintain council homes in good repair, help in achieving the governments requirement that all social homes are a minimum of EPC C by 2030 and significantly reduce the homes carbon emissions.
- 5.3 The opportunity was issued via the BiP Solutions Delta E-tendering suite. The notice was issued on 17th November 2023 with a return date of 15th December 2023. 7 companies returned a bid.
- 5.4 Tenders were opened on 15th December 2023 by the Senior Procurement Consultant and witnessed by the Strategic Client for Asset Management and CBH Contract Managers.
- 5.5 Several bids had to be clarified due to incorrect preliminary costs, 1 bid was successfully disqualified as they did not confirm their costs meaning their bid could not be accurately evaluated.
- 5.6 The bids were evaluated by a group of officers including CBH Contract Managers and the Senior Procurement Consultant. Scoring was based on the criteria and scoring mechanism detailed in the Invitation to Tender (ITT).
- 5.7 All bids were compliant against the Council's stated Essential Requirements that were evaluated on a pass/fail basis. The Evaluation Method Statements and the Social Value offers were evaluated in accordance with the ITT.
- 5.8 Appendix A contains a summary of the weighted criteria with the scores awarded to each bidder. This appendix is confidential as it contains commercially sensitive information from all bidders, as well as the respective scoring.
- 5.9 The breakdown of submitted prices for each bidder was checked for completeness and scored in accordance with the methodology in the ITT. The tender prices are shown in Appendix A, showing a like for like analysis, which is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).
- 5.10 The Council is an accredited Living Wage Foundation employer. This means that as well as paying the Living Wage to all directly employed staff, a phased plan for third party contracted staff is in place as relevant contracts come up for renewal. This contract stipulates that the Contractor will pay Living Wage Foundation rates to those staff working on this contract.
- 5.11 CBH's role as the Contract Administrator (CA) will be key to the success of this contract. CBH will manage all operational elements of the contract.

6. Equality, Diversity and Human Rights implications

- 6.1 The works ensure that properties are maintained at a good standard between tenancies. Less affluent people often occupy this type of housing. Tackling inequality in living standards and providing home improvements for the tenants. This is also true of the wider Housing Investment Programme works planned through an Asset Management Strategy. The Equality Impact Assessment for the Council's Asset Management Strategy is [here](#).
- 6.2 Through the Housing Procurement Strategy within the Asset Management Strategy, staff ensure that all future procurement and purchasing documentation recognises,

understands, and supports CCC and CBH policies regarding equal opportunities, diversity, and human rights.

7. Strategic Plan References

7.1 The services and projects delivered by the Council and CBH contribute directly to the following Strategic Plan 2023-2026 priority areas:

- **Respond to the climate emergency**
 - Reduce our carbon footprint.
 - Ensure Council homes benefit from increased energy efficiency
- **Deliver Modern Services for a Modern City**
 - The Colchester Council family of organisations work together to a shared and ambitious vision for the future of our city.
 - Continue to invest in our homes to deliver quality social homes and services for tenants and leaseholders.
 - Put communities and their needs at the heart of our vision and support local areas as they help shape and deliver services which are most important to them.
 - Work closely with partners, charities and organisations to add value.
- **Improve health, well-being, and happiness**
 - Tackle the causes of inequality and support our most vulnerable people.
 - Work with residents and partners to address quality of life and issues of happiness.
- **Deliver homes for those most in need**
 - Increase the number and quality and types of affordable homes.
 - Meet our duty to prevent or assist those facing homelessness.

8. Consultation

8.1 Good communication with tenants is vital. This project has specifically assigned Retrofit Advisors who are trained to advise and support the tenants in the work being delivered to their homes, how it will affect them, and how to use the new technology.

9. Publicity Considerations

9.1 It is proposed to proactively manage the positive communications messages around the improvement of the quality of life for the residents that are affected and to ensure that such works and resident satisfaction are published via the range of CBH communications via residents' newsletters and social media.

10. Financial Implications

10.1 The budget for the Housing Improvement Programme is approved by Cabinet each year. Individual contract awards for 2023/24 have been delegated by Cabinet to the Portfolio Holder for Housing. Sufficient budgetary provision has been made to fund this work through the climate emergency budgets.

11. Health, Wellbeing and Community Safety Implications

11.1 Improving and maintaining the Council's housing stock is thought to have broadly positive implications for communities across the Borough. This retrofit programme will provide sustainable heating and thermal efficiency to help tenants manage their heating costs as well as improved ventilation to help manage the condensation risk.

12. Health and Safety Implications

12.1 It is a requirement of the quality element of the scoring that bidders demonstrate an excellent approach to the management of Health & Safety.

- 12.2 Through the role of Contract Administrator CBH will ensure Health and Safety and Construction Design and Management Regulations (CDM2015) and requirements are fully complied with throughout the programme of works.

13. Risk Management Implications

- 13.1 By following a compliant tender process and by implementing the controls and recommendations as set out in this report, the Council is seeking to mitigate against any potential risks or challenges.

14. Environmental and Sustainability Implications

- 14.1 Ensuring properties remain desirable and in a good condition has clear benefits for current and future tenants wellbeing.
- 14.2 As part of the Housing Asset Management Strategy a Housing, Environmental and Sustainability Strategy has been produced. Using a specialist energy efficiency modelling database, we have looked at scenarios for delivering all our homes to EPC Band C by 2030. Work on this contract will contribute to delivering this goal.
- 14.3 All properties in this package of works will be brought up to a minimum of EPC C, reducing the carbon emissions of those homes.

Appendices

Appendix A (Confidential) - shows a summary of the tender evaluation scores.

