

11 July 2018		ITEM: 15 (Decision 110477)
Cabinet		
Procurement of the Internal and External Redecoration Programme		
Wards and communities affected: All	Key Decision: Key Decision – spending above £750k	
Report of: Councillor Barry Johnson, Portfolio Holder for Housing		
Accountable Assistant Director: Richard Birchett, Interim Assistant Director Housing		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

This report sets out the proposals for the procurement of Internal and External Redecorations to Council residential properties to start in November 2018.

This procurement will put in place a contract for 3 years with an option to extend for up to two years in any combination to replace the current contract which has now expired. The current programme for these works has now completed which ensures there is no disruption to our service users.

The annual current budget for these services is £160k for internal redecoration only of sheltered properties and general need properties for vulnerable residents where eligible.

The programme allows for the internal redecoration of properties within our Sheltered Housing schemes and within individual properties where the resident meets the Council's qualifying criteria. There will be no change to the Council's qualifying criteria as a result of this procurement.

Completing these works ensures our stock is maintained, and the living conditions for our vulnerable residents are enhanced.

In addition, the decorating programme, subject to adequate funding will allow for the external redecoration of properties, again enhancing our neighbourhoods for the benefit of all and also importantly maintaining our

stock and therefore limiting the need for costly building repairs as a result of deterioration of materials due to weather/water ingress.

The total estimated value for this contract over the maximum 5 year period of delivery is c. £2M which includes provision for the addition of an external painting work programme within this period.

1. Recommendation(s)

Cabinet is recommended to:

- 1.1 Agree the proposed process to commence procurement of the Internal and External decorating programme for a period of up to 5 years (3 years with an option to extend for up to two years in any combination subject to performance and funding).**
- 1.2 Agree delegated authority to award the contract to the Corporate Director of Adults, Housing and Health in consultation with the Portfolio Holder.**

2. Introduction and Background

- 2.1 The current contract for internal and external redecorations is delivered by Mitie Property Services UK Ltd and this has now expired with the conclusion of the last programme. Therefore there is a need to undertake a new procurement process to ensure that any future service provision complies with the Council's Contract Procedure Rules.
- 2.2 The Mitie Property Services UK Ltd contract was completed in a timely fashion and within the budget allocated. All applicable performance standards were met by the contractor.

3. Issues, Options and Analysis of Options

Timescale and Procurement Route

- 3.1 The previous contract was tendered and awarded to one contractor. This approach ensured the service was effectively implemented and managed ensuring a positive experience for our residents. It is not seen that there would be any particular advantage in advertising the procurement in specific lots.
- 3.2 The tender process will be a sub-EU procurement procedure as the whole life cost of the contract falls under the EU Works threshold of £4,551,413. The procurement will not therefore not be subject to full compliance with the Public Contracts Regulations 2015 Regulations although the procurement principles of transparency, integrity, openness, non-discrimination and fairness will still apply.

Action	Date
Leaseholder consultation	12 July 2018 – 30 day period
Issue Tender through In-Tend (the Council's e-procurement tendering portal)	13 August 2018
Tender Return	14 September 2018
Evaluation Period Ends	30 September 2018
Voluntary Standstill Period Concludes	17 October 2018
Award of Contract	22 October 2018
Contract Start Date	9 November 2018

4. Reasons for Recommendation

- 4.1 This report is submitted to Cabinet for approval to proceed to tender for a contract with a whole life cost valued above £750K. The total estimated value for this contract over the maximum 5 year contract period is c. £2M.
- 4.2 Approval of delegated authority to award the contract on 22 October 2018, date will allow an implementation period of ten weeks which will ensure that residents etc will benefit from un-interrupted service. Leaseholder consultation will also need to be completed in regard to external redecoration where applicable.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 This report covers only a standard re-tender, and is being considered by Overview and Scrutiny Committee on 10 July (i.e. the night before Cabinet). Any comments from Scrutiny will be reported to Cabinet.
- 5.2 Building Surveying team and Technical Manager will be consulted and included in the procurement process.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The contract aims to meet corporate priorities through the delivery of high quality services ensuring the maintenance of Thurrock Housing Stock.
- 6.2 The Council's Social Value Framework will be set out in the tender documents and bidders will be asked to propose added value initiatives that will enhance their bid and which will be subsequently incorporated into the contractual requirements. Typically with this type of service provision apprenticeships and using local suppliers would feature in the evaluation criteria.

7. Implications

7.1 Financial

Implications verified by: **Julie Curtis**
HRA Accountant

This report sets out the procurement proposals to re-tender the Internal and External redecoration programme. It is difficult to predict whether there will be any savings associated with this procurement, however it is thought that there will be a number of organisations that will register an interest in the procurement opportunity which indicates that bid submissions will be competitive.

7.2 Legal

Implications verified by: **Kevin Molloy**
Solicitor

7.2.1 This report is seeking approval from Cabinet to agree to tender the contract noted in the report. The tender process will be a sub-EU procurement procedure as the whole life cost of the contract falls under the EU Works threshold of £4,551,413. The procurement will not therefore fall under the Public Contracts Regulations 2015 Regulations although the procurement principles of transparency, integrity, openness, non-discrimination and fairness will still apply

7.2.2. Taking the above into account, on the basis of the information in this report, the proposed procurement strategy will comply with the Council's Contract Procedure Rules.

7.2.3 The report's author and responsible directorate are requested to keep Legal Services fully informed at every stage of the proposed tender exercise. Legal Services are on hand and available to assist and answer any questions that may arise.

7.3 Diversity and Equality

Implications verified by: **Becky Price**
Community Development Officer

7.3.1 Decorating Council Housing properties is normally excluded from Council responsibility and remains with tenants. The Assisted Decoration Programme provides assistance to vulnerable individuals living primarily in Sheltered Accommodation who otherwise may be unable to undertake decoration works

themselves. Through the contract and the tender process, the Council will ensure the winning bidder has the appropriate skills and experience to work in properties with vulnerable residents.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. Appendices to the report

None

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(Area Contracts Manager)