



London Borough of Enfield

Report Title:	Award of Domestic Electrical Servicing and Repairs Contracts (Housing Compliance)
Report to:	Strategic Director of Housing and Regeneration – Joanne Drew
Cabinet Member:	Cllr Savva – Cabinet Member for Social Housing
Directors:	Strategic Director of Housing and Regeneration: Joanne Drew
Report Author:	Service Director Council Homes: Andrew Cotton Andrew.cotton@enfield.gov.uk
Ward(s) affected:	Borough-wide/All
Key Decision Number	KD5638
Classification:	Part 1 & 2 (Para 3)
Reason for exemption	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Purpose of Report

1. To obtain approval to award two contracts for Domestic Electrical Servicing and Repairs Contracts (Housing Compliance).

Recommendations

- I. That approval be given to award and enter into two contracts with “Contractor A” and “Contractor B” for Domestic Electrical Servicing and Repairs (Housing Compliance) for an initial term of 3 years for the contract price detailed in the confidential appendix.
- II. To delegate authority to the Strategic Director – Housing and Regeneration to extend the contract terms for a further period of 2 years (in one year increments).
- III. That approval be given for the total budget of £5.13m, including the breakdown detailed in the confidential appendix.

Background and Options

2. As a landlord, the Council has statutory compliance responsibilities including both communal and domestic servicing requirements, as well as maintaining homes. This contract covers the domestic (non communal) electrical servicing responsibilities and domestic electrical repairs. This contract covers the works detailed below:
 - Domestic Electrical Servicing – Including 5 yearly Electrical Inspection Condition Reports (EICRs)
 - Remedial Works identified by the EICRs
 - Electrical Repairs (reported by residents or identified through other surveying)
3. This contract undertakes works and services to ensure the electrical safety of council homes.
4. The contract delivers works and services to council tenanted properties only as part of the Council’s landlord maintenance obligations. Works to communal areas of housing blocks are not included in this contract and therefore leaseholders are not impacted.
5. The pre-tender estimate for this contract estimated that circa 90% of the contract costs would classify as “works” under the Public Contract Regulation (PCR). The pre tender cost estimate for this contract is under the works threshold of the PCR, and therefore in accordance with the councils contract procedure rules an invited process was followed.
6. Tenders were issued via the London Tenders Portal (LTP) Project Information Ref – DN694648 from a select list. The process includes a

minimum requirements questionnaire which ensures bidders are suitably competent and experienced in works element. The tender submissions of the compliant bidders have been evaluated in line with the process set out in the Invitation to Tender.

7. The tenders were evaluated based on a quality/cost split of 30/70.
8. The form of contract will be JCT Measured Term Contract (MTC), which has been tendered on a schedule of rates to allow for the flexibility of increased or decreased volumes as stock levels change

Preferred Option and Reasons for Preferred Option

9. It was considered whether these works could be delivery by one contract/contractor however this was discounted to ensure the volume of works and services was achievable and the impact of supplier non-delivery to the council is reduced.
10. In terms of procurement options there were three main routes for consideration:
 - a) Use of a suitable consortia framework agreement, with appointment via direct award or mini tender.
 - b) Unilateral tendering utilising the open process.
 - c) Tendering the opportunity to a select list of bidders following market engagement.
11. Using a framework can save time and money, while still delivering a service specified to local requirements. Under this route contractors are assessed for suitability prior to joining the framework and have signed up to pre-agreed terms and conditions. Standard documentation is also provided as well as support from the framework itself. However, the section 20 implications of framework routes can mean this route is open to challenge by leaseholders and contributions may be at risk.
12. Unilaterally tendering a contract allows clients to create bespoke documentation designed to fit its requirements. This approach also opens the opportunity to tender to a wider group of bidders however is more costly and time consuming to evaluate an unlimited number of bids. In this instance as the contract is estimated at under the PCR threshold open advert to the market is not required.
13. The options of open and restricted processes are either a two stage (restricted) or an one stage (open) process. Both the open and restricted processes are initially open to the whole market, with the restricted process having two stages where all interested bidders submit a SSQ and are shortlisted before being invited to tender. The open process was chosen as it minimises the timescales of the procurement process.
14. As the estimated value of the contract was under the PCR threshold the councils contract procedure rules as an invited process to be run, where at least 5 selected tenderers can be invited. This process was chosen as it

minimises the timescales of the procurement process and limits the number of responses which can be resource intensive to evaluate.

15. Tendering a contract using the JCT Measured Term Contract is the preferred approach as this allows the council to flex the quantities of each services ordered according to the changes in the number of homes over the 4-year term.
16. The preferred approach of two contracts geographically split was progressed to ensure contractor capacity to deliver and reduced impact of supplier performance issues.

Relevance to Council Plans and Strategies

17. The contract will support the following objectives from the Council Plan:
 - a. **More and better homes:** the programme will improve the quality and safety of existing homes and therefore positively impact on the wellbeing and quality of life for our residents.
 - b. **Sustain healthy and safe communities:** improving the existing homes where people desire to live will help to create and maintain healthy and confident communities.
 - c. **An economy that works for everyone:** ensuring residents can fully participate in activities within their neighbourhood.

Financial Implications

18. This report is requesting for approval to award and enter into contract with "Contractor A" and "Contractor B" for Domestic Electrical Servicing and Repairs Contracts (Housing Compliance).
19. To approve a total estimated budget of £5.13m.
20. The full implications of the project can be found in the confidential appendix

Legal Implications

21. The Council has the power under section 1(1) Localism Act 2011 to do anything individuals generally may do providing it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power as recommended in this report. The Council has the power to alter, repair or improve its housing stock in accordance with section 9 of the Housing Act 1985. Under section 11 of the Landlord & Tenant Act 1985 the Council has repairing obligations in respect of properties which are occupied by its tenants and these obligations cover structure, the exterior including drains, gutters, external pipes, installations in homes including water, gas, electricity and sanitation. Further, under section 111 Local

Government Act 1972 local authorities may do anything, including incurring expenditure or borrowing which is calculated to facilitate or is conducive or incidental to the discharge of their functions. The recommendations in this report are in accordance with these powers.

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Equalities Implications

24. An Equality Impact Assessment has been undertaken and appended to this report. It has been assessed that this contract will have no significant impact on those with protected characteristics.
25. The works will be delivered boroughwide and will benefit residents irrespective of the protected characteristics of the residents.
26. The works may require access to residents properties. The successful contractor will be required to ensure all operatives will be fully briefed in line with the council's safeguarding policy. The terms and conditions of the contract will require adherence with the Equalities Act and contractors will

be required to share their Equality Diversity and Inclusion policy to assure the council of their recruitment policies.

27. Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison which were evaluated as part of their tender submission which will be adapted according to the profile of the resident e.g. vulnerability, language spoken.

Environmental and Climate Change Implications

28. The Contractors' social value offer includes charitable donations, apprenticeship roles and work experience placements.
29. The contractor will be required to comply with the minimum requirements of the council sustainable and ethical procurement policy.

Public Health Implications

30. The works will improve the living conditions of those residents that receive works. This aligns with the provisions of the Enfield Joint Health and Wellbeing Strategy, which refers to the importance of housing quality as a determinant of health.
31. The contractors will be completing works in-line with the government's Covid Secure and CLC guidelines. They are required to provide a detailed method statement and risk assessment for each activity and the Council, and its advisors will review and comment on these prior to the commencement of works.

Safeguarding Implications

32. All contractor representatives will require Disclosure & Barring Services (DBS) and to adhere to the Council's Safeguarding Policy when entering homes.

Procurement Implications

33. The procurement was carried out on behalf of the Council by Echelon Consultancy Limited. As the procurement was not led by Procurement Services, ultimate accountability for procurement compliance lies with Echelon Consultancy Limited.
34. As the contract is over £1,000,000 the supplier must be required to provide sufficient security in accordance with Clause 7 (Financial Security) of the Council's Contract Procedure Rules.
35. The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.

36. The procurement and award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of the executed contract must be undertaken on the London Tenders Portal including future management of the contract.
37. As this contract will be over £500,000, the CPR's state that the contract must have a nominated contract manager in the Council's e-Tendering portal. Contracts over £500,000 must show evidence of contract management of KPI's to ensure VFM throughout the lifetime of the contract. The contract will be managed in line with the Contract Management Framework and evidence of robust contract management, including, operations, commercial, financial checks (supplier resilience) and regular risk assessment shall be uploaded into the Council's e-Tendering portal.
38. The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

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Appendices: Appendix 1: Restricted Appendix (Confidential)
Appendix 2: Equality Impact Assessment

Background Papers
None