

DECISION MAKER Director of Housing and Safer Communities	DATE 16 March 2022
TITLE Appointment of a Contractor for Borough Wide Damp Repairs	WARD (S) All
CHIEF OFFICER Director of Housing and Safer Communities	CABINET MEMBER Housing
DECISION CLASSIFICATION Key Decision (Published on Forward Plan on 25 th May 2021) Subject to Call-in Non-exempt	IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING? Yes

I. Decision required

This report makes the following recommendation to the decision- maker:

I.1 To agree to the award of a contract to:

- Max Building Services Ltd (“Max”) (company registration number 06403002); and
- ATPB Ltd (“ATPB”) (company registration number 09615960)

to undertake damp rectification work to Council domestic accommodation for a period of three (3) years from 1st April 2022 to 31st March 2025 with an option to extend the contract by a further one (1) year period subject to satisfactory performance.

I.2 To note that the estimated total sum of the contract is £3,600,000 for the duration of the three-year contract period and will be split between the two contractors over the period of the contract.

I.3 To note that the award of these contracts are made in accordance with Contract Standing Order 28.3.

Date:

Signed.....

Jamie Carswell
Director of Housing and Safer Communities

Call-In Deadline:

2. **Links to the Royal Greenwich high level objectives**

2.1 This report relates to the Council’s agreed high-level objectives as follows:

- A Healthier Greenwich
- A Great Place to Grow Up

2.2 Undertaking damp rectification work supports the Greenwich objectives by providing warm, safe and dry accommodation for its residents.

3. **Purpose of Report and Executive Summary**

3.1 This report seeks agreement to the award of two contracts to undertake damp rectification work to Council domestic accommodation.

4. **Introduction and Background**

4.1 Greenwich has two damp repairs contracts currently in place that terminate in 2022, however the amount approved within the award report has been exhausted. The new contracts are required to ensure that damp in properties can be rectified. There is sufficient consistent damp rectification work within Council dwellings to keep two contractors occupied and this was stated within the tender documentation.

4.2 The Royal Borough of Greenwich has a duty of care to its tenants and others, to ensure that they have a place to live and in an environment that is warm, safe and dry.

4.3 The procurement complied with Royal Borough Greenwich (RBG) Contract Standing Orders (CSO’s) and procurement legislation. The tendering contractors were selected using the Constructionline registration website, six contractors were invited to tender and five tenders were submitted

- 4.4 In relation to price, the tenderers were requested to provide a percentage adjustment against the National Housing Federation (NHF) Schedule of Rates based on expenditure of £1,800,000 over the term of the contract.
- 4.5 The qualitative assessment was measured against the questions set out in the Invitation to Tender document. The evaluations were undertaken by Council Officers. The price and quality evaluation were based on the scoring criteria set out in the tender documents. The summary results are shown in the Table I.

Damp Repairs Tender Evaluation Summary						
Tenderer	NHF SoR Adjustment	Tender Sum	Price Score	Quality Score	Total	Rank
ATPB	-12.5%	£1,575,000	70	24.13	94.13	2
Tenderer B	+12%	£2,016,000	54.69	22.17	76.86	3
Tenderer C	+11%	£1,998,000	55.18	16.3	71.48	4
Max	-12%	£1,584,000	69.6	30	99.6	1
Tenderer E	+20%	£2,160,000	51.04	15.65	66.69	5

Table I

- 4.6 Having taken account of the scoring applied for price and quality, the tenders presenting the most advantageous tender to the Council are Max and ATPB.

5. **Available Options**

5.1 Do nothing

Undertaking damp repairs is a landlord obligation, and the service needs to have the necessary capacity to deliver. Doing nothing will not satisfy the Council's obligation.

5.2 Expand in-house capacity

Whilst the service could seek to employ additional resources, and increase the associated plant and equipment needs to support this workforce, the nature of damp repairs work is both seasonal and variable. To sustain the necessary team to be able to deal with all damp scenarios would require infrastructure that the Council does not possess and the proposal will not reflect value for money.

5.3 Procure specialist damp contractors to supplement in-house capacity

Appointing suitable contractors to provide the necessary capacity to support the work required will ensure that the service has the capacity, flexibility and necessary expertise to deliver damp repairs as required.

6. **Preferred Option**

6.1 The preferred option is set out at 5.3.

7. **Reasons for Recommendations**

7.1 The tenders submitted by the two recommended contractors offer the best value to the Council. In addition, the following social value has been offered.

- hosting 'how-to' workshops for interested community members, containing training on basic maintenance tasks
- assistance for elderly and vulnerable people to setup social media accounts and other electronic communications
- liaison and collaboration with local SMEs regarding equality and diversity, sharing policies and working practices to increase opportunities and empower everyone
- will chair a series of presentations to students regarding work in the construction, providing an insight into how to develop careers in the industry.
- 4 fully expensed work experience placements per annum, with students invited to shadow management and operative staff to gain a valuable insight into the industry
- 1 apprenticeship opportunity per annum via Greenwich Local Labour and Business, with students supported in achieving the required competencies in their chosen trade (e.g. NVQs), offered full-time positions upon completion
- sponsorship of local activities and events such as local football teams and VCSEs
- annual charity donations to the likes of the Greenwich foodbank.
- local community training schemes
- cyclical work that benefits the local community
- conduct 'environmental MOTs' on buildings we operate within and service. The results of such MOTs will reveal to building managers and occupiers the buildings current energy efficiency an environmental impact, thereby identifying where sustainable improvements can be made to the buildings current infrastructure

to improve sustainability. This could include the identification and rectification of gaps in building insulation and/or making a switch to LED lighting, which can help reduce energy use by 75% compared to incandescent lighting.

- assist in the securing of funding for the sustainable improvement of community buildings which will help Greenwich to afford such improvements mentioned above. For instance, The Carbon Trust offer low interest loans to the public sector to fund improvements in building energy efficiency.
- conduct energy efficiency training with building managers and current building occupiers, ensuring they know how best to reduce the carbon footprint of the building. Such training is to be delivered in line with HSQE’s Environmental Awareness at Home training course and will teach building owners / occupants how to make a positive environmental difference.
- advertising vacancies locally

8. Consultation Results

8.1 There is no statutory consultation required for the award of these contracts.

9. Next Steps - Communication and Implementation of the Decision

9.1 Following agreement to the award, contracts will be awarded

10. Cross-Cutting Issues and Implications

Issue	Implications	Sign-off
<p>Legal including Human Rights Act</p>	<p>The Director of Housing and Safer Communities as Chief Officer is asked to exercise their powers in accordance with Contract Standing Order (CSO) 28.3 and approve:</p> <ul style="list-style-type: none"> • the joint appointment of Max Building Services Ltd (“Max”) (company registration number 06403002) and A.T.P.B Ltd (“ATPB”) (company registration number 09615960) to undertake 	<p>Priscilla Omezi Legal Assistant 8th February 2022</p>

a Borough wide damp rectification work to Council domestic accommodation, from 1st April 2022 until 31st March 2025, with an option to extend for a further 1 year

The estimated value of the award for the three (3) year term is £3,600,000.00.

Section 4.1 of the report explains the rationale for the award to two contractors.

Key Decision

The proposed award is a key decision, and the Council has complied with the 28 days prior notice period and published the notice on 25th May 2021.

Contract Standing Orders (CSOs)

CSO 3.1 requires that every contract made by or on behalf of the Council must comply with National Law, the Council's Standing Orders and Financial Regulations.

The joint contract value in this instance is £3,600,000.00 which is under the relevant National Threshold for works contracts, therefore the award is not subject to the Public Contracts Regulations (PCRs) 2015. The Council's CSOs apply. The Council undertook a restricted tendering process in accordance with CSO 19.

The report outlines that the contract was tendered using Constructionline, the Council's approved list and having considered the five (5) bids received,

the bids from MAX and ATPB represented the lowest and most advantageous for the Council as set out in the report. The recommended bids are within the allocated budget, accordingly, CSO 28.3 permits the Chief Officer to award the contract to MAX and ATPB.

CSO 28.3 provides that contracts may be awarded by the Chief Officer if the tender is within budget and over 500,000.00 provided, they are the lowest price or within 10% of the lowest if it is the Most Advantageous Tender.

CSO 28.4 requires Chief Officers to keep a register of all contracts awarded by them and provide the relevant information to the Head of Strategic Procurement for the contract to be recorded on the corporate contracts register.

Human Rights Act 1998

Under the Human Rights Act 1998 local authorities have a duty to promote and protect human rights. The award of this contract does not have legal implications under the Human Rights Act 1998.

Consult with Legal Services

The report author should consult with the Legal Services Department regarding the drafting and execution of the contract to deliver the damp rectification works.

<p>Finance and other resources including procurement implications</p>	<p>The Director for Housing and Safer Communities is asked to agree to the award of a contract to Max Building Services Ltd (Max) and ATPB Ltd (ATPB) for an estimated contract sum of £3,600,000 over a three-year period (£1,200,000 per year) to undertake damp rectification work to council domestic accommodation.</p> <p>The Damp Remediation Works budget has a remaining balance of £1,377,088, which can be used to fund year 1 of this contract. It is anticipated further funding will be requested for damp rectification works as part of a capital budget setting report to Cabinet in February 2022, which will cover the remaining funding requested (year 2+3).</p> <p>If further funding is not agreed in February 2022, then either another agreed budget will need to be used to fund the remaining contract sum, or the contract must allow for the Council to cease use of the contract after year 1 with no financial penalties.</p> <p>Repairs and Investment must ensure close monitoring of expenditure against this scheme to keep within the agreed contract sum.</p>	<p>Adam Buckley</p> <p>Business Change Accountant</p> <p>18/01/2022</p>
<p>Equalities</p>	<p>The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.</p> <p>This report makes a contribution to the Council's Equality and Equity</p>	<p>Donald Harding</p> <p>13/01/2022</p>

	<p>Charter and the Council's Equality Objectives 2020-2024 by:</p> <ul style="list-style-type: none"> • making Royal Greenwich a welcoming borough where everyone feels they belong • inspiring trust and confidence in all the borough has to offer 	
Climate Change	<p>The companies are both located within the Royal Borough of Greenwich and there will be less travelling for employees than other contractors. As a contribution to the Greenwich Carbon Neutral Plan agreed by Cabinet on 18 November 2020 both companies have also agreed to sign up to the Royal Borough of Greenwich's carbon emission policy.</p>	<p>Donald Harding 13/01/2022</p>
Procurement & Social Value	<p>This Tender was conducted in accordance with RBG Contract Standing Orders and the requirements set out in the tender documents.</p> <p>The decision recommended in this report seeks to appoint the supplier which offered the most economically advantageous tender that has followed due process that meets the council's best value duty. The social value offered is outlined within the report.</p>	<p>Nick Walker 15 December 2021</p>
Information Governance	<p>This project is likely to result in the sharing of personal data between the council and contractors to facilitate the carrying out of works and to deliver the social value elements of the proposals. If the decision is agreed, a Data Privacy Impact Assessment should be carried out before the sharing of personal data to identify and minimise any data protection risks. A data</p>	<p>David White, Head of Compliance, 21 January 2022</p>

	sharing agreement or suitable contractual terms must also be implemented prior to the sharing of any personal data to ensure that transferred data is protected and secured.	
Health and Safety	The proposed Contractors met the tendering requirements which included Health and Safety policies and procedures, within the construction industry.	Donald Harding 13/01/2022
Health and Wellbeing	The appointment of the two contractors is ensuring that the Royal Borough of Greenwich meets its legal obligation of providing living accommodation for its residents that are warm, safe and dry and contributes to the health and wellbeing of residents.	Donald Harding 13/01/2022

13. **Report Appendices**

None

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