

To: Procurement Sub Committee

On: 14th September 2016

Report by:

**Joint Report
by
Chief Executives Service and Director of Development and Housing Services**

Contract Authorisation Report

**Voids Maintenance and Refurbishment Works Annual Review for 2016 – 2017
(Year 4)**

RC/FA/1210/D

1. Summary

- 1.1 This report advises the Procurement Sub Committee on the methodology adopted for the determination of internal package orders for framework contractors for Year 4 (2016–2017) of the Voids Maintenance and Refurbishment Works programme, and seeks authority to allocate work to the framework contractor who offers best value.
 - 1.2 The contract strategy was agreed by the Head of Housing Services and the Head of Strategic Procurement and Business Support in October 2012. The Framework Contract (also known as Framework Agreement), Voids Maintenance and Refurbishment Works RC1210_578(ITT1344) was tendered in accordance with the above EU Threshold Restricted Procedure for works and the Councils Standing Orders Relating to Contracts.
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2. Recommendations

- 2.1 It is recommended that the Procurement Subcommittee authorise the Head of Corporate Governance to award a Maintenance Term Contract (MTC) for Voids Maintenance and Refurbishment Works to Keepmoat Regeneration (Apollo) Ltd.

- 2.2 The anticipated spend under Year 4 of the framework is £850,000 excluding VAT based on the number of void properties and work scope completed to date in year 3 of the framework.
- 2.3 The Procurement Sub-Committee is asked to note the Contract Period is 1 year and is expected to start on 13th October 2016 and will expire on 12th October 2016.

3. Background

- 3.1 Renfrewshire Council utilise Building Services (BS) to maintain Void properties so that they can be re-let at the earliest opportunity. In order to ensure targets for re-letting are met, back-up contractors are required to undertake works on excess stock that BS cannot meet due to workload.
- 3.2 The Scottish Housing Quality Standard (SHQS) is a government standard that all local authorities and registered social landlords must meet to ensure that their housing stock is acceptable, modern, safe and secure, good quality, and energy efficient.
- 3.3 A mini competition was run for year four of the framework to appoint the backup contractor to support the works of Building Services. Documentation was issued to the three framework participants through the PCS-Tender system on the 2nd August 2016.
- 3.4 One response was received by the closing date of 16th August 2016 and this was evaluated by officers from the Corporate Procurement Unit and Development and Housing Services in accordance with the Framework procedure.
- 3.5 The evaluation of tender received identified that the tender submitted by Keepmoat Regeneration (Apollo) Ltd was found to be acceptable.
- 3.6 Keepmoat Regeneration (Apollo) Ltd has been the most economically advantageous tenderer in the past 3 years of the Framework.
- 3.7 Financial costs in respect of this contract will be met by the Service's Housing Capital Budget for Financial Year 2016/17.
- 3.8 Any savings generated by the determination of the year 4 allocation will be retained within the programme to fund other necessary projects or any unforeseen requirements from existing projects.
- 3.9 Community benefits were sought at the inception of the Framework Agreement and, Keepmoat Regeneration (Apollo) Ltd offered the following community benefits per £1million of completed works;

Description	Quantity
16-19 year old work placements	1
Curriculum support activities	1
New Apprenticeships	1
Training plans for sub-contractors	1
Health and Safety training for sub-contractors	1
Job Advertisements	10
Existing Apprenticeships	20

Implications of the Report

1. Financial

The financial stability of framework agreement contractors is monitored over the duration of the framework agreement

2. HR & Organisational Development

N/A

3. Community Planning

Keepmoat Regeneration (Apollo) Ltd has a commitment to deliver a number of Community benefits under this contract as detailed in section 3.9 of this report.

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts and the terms of the Framework Contract for Voids Maintenance & Refurbishment Works.

5. Property Assets

Maintaining and refurbishing void properties within an agreed timeframe to ensure targets are met for re-letting.

6. Information Technology

N/A

7. Equality & Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. Health & Safety

Keepmoat Regeneration (Apollo) Ltd health and safety submission was evaluated by Corporate Health and Safety at the time of awarding the Framework and met the minimum requirements regarding health and safety.

9. **Procurement**

The Procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

Keepmoat Regeneration (Apollo) Ltd insurances have been assessed and evaluated to confirm that they have met the minimum requirement regarding risk.

11. **Privacy Impact**

N/A

List of background papers

(1) Report to Council on 17 April 2013 entitled: '*Contract Authorisation: Voids Maintenance and Refurbishment Works*'.

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