

The Vale of Glamorgan Council

Cabinet Meeting: 4 December, 2017

Report of the Cabinet Member for Housing and Building Services

Housing Heating Installations - Servicing and Maintenance Contract

Purpose of the Report

1. To advise Cabinet of the proposed contract award arrangements for housing stock heating installations servicing and maintenance.

Recommendations

1. That Cabinet notes the contents of the report, with a view to taking decisions on the award of contract detailed within the Part II report later on this agenda.

Reasons for the Recommendations

1. To advise of the current position with this particular contract.

Background

2. Since 1st October 2013, Heatforce (Wales) Ltd has been appointed to undertake the servicing and maintenance of the carbon fuelled (Gas, LPG and Oil) heating appliances within the Council's housing stock.
3. The key performance indicator (KPI) of the heating installation servicing and maintenance contract requires the contractor to undertake servicing and maintenance of all domestic heating installations on a 10 month rolling program. They are also required to work with Council officers to ensure the Council maintains 100% statutory compliance to service every gas, LPG & oil installation on a 12 monthly basis with a minimum of 2 years Landlord Gas Safety Records (LGSRs) held on each property file.
4. Since taking over 4 years ago from the previous contractor, Heatforce (Wales) Ltd has helped the compliance KPI figure rise from 76% to 100% and this has been consistently maintained with the figure dropping no lower than 99.95%. Occasionally it has been necessary to take legal action to gain access to properties to undertake the service to assist in maintaining this level of performance.

5. In addition to the servicing program, the contract also requires the contractor to provide a 24 hour breakdown service 7 days a week for all Carbon fuelled heating systems.

Relevant Issues and Options

6. The current contract expired on the 29 September 2017 and the Housing and Building Services Team has developed a tender package to appoint the contractor, offering best value for money in providing this service over the next 3 years, with an option of a further 1 year extension based on performance.
7. It should be noted, the Housing and Building Services Team has included a small number of solid fuel appliances within the scope of this servicing contract. This includes a requirement for solid fuel appliances and the chimneys at the property to be serviced and swept on a 6 monthly basis in accordance with the relevant statutory guidance.
8. Housing and Building Services has undertaken the tendering exercise via the Sell2Wales portal, to ensure competitive tenders are received from competent contractors for the servicing and maintenance of its housing stock. The tender submissions were returned in August 2017, ten tenders received from:
 - Capsel Ltd;
 - Heatforce (Wales) Ltd;
 - Oil Facilities Ltd;
 - DNA Heating Ltd;
 - Colin Laver Heating Ltd;
 - CTS Projects Ltd;
 - Gas Tech (Wales) Ltd;
 - Westward Energy Services Ltd;
 - Liberty Gas Group;
 - Ivor Cook Ltd.
9. At the first stage of the tender bid analysis three contractors were eliminated as they failed the prequalification questionnaire process.
10. The Housing and Building services team then undertook further assessment of the remaining seven valid tender submissions scoring 60% for price and 40% for quality.
11. Details of the tender outcomes are set out in the part two report.

Resource Implications (Financial and Employment)

12. The proposed contract award is within the budget available and is less than the annual cost of the previous contract for this work. Full details of the finances are provided in the Part II report later on this agenda.

Sustainability and Climate Change Implications

13. As part of the procurement process all work undertaken will comply with current environmental legislative requirements. Property maintained heating equipment

assists in reducing harmful emissions into the environment, it also ensures that heating systems remain efficient, thereby helping to control fuel costs.

Legal Implications (to Include Human Rights Implications)

14. The award of the new heating installations servicing and maintenance contract will ensure the council complies with its legal obligations under the Section 3(1) Health and Safety at Work Act etc. 1974 for solid fuel installations and the Gas Safety (Installation and Use) Regulations 1998 for gas, LPG and Oil installations.

Crime and Disorder Implications

15. No implications.

Equal Opportunities Implications (to include Welsh Language issues)

16. No implications.

Corporate/Service Objectives

17. Wellbeing outcome 1: An inclusive and Safe Vale
Objective 2: Providing decent homes and safe communities
Action: Increase the number of sustainable, affordable homes. (2019/20)

Policy Framework and Budget

18. This report is within the policy framework and budget and is a matter for Executive decision by Cabinet.

Consultation (including Ward Member Consultation)

19. The servicing contract applies throughout the Vale of Glamorgan; therefore no individual ward member consultation has been undertaken.

Relevant Scrutiny Committee

20. Homes and Safety Communities

Background Papers

None

Contact Officer

Richard Stopgate - Housing Development & Investment Manager

Officers Consulted

Rosalie Malcolm - Policy Officer (Procurement)
Carolyn Michael – Operational Manager Accountancy
Victoria Davidson – Operational Manager – Legal Services

Responsible Officer:

Miles Punter - Director of Environment and Housing Services