

Meeting of:	Cabinet
Date of Meeting:	Monday, 11 October 2021
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing External Refurbishment (Leaseholder 17 Blocks) Scheme 2021/22
Purpose of Report:	To advise Cabinet of an approval request later on this agenda to accept the most advantageous tender and execute the contract for the Housing External Refurbishment (Leaseholder 17 Blocks) Scheme 2021/22
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter – Director of Environment and Housing
Elected Member and Officer Consultation:	No individual ward member consultation undertaken as the report outcomes affect multiple wards Officers consulted – Mike Ingram - Head of Housing & Building Services Andrew Treweek – Operational Manager Building Services Rachel Williams - Housing Accountant Rosalie Malcolm - Procurement Officer Andrew Wagstaff – Leasehold Officer
Policy Framework:	This is a matter for executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report brings to the attention of Cabinet the need to award the Housing External Refurbishment (Leaseholder 17 Blocks) Scheme contract 2021/22. • This report details the principle of the award and is for noting with financial information associated with the contract provided in Part II report later on this agenda, where Cabinet will be asked to take a decision to award the contract to the most suitably advantageous tenderer. 	

Recommendation

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

Reason for Recommendation

1. To advise of the current position with this particular Welsh Housing Quality Standard (WHQS) maintenance contract.

1. Background

- 1.1 Between 2012 and 2018, the Council delivered a Major Improvement Programme to bring its housing stock condition in line with the WHQS.
- 1.2 During this time a range of homes within the Council's housing stock received internal and/or external improvement works to ensure they complied with the WHQS requirements.

2. Key Issues for Consideration

- 2.1 Following confirmation of the Council achieving the WHQS in 2018 the authority has now moved into the maintenance phase of WHQS. As a result, there are a number of components that will continue to deteriorate and age and will need replacing to maintain the Welsh Housing Quality Standard; some of which had been identified for replacement/refurbishment during 2020/21 and due to the Covid-19 pandemic and lockdown are now being delivered in 2021/22.
- 2.2 There are a range of WHQS external maintenance works which have been identified on leasehold blocks and this includes the installation of external wall insulation (EWI), as a preferred solution to help improve the properties' thermal efficiency and eradicate building defects which promote condensation or damp.
- 2.3 The Housing Development and Investment Team has identified a package of works at 17 Blocks of flats, which consists of the installation of EWI and associated works including: the extension of roof verges, replacement of fascias, soffits and rainwater goods, asbestos removal and alterations to gas flues.
- 2.4 There are leaseholders contained within all 17 blocks identified as requiring works. There are 43 leaseholder properties within the 17 blocks. The blocks contain between one to three leaseholders within a block of four. Consequently, all work to these flats have been subject to the requirements of Section 20 of the Landlord and Tenant Act 1985 (revised under Section 151 of the Commonhold and Leasehold Reform Act 2002).
- 2.5 Prior to tendering these identified works it was necessary for the Council to follow requirements set out in law which protect leaseholder's rights during the

procurement of building maintenance/refurbishment work. Subsequently, 'Section 20' letters were provided to all Leaseholders, notifying them of our intention to undertake repair and improvement works to the blocks their properties are located.

- 2.6** During the 30-day consultation period, no leaseholders nominated any contractors to be notified of the tender being published through Sell2Wales.
- 2.7** The Housing Development & Investment Team tendered the work through Sell2Wales seeking to appoint the contractor offering best value for money. The 'Invitation to Tender' (ITT) sought a single principal contractor to deliver the scheme. The successful contractor being appointed following a two-stage assessment, with stage one being a Pre-Qualification Questionnaire (PQQ) and the second stage being awarded on 'Value for Money' (Price and Quality).
- 2.8** An invitation to tender was published on Sell2Wales with a closing date of 18th March, 2020. There were 23 expressions of interest with six tenders being received at the closing date. Of these one was found to be a duplicate leaving five tenders to evaluate.
- 2.9** Due to the Covid-19 pandemic the tender bid evaluation process was put on hold for a number of months. Once in a position to proceed the Housing Development and Investment Team contacted the five tendering contractors to confirm if they wished for their bid to be assessed with their original submitted prices being held. All five bidders confirmed that they wished to proceed with their submissions with costs remaining the same. The next stage of the analysis was then completed.
- 2.10** All contractors passed the prequalification questionnaire process; all scoring above 87. All five contractors were then assessed on stage two of the process, where scores were based on 60% for price and 40% for quality.
- 2.11** The Housing Development & Investment team completed the tender bid analysis, the further 30-day consultation with leaseholders and then when at the point of appointment subject to Cabinet approval, the winning contractor confirmed that due to the recent changes in material costs they could no longer hold their price.
- 2.12** The team then went back on Sell2Wales to all five contractors to provide a reviewed tender bid price to complete the scheme. At which point a further 30-day consultation with leaseholders was conducted.
- 2.13** Details of the tender outcomes are set out in the Part II report.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 Looking to the long term** - As a result of the installation of external wall insulation (EWI), replacement of soffits, fascias and rain water goods on our housing stock this will maintain the life and quality of our properties as well as providing energy efficient homes for our tenants and leaseholders for future years.
- 3.2 Taking an integrated approach** - The procurement of the Housing External Refurbishment (Leaseholder 17 Blocks) Scheme 2021/22 was undertaken via consultation with our Tenants' Quality Design Forum and the Leasehold Officer.
- 3.3 Involving the population in decisions** - During the procurement of the Housing External Refurbishment (Leaseholder 17 Blocks) Scheme 2021/22 a representative of the Housing Quality Design Forum and the Leasehold Officer was kept abreast of the tender process and at interview stage were able to question the potential winning contractors about issues that are important to tenants and leaseholders when contractors work within or outside their homes.
- 3.4 Working in a collaborative way** – The appointed contractor will work closely with both building maintenance technical staff and housing officer to ensure that the best outcomes are received for the tenants / leaseholders.
- 3.5 Understanding the root causes of issues and preventing them** - As a result of contracting a competent principal contractor and sub-contractors to install the external wall insulation systems this should minimise the risk of poor workmanship, latent defects and ensure a quality product is installed on our housing stock to last the duration of the product guarantee.
- 3.6** This proposal will meet:
Objective 1: TO WORK WITH AND FOR OUR COMMUNITIES
Corporate Plan Commitment: 2. Work innovatively, using technology, resources and our assets to transform our services so they are sustainable for the future.

4. Resources and Legal Considerations

Financial

- 4.1** Full financial details will be addressed in the Part II Report included on the Agenda.

Employment

- 4.2** There are no other resource issues to report.

Legal (Including Equalities)

- 4.3** There are no legal issues to consider. All works will be carried out in accordance with Section 151 of the Commonhold and Leasehold Reform Act 2002, Building Regulations, the Construction Design and Management Regulation 2015 and the Party Wall Act 1996.
- 4.4** In terms of equalities, there will be limited training opportunities offered as part of the scheme.

5. Background Papers

None.