

Cabinet – 20 April 2022

Award of new contract(s) for Disabled Facility Building Works and other Housing related Works and Services.

Portfolio: Councillor Andrew, Portfolio Holder for Regeneration

Service: Customer Engagement

Wards: Borough Wide

Key decision: Yes

Forward plan: Yes

1. Aim

To provide continuity of service for installation of Disabled Facility Grant (DFG) building works, handyperson services and works including but not limited to repair, refurbishment and improvements to housing (including empty homes) and other council stock up to 31 March 2026 through tendering for these items.

2. Summary

2.1 This report seeks Cabinet authority to delegate authority, in line with the Council's Contract and Procurement Rules, the award of contracts for contractors to undertake Disabled Facility Grant (DFG) building works, handyperson services and works including but not limited to repair, refurbishment and improvements to housing (including empty homes) and other council stock. These are key works supported by the Council under:

- DFGs and related assistance;
- Walsall Home Energy Conservation Act Action Plan.

2.2 A public advertisement was placed on the Council's e-tendering portal 'Intend', in January 2022 to 14 March 2022. An 'Open Procedure' procurement process was used to invite tenders for the provision of these services under 3 Lots.

Lot 1 Building works associated with Disabled Facility Grants and adaptations

Lot 2 Handyperson Services

Lot 3 Building works including but not limited to repair, refurbishment and improvements to housing (including empty homes) and other council stock.

2.3 Due to the scale of Lot 2 (under £181,000 for the duration of the tender period) this matter has been considered and awarded under existing delegated powers.

2.4 This cabinet report should be read and considered in conjunction with the 'Award of new contract(s) for Disabled Facility Building Works and other Housing related Works and Services.

3. Recommendations

That following consideration of this report and the 'Award of new contract(s) for Disabled Facility Disabled Facilities Grants Building and Associated Works

Works' Private Session Agenda cabinet report, that Cabinet:

- 3.1 Approves the award of new contracts for the period 1 May 2022 up to 31 March 2026 for works and services set out in Table 1, below:

Lot 1	Building works associated with Disabled Facility Grants and adaptations	1. SRC Group Ltd 2. Dolphinlifts Midlands Ltd 3. Hardyman Group Ltd 4. Starrant Ltd 5. Eden Adaptions Ltd 6. Hindley Contractors Ltd	Up to £1.6m per annum
Lot 3	Building works including but not limited to repair, refurbishment and improvements to housing (including empty homes) and other council stock.	1. SRC Group Ltd 2. Hindley Contractors Ltd 3. Hardyman Group Ltd 4. Dolphinlifts Midlands Ltd	Up to £0.6m per annum

- 3.2 Delegates authority to the Executive Director of Children's Services, to enter into a new contract/s to deliver the 'Disabled Facility Building Works and other Housing related Works and Services 'by using the most appropriate procedures and to subsequently authorise the sealing or signing of any contract, deeds or other related documents for such works and services.

4 Report detail - know

Context

- 4.1 The Council delivers a range of statutory and non-statutory forms of housing assistance for householders including Disabled Facility Grants ("DFGs"), and housing repair and improvement projects.
- 4.2 In April 2016 Cabinet agreed that the Housing Standards and Improvement Service could establish a Framework Agreement and obtain tenders for contractors to be appointed to it for the provision of building works (excluding lifts and hoists) for Disabled Facility Grants, and services for housing repair and improvement projects. This process was followed and has been extended to the maximum permitted duration.
- 4.3 The Handyperson service (Lot 2) was re-procured and has a total value of below £181,000 and can therefore be awarded under delegated powers and this process has been followed.
- 4.4 To provide continuity of service a new procurement process has been undertaken. to secure contractors for a 3 year period with the option for the council to extend this by two periods of 12 months.

Council Plan priorities

- 4.5 The works and services being that are the subject matter of this report will directly help many vulnerable residents continue to live safely and for longer in their own homes and will have a direct positive impact on the Council's abilities to deliver its priorities, as stated in the Corporate Plan in particular;

Communities: Housing provision matches local need and reduces homelessness.

Risk management

- 4.6 The principal risk was that the Council would not be able to secure suitable contractors to undertake the works and services. This risk was mitigated by the fact that the anticipated value of the works and services were at a scale that required advertising in the Official Journal of the European Union and as such resulted in a high level of interest from a wide range of contractors.
- 4.7 A further risk, of contractors ceasing to trade whilst in the process of completing DFG works and services for the Council, has been mitigated by the following measures:
- All bidders had to supply their financial details as part of the detailed tender process, including turnover. From this the Council can assess the maximum value of works that should be placed with any appointed contractor at any one time.
 - The Council will not make interim payments to contractors unless an order value is below £10,000, in which case the Council may make interim payments up to a maximum of 90% of the order value.
 - In the event of a contractor ceasing to trade the tender provides the flexibility for alternative contractor(s) to be used to complete the works using the retention sums indicated above.
 - Prompt assessment of works and approval of payments by the Council to ensure cash flow for contractors. Payments to be made within 30 days of valid receipt.

Financial implications

- 4.8 Funding for DFG works and services is principally from a government grant allocation for DFGs and related works, awarded on an annual basis and in 2021/22 was up to £3,315,000 with a similar amount confirmed for 2022/23.
- 4.9 The process will assist with the delivery of more adaptations for less expenditure at key stages:
- a) Securing contractors for the period up to 31 March 2026 will reduce the revenue costs and time involved in repeated tendering on an annual basis and / or an individual scheme basis;
 - b) Use of 'Lots' (specific independent sections) to maximise the ability of a wider range of contractors to tender and therefore maximise the level of competition has encouraged a good response from contractors. For example, suppliers able to undertake Handyperson but not larger building works has enabled them to tender for the Lot related directly to that element alone rather than being excluded from the whole process.

Legal implications

- 4.10 The legislation for offering DFGs is set out by the Housing Grants, Construction and Regeneration Act 1996, which places a statutory duty on local housing authorities to provide grant aid to people with disabilities (who meet the criteria) for a range of adaptations to their homes.

- 4.11 The council will enter into a Joint Contracts Tribunal (JCT) Measured Term form of contract with each successful organisation for each Lot which will require them to deliver works at their submitted tender prices.

Procurement Implications/Social Value

- 4.12 The tenders have been obtained in full compliance with the Council's Contract Rules and the Public Contract Regulations 2015 and with reference to The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020.
- 4.13 Over many years the process used for DFG work and related services tendering has secured significant unit cost savings which has meant that more adaptations have been able to be provided for the same money. The average cost to the Council of, for example level access showers, is significantly below the national and regional averages.

Property implications

- 4.14 The services will be available for use by the Council in any residential or similar premises retained by the Council.

Health and wellbeing implications

- 4.15 The services will enable the robust and Best Value delivery of housing adaptations and will directly support the Council's key strategies including the Housing Strategy. Works will enable residents to remain living in their home longer and particularly reduce their risk of slips, trips and falls. Previous research by the Council's housing service has shown that the impact of DFGs is also statistically significant in terms of improving applicant's mental wellbeing. The DFG service directly promotes other assistance that vulnerable residents may benefit from such as schemes tackling fuel poverty and promoting take up of key public health messages including but not limited to flu vaccinations.

Staffing implications

- 4.16 The works and services will enable staff within the Resources Directorate to deliver a range of adaptation assistance for residents in line with the adopted Housing Renewal Assistance Policy.

Reducing Inequalities

- 4.17 The implications for reducing inequalities have been taken into account and assessed and are in full accordance with the over-arching EQIA produced for the adopted Housing Renewal Assistance Policy. The proposed works and services will continue to help vulnerable members of the community by providing significant support for residents with disabilities through maximising their ability to live independently, delivering a range of solutions that can be tailored to meet a person's individual needs. All applicants for DFGs are within the protected characteristic group of 'disabled'.
- 4.18 A significant number are also within the protected characteristic group of 'age'. A total of 68% of DFG applicants (whose age was known) in 2020/21 were either being 17 or under in age or over pensionable age at date of completion of their DFG.

Climate Change

- 4.19 The proposal is expected to have a positive impact upon climate change including:
- a. enabling residents to stay living in their current homes for longer (therefore reducing demand for new build accommodation);
 - b. promoting home energy and insulation grants to residents at all opportunities
- The actions in a. and b. above are expected to help reduce domestic related carbon emissions

Consultation

- 4.20 The proposal is outside the statutory requirements and common law expectations for consultation under the Public Sector duty. The proposal relates to the continuation of a service that has been subject to formal advertising in accordance with Public Contract Regulations 2015 and with reference to The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020, maximising the potential for competition and Best Value and most competitive price for the council and customers.
- 4.21 The tender advert was also advertised on:
- the online UK Find a Tender Service and;
 - the Councils e-tendering website
- to afford maximum opportunity for companies within the borough to tender for the works.

5.0 Decide

The alternative to the proposal to secure contractors to deliver these DFG services is for all DFG applicants to individually obtain their own contractors. This is expected to lead to:

- Delays for the residents and increased costs for the council – the current proposal provides for savings from economies of scale to be secured by contractors and these savings are passed onto the council.
- The proposal is in line with national best practice.

6.0 Respond

Following recommendation by Cabinet, contracts will be entered into with the selected contractors.

7.0 Review

The performance of contractors will be reviewed on an ongoing basis with broader reviews every 6 months to ensure high quality services for the residents are maintained.

Background papers

None

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