

Meeting of:	Cabinet
Date of Meeting:	Monday, 11 October 2021
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing Heating Installations Servicing and Maintenance Framework 2022-25
Purpose of Report:	To request Cabinet approval to procure and accept a contract for a Housing Heating Installations Servicing and Maintenance Framework 2022-25
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 as the report outcomes affect all wards Cllr Margaret Wilkinson Officers Consulted- Mike Ingram - Head of Housing & Building Services Andrew Treweek - Operational Manager Building Services Rachel Williams - Housing Accountant Rosalie Malcolm - Policy Officer (Procurement)
Policy Framework:	This is a matter for Executive decision by Cabinet
Executive Summary:	<ul style="list-style-type: none"> This report brings to the attention of Cabinet the proposed procurement and award of the Housing Heating Installations Servicing and Maintenance Framework 2022-25. This report seeks delegated authority for the Director of Environment and Housing Services and the Head of Finance, in consultation with the Cabinet Member for Housing and Building Services, to accept the most advantageous tender bid and execute the framework contract.

Recommendations

- 1.** That authority be given to tendering a value for money framework contract for the “Housing Heating Installations Servicing and Maintenance Framework 2022-25” through sell2wales.
- 2.** That Cabinet delegates authority to the Director of Environment and Housing Services and the Head of Finance, in consultation with the Cabinet Member for Housing and Building Services, to accept the most advantageous tender bid and award this framework in accordance with the Council’s Contract Standing Orders.
- 3.** That Cabinet delegates authority to the Monitoring Officer/Head of Legal and Democratic Services to execute the framework contract.

Reasons for Recommendations

- 1.** To ensure that the Council delivers the Housing Heating Installations Servicing and Maintenance Framework 2022-25 in a cost-effective way, with high quality services & products being installed on or in our Council housing.
- 2.** To ensure that the Council meets the requirements of its financial regulation and Contract Standing Orders.
- 3.** To ensure that the Council meets the requirements of its financial regulation and Contract Standing Orders.

1. Background

- 1.1** Between 2017 and 2021, the Housing & Building Services Team has continued to engage the services of Heatforce (Wales) Ltd to deliver servicing, maintenance and replacement heating installations within our housing council stock.
- 1.2** This framework has covered servicing and maintenance of the following types of heating installations found within our housing stock: Gas, LPG, Oil, Air Source Heat Pump and Solid Fuel installations.
- 1.3** During this period Heatforce (Wales) Ltd has worked well to assist the Housing and Building Services Team to maintain high levels of housing stock gas safety servicing compliance. We have had periods of 100% compliance with only small numbers of properties going overdue due to tenants not allowing access for servicing of the heating installation. This on occasion has led to legal action being taken to allow the installation to be serviced and maintained.
- 1.4** As part of the servicing procedure for gas, LPG and oil boiler systems Heatforce (Wales) Ltd start to engage with our tenants at month ten to allow time to undertake the annual service before the twelve-month period has expired. This process has work well to maintain high levels of gas safety compliance.

1.5 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 along with servicing of our housing stock domestic fire alarm systems.

1.6 This existing framework contract is due to expire early in January 2022.

2. Key Issues for Consideration

2.1 The Development & Investment Team is currently finalising the tender pack documents in readiness to procure the new framework.

2.2 The team as part of the tender pack development is including costs for renewable technologies along with their servicing and maintain. This will allow the council to continue the decarbonisation of the Council's housing stock. Such items are included but are not limited to Air & Ground Source Heat Pumps, Solar PV, battery backup and hybrid systems.

2.3 The framework will also ensure adequate resources are made available during periods of adverse weather conditions.

2.4 It is proposed the framework contract will appoint one main contractor to deliver heating installation services for the next 3 (+1) years.

2.5 If approved the framework will be procured by the Housing Development and Investment Team on Sell2Wales using a two-stage tender process. At stage one, the economic and financial standing and technical and professional ability of bidders will be assessed. At stage two, each tender will be assessed against 40% price and 60% quality.

2.6 If cabinet approve the procurement and delegated authority for the Director of Environment and Housing Services and the Head of Finance, in consultation with the Cabinet Member for Housing and Building Services, to accept the most advantageous tender bid and execute the framework contract, it will allow the Housing and Buildings Services Team to ensure there is a seamless transition from the existing contract into the new one.

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 Housing Heating Installations Servicing and Maintenance Framework 2022-25 being introduced our housing stock heating installations will be maintained to ensure they are compliant with current legislative standards, along with quality installations found within our properties. As well as providing compliant WHQS homes for our tenants into future years.

- 3.2** Taking an integrated approach - The procurement of the Housing Heating Installations Servicing and Maintenance Framework 2022-25 will be undertaken via consultation with our Tenants Quality Design Forum (QDF), and Housing Health and Safety Compliance team.
- 3.3** Involving the population in decisions - During the procurement of the Housing Heating Installations Servicing and Maintenance Framework 2022-25 a representative of the Housing Quality Design Forum will be kept abreast of the tender process and at interview stage will be able to question the contractor(s) about issues that are important to tenants when contractors work on, in and around their homes.
- 3.4** Understanding the root causes of issues and preventing them - As a result of contracting a competent contractor to deliver works identified within the Housing Heating Installations Servicing and Maintenance Framework 2022-25 it should minimise the risk of poor workmanship, latent defects and ensure a quality product is installed on or in our housing stock along with excellent customer services for our tenants, for the duration of the framework.
- 3.5** This proposal will assist in delivering several corporate objectives such as:
Objective 3: To support people at home and in their community.
Action: 11 – Increase the supply of good quality, accessible & affordable housing by working in partnership to address housing need.

4. Resources and Legal Considerations

Financial

- 4.1** Budgets have been identified within the HRA Business Plan and approved by Council for 21/22 (22nd February 2021 Cabinet, minute C495 refers). The framework has an estimated value of £2m across the 4years (3+1) and will be funded from existing HRA budget capital and revenue budgets.

Employment

- 4.2** There are no other resource issues to report. As part of the framework there will be community benefits written into the contract which includes apprenticeships, and other employment opportunities.

Legal (Including Equalities)

- 4.3** Contractors will be questioned about their management of the risks of Modern Slavery and have processes in place to satisfy GDPR requirements.
- 4.4** Transfer of Undertakings Protection of Employment Regulations (TUPE) will be complied with as part of the procurement process and at start of the new contract if there is a change of contractor.

- 4.5** 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.

5. Background Papers

None.