

Arun District Council

REPORT TO:	Housing & Well Being Committee – 26 March 2024
SUBJECT:	Responsive Repairs Contract Update
LEAD OFFICER:	Richard Tomkinson, Group Head of Housing
LEAD MEMBER:	Councillor Carol Birch
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
<p>This report supports the following areas in the corporate vision:</p> <ul style="list-style-type: none">• Delivering the right homes in the right places:• Support those in our community that need help, providing a safety net where necessary and working with people and organisations to meet different needs.• Ensure the existing housing stock in the district (private sector and council owned) is maintained to a high standard.• This approach will support our tenants, leaseholders, and service users to ensure that staff are guided by policy whilst making operational decisions within the day-to-day activities of the housing and homelessness services. <p>The report provides an update in respect of the responsive repairs contract and next steps.</p>	
DIRECTORATE POLICY CONTEXT:	
<p>Robust and effective contract management and monitoring is essential to ensure quality, effectiveness, and value for money of services delivered to council tenants.</p>	
FINANCIAL SUMMARY:	
<p>None</p>	

1.0 PURPOSE OF REPORT

- 1.1 This report provides members with an update in respect of recent agreement to end the current responsive repairs contract with Osborne Property Services Limited (OPSL) on 29 April 2024.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Housing & Wellbeing note the contents of this report.

3.0 EXECUTIVE SUMMARY

- 3.1 On 29 January 2024, the Group Head of Housing issued notice of termination of contract, in accordance with Clause 14.1 of the Term Alliance Contract for Responsive Repairs and Void Refurbishment.
- 3.2 This means that we can now plan the future repairs service around tenants' feedback and in line with our wider strategic approach and aspirations to deliver services of which we can all be proud.

4.0 DETAIL

- 4.1 On 29 January 2024, the Group Head of Housing issued notice of termination of contract, in accordance with Clause 14.1 of the Term Alliance Contract for Responsive Repairs and Void Refurbishment.
- 4.2 This followed a period during the Summer of 2023 in which action was taken to address a range of issues in contract management, governance, and service delivery, including placing voids works orders with a different contractor.
- 4.3 Following notice of termination, a meeting was held with senior staff from OPSL, during which, it was agreed that the Alliance no longer served the best interests of either Arun District Council or OPSL and the two parties should therefore work together to support the demobilisation of the contract and to deliver the requirements of Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006.
- 4.4 The Group Head of Housing and Repairs and Maintenance Manager, in close collaboration with the Director of Environment & Communities (and joint Chief Executive Officer) have developed a risk register aimed at managing and mitigating risks in respect of demobilisation of the existing contract, a repairs continuity plan in respect of continuation of service delivery and the Housing Projects Officer has developed a Stakeholder Communications Plan which has already included the delivery of letters to all tenants, virtual briefings for both staff and Councillors and the publication of a range of information and frequently asked questions on the council's website.
- 4.5 Members are asked to appreciate that there are aspects of the risk register and business continuity plans which are considered commercially sensitive, particularly during the process of contract negotiations for future service delivery. It is not intended, therefore, to share these plans at this time.
- 4.6 The actions taken to date mean that we can now plan the future repairs service around tenants' feedback and in line with our wider strategic approach and aspirations to deliver services of which we can all be proud.

4.7 Officers have initiated discussions with the Housing Service's existing supply chain and are confident that an effective service can be delivered once the existing contract concludes 29 April 2024. Our approach has included issuing a mini-tender through the dynamic purchasing system with a view to entering into contract on a 1+1+1 term to enable service and cost performance to be closely monitored. Further updates will be provided to Committee once we have entered into contract and throughout the contract term.

4.8 As part of demobilisation of the contract, repairs call handling will be brought back in house. At the time of writing, Human Resources Colleagues have begun discussions with OPSL regarding TUPE regulations in respect of those staff who currently spend a significant amount of their time delivering call handling as part of the existing contract. The early indications are that two OPSL staff will join the council under TUPE and the service will work to achieve cost savings in on-going contract delivery through not funding an outsourced service in respect of call handling.

5.0 CONSULTATION

5.1 Internal consultation was undertaken in respect of the actions taken and the contents of this report have been influenced by tenant feedback through the 2023-24 Tenant Satisfaction Survey.

6.0 OPTIONS/ALTERNATIVES CONSIDERED

6.1 Consideration was given to continuing with the existing contract to end of term, but this was not considered to be in the best interests of either party or tenants.

7.0 COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

7.1 Whilst some significant savings can be achieved through the contents of this report, at the time of writing, service delivery has yet to be fully costed through formal tender. Close cost control will need to be exercised throughout contract delivery. Financial performance will continue to be reported to Members during the financial year.

8.0 RISK ASSESSMENT CONSIDERATIONS

8.1 A full risk assessment has been undertaken and a risk register developed, aimed at managing and mitigating risks in respect of demobilisation of the existing contract.

9.0 COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

9.1 The notice of termination of contract was issued in accordance with Clause 14.1 of the Term Alliance Contract for Responsive Repairs and Void Refurbishment.

10.0 HUMAN RESOURCES IMPACT

- 10.1 Human Resources Colleagues have begun discussions with OPSL regarding TUPE regulations in respect of those staff who currently spend a significant amount of their time delivering as part of the existing contract.

11.0 HEALTH & SAFETY IMPACT

- 11.1 An efficient and effective responsive repairs service, influenced by and planned around tenants' feedback will contribute to ensuring the Health & Safety of all occupants of Arun District Council's housing stock.

12.0 PROPERTY & ESTATES IMPACT

- 12.1 The recommendations of this report have no impact on the Councils General Fund Portfolio or the delivery of Property, Estates, and Facilities functions.

13.0 EQUALITIES IMPACT ASSESSMENT (EIA)/SOCIAL VALUE

- 13.1 The contents of this report aim to ensure delivery of an effective and accessible responsive repairs service to all occupants of Arun District Council's housing stock. Reasonable adjustment is made in delivery of the service to ensure that no-one is disadvantaged or discriminated against as a result of any protected or other characteristics.
- 13.2 Consideration of social value will be included in the competitive tender process, and we will aim to create opportunities to enhance the impact that the contract has on the community, including community events and activities, employment and training initiatives and a range of other social value outcomes.

14.0 CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 14.1 The tender specification includes requirements that the contractor complies in all material respects with statutory and regulatory environmental requirements.
- 14.2 Full consideration of environmental impact of activities in relation to the contents of this report will be undertaken as part of our approach to delivering social value.

15.0 CRIME AND DISORDER REDUCTION IMPACT

- 15.1 No impact identified.

16.0 HUMAN RIGHTS IMPACT

- 16.1 No impact identified.

17.0 FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS

17.1 Requirements relating to the Freedom of Information Act 2000 will feature in both interim contractual arrangements and as part of the full tender brief.

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BACKGROUND DOCUMENTS:

None.