

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CABINET ON 13 JANUARY 2020

SUBJECT: Award of the Council's Responsive Repairs and Void Refurbishment Contract 2020-2025 for Council Owned Homes, with an Option to Extend for a Period of up to 5 years.

REPORT AUTHOR: Satnam Kaur, Group Head of Residential Services
DATE: December 2019
EXTN: 01903 737718
PORTFOLIO AREA: Residential Services

EXECUTIVE SUMMARY:

Arun District Council's (ADC) contract for Responsive Repairs and Void Refurbishment has been tendered in accordance with current EU public procurement legislation and Standing Orders. This report provides a brief summary of the procurement process and details the results of the tender evaluation. A recommendation for the award of contract is provided based on results of the tender evaluation process.

RECOMMENDATIONS:

It is RECOMMENDED that Cabinet:

- Agree the award of the Council's Responsive Repairs and Void Refurbishment Contract to Contractor A from 1 April 2020 based on their financial and technical submission being the most economically advantageous tender following a competitive tender process.

1. BACKGROUND:

1.1 As a provider of social housing we manage and maintain 3,348 homes. As part of the regulatory requirements contained within the Regulator For Social Housing's Home Standard, we need to ensure that our tenants homes are maintained to the Decent Homes Standard as a minimum and that we provide a cost effective repairs and maintenance service to homes.

1.2 Our aim as a Housing Service is to provide a modern, resilient, integrated, customer-focussed service that is able to respond to the ever-changing environment within which we are operating, and which enables us to seamlessly respond to the changing needs of our customers. We aim to deliver high quality services that demonstrate

value for money and that meet the objectives of the Housing Revenue Account Business Plan, namely:

- i. Increasing the housing stock
- ii. Ensuring housing assets are fit for purpose
- iii. Maximising income and making the best use of resources

1.3 The current contract with Mears expires on 31 March 2020. A tender process for a new Responsive Repairs and Void Refurbishment Contract commenced on 17 June 2019 with the issue of a contract notice in the Official Journal of the European Union (OJEU) by Faithorn Farrell Timms (FFT) for and on behalf of Arun District Council and the submission of the ITT document to FFT's electronic procurement portal.

1.4 The selected method for this procurement was the 'Competitive Procedure with Negotiation' (CPN) to ensure that the more complex aspects of the contract were fully understood by all parties.

1.5 The award of contract is on the basis of the Most Economically Advantageous Tender (MEAT) for the Council. This approach allows for factors such as quality, service delivery, innovation, social and environmental considerations and customer services to be considered, as well as price.

1.6 The approved tender evaluation criterion was 40 per cent price and 60 per cent quality. An evaluation matrix with an appropriately weighted scoring system was devised for both the financial (price) submissions and the technical (quality) aspects of each bid.

1.7 The above tender exercise has been carried out in accordance with the Council's Corporate Priorities and delivery of the 2020 Vision.

2. TENDER EVALUATION:

2.1 The deadline for the first stage of the CPN, namely a request to participate in the procurement process was 17 July 2019. A total of seven responses were received all submitted electronically. The responses, which included a duly completed pre-qualification questionnaire, were marked by individual evaluators and a moderation session was subsequently held on 29 July 2019. Following the moderation session, the five (5) candidates with the highest scores were selected to proceed to the formal tender stage.

2.2 Prior to issuing the initial Invitation to Tender one of the selected candidates withdrew from the process due to a change in strategic direction of their core business.

2.3 The remaining four companies were provided with full tender instructions and the evaluation criteria within the initial invitation to tender which was issued on 14 August 2019 with a closing date of 13 September 2019. One of the four companies declined to bid leaving three submissions received by the initial tender closing date.

2.4 Based on the evaluation of the remaining submissions and a subsequent moderation session, all three companies were invited to participate in negotiation meetings to discuss their proposals.

2.5 Negotiations were subsequently held with all three companies on 29 and 30 October 2019 and invitations to them to submit a final tender were issued on 13 November 2019 with a closing date of 27 November 2019. Following an evaluation and subsequent moderation session of the final tenders a preferred tenderer was identified.

2.6 The following table summarises the consolidated and moderated tender scores from all three contractors:-

	Company A	Company B	Company C
Total quality score	46.14	43.38	40.38
Total pricing score	33.74	36.27	35.26
Total score	79.88	79.65	75.64
Rank	1st	2nd	3rd

3. PROPOSAL:

3.1 It is proposed that Cabinet agree award of the Contract to Company A on the basis that it is the Most Economically Advantageous Tender following a competitive tender process.

4. OPTIONS:		
4.1		
<p>A. Agree award of the Arun District Council Responsive Repairs and Void Refurbishment Contract to Company A and the recommendations set out in this report.</p> <p>B. Not to agree award the Arun District Council Responsive Repairs and Void Refurbishment Contract to Company A or the recommendations set out in this report. However, this is not considered feasible as a new contractor needs to be appointed in order for us to meet our regulatory duties in respect of the Home Standard.</p>		
5. CONSULTATION:		
Has consultation been undertaken with	YES	NO
Relevant Town/Parish Council		NO
Relevant District Ward Councillors		NO
Other groups/persons (please specify)	Finance	
ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES	YES	NO
Financial	YES	
Legal	YES	
Human Rights/Equality Impact Assessment		NO
Community Safety including Section 17 of Crime & Disorder Act		NO
Sustainability		NO
Asset Management/Property/Land		NO
Technology		NO
Other (please explain)		
6. IMPLICATIONS:		
6.1 Financial & Legal: The contract value is £2.5 million per annum. This is catered for within existing budgets and our retained expert consultant for the Housing Revenue Account Business Plan has confirmed it is affordable within the plan.		
7. REASON FOR THE DECISION:		
7.1 To Award the Arun District Council Responsive Repairs and Void Refurbishment Contract to the Most Economically Advantageous Tenderer.		
8. EFFECTIVE DATE OF THE DECISION: 22 January 2020		
9. BACKGROUND PAPERS: None		