**Contracts Regulations Exemptions Form**

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| **NATURE OF PROPOSED EXPENDITURE**  Since 1st December 2020 PK Electrical Ltd have been undertaking the work of electrical repairs, rewires and periodic testing to our existing housing stock. As well as the required electrical element of the work PK Electrical have also been undertaking the making good as part of the contract agreement, this includes plastering and joinery works. The current contract value for the undertaking of electrical repairs, rewires and periodic testing is £500k per annum.  This contract exemption will allow us to utilise all services currently available from PK Electrical to assist with reducing the current backlog of void properties. PK Electrical are able to assist with all joinery, plastering, plumbing and electrical works as required including the installation of kitchens and bathrooms. There is huge pressure on the void team to reduce the number of all void properties currently with Housing repairs, this will help further limit financial losses through lost rent payment and increased Council Tax costs. |
| **ESTIMATED VALUE** **(£)£**160,000 HRA, £200,000 Capital |
| **REASON WHY COMPETITIVE TENDERING IS NOT VIABLE**  The Housing Repairs and Asset team are currently looking at the renewal and replacement of a number of key contracts and are working towards tender exercises which will be more bespoke for the work required by the Council. There is currently no contract in place for void works and never has been, this is one area that we are currently looking at putting in place to improve the void turnaround times moving forwards. At present the information required for a full tender exercise is not finalised and will take a number of months to complete, we have looked at some contract frameworks which are available, however there is nothing that would meet our requirements in addition to the time taken to put the framework in place. There is an option to ask for other contractors to provide quotations for work per void property but this would be time consuming whilst awaiting returns, any delays to these works increases the amount of lost revenue from the void properties alongside Council Tax payments that MDC have to make.  Benefits of utilising PK Electrical for these works:   * PK Electrical have worked for MDC for a number of years and know the area, housing stock and work requirements in great detail. * PK Electrical have the staff available for an immediate start on-site. * PK Electrical employ a number staff within the district of Mansfield and the surrounding area. * PK Electrical are already set up for payment and invoicing and have the adequate insurance in place.   The Council’s Contract Procedure Rules states the following exception can be utilised in this instance:  12.1 (b)  *The contract is for the execution of work or the supply of goods or services certified by the appropriate Head of Service to be required so urgently as to preclude the invitation of tenders. The appropriate Portfolio Holder shall be kept informed of such decisions. A Contract Exemption form must be completed at the earliest opportunity and be supported by the Head of Service and referenced on the appropriate Corporate Contracts Register entry.*  Without additional support via this contract option and using an average property rental cost for 2021/22 of £82.06 per week, the average weekly rent loss is £10,257.50 based on the current total number of voids (125). In addition, there are also Council Tax payments for these properties payable by the Council. These costs will reduce as the number of void properties with Housing Repairs comes down. |
| **PREFERRED CONTRACTOR(S)/SUPPLIER(S) TO BE USED**  PK Electrical Ltd |
| **AUTHORISATIONS**  **Name of Service Requesting Exemption Housing Repairs and Assets………………**  **Date 03/02/2022.…………………………………….**  **Head of Service**  **Jill Finnesey.………………………………….** |