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| **Report of the Housing Asset Manager**  **to**  **the Head of Housing**  **on**  7 June 2022 |
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| **Renewal and installation of kitchen and bathrooms 2022.**  **Main Contractor Procurement and Award of Contract.** | |

**1. SUMMARY**

* 1. This report requests approval to begin the procurement of a main contractor to deliver the renewal of kitchens and bathrooms within dwellings throughout the council district.
  2. This is a key decision as the value of the contract awarded will be over £250,000 Capital.

**2. RECOMMENDATIONS**

**Recommendation to the Head of Housing**

* 1. That the Head of Housing approve the commencement of a procurement exercise for the renewal and installation of kitchen and bathrooms commencing in 2022. This is a key decision as the Capital value of the works is over £250,000.
  2. That subject to a satisfactory tender exercise and evaluation the Head of Housing approve the appointment of the successful tenderer and that the appointment be administered under a JCT Measured Term Contract.
  3. That authority is given to the Asset Manager to permit an instruction to be given to the Legal Team to draft and finalise the necessary contract documentation and to enter into any warranties and agreements that may reasonably be necessary to enable delivery of the project.

**3. BACKGROUND**

* 1. The renewal and installation of new kitchens and bathrooms is delivered via a planned programme of works to keep the internal components of dwellings in a safe and good condition that also maintains the value of the council’s assets.
  2. Funding for the work is provided via the Capital Budget with an annual value of £250k for the kitchen and £200k for the bathroom.
  3. To install these components will require a main contractor to deliver the works in accordance with the council’s planned programme and performance requirements. It will be necessary to procure a tender exercise for the above works. The tender selection criteria will be divided between quality 60% and price 40%. The appointment of the successful tenderer will be administered under a JCT Measured Term Contract initially for a duration of 2 years with the option to extend for 1 year on 2 occasions.
  4. The procurement exercise will be carried out to comply with the Councils Contract Procurement Rules and in conjunction with the Projects Procurement Team at Nottingham City Council Procurement Team with a tendering exercise for the works via the EEM Framework.

**4. OPTIONS AVAILABLE**

**Option 1 (recommended option)**

* 1. Option 1 - That the Head of Housing authorise the commencement of a procurement exercise (as detailed in section 2 above) for the renewal and installation of kitchen and bathrooms.

4.1.1 The tender package for the above works will be procured using a mini competition using the EEM0056 Framework Lot 4 Kitchen and Bathrooms contracts over £500,000. The Authority’s detailed requirements are set out in the specification, preliminaries and further accompanying tender documentation that are currently being prepared. The tender selection criteria will be divided between quality 40% and price 60%. The appointment of the successful tenderer will be administered under a JCT Measured Term contract.

**Option 2 (alternative procurement exercise)**

* 1. Option 2 - That the Head of Housing request that an alternative procurement route is chosen to commission the works. This will still require the Public Contract Regulations 2015 to be followed, is unlikely to reduce the cost of the works required and will cause some delay to commencing the delivery of the project.

**Option 3 (not to approve the recommendation)**

* 1. Option 3 - The Head of Housing does not authorise the renewal works to go ahead and looks at options that achieve keeping the components of assets upgraded via another delivery method.

1. **RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS**

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| **Risk** | **Risk Assessment** | **Risk Level** | **Risk Management** |
| Financial | Funding to undertake the work. | Low | The costs associated with this work are contained within the Capital and Housing Repairs Budget. |
| Financial | Failure to remain within the budget allocated. | Medium | Costs managed as a form of contract with regular project meetings proposed including monthly finance updates.  Any variations will need formal approval via the contract rules. |
| Project Delivery | The selected contractor ceases to exist. | Medium | This will only cause delays in project delivery, whilst an alternative contractor is selected and delay the efficiency savings for the Capital and Housing Repairs service |

**6. ALIGNMENT TO COUNCIL PRIORITIES**

* 1. This report is in line with the Council’s housing priority for ensuring there is an adequate supply of good quality, well managed housing which is accessible and affordable to those who need it.

**7. IMPLICATIONS**

(a) Relevant Legislation – All procurement must be undertaken in compliance with Public Contracts Regulations (2015), where the value exceeds the European threshold, or in accordance with the Council’s procurement rules for those below the threshold.

1. Human Rights

It is not considered that the recommendation within this report will infringe on human rights. This project will positively contribute to a resident home life by helping to improve safety throughout the council’s sheltered accommodation.

(c) Equality and Diversity

In reaching the above conclusion due regard has been taken of the general equality duty contained in the Equality Act 2010. Any contractor engaged on work for the Council will be required to show commitment to the Council’s equality and diversity standards.

(d) Climate change and environmental sustainability

No direct link with climate change.

(e) Crime and Disorder

The submission has no impact on crime and disorder.

(f) Budget /Resource

The budget for this work is available in the approved 2022/23 Housing Capital Programme.

**8. COMMENTS OF STATUTORY OFFICERS**

* 1. Monitoring Officer – No specific comments.
  2. Section 151 Officer – No specific comments.

**9. CONSULTATION**

None.

**10. BACKGROUND PAPERS**

None.

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