



CAERPHILLY HOMES TASK GROUP – 3RD JULY 2013

SUBJECT: CONTRACT AWARD SUPPLY PARTNER

REPORT BY: ACTING CHIEF EXECUTIVE

1. PURPOSE OF REPORT

1.1 To inform the Task Group on the award of the Supply Partner Contract.

2. LINKS TO STRATEGY

2.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.

2.2 Relevant policy documents are the National Housing Strategy "Sustainable Homes" WAG, the Council's Community Strategy; Corporate Improvement Plan; Safer Caerphilly Community Safety Plan; Regeneration Strategy; and Children and Young People's Plan.

2.3 The Council's Local Housing Strategy "People, Property, Places" has the following aim:

"To provide good quality, well maintained houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations."

3. THE REPORT

3.1 The Task Group / Cabinet Sub Committee approved the investment strategy and associated contract structure in September 2012. A key part of the contract structure is a 10 year arrangement with a single source supplier. The report described the benefits in the following terms:

"A managed service arrangement over 10 years would enable a long term relationship to be developed helping to maintain local jobs and deliver wider community benefits. A single supplier would ensure standardisation of products and the administration will be simpler with just one contact and one monthly invoice. There would be particular benefits for the DLO in only having one supplier for WHQS works. Delivery arrangements direct to site would be part of the negotiations. There could be the opportunity to extend the arrangement to the response repair work of the DLO."

3.2 An OJEU notice was placed via the Buy4Wales website on 20th November 2012 requesting expressions of interest. The procurement process followed an Open Procedure in accordance with EU legislation with award criteria based on 40% cost and 60% quality, and was undertaken utilising the Council's e-tendering system, Proactis Plaza.

3.3 Six companies submitted tender responses, which were assessed by two discreet panels for each of the Qualitative and Commercial sections. Commercial assessment was undertaken by external consultants, Chandler KBS and one CCBC officer. The qualitative assessment was undertaken by a panel consisting of CCBC officers and tenant representatives.

3.4 Following the assessment it was determined that the 10 year contract should be awarded to Robert Price BM Limited who was determined as having submitted the most economically advantageous tender.

4. EQUALITIES IMPLICATIONS

4.1 This report is for information purposes only, so the Councils EqIA process does not apply.

5. FINANCIAL IMPLICATIONS

5.1 The anticipated year 1 value of the contract is £3.9m which includes management fee and material costs. Prices relate to key components and ancillary items and as such this figure may fluctuate depending on product usage and works completed. The contract is structured on an open book basis.

5.2 In addition there will be a one off mobilisation fee in year 1 of £6,045.

5.3 There will be an annual re-pricing.

6. PERSONNEL IMPLICATIONS

6.1 A new post of Relationship Manager has been established to manage the interface with the Supply Partner. This post holder will manage the Support Group within the WHQS Delivery Team.

6.2 It is envisaged that the roles of the support staff will need to be reviewed as the process and procedures are developed with the Supply Partner.

7. CONSULTATIONS

7.1 Comments received from consultees have been incorporated within the report.

8. RECOMMENDATIONS

8.1 This report is for information.

9. REASONS FOR THE RECOMMENDATIONS

9.1 To advise the Task Group on progress with the procurements relating to the WHQS Programme.

10. STATUTORY POWER

10.1 Housing Acts 1985, 1996, 2004. This is an officer delegated decision.

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Consultees:

Cllr. Gerald Jones	-	Deputy Leader & Cabinet Member for Housing
Cllr. Keith Reynolds	-	Deputy Leader and Cabinet Member for Corporate Services
Nigel Barnett	-	Acting Chief Executive
Shaun Couzens	-	Chief Housing Officer
Dan Perkins	-	Head of Legal Services
Liz Lucas	-	Head of Procurement
Nicole Scammell	-	Acting Director of Corporate Services and S151 Officer
Kath Webb	-	Relationship Manager