



To: Executive Councillor for Housing: Councillor Kevin Price

Report by: Head of Estates and Facilities : Trevor Burdon

Relevant scrutiny committee: Housing Scrutiny Committee 20/06/2016

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge East Chesterton King's Hedges Market Newnham Petersfield Queen Edith's Romsey Trumpington West Chesterton

CAMBRIDGESHIRE HOME IMPROVEMENT AGENCY – ADAPTATIONS PLUS FRAMEWORK PROCUREMENT

Key Decision

1. Executive summary

Cambridge City Council are the lead authority with overall management responsibility for the Cambridgeshire Home Improvement Agency (CHIA) shared service. In accordance with the City Council's corporate governance, this paper, therefore, seeks approval for the CHIA Board decision to procure a comprehensive contractor framework for delivery of adaptations work managed by the Agency. The procurement value is projected to be between £3.5m to £3.7m/year although there is merit in building in some flexibility in the framework to allow for possible future growth. The contract term is initially three years with an option for a one year extension and procurement will be subject to the full terms of EU Procurement legislation.

2. Recommendations

2.1. The Executive Councillor is recommended:

- 2.1.1. To approve the CHIA Board decision to proceed with a 3+1 year contractor framework for provision of all adaptations work and specialist equipment.
- 2.1.2. To authorise Cambridge City Council (on behalf of the partners) to invite and evaluate tenders and to appoint contractors for inclusion in a framework for delivery of all types of adaptations work and provision of specialist equipment.

3. Background

- 3.1. CHIA was established in 2012 and delivers adaptations work, as a shared service on behalf of the City Council, Huntingdonshire District Council and South Cambridgeshire District Council
- 3.2. The adaptation and specialist equipment work to be tendered is largely funded from Disabled Facilities Grants (DFG's) or from Repairs Grants for which the combined budgets for the three authorities, after deduction of Agency fees, is currently (2016/17) just over £2.8m. Additionally, the Agency delivers a small amount of non grant-aided adaptation work as a service to private house owners and the expectation is also that the contractor framework will be used by the City Council and South Cambridgeshire District Council to deliver specialist adaptation works to HRA social housing to a maximum value of approximately £0.9m.
- 3.3. The total anticipated value of the proposed framework is therefore £3.7m in the first year, commencing late 2016. Current budgetary allocations suggest this may reduce in later years (to £3.5m/year). However it is conceivable that budgetary allocations and thus spend may increase over the life of the framework and it would be highly desirable to be able to continue to use the framework in the event that budgets increase. It is thus proposed that the potential value of the framework shown in the procurement documents is based on a value range (the upper end of which would exceed current budgets) rather than an exact figure. The procurement documents will explain this to bidders in a transparent manner and the project team have included explanations and safeguards in the documents to ensure bidders understand this and the framework will be contractually robust. This arrangement will provide flexibility to help manage change over the framework duration. Currently, the arrangements for procuring works by the CHIA are derived from a mixture of arrangements in place with the three authorities prior to the establishment of the agency. Multiple tendering exercises for individual projects and working with limited tender lists is time consuming and very inefficient with much duplication of effort, variations in bespoke specifications and inconsistent pricing.
- 3.4. The proposed contractor framework will resolve all of these issues. It will ensure that there is standardisation in specifications and access to pre-tendered and fixed price contractors will be able to deliver all work in much shorter timescales and at more competitive rates. More importantly, the simplified delivery model, made possible with the framework in place, will reduce CHIA officer input and cost/project and ensure that grant applications can be processed and completed much quicker and at lower overall cost. Moreover, the framework

pricing will prove to be extremely useful in contributing to the further service efficiencies expected to be delivered by the comprehensive County wide Review of Disabled Adaptations work which is ongoing and due to be implemented this financial year.

- 3.5. The framework tendering will be designed to include multiple Work Lots allowing companies to tender for only those elements of the work specific to their individual capabilities and resources. This will be particularly important to ensure that local contractors will be encouraged to tender for construction works specific to their operational area which will be important given the large geographical coverage of the three partner authorities. Open day briefings for all potential tenderers proved very successfully when carried out by the Agency in March with high levels of interest shown by small contractors across the CHIA catchment.

3.6. Procurement timetable

Deadline	Activity
June 2016	Procurement report to Housing Committee
July 2016	Issue OJEU Notice
August 2016	Deadline for tender return
Sept – Oct 2016	Tender Evaluation
November 2016	Confirm results and notify tenderers of results
December 2016	EU Standstill (10 days)
December 2016	Contract award confirmed
January 2017	Contract works commence

4. Implications

4.1 Financial Implications

Availability of pre-priced and standardised specifications for all types of disabled adaptation work and installation of equipment will reduce not only the cost of actual construction work but just as importantly this initiative should ensure a reduced overall staff time required to administer and manage each project. This is especially relevant given that fee income to reimburse the cost of CHIA staff time is derived from DFG grant awards and the reduction in CHIA costs will translate into greater funds released for actual adaptation works.

4.2 Staffing Implications

None.

4.3 Equality and Poverty Implications

Potential release of additional DFG funds for actual site works if CHIA overall delivery costs can be reduced as predicted

4.4 Environmental Implications

The proposal has no climate change impact.

4.5 Procurement

Covered elsewhere in the report

4.6 Consultation and communication

- 4.6.1 There has been extensive consultation by the CHIA team with all three Partner authorities who are all fully represented on the project team responsible for the procurement exercise.
- 4.6.2 Consultation has also included representatives from all relevant Social Care, Health Management and Occupational Therapy organisations who are closely involved with CHIA in the design and delivery of Disabled Facility Grant approved schemes.

4.7 Community Safety

There are no community safety implications

5. Background papers

None

6. Appendices

None

7. Inspection of papers

If you have a query on the report please contact:

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