

**Cambs Home Improvement Agency (Cambs HIA) – Procurement of works contractors.**

**To :** Executive Councillor, Housing Scrutiny Committee 4th February 2025

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**Wards affected:**

All.

<b>1.</b>	<b>Recommendations</b>
1.1	<p>It is recommended that the Executive Councillor for Housing:</p> <ul style="list-style-type: none"> <li>a) Approve Cambridgeshire Home Improvement Board’s decision to proceed with a procurement exercise for up to four years for the provision of two contracts, the first being for adapted bathrooms and kitchens and the second for the provision and installation of disability equipment.</li> <li>b) Authorise Cambs Home Improvement Agency (on behalf of Cambridge City Council and its partners South Cambridgeshire and Huntingdonshire district councils) to evaluate tenders and to award contracts to suitable bidders following a competitive tender evaluation process.</li> </ul>
<b>2.</b>	<b>Purpose, background and key issues for the report</b>
2.1	<p>Cambridgeshire Home Improvement Agency (Cambs HIA) was established as a shared service on behalf of City Council, Huntingdonshire District Council and South Cambridgeshire District Council in 2012 and delivers adaptations and repairs work for elderly and disabled adults and children.</p>

2.2	The Agency works closely with Occupational Therapists who assess the clinical needs of clients and make recommendations to the Agency for the type of work required. The Agency is then responsible for designing the work, securing the disabled facilities grant funding on behalf of the client, commissioning the works, liaising with the contractors, and overseeing the works throughout the build stage.
2.3	The adaptation work is largely funded from Disabled Facilities Grants (DFG's) allocated by central government or from Special Purpose Assistance Grants (SPA's) funded by Cambridge City and South Cambridgeshire District Council. Additionally, the Agency delivers a small amount of non-grant aided adaptation work for those who, following a means test, are not eligible for grant and still require help to adapt or repair their home.
2.4	The total anticipated value over four years of the proposed contracts is £4.8m for Bathrooms and Kitchens (of which £1.04m relates to Cambridge City) and £3.5m for equipment (of which £826k relates to City). It is proposed that the contracts will be awarded in lots with the first proposed start date in November 2025.
2.5	The equipment contract includes the installation of stair and step lifts, through floor lifts, ramps, hoists and tracking, automated door entry systems and specialist toilets and baths.
2.6	Currently, the arrangement for procuring works comprises a mixture of call offs from two existing sets of contracts for 1) bathroom and kitchens and 2) equipment and these contracts are due to expire on the 31 <sup>st</sup> of October 2025 and 31 <sup>st</sup> March 2026.
2.7	The proposed procurement and contracts will ensure that Cambs HIA is compliant with the Procurement Regulations. It will ensure that there is standardisation in specifications and access to pre-tendered fixed and variable price contractors / suppliers who will be able to deliver all work in much shorter timescales and at more competitive rates.
2.8	Importantly, the simplified delivery model, made possible with the contracts in place, will enable grant applications to be processed and completed quicker and at lower overall cost.

2.9	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. The intention is to appoint several contractors per Lot.
<b>3.</b>	<b>Alternative options considered</b>
3.1	<p>Consideration for calling off any existing frameworks offered by national procurement bodies was considered however, this work requires a particular approach to customer care which differs from mainstream bathroom or kitchen replacements.</p> <p>These contracts are reactive and cannot be managed as planned maintenance. Those engaged on the work require exceptional customer care skills and an understanding of the needs of people with disabilities. Further, Cambs HIA acts as an Agent on behalf of the client and the council does not own all the premises in which the contractors will work resulting in the need for certain bespoke contracts.</p>
<b>4.</b>	<b>Corporate plan</b>
4.1	<p>The decision required links to the council’s corporate plan and specifically the section entitled “Tackling poverty and inequality and helping people in the greatest need”. Cambs HIA and its contractor’s role is entirely focused on:</p> <ul style="list-style-type: none"> <li>● Supporting people on low incomes to combat barriers to enable families who are more likely to experience poverty, inequality and vulnerability.</li> <li>● Improving housing conditions and taking action to enable residents to overcome health inequalities.</li> </ul>
<b>5.</b>	<b>Consultation, engagement and communication</b>
5.1	Throughout the term of the contract, the service maintains an “issues log” which details for each contract any issues that have arisen based on stakeholder feedback. This feedback is then used to inform the next contract specification.

5.2	Additionally, customer satisfaction feedback is sought on completion of every grant which rates the performance of the contractor and learning lessons are then incorporated into the next tender specification.
5.3	The tender opportunity will be advertised via the council's LGSS Pro Contract IT system or via the proposed open digital procurement platform being introduced under the new Procurement Act 2023 effective from February 2025. The tender opportunity will be further advertised via social media.
5.4	As tendering is a mandatory function, no further consultation has taken place.
5.5	Cambridge City and South Cambs council housing adaptations officers are also able to call off the adapted bathroom and kitchens and equipment contracts when required. Both council's adaptation officers are consulted on the specification.
<b>6.</b>	<b>Anticipated outcomes, benefits or impact</b>
6.1	The council aims to appoint several new and existing contractors.
6.2	An updated tender provides an opportunity to update and improve the current specification aiming to clarify any areas not presently covered by the tender documents which in turn help to deliver value for money and improve efficiency.
6.3	Each contract has a suite of Key Performance Indicators (KPI's) which are then used to help manage contractor performance.
6.4	Having a contract from which the service can call off rather than tendering each job separately saves time, reducing the time taken to complete adaptations for people with disabilities and aims to achieve better value for money.
<b>7.</b>	<b>Implications</b>

7.1	<b>Relevant risks</b>
7.1.1	The DFG regulations require that the work for each grant award is competitively tendered and accompanied by at least two quotes. As the work is managed by the council(s) resulting in a cumulative impact, the council cannot disaggregate works into smaller amounts and must tender this contract or risk being non-compliant with its procurement duties.
7.1.2	Risks are mitigated through the procurement process which includes financial checks and references. The contracts require each contractor to carry suitable insurance requirements and to be compliant with the Construction, Design and Management regulations (CDM).
7.1.3	Contract management risks are mitigated by regular and on-going contract management review meetings throughout the contract term.
7.2	<b>Financial Implications</b>
7.2.1	Disabled Facility Grant work is funded by the government and distributed to the district councils via the County Council's Better Care Fund regime. Cambridge City and South Cambs councils receives adequate funding to complete its statutory function. Huntingdonshire's demand exceeds the budget afforded by government and the council provides additional funding to meet this need.
7.3	<b>Legal Implications</b>
7.3.1	The council is required under the public sector procurement regulations to competitively tender contract opportunities of this value. Although Cambridge City Council leads the procurement of these contracts, each council enters its own legal contract for the works. A bespoke contract drafted by the council's legal team is used for the equipment contract and JCT Measured Term Contract is used for the bathrooms and kitchens contract. These contracts provide legal assurance in respect of quality and defects. All contracts

	are awarded on a no guaranteed work basis reducing risk to the authority.
7.4	<b>Equalities and socio-economic Implications</b>
7.4.1	Procurement is a mandatory function and therefore an EQIA is not needed for this report. The nature of the work being procured enables a positive impact for people with long term illnesses and/or disabilities and contractors are required to comply with the Equalities Act when working on the council's behalf.
7.5	<b>Net Zero Carbon, Climate Change and Environmental implications</b>
7.5.1	This project has a low positive impact using the climate rating tool. The tender evaluation will give greater priority to contractors who demonstrate a commitment to positive environmentally efficient practices.
7.5.2	Agency staff discuss EPC rating scores (where they exist) are discussed with homeowners to help increase their awareness of changes they can make to improve their home's energy efficiency.
7.6	<b>Procurement Implications</b>
7.6.1	Due to the values involved with these contracts, the council is required to openly advertise the tender opportunities. As at the date of this report the full requirements of the Procurement Act 2023 are not yet known. The author will work with the council's Procurement Team to ensure those new standards, once known, are adhered to.
7.7	<b>Community Safety Implications</b>
7.7.1	All contractors are required to have a Safeguarding Policy from which their suitability for this type of work is assessed against. Two of the equipment Lots relate to accessibility which also helps improve home security for those who are most vulnerable in our society (ramps/automated entry systems).

7.7.2	<p>All contractors are required to have a suitable Health and Safety Policy and to comply with the Construction, Design and Management Regulations 2015.</p> <p>There are no further community safety implications.</p>
8.	<p><b>Background documents</b></p>
8.1	<p>Climate Change Rating Tool worksheet</p>
9.	<p><b>Appendices</b></p>
9.1	<p>None</p>
	<p>To inspect the background papers or if you have a query on the report please contact:          Frances Swann, Manager, Cambs HIA, Tel: 01954 713456, email:  <a href="mailto:frances.swann@cambshia.org">frances.swann@cambshia.org</a></p>