

EXTERNAL WALL INSULATION WORKS

KEY DECISION

This is a key decision as the expenditure for the works exceeds the threshold of £500,000 agreed by the Council.

1. SUMMARY

1.1 Following the successful bid to the Department of Business, Energy & Industrial Strategy for funding to deliver energy efficient External Wall Insulation to housing properties, the Housing Team now need to procure a contractor to deliver the works.

2. RECOMMENDATION

2.1 That for the reasons detailed in para.3.10 of the report, Contract Standing Order 7.5 be waived and the contract for the External Wall Insulation Works to solid walled Council housing stock properties, be awarded to a former incumbent contractor on previously competitively tendered schedule of rates and contract terms and conditions.

3. Background and Discussion

3.1 The Council's housing stock contains approximately 800 solid walled properties that are hard to heat and energy inefficient leaving the residents facing high energy costs.

3.2 Over recent years, the Housing Repairs Team has fitted external wall insulation works (EWI) to over 300 solid walled properties within the stock. This work has either been self-funded from the HRA or paid for through a Government Green Homes Grant. EWI offers better aesthetics to the property and reduced energy bills for tenants.

3.3 Following a recent bid for further Green Homes Grant (GHG), the Council has been awarded £500,000 to help fund the installation of EWI to solid walled Council housing stock properties.

3.4 The £1.5m budget for EWI works in the HRA 2021/22 Capital Budget includes the GHG. Approximately 100 homes will be able to receive EWI and benefit from the energy efficiency measures.

3.5 The GHG is conditional on the Council starting the EWI project before the end of March 2021, with all works to be completed before the end of September 2021.

3.6 To ensure that the deadline is met and 100 homes receive the benefits of the EWI, it is imperative that a contractor is appointed at the earliest opportunity.

3.7 The intention is to replicate the contract for the current supplier delivering EWI to the housing stock. The contract will be based on previously competitively tendered schedule of rates and contract terms and conditions.

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3.8 The Council's Contract Standing Orders (CSOs) provide for a general presumption in favour of competition. In accordance with CSO 7.5, works contracts valued between £189,330 to £4,733,252 require a full competitive process with tenders following advertisement by public notice.

3.9 The requirement for the Council to conduct a competitive purchasing process for contracts at or above £25,000 may be waived at the discretion of the relevant Director who may proceed in a manner most expedient to the efficient management of the service/Council with reasons recorded in writing.

3.10 Time is of the essence in undertaking and delivering the works. A former incumbent contractor has a proven track record of fitting EWI to Council properties over the past 3 years with an unblemished reputation for quality and performance.

3.11 For the reasons detailed in para. 3.10 above, the Strategic Director (External Services) is satisfied that there are circumstances justifying the waiver and the award of the contract to a former incumbent contractor on previously competitively tendered schedule of rates and contract terms and conditions.

4 Relationship to the Corporate Plan.

4.1 This report relates to the Corporate Plan strategic aim 'to facilitate quality, choice and diversity in the housing market, to create strong and self-reliant Communities and deliver high quality services to service users.

5 Financial, legal, staffing, administrative implications & risk assessments:

Financial Implications	This grant funding has been included in the £1.5m HRA 2021/22 Capital Budget, allocated to External Wall Insulation.
Legal Implications	The terms of the contract will be agreed in consultation with the Head of Legal Services.
Staffing Implications	None as detailed in the report.
Administrative Implications	None.
Risk Assessment	Failure to appoint and deliver the works before the end of September 2021 will mean the loss of the £500,000 grant and result in homes not receiving the benefits of EWI.

BACKGROUND PAPERS

<u>Documents consulted</u>	<u>Date / File Ref</u>	<u>Report Author</u>	<u>Section and Directorate</u>	<u>Exempt Information Category</u>
None	N/A	Peter Dosad	Housing Strategic (Ext Services)	N/A