



GUILDFORD
BOROUGH

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Joint Strategic Director
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Guildford & Waverley
Borough Councils

EXECUTIVE

THURSDAY, 3RD OCTOBER, 2024

Supplementary Agenda

01 October 2024

Agenda No Item

12. **Award of a 1 year contract to deliver void works (Pages 1 - 6)**

The Deputy Leader of the Council has agreed to add this report to the agenda as an urgent matter of business.

Kind regards
Carrie Anderson

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Guildford Borough Council

Report to: Executive
Date: 03 October 2024
Ward(s) affected: 'All' Wards
Report of Strategic Director of: Finance
Report Author: Gavin Pugh
Email: gavin.pugh@guildford.gov.uk
Lead Executive Member: Councillor Lucas
Email: richard.lucas@guildford.gov.uk
Status: Open
Key decision: Yes

Award of 1 year contract to deliver void works

1.0 Executive Summary

- 1.1 The council has recently reviewed its governance processes and a new Scheme of Delegation was adopted on 23 July 2024. The new arrangements provide the award of any contract which results in a Key Decision will be made by Executive. The purpose of this report is to seek approval from Executive for the award of a one year contract to deliver void works across the borough.
- 1.2 The Executive should note that the procurement for this contract was commenced under the previous scheme of delegation and the decision was entered on the Forward Plan on 25 May 2024 and it was initially anticipated that this would be taken as an Officer Decision. Following the completion of the evaluation process and agreement of contracts under the new Scheme of Delegation this is now an Executive Decisions as anticipated approximate value is £700,000.

2.0 Recommendation to Executive

That the Executive resolves to:

Enter a one year contract with an anticipated approximate value of £700,000 with KinCraig Construction Limited.

3.0 Reasons for Recommendations

To enable the council to undertake and manage the refurbishment of void properties so that these can be relet.

4.0 Status of Report

Open

5.0 Strategic Priorities

This contract supports the council's strategic priorities for decent and affordable homes and a resilient and well managed council.

6.0 Background

- 6.1 The strategy for the re-procurement of a suitably qualified contractor to undertake refurbishment works of void properties involves both a short term and long term plan. It is recognised that this is an essential contract and therefore it was recommended that a one year contract was procured quickly to enable time for a longer term procurement exercise to be completed. This will enable time for a robust and thorough procurement exercise to be completed for a longer term contract.
- 6.2 The council went out to the market for the one year contract through a quote process and three suppliers were approached and asked to submit against the council's specification in accordance with the tender documentation. This was in accordance with the council's procurement procedure rules. The tender went out at the beginning of June and submissions were requested by 21 June 2024 as it was recognised that this is a key contract in delivery of our housing services.

- 6.2 The proposed contract form is an industry standard JCT Measured Term Contract which provides for the call-off of works as and when required. The contract has been amended to include terms and conditions specific to the council and includes provisions in relation to contract management.
- 6.3 The council received two tender returns and these were evaluated by two Housing Technical Services Officers in accordance with the criteria published in the tender documentation. The standstill period commenced on 18 July 2024 following completion of the evaluation. The standstill period expired on 29 July 2024 and the council was then able to proceed with contract finalisation for the award.
- 6.4 This contract forms part of the response to the housing fraud investigation and needs to be completed as a matter of urgency so that the council can resume a structured plan of refurbishments works on void properties.

7.0 Options

- 7.1 Not to enter the contract which present a significant risk to the council until the longer term procurement exercise can be undertaken.
- 7.2 The contract is awarded enabling NEC Supervisors to be appointed as and when necessary. This will provide appropriate oversight, management and monitoring on the Council's NEC contracts without the need for multiple procurements and therefore it saves time and money.

8.0 Consultation

- 8.1 Consultation was sought with Procurement and Legal services prior to and during the procurement process.
- 8.2 Cllr Lucas and Cllr McShane have been consulted and are in support of the award of this contract.

9.0 Key Risks

- 9.1 Failure to appoint a contractor in the short term to deliver void works places the council at risk of not delivering against commitments to our residents and failing to meet the Regulator of Social Housing standards.
- 9.2 If works are instructed to on a case by case basis it will be inefficient and increase costs to the council whilst not providing a structured refurbishment plan.

10.0 Legal and Governance Implications

- 10.1 Procurement and legal advice has been sought, and provided throughout, the tender process. The procurement has been conducted compliantly in accordance with the Procurement Procedure Rules that were in place at the time of the tender and in accordance with relevant legislation.
- 10.2 Under the new Scheme of Delegation and Contract Procedure Rules the decision to enter into a contract which results in a Key Decision should be taken by Executive. This one year contract meets the definition of a Key Decision as the value of the contract exceeds £200,000.

11.0 Financial Implications

- 11.1 The budget has been approved and spend will be monitored in accordance with contractual limits.

12.0 Human Resources Implications

- 12.1 There are no HR implications as the activity is not provided in house therefore no posts are affected.

13.0 Equality and Diversity Implications

- 13.1 There are no equality and diversity implications for the purpose of this report.

14.0 Climate Change and Sustainability Implications

14.1 There are no climate change/sustainability concerns at this time.

15.0 Next Steps

15.1 If the Executive make the recommendation, then the contract will be completed allowing for works to start immediately.

16.0 Background Papers

16.1 None

17.0 Appendices

17.1 None

Report clearance progress:

Finance	Jo Knight	30.09.24
Legal & Governance	Claire Beesly	30.09.24
Human Resources	Francesca Chapman	30.09.24
Equalities	Francesca Chapman	30.09.24
Strategic Director	Julian Higson	30.09.24

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