
Report for: Cabinet

Date of Meeting:	2 April 2024
Subject:	Award of the Measured Term Contract for the Removal of Licensed Asbestos 2024 – 2028
Cabinet Member:	Cllr Simon Clist, Deputy Leader and Cabinet Member for Housing
Responsible Officer:	Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing
Exempt:	PART II, which are Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)
Wards Affected:	All
Enclosures:	None

Section 1 – Summary and Recommendation(s)

To advise Members on the results for the tendering of the Measured Term Contract for the Removal of Licensed Asbestos 2024 – 2028 and confirm the award of the contract.

Recommendation(s):

1. It is recommended that the new Measured Term Contract for the Removal of Licensed Asbestos 2024 – 2028, be awarded to Contractor 2.
2. Delegated authority be granted to the S151 Officer (in consultation with the Cabinet Member for Housing and Property Services) to complete the associated Measured Term Contract for the Removal of Licensed Asbestos 2024 – 2028.

Section 2 – Report

- 1.1 Mid Devon Housing (MDH) has a requirement to maintain Health and Safety and meet the Decent Homes Standard. This contract will support this duty by maintaining the Council's housing stock to an acceptable standard.
- 1.2 The budget for the works is up to £80,000.00 per annum. Capital investment in the MDDC stock will result in a lower revenue cost in the coming years, which will enable the Repairs Service to operate more effectively and manage future maintenance costs
- 1.3 The term of this contract is four years with the option to terminate the contract at the end of each year subject to performance.
- 1.4 Due to the nature and value of this procurement, the appropriate procedure was an open tender process. This means that anyone who expressed an interest in the contract would be invited to tender

2.0 Procurement Process

- 2.1 Expressions of interest were invited via a notice in the Advantage South West Procurement Portal published on the 10 November 2023.

- 2.2 Evaluation criteria set out in the ITT:

Quality	60%
Skill, Knowledge, Expertise and Capacity	20%
Communication	20%
Environmental Benefits	20%
Price	40%

- 2.3 Responses were required by midday on 11 December 2023.
- 2.4 There were a total of 16 expressions of interest of which 4 submitted their tenders on time, 4 opted out and 8 did not respond. The main reasons given for opting out were due to being unable to meet our requirements and unable to supply in our area.
- 2.5 One Contractor submitted an abnormally low bid and was excluded from the process
- 2.6 Evaluations were carried out during December 2023, by representatives from MDH Building Repairs Service.
- 2.7 The price was based on a schedule of rates within the tender. The lowest priced tender was awarded 40% and the higher priced tenders were awarded the percentage difference. Contractor 2 scored highest on price and was second on quality, as set out below.

2.8 The outcome of the evaluation is shown below:

CONTRACTOR	SCORE		TOTAL
	PRICE	QUALITY	
Contractor 1	26%	40%	66%
Contractor 2	40%	36%	76%
Contractor 3	23%	32%	55%

3.0 Conclusion

- 3.1 The outcome of the tender process shows Contractor 2 as the winning bidder.
- 3.2 Approval is required from Cabinet for this contract to be formally awarded.
- 3.3 Following the decision, there will be a compulsory 10-day standstill period after which the contract will be awarded.
- 3.4 The contract will not commence until after the 16 April 2024.

Financial Implications

The Housing Revenue Account (HRA) budget for the works is up to £80,000.00 per annum. These works will result in a lower cost in the coming years, which will enable the Repairs Service to operate more effectively. Further information is provided in the report and as set out fully in Part II Annex A.

Legal Implications

We have a legal duty to meet the Decent Homes Standard, and maintain the health and safety of our employees and tenants. The conditions of engagement are based on a standard JCT Measured Term Contract. This provides a robust framework for managing and controlling the performance of the contractor to meet our legal obligations.

Risk Assessment

The principal risk is failing to limit costs due to additional works and delivery of the programme. The performance of the contract shall be monitored monthly; corrective action will be taken where performance falls below Key Performance Indicator Targets. These also include: 1) Customer satisfaction; 2) Variations and extras; 3) Delivery of programme; 4) Number of defects; 5) Managing Health and Safety

Impact on Climate Change

The environmental impact was included as a major part of the contractor evaluation.

Equalities Impact Assessment

All staff have received Equality and Diversity awareness training. MDDC discuss equality and diversity at the progress meetings and encourage the contractor to carry out awareness training.

Relationship to Corporate Plan

To contribute towards meeting our obligations relating to Health and Safety and the Decent and Affordable Homes target by making best use of the existing stock.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer:

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 19 March 2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 19 March 2024

Chief Officer: Simon Newcombe
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 18 March 2024

Performance and risk: Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 18 March 2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Mike Lowman, Operations Manager for Building Services
mlowman@middevon.gov.uk or Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing – snewcombe@middevon.gov.uk

Circulation of the Report:

Cabinet Member for Housing and Property Services
Leadership Team
Corporate Management Team
Operational Leads including Legal Services

Background papers:

ANNEX A: PART II - Confidential