

# RECORD OF CABINET PORTFOLIO HOLDER DECISION – CONTRACT AWARD

1. Decision Reference No.	PH104 - I015054	
2. Decision made by	Portfolio Holder for Housing, Leisure and Landlord Services – Cllr Pip Allnatt	
3. Name and job title of Officer requesting the decision (inc Officer email address)	Chris Flannery Housing Asset Manager cflannery@melton.gov.uk	
4. Title / Subject Matter:	Award of Contract, Void Refurbishment	
5. Type of Decision:	Public	
6. Key Decision?	Yes	

#### 7. Decision Taken:

- 1. To award a contract to the preferred supplier following a procurement exercise.
- 2. To enter into any necessary legal documentation to give effect to the award in consultation with Legal Services.

#### 8. Reasons for Decision:

This void property requires extensive refurbishment work to bring it up to a lettable standard. This level of work is outside of the scope of the current void contract with Axis Europe, so a specification has been developed and quotations sought via an open tender. The scoring for the award of the contract was based on responses to a quality questionnaire and the price submitted.

Seven bids were received in total and the quality and price submissions were evaluated by a panel of officers from the repairs team and Welland Procurement. The results for the top three tenders are below, this includes the score from the credit check:

Identified preferred bidder - 1<sup>st</sup> £67,662.00
 Maximum Credit Risk with score of 10

Next best preferred bidder - 2<sup>nd</sup> £84,395.00
 Maximum Credit Risk with score of 2

Next best preferred bidder - 3<sup>rd</sup>
 Low Risk Credit Risk with score of 82

£80,067.54

The highest scoring tender was also the lowest price received. It has been identified that this contractor has a credit risk score of "maximum". Consideration has been given to this score and the risk it presents to the Council. The contract that will be set up with the contractor only allows for payments to be made for work already completed, so no advanced or up-front payments will be made, which reduces the risk to the Council significantly. Online reviews have been checked. No concerns or negative reviews have been found as a result these checks.

The second place tender is significantly higher than the first place tender.

Usual contract management practises will be applied to mitigate the risk further. This will include a precontract period where all necessary checks are carried out before the contract is signed. Following this we will hold regular contract meetings to review progress and spend.

For these reasons, and with these mitigation measures in place, it is proposed to appoint the preferred contractor.

The work to the property will be funded through existing budgets. There is a combination of capital work and normal void repairs, so the capital and revenue void budgets will be used for different aspects of the work.

The supplier has been procured in compliance with the contract procedure rules, and all necessary due diligence has been carried out by the Council Officer concerned.

#### 9. Authority / Legal Power:

Delegation is provided to Portfolio Holders to exercise Cabinet functions within their portfolios.

Council housing assets, maintenance and repairs are included within the portfolio of the Portfolio Holder for Housing, Leisure and Landlord Services.

## 10. Background Papers attached?

No

#### 11. Alternative options available / rejected:

1. To appoint the second place contractor due to the low credit score of the preferred bidder. However, there are mitigation measures that can be put in place to reduce the financial risk to the Council. Alongside this, the responses to the quality questions did not raise any concerns that would mean that the contractor should be disqualified.

### 12. Implications:

	Legal	functions ( (contract) Standing C complying by the Cou Rules and The steps with the re the Counc	Local Government Act 1972, s111 and the Local Government Act 1997, s1). The 1972 Act requires the Council to have Orders regulating how it enters contracts. In addition to with all relevant UK and EU legislation every contract entered uncil must also comply with the Council's Contract Procedure the Council's Financial Regulations.  set out above relating to obtaining competitive bids complies quirements of both the legislation and the procedural rules in il's Constitution.	
	Finance	void budge	ufficient budget in place to fund this contract within the HRA ets.  Approval 14 May 2024]	
	HR	N/a	N/a	
	Procurement	Procurement regulations have been followed perfectly- happy to approve Approval: 14/05/23		
	Other	The following checks have been carried out in relation to the contract provider: - Financial credit checks		
with authority to sign :			Michelle Howard Director for Housing and Communities (Deputy Chief Executive)	
14. Officer Responsible for Procurement:		nsible	I confirm compliance with the Contract Procedure Rules Name: Chris Flannery – Housing Asset Manager	
Call In Waived by Scrutiny Committee Chair?			-	
Has this been discussed by Cabinet Members?			-	
Cabinet Portfolio Holder Signature		Holder	Email approval received  Councillor Pip Allnatt  Portfolio Holder for Housing, Leisure and Landlord Services	
Declarations/conflict of interest?		ict of	-	