

Cabinet

27 November 2019

Report of: **Leader of the Council**

Award of Contracts under the Housing Improvement Plan

1.0 Corporate Priority:	Decision Type:
1.1 Increasing the availability of good quality homes, which meet local needs.	Key Decision
1.2 Delivery quality services to business and residents; understanding what really matters to our customers.	

2.0 Summary:
2.1 As a consequence of actions taken following the receipt of the draft Internal Audit report relating to landlord Health and Safety, Cabinet are asked to endorse the award of contracts which have been put in place in order to initiate an immediate response to the issues identified.

3.0 Recommendations
3.1 To endorse the award of contracts as detailed in Section 6.6 of this report.

4.0 Reason for Recommendation:
4.1 To seek retrospective approval for the award of contracts taken as an immediate response to the landlord health and safety report.

5.0 Alternate Options Considered
5.1 Delaying the award of the contracts was not considered a suitable alternative option because these contracts are vital for the implementation of key actions identified by the audit report to achieve compliance to landlord health and safety.
5.2 Do nothing is not considered an option as it is the Council's duty to ensure safety of tenants and compliance to property safety regulations.

6.0 Report Detail
6.1 On 4 November 2019 Melton Borough Council approved the Housing Improvement Plan (HIP) which set out a number of actions in order to address current resourcing issues, manage health and safety obligations and to deliver a step change within the housing and landlord service to enable the Council to effectively manage and maintain the 1,835 homes within its housing stock.
6.2 The Council approved a series of remedial actions and delegated the authority to the Chief Executive in consultation with the Director for Corporate Services to access the HRA

Development and Regeneration Reserve to fund works which is in addition to the existing delegation permitting access to the HRA working balance.

- 6.3 Prior to approving the HIP, in late September officers received a draft Internal Audit report in relation to landlord health and safety (referenced in the 4 November Council Report). This is due to be considered formally at the Audit and Standards Committee on 19th November but to ensure immediate actions were taken to meet statutory and health and safety obligations it was considered that urgent action was required, prior to the adoption of the HIP, in order to secure relevant contracts to expedite the Council's response to the issues identified.
- 6.4 In order to expedite the process of implementation of approved actions, procurement exercises were carried out through established frameworks that provide ready assurance and due diligence.
- 6.5 The award of these contracts would constitute a Key Decision within the Council's Procedure Rules, however the nature of the health and safety implications arising out the internal audit report necessitated an urgent and immediate response and as such it was not possible to comply with the statutory requirement to provide 28 days notice of the decisions.
- 6.6 As a result the following contracts have been awarded and Cabinet are asked to endorse those contracts in line with the Council's Governance Procedures and in particular the Contract Procedure Rules. The details are set out below:

Name of Contractor	Supplier	Purpose	Procurement Route	Value £	Date of Award of Contract
Pick Everard	Perfect Circle	To undertake surveys of non gas properties + Record installed equipment	SCAPE (BECS Framework)	135,392.13	11/10/2019
Santia (UCAS accredited consultancy and analytics)	Perfect Circle	To undertake asbestos management surveys for 411 properties	SCAPE (BECS Framework)	160,000.00	11/10/2019

7.0 Consultation and Feedback (including Scrutiny Committee)

- 7.1 The Scrutiny Chairman has been consulted in relation to the use of a General Exception Notice given the inability to provide the required 28 days notice.
- 7.2 The Portfolio Holder for Housing and Communities has also been consulted

8.0 Next Steps

- 8.1 The contracts have been awarded and will be implemented and monitored to ensure work carried out is compliant with the contract terms and specification.

9.0	Financial Implications
9.1	The works constitute revenue spend and will be funded through the HRA development and regeneration reserve with the excess working balance already committed to a range of HIP expenditure. This will be approved under the delegated authority granted by the council on 4 th November 2019.

10.0	Legal and Governance Implications:
10.1	The Council's Contract Procedure Rules allow for Chief Offices to award contracts, but these decisions are still subject to the Access to Information Rules. As such any decision to award a contract which falls within the Council's definition of a key decision, must be published on the Forward Plan 28 days before the decision is due to be made, or alternatively urgency procedures must be invoked.
10.2	General Exception procedures under Chapter 3 of the Melton Borough Council Access to Information Procedure Rules (Section 2.4) can be used where a decision must be taken urgently. In accordance with those rules, approval from the Scrutiny Committee Chairman has been sought and the decision will be published on the Cabinet Forward Plan five working days before the decision is due to be made by Cabinet.
10.3	The Council has the power to enter into contracts in order to discharge its functions (Local Government Act 1972, s111 and the Local Government (contract) Act 1997, s1). The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK and EU legislation every contract entered into on behalf of the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations

11.0	Equality and Safeguarding Implications:
11.1	The proposed additions outlined in the report are predominantly based on the property and not on the occupants from any particular groups. Support is available to all tenants through Housing Officers, Liaison Officers and Case Managers if required by any tenant, and this is offered from tenancy sign up onwards.

12.0	Community Safety Implications:
12.1	The reason for this report is to improve the safety of the community in their homes.

13.0	Other Implications
13.1	None

14.0 Risk & Mitigation:

14.1 The associated risks are as set out below.

14.2

L I K E L I H O O D	A	Very High				
	B	High				
	C	Significant				
	D	Low			1,2	
	E	Very Low				
	F	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4

IMPACT

Risk No	Risk Description
1	Work is not implemented in time and on cost. Specific briefs have been provided through the framework arrangements to mitigate this.
2	Contractors are not competent to undertake the work. Contractors are procured through established frameworks to mitigate against this.


Background Papers:
Item 12 Housing Improvement Plan – Council Report 4 November 2019
Item 4 Appendix B Internal Audit Report – Landlord Health and Safety due to be considered at Audit and Standards Committee 19th November 2019
General Exception Notice

Appendices
None

Report Timeline:	Date of sign-off: (initials and date)
Equalities Check & Challenge	N/A
SLT Sign off	N/A
Previously Considered by Cabinet	N/A
Director Approval	14.11.2019
Legal Approval	15.11.2019
Finance Approval	15.11.2019
Chief Finance Officer Sign Off	15.11.2019
Monitoring Officer Sign Off	15.11.2019
Consultation with Portfolio Holder	19.11.2019
Chief Executive Sign Off	18.11.2019

Report Author

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