

URGENT - Portfolio Holder decision record sheet

Name of decision maker: Cllr Margaret Griffiths

Portfolio: Housing Property Services

Date of Portfolio Holder decision:

Title of decision: Direct contract award, via framework, to Wates Group Ltd, to commence works using Social Housing Decarbonisation Funding at Northend properties, which will enable DBC to fulfil condition of grant receipt.

Part II: N/A

Part II reason:

Decision made and reasons:

To make a direct contract award via the Fusion 21 framework agreement to Wates Group Ltd in order to commence and complete Energy Efficiency Works at four DBC owned properties situated at Northend. A condition of the BEIS award necessitates that the £300k funds received are spent by the end of this financial year, 31 March 2023.

Background:

In 2021 the Department for Business, Energy & Industrial Strategy (BEIS) launched the Social Housing Decarbonisation Fund (SHDF). Wave 1 of the funding was designed to assist local authorities delivering retrofit measures to poor performing stock. The Council, in partnership with industry experts Wates, submitted an SHDF application and successfully received £300,000 in funding to deliver retrofit works to four blocks of flats in Northend.

Wates are an industry expert in retrofitting energy measures and their experience was crucial in the successful funding bid. They have delivered similar projects elsewhere in the country and tangible and deliverable projects was a key factor for BEIS when assessing bids. We are in receipt of the funding, but the criteria we need to meet is extensive and Wates can satisfy this through their compliant PAS2035 registered supply chain.

As fuel bills continue to rise we need to be delivering projects that will help to prevent tenants falling in to fuel poverty. This project will significantly improve the thermal efficiency of the buildings by introducing External Wall Insulation, double glazed windows and loft insulation; ventilation will also be installed to prevent overheating and promote air exchange. In addition we are proposing to install Solar PV panels that will directly benefit our tenants by reducing their utility consumption.

Procurement process:

The Council can utilise the Decarbonisation Lot procured within the Fusion 21 Framework Agreement to directly appoint Wates Group Ltd. The selection and direct appointment of Wates is based upon our requirements and business need to meet the desired brief/specification for government funding. Wates have gone through a rigorous tender process, based on quality and price, to be well placed on the framework and by engaging their vast supply chain in a volatile market we are confident we will achieve value for money.

In order to retain the funding the council need to complete all of the works prior to 31st March 2023. The vast majority of the works are external and weather dependent meaning we need to be on site as soon as possible to ensure the project is satisfactorily delivered. In addition, there is an extended lead time on materials currently, all reasons why we are looking to urgently award

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the contract to Wates now so that we can successfully complete the project within the pre-determined BEIS guidelines.

Reports considered: (here reference can be made to specific documents)

Commercial Board Report
Fusion 21 Call Off Report

Officers/Councillors/Ward Councillors/Stakeholders consulted:

Sarah Pemberton – Deputy Chief Executive
Mark Pinnell – Assistant Director (Compliance)
Ricky Lang – Compliance Team Leader, Property & Place
Andrew Linden – Team Leader of Commissioning, Procurement & Compliance

Financial comments:

The costs of these works that are not met by BEIS funding can be charged to the budget for DBC Commissioned Capital Works. The total value of the project is expected to be £1.5m, of which £1.2m will be met from existing HRA approved capital budgets.

Deputy Monitoring Officer comments:

It is necessary to enter into this contract to ensure compliance with grant funding conditions.

Officers should ensure that an appropriate call off contract is completed prior to commencement of services.

Deputy s151 Officer comments:

This proposed contract award of £1.5m is to be made via the Fusion 21 framework agreement. Due diligence on the financial stability of the proposed contractor has been carried out as part of the framework terms. The contract award via framework is expected to offer best value for money and meet the timescales associated with BEIS funding.

Implications:

Finance: The total value of the project, including prelims, overheads, site set up and framework levy is approximately £1.5m. £300,000 of this comes from the government funding and the remaining monies have been secured within the capital BM130 budget.

Risk: If a contract is not awarded urgently then we run the risk of not completing the project within the specified BEIS guidelines, which would result in the loss of funding. The project will improve the thermal performance of the targeted stock, without the retrofit works our tenants could see an increase in fuel bills and health issues

Value for money: Wates have engaged their vast PAS2035 compliant supply chain to competitively tender the project on an open book approach so that we can scrutinise all costs at every stage of the contract

Options considered and reasons for rejection:

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Portfolio Holder's signature:



Date: 25/06/22

Details of any interests declared and any dispensations given by the Standards Committee:

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Date decision record sheet received from portfolio holder:

Date decision published:

Decision no:

Date of expiry of call-in period:

Date any call-in received or decision implemented: