

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

Appendix	Contract name	Original start date	Expiry date	Current extension (if applicable)	Proposed extension	Extension value
1A	Domestic Electrical Components	01/09/2019	30/04/2023	N/A	31/11/2023	£3,117,000
1B	Electrical Repairs & Maintenance	01/11/2019	31/10/2023	N/A	29/02/2024	£6,500,000
1C	Timber supplies to council owned properties	01/07/2019	31/12/2023	N/A	29/02/2024	£1,700,000
1D	Pitched and felt roof repairs to council owned properties	01/10/2021	30/09/2024	N/A	N/A	£3,600,000
1E	Hand tools, Ladders and Steps, Power Tools, Fixings, Drills and Consumables	01/08/2021	31/07/2025	N/A	N/A	£1,600,000

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

<b>Appendix 1A – Contract – Domestic Electrical Components</b>	
<b>Current Supplier:</b>	Collins Electrical Wholesale Limited
<b>Contract Value:</b>	£1,600,000
<b>Contract Duration:</b>	4 Years
<b>Proposed Extension:</b>	30/04/2023 – 30/11/2023 – 7 months
<b>Estimated maximum value of extension:</b>	£3,117,000.00
<b>Description and reason for extension:</b>	<p>The contract end date was missed initially due to long term staff absences and procurement commenced 14<sup>th</sup> April 2023 with tender returns due 26<sup>th</sup> May 2023.</p> <p>Tender returns were received from five suppliers, however, the pricing returns were not consistent and not suitable for evaluation.</p> <p>The pricing documents were re-issued with guidance to the suppliers and compliant returns were received on 3<sup>rd</sup> August 2023. Evaluation has taken place and the contract is ready to award.</p> <p>The request for extension is based on carrying out a compliant procurement process and ensuring we have the necessary approvals in place to cover the overspend against the previous total contract value. Time is allowed for standstill and issuing the contract notice prior to go live of the contract.</p>
<b>Alternative options and best value:</b>	<p>The summary report contains the options that have been considered in general to support the re-procurement activity.</p> <p>This contract is categorised as essential spend to continue delivering repairs and maintenance services to our council owned properties.</p> <p>This contract has been procured and we require approvals to cover the extension of term and the increased spend under the contract.</p>
<b>Risk and mitigation:</b>	<p>Consultation with the Interim Head of Corporate Procurement has been undertaken and the following advice is given.</p> <p>Public Contract Regulations 2015 Regulation 32(1) and (9) in conjunction with Regulation 26 (1) and (2), states that in the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication. The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic</p>

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

	<p>operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2). This ensures compliance with PCR2015.</p>
<b>Social value:</b>	<p>Social Value questions and Action Plans will be integrated into the quality questions and scoring mechanisms, driving outcomes in our four key areas of Social Value:</p> <ul style="list-style-type: none"><li>• Employment and Skills</li><li>• Schools and Colleges</li><li>• Environmental Impact</li><li>• Economic Benefit</li></ul> <p>While this contract may not be suitable for driving outcomes for Corporate Parenting, commitments will be expected from the chosen supplier(s) to engage in briefings and understand Sandwell MBC strategic aim for Corporate Parenting.</p>

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

<b>Appendix 1B – Contract – Electrical Services (Repairs and Maintenance)</b>	
<b>Current Supplier:</b>	Newey Electrical Limited C&S Electrical Limited
<b>Contract Value:</b>	£3,600,000
<b>Contract Duration:</b>	4 Years
<b>Proposed Extension:</b>	31/10/2023 to 29/02/2024 – 4 months
<b>Estimated maximum value of extension:</b>	£6,500,000
<b>Description and reason for extension:</b>	<p>The contract end date is 31<sup>st</sup> October 2023 and has been delayed due to availability of resources to review and update technical specifications to enable procurement to commence.</p> <p>The overspend against the original total contract value is due to legislative changes during the contract term, reducing statutory testing from 10 years down to 5 years, bringing more properties into scope for testing and inspection regime. This triggered an increase in remedial works to maintain compliance.</p> <p>Actual spend to 30/09/2023 is £5,300,483 with work in progress (WIP) totalling £612,391 to 31/01/2024, bringing a forecasted spend of £5,912,874, excluding emergency / reactive repair works delivered under the contract.</p> <p>Market engagement has been undertaken through a PCR2015 compliant framework with five contractors returning expressions of interest. Procurement will commence with a mini competition through the framework, reducing our time to market and ensuring a compliant route to market.</p> <p>The request for extension is based on carrying out a compliant procurement process and ensuring we have the necessary approvals in place to cover the overspend against the previous total contract value.</p>
<b>Alternative options and best value:</b>	<p>The summary report contains the options that have been considered in general to support the re-procurement activity.</p> <p>This contract is categorised as essential spend to continue delivering repairs and maintenance services to our council owned properties.</p>

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

	<p>Market engagement has been undertaken already and appointment of a supplier will be through a PCR2015 compliant framework and conducting a mini competition.</p>
<b>Risk and mitigation:</b>	<p>Consultation with the Interim Head of Corporate Procurement has been undertaken and the following advice is given.</p> <p>Public Contract Regulations 2015 Regulation 32(1) and (9) in conjunction with Regulation 26 (1) and (2), states that in the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication. The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2). This ensures compliance with PCR2015</p>
<b>Social value:</b>	<p>Social Value questions and Action Plans will be integrated into the quality questions and scoring mechanisms, driving outcomes in our four key areas of Social Value:</p> <ul style="list-style-type: none"><li>• Employment and Skills</li><li>• Schools and Colleges</li><li>• Environmental Impact</li><li>• Economic Benefit</li></ul> <p>While this contract may not be suitable for driving outcomes for Corporate Parenting, commitments will be expected from the chosen supplier(s) to engage in briefings and understand Sandwell MBC strategic aim for Corporate Parenting.</p>

## Appendix 1

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<b>Appendix 1C –</b> <b>Contract –</b> Timber supplies to council owned properties	
<b>Current Supplier:</b>	Arnold Laver (Timber World) Ltd BGN Boards Ltd Grafton Merchating Ltd
<b>Contract Value:</b>	£440,000
<b>Contract Duration:</b>	4 Years
<b>Proposed Extension:</b>	31/12/2023 to 29/02/2024 – 2 months
<b>Estimated maximum value of extension:</b>	£1,700,000
<b>Description and reason for extension:</b>	<p>The contract end date is 31<sup>st</sup> December 2023 and has been delayed due to availability of pre-contract procurement resource. This has now been resolved. All pre-contract documentation is being prepared with the target date for releasing the tender being 6<sup>th</sup> November 2023. This will mean tender returns are received pre-Christmas with evaluation taking place early January.</p> <p>The overspend against the total contract value is due to lack of financial monitoring over a period of time and PCR2015 was breached in April 2021.</p> <p>The request for extension is based on carrying out a compliant procurement process and ensuring we have the necessary approvals in place to cover the overspend against the previous total contract value.</p>
<b>Alternative options and best value:</b>	<p>The summary report contains the options that have been considered in general to support the re-procurement activity.</p> <p>This contract is categorised as essential spend to continue delivering repairs and maintenance services to our council owned properties.</p>
<b>Risk and mitigation:</b>	<p>Consultation with the Interim Head of Corporate Procurement has been undertaken and the following advice is given.</p> <p>Public Contract Regulations 2015 Regulation 32(1) and (9) in conjunction with Regulation 26 (1) and (2), states that in the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication. The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic</p>

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

	<p>operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2). This ensures compliance with PCR2015</p>
<b>Social value:</b>	<p>Social Value questions and Action Plans will be integrated into the quality questions and scoring mechanisms, driving outcomes in our four key areas of Social Value:</p> <ul style="list-style-type: none"><li>• Employment and Skills</li><li>• Schools and Colleges</li><li>• Environmental Impact</li><li>• Economic Benefit</li></ul> <p>While this contract may not be suitable for driving outcomes for Corporate Parenting, commitments will be expected from the chosen supplier(s) to engage in briefings and understand Sandwell MBC strategic aim for Corporate Parenting.</p>

## Appendix 1

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<b>Appendix 1D – Contract – Pitched and felt roof repairs to council owned properties</b>	
<b>Current Supplier:</b>	Hardyman Group Limited IJS Roofing
<b>Contract Value:</b>	£2,247,000
<b>Contract Duration:</b>	3 Years
<b>Proposed Extension:</b>	Existing term 01/10/2021 to 30/09/2024 – No extension of term requested.
<b>Estimated maximum value of extension:</b>	£3,600,000
<b>Description and reason for extension:</b>	<p>The contract delivers pitched, felt and sheet roofing repairs to council owned housing stock. The end date for the contract is 30<sup>th</sup> September 2024 and no extension to the term is being requested.</p> <p>The overspend against the total contract value is due to lack of financial monitoring over a period of time and PCR2015 has been breached in September 2023, with actual spend as of 30/09/23 reaching £2,403,000.</p> <p>There are known projects to be delivered totalling £167,000, and the run rate of the contract is expected to be £3.6m to 30/09/2024.</p> <p>Monthly spend and work in progress reporting has been implemented and will be monitored by the Commercial team and reviewed by Housing Management and HRA Finance in the Finance and Procurement meetings.</p> <p>The request for extension to the total contract value is to ensure compliance against PCR2015.</p>
<b>Alternative options and best value:</b>	<p>The summary report contains the options that have been considered in general to support the re-procurement activity.</p> <p>This contract is categorised as essential spend to continue delivering repairs and maintenance services to our council owned properties.</p>
<b>Risk and mitigation:</b>	Consultation with the Interim Head of Corporate Procurement has been undertaken and the following advice is given.

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

	<p>Public Contract Regulations 2015 Regulation 32(1) and (9) in conjunction with Regulation 26 (1) and (2), states that in the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication. The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2). This ensures compliance with PCR2015</p>
<b>Social value:</b>	<p>Social Value Action Plans are already featured in this contract and monitored through the contract review meetings.</p>

## Appendix 1

### Table and individual appendices – Contracts for Extension & Re-procurement

<b>Appendix 1E – Contract – Hand tools, Ladders and Steps, Power Tools, Fixings, Drills and Consumables</b>	
<b>Current Supplier:</b>	Jays Sourcing Group Corroy Limited
<b>Contract Value:</b>	£330,362
<b>Contract Duration:</b>	4 Years
<b>Proposed Extension:</b>	Existing term 01/08/2021 to 31/07/2025 – No extension of term requested.
<b>Estimated maximum value of extension:</b>	£1,600,000
<b>Description and reason for extension:</b>	<p>The contract is a stores contract and delivers a range of hand and power tools along with consumables to enable our DLO to carry out works on council owned properties. The end date for the contract is 31<sup>st</sup> July 2025 and no extension to the term is being requested.</p> <p>The overspend against the total contract value is due to lack of financial monitoring over a period of time and PCR2015 has been breached in September 2022, with actual spend at 30/09/23 reaching £678,170.</p> <p>As this is a supply only contract and is dependent on volume of works and a just in time supply chain arrangement, the current run rate is used to forecast expenditure through to the end date.</p> <p>Run rates have been calculated and the forecasted out-turn at 31/07/2025 is £1,600,000.</p> <p>Monthly spend reporting has been implemented and will be monitored by the Commercial team and reviewed by Housing Management and HRA Finance in the Finance and Procurement meetings.</p> <p>The request for extension to the total contract value is to ensure compliance against PCR2015.</p>
<b>Alternative options and best value:</b>	<p>The summary report contains the options that have been considered in general to support the re-procurement activity.</p> <p>This contract is categorised as essential spend to continue delivering repairs and maintenance services to our council owned properties.</p>

## Appendix 1

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<b>Risk and mitigation:</b>	<p>Consultation with the Interim Head of Corporate Procurement has been undertaken and the following advice is given.</p> <p>Public Contract Regulations 2015 Regulation 32(1) and (9) in conjunction with Regulation 26 (1) and (2), states that in the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication. The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2). This ensures compliance with PCR2015</p>
<b>Social value:</b>	<p>Social Value Action Plans are already featured in this contract and monitored through the contract review meetings.</p>