

Report to Cabinet

12 March 2025

Subject:	Housing Repairs and Maintenance Contracts 2025/26
Cabinet Member:	Cabinet Member for Housing and Sustainable Development Councillor Vicki Smith
Director:	Executive Director of Place Alan Lunt
Key Decision:	Yes Above £1m Threshold
Contact Officer:	Assistant Director Housing Asset Management & Improvement, Sarah Ager sarah_ager@sandwell.gov.uk Acting Head of Strategic Partnership Management, Andrew Fellows andrew_fellows@sandwell.gov.uk

1 Recommendations

For the reasons set out in the report, it is recommended that Cabinet:-

1.1 delegate authority to the Executive Director of Place, in consultation with the Executive Director of Finance and Transformation, to prepare tender documentation, conduct appropriate procurement processes and to award contracts in relation to the following as attached at Appendix 1, in accordance with the Public Contract Regulations 2015 and the Council's Procurement and Contract Procedure Rules, in relation to the Housing Revenue Account (HRA) Repairs and Maintenance service:

- Batched Repairs (Backlog).
- Bathroom, Shower, Wet Room and Flooring Replacement and Repair together with Associated Builders Work
- Asbestos Surveys, Sampling and Testing
- Asbestos Removal and Remedial Works
- Supply of Roofing Materials

- Supply of Vinyl Floor Tiles
- Supply of Home Adaptation Products
- Gas Safety inspections and Servicing
- Gas Third Party Audit inspections
- Supply of Tools, Fixings, Drill Bits, consumables and ladders and Step Ladders
- Up and Over Garage Doors
- Fresh water pipe repair and maintenance
- Supply of PVC AND UPVC Building Materials

1.2 delegate authority to the Executive Director of Place, in consultation with the Executive Director of Finance and Transformation, for the extension of three current contracts as attached at Appendix 1:

- Asbestos Surveys, Sampling and Testing
- Asbestos Removal and Remedial Works
- Fresh Water pipe repair and maintenance

1.3 delegate authority to the Assistant Director, Legal and Assurance to enter or execute under seal any documentation in relation to the award of the contracts.

2 Reasons for Recommendations

2.1 A review has been undertaken of the contracts that will need to be procured within the Housing Asset Management Service. The review has identified the requirement for thirteen revenue contracts relating to the delivery of the Repairs and Maintenance service for HRA housing stock, including three current contracts requiring extension.

2.2 The new contracts will be designed to improve delivery and include key elements to provide effective management of the contract performance over its term, as well as ensuring best value for tenants is achieved.

2.3 The Executive Director of Place will provide regular updates to the Portfolio Holder for Housing and Sustainable Development on progress of the application of this delegation.

3 How does this deliver objectives of the Council Plan?

Growing Up in Sandwell	It is essential Sandwell MBC keeps all its residential housing Stock in good condition and conforming to all current regulatory acts and legal requirements. This
------------------------	---

	<p>ensures all properties meet The Housing Regulation Act (2023) and current Consumer standards. All young persons living in Sandwell MBC provided accommodation should be assured that the accommodation is fit for purpose and adheres to current social housing regulation and legislation, the contracts requested for delegation in this report are fundamental to maintaining these standards.</p> <p>It is well known that a safe, warm, well-maintained home can have a direct impact on the wellbeing of a young person. It is our objective through the mentioned contracts to continue to supply and offer homes of the required set standards to make sure our young residents and children have a safe, well-maintained homes to be able to thrive in Sandwell.</p>
Living in Sandwell	<p>The delivery of specific contracts will support Sandwell’s approach towards reducing crime and anti-social behaviour levels and making communities a safer place to live and socialise by maintaining and improving the places and housing where people live.</p> <p>Sandwell MBC strives to provide distinctive towns and neighbourhoods that are successful centres of community life, leisure, and entertainment where people increasingly choose to bring up their families. The delivery of these contracts will deliver improvements to our housing stock and the surrounding areas in which they are located, to promote families choosing to move into and stay in Sandwell and being proud of the town and area in which they live.</p>
Thriving Economy in Sandwell	<p>The delivery of these contracts will support investing in businesses, people and jobs that will create wealth and tackle poverty. It will also actively promote Think Sandwell with the inclusion of apprenticeships and training opportunities within the contractual arrangements. Social Value will be included in all contracts and be monitored via effective contract management reviews with suppliers.</p>
Healthy in Sandwell	<p>To Maintain a Healthy Lifestyle, it is important the homes we live in help promote Health and wellbeing. The condition of a person’s home can impact the</p>

	health and mental health of a person, and it is Sandwell MBC's duty of care to provide adequate, safe, warm homes to help maintain a Healthy lifestyle. The contracts required form part of a wider holistic approach to people's health outcomes by providing good condition homes.
One Council One Team	Asset management and Improvements are one area of the wider Sandwell MBC team under the executive Directorate of Place and manage over 28,000 properties. The contracts allow for a more seamless journey to repairs of housing stock for employees and Customers. Allowing for an improved Customer journey. This strengthens the one Council one team approach.

4 Context and Key Issues

- 4.1 A review has been undertaken of the requirement for new and extended contracts within the Housing Asset Management service and it has been identified that there are multiple contracts due to expire in the financial year 2025-2026. The review also considered the current repairs backlog, and how this can be effectively addressed.
- 4.2 Twelve of the contracts are to replace existing contracts due to expire in the next twelve months, three Contracts will be extended to allow time for a comprehensive Procurement process to take place. The "Batched Repairs (Backlog)" contract is an additional contract to address the repairs backlog currently sitting at approximately nine thousand repairs. The "Batched Repairs (Backlog)" contract will be tendered and procured to carry out all outstanding routine repairs as of 31st October 2024. This contract will provide additional capacity to complete outstanding works and allow business as usual to deliver an effective service for repairs raised from November 2024 onwards.
- 4.3 A long-term strategy and improvement plan has been developed to provide efficiencies and ensure value for money with contracts and potential amalgamation where appropriate. The range of contracts that it is intended to renew / extend and procure is as follows.

Contract Description	Contract Length	Estimated Total Contract Value
Batched Repairs (Backlog)	12 Months (With extension of 12 months if required)	£6,000,000.
Bathroom, Shower, Wet Room and Flooring Replacement and Repair together with Associated Builders Work.	4 years	£2,100,000.
Asbestos Surveys, Sampling and Testing	4 years	£110,000.
(Extension) Asbestos Surveys, Sampling and Testing	6 Months	£20,000.
Asbestos Removal and Remedial Works	4 years	£825,000.
(Extension) Asbestos Removal and Remedial Works	6 Months	£96,000.
Supply of Roofing Materials	3 years	£245,000.
Supply of Vinyl Floor Tiles	4 years	£293,000
Supply of Home Adaptation Products	3 Years	£135,500
Gas Safety inspections and Servicing	4 years	£8,000,000
Gas Third Party Audit inspections	4 years	£115,000
Supply of Tools, Fixings, Drill Bits, consumables and ladders and Step Ladders	3 years	£1,115,000
Up and Over Garage Doors	3 years	£114,000
Fresh water pipe repair and maintenance	4 years	£340,500
(Extension) Fresh Water Pipe repair and Maintenance	6 months	£41,000.
Supply of PVC AND UPVC Building Materials	4 years	£102,000
TOTAL VALUE		£19,652,000.

The annual estimated contract value expenditure to be approved, as a result of the recommendations in this report is a total of £4,913,000. This will be funded from within existing HRA budget approvals.

- 4.4 The duration of the contracts and approximate values align with identified strategic service needs and provides the timeframe required to support the wider strategic reviews and current Housing Improvement plan as well as supporting the new regulatory requirements. The annual budget is aligned with the resources available in the HRA.
- 4.5 There are ongoing reviews on the repairs services to identify efficiencies and where practicable utilise more in-house resources. However, these contracts provide a specialism or supplies that cannot be brought in-house or cannot be aligned within the sufficient time frames required. Continued annual review of the HRA will ensure these contracts deliver the aims and objectives of the council and will provide an opportunity to make recommendations for adjustments to address new and emerging priorities and ensure the maintenance programme remains affordable for the duration of the contracts and improvement plans.
- 4.6 The repair and maintenance activities within continue to be reviewed regularly to respond to current and emerging priorities and will deliver our ambitions for housing by:
- Maintaining our existing stock to provide good-quality, safe and affordable homes and ensure support is given to those who need it.
 - Ensuring our properties are energy efficient and meet all current Consumer standards, regulatory requirements and recommendations.
 - Remodelling our properties to suit changing needs.
 - Protecting our residents and assets.
 - Make sure our current supplier and contractor portfolio aligns with our new Tenant Policies, Housing and Asset Management Improvement plan, current and where possible future Procurement acts and the Overall Council plan (Growing up in Sandwell, Living in Sandwell, Healthy in Sandwell, Thriving Economy in Sandwell and One Council One Team).

5 Alternative Options

- 5.1 Option 1 - not renew the expiring contracts or award a new contract for the Batched Repairs (Backlog). This will mean that 'ad hoc' arrangements will be required to maintain the councils housing stock to the required Decent Homes standard, Consumer Standards and Housing Act requirements. This could lead to dissatisfaction amongst tenants, disrepair, and potential sanction or further regulatory downgrading from the Regulator of Social Housing. This option is therefore dismissed.
- 5.2 Option 2 – Only utilise in-house provision. Current in-house provision does not have the capacity to maintain the pace of demand or significantly reduce the current backlog for delivering the required repairs to council properties or manage the peaks and troughs within the service with regards to day-to-day repairs and completely cover mandatory safety inspections. Therefore, support from external contractors is required to effectively and efficiently manage all the requirements of the service. Failure to procure the relevant contracts would impact on delivering the asset management, maintenance and improvement works required. This option is therefore dismissed.
- 5.3 Option 3 – Spot purchasing outside of a contract framework (essential supplies). For essential supplies only contracts, for example of roofing materials and flooring materials, the alternative of purchasing outside of a contractual arrangement will increase cost and not represent value for money. This option is therefore dismissed.

6 Implications

Resources:	<p>The proposed budgets for the identified contracts detailed above are a total of £19,652,000. Over the next 4 years covering the contracts that need to be procured and awarded to provide continued contractual coverage.</p> <p>The funding for 2025/26 can be met from within the approved HRA budget for repairs and maintenance, in accordance with the 30-year HRA Business Plan.</p>
-------------------	---

	<p>Due to the contracts being an ongoing requirement to provide the service, the budget is maintained at this level each year (with an appropriate annual inflationary increase) to ensure that essential works and services can be undertaken.</p> <p>Through planned mobilisation stages, effective regular contract reviews and engagement with the supplier market, coupled with spend monitoring, the council will consider variations to the original contract throughout its term to ensure that it remains value for money and achieves continuous improvement in service delivery.</p>
Legal and Governance:	The contracts will be procured and awarded in accordance with the Council's Procurement and Contract Procedure Rules and Public Contract Regulations 2015.
Risk:	Delays to approval may require mitigating actions to avoid risks occurring. There are reputational and legislative risks including legal challenges caused by levels of Housing Disrepair. A high-quality repairs and improvement service is a key element in the provision of good quality rented housing. Also, it is an essential element in achieving high levels of tenant satisfaction, improving the landlord and tenant relationship, and protecting health and safety.
Equality:	Services and associated works will be undertaken to all properties where required and identified, and as such an assessment has not been undertaken.
Health and Wellbeing:	The work will ensure that the council's housing stock remains fit for purpose and buildings remain in appropriate condition for all tenants. These contracts will enable the Asset Management and Maintenance Teams to quickly repair Sandwell MBC properties, helping towards better lifestyles through appropriate and well-maintained properties.
Social Value:	Social Value will be achieved through the inclusion of various schemes and initiatives evaluated during the procurement process, and these will be contained within the formal contracts with the successful

	<p>contractors and monitored throughout the term of the contract via effective contract management reviews. The plan will include contractual performance indicators such as work experience placements, apprenticeships in addition to school engagement, back to work schemes, free training, and community activities.</p> <p>Due to the nature of the works and the requirement for ongoing, fast paced turnarounds in completion of works it is imperative for most contracts that there is a supply of local workforce to meet the demands of a reactive repairs service. Helping with local employment opportunities through our contracted partners.</p> <p>The proposals contained in this report are entirely commensurate with the Council’s climate change priorities and will help to support:</p> <ul style="list-style-type: none"> • Reduced carbon and greenhouse gas emissions • A reduction in fuel poverty • Improved health and wellbeing • Inclusive economic growth – reduced fuel bills should allow more money to be spent locally
<p>Climate Change:</p>	<p>The measures in this report will help deliver improved energy-efficiency of homes which will reduce energy bills and help to address fuel poverty, allowing vulnerable residents to enjoy more comfortable lives.</p> <p>Through each Procurement selection process, and subsequent contract management reviews, evidence can be collated to support the Council’s climate change target to achieve carbon neutrality by 2041.</p>
<p>Corporate Parenting:</p>	<p>All contracts will include the appropriate level of safeguarding clauses and implementation of policies required. This will be reviewed during the mobilisations planning and during the contract management reviews to ensure it is kept as a high priority. Information sharing will also be carefully managed and continually reviewed.</p>

7. Appendices

Appendix 1 - Contract Descriptions, length and est. value

8. Background Papers

None.