

Information Briefing to District Committees – Council Housing Repairs & Gas Maintenance Contracts Re-procurement

Report from: Rob James
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Summary

This report briefs members on the process and issues relating to the procurement of new contracts for council housing repairs and maintenance and gas servicing maintenance and installations due in autumn 2015. The briefing covers:-

- Contracts and Procurement Overview
- Outline Timeline & Process
- How We Are Approaching the Task
- Key Considerations
- Your Views

This report is also available as a PowerPoint presentation.

Contracts and Procurement Overview

Existing service delivery arrangements are divided into North, Central and South areas and split between Repairs & Maintenance and Gas Servicing, Maintenance & Installation contracts. Procurement takes into account the following:-

- Covers all 6 contracts (currently 3 areas)
- All contracts expire September 2015
- Definitely includes:-
 - Responsive Repairs & Maintenance
 - Gas Servicing & Maintenance
- Current estimated value circa £60m p.a.
- Based on minimum 5 year length = total circa £0.3 billion contract value
- Could also include other items for example:-
 - Capital Improvement Programme (subject to CWM contract clauses)

Outline Timeline & Process

The project timeline has been developed to allow a minimum of 6 months for handover and mobilisation following new contract awards:-

- December 2013 Recommended Contracts Scope & Content
- January 2014 ~ Cabinet Approval
- February 2014 ~ Contract Notice (Ojeu) & Advert
- May 2014 ~ Tender Issued
- January 2015 ~ Complete Tender Analysis
- March 2015 ~ Cabinet Approval / Contract Award
- April – September 2015 ~ Contracts Mobilisation

How We Are Approaching the Task

The process will be driven using mostly in-house resources on a project team basis which coordinates tasks from specific service areas and ongoing dialogue throughout the process with appropriate groups:-

- Procurement Project Team includes:
 - Joint Lead Officers
 - Housing Transformation Officers
 - Corporate Procurement Services
 - Legal Services
 - Tenants / Stakeholders
 - Service Birmingham
 - External Critical Friend Support
- Ongoing Consultation:
 - Customers / Tenant Groups
 - Elected Members & District Committees
 - Housing Transformation Board
 - Asset Management Officers
 - Landlord Services Officers
 - Legal Services / Corporate Procurement
 - Existing Contractors
 - Critical Friends / Other (including potential) Stakeholders

Key Considerations

A number of key issues and factors are under review and consideration as part of the procurement process:-

- Current Contracts Effectiveness Reviews:
 - Pricing Models
 - Service to Customers
 - Quality & Satisfaction

- Social Value (& Business Charter)
- Performance & Targets
- Cost & VFM
- Contract Content
- Benchmarking & Market Testing:
 - Service Models, Costs, Pricing Structures, KPIs, Contract Content, Service Standards etc ~
 - Other Local Authorities
 - Other Social Housing Providers
 - Private Sector Counterparts inc' property maintenance
 - Assess Potential Market & Players ~
 - Size & Service Capacity
 - Capability / Experience
 - Track Record / Reputation
- Contract Content Options Including:
 - Specific - Repairs, Gas & Capital Improvement
 - Combined - Repairs & Gas Maintenance
 - Total Property Maintenance (Repairs/Gas/Improvement)
 - Call Centre Provision
- Contract Area Options Include:
 - City Wide (1)
 - As per current District groupings (3)
 - Quadrants (4)
Note this introduces significant variance & a smaller area (North) of 8,500 properties which could attract a new market
 - New District groupings (to even out property numbers)
 - District Based (10)
- Tender & Contract Structure Development:
 - Evaluation Criteria & Scoring e.g. ~
 - Quality
 - Cost
 - Social Value & Sustainability
 - Pricing Mechanisms
 - Service Standards & KPI's
 - Tenant & Stakeholder Input
 - Contract Duration

Your Input

Input from today's meeting will be taken back to Procurement Project Team. Further comments, observations or concerns can also be fed into the process through the procurement lead officers as per the contact officer details below.

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