

<b>Report to</b>	Cabinet
<b>Date of meeting</b>	20 <sup>th</sup> February 2024
<b>Lead Member / Officer</b>	Councillor Rhys Thomas - Lead Member for Housing & Communities/ Mark Cassidy – Lead Officer for Housing Property
<b>Head of Service</b>	Liz Grieve, Head of Housing & Communities Service
<b>Report author</b>	Mark Cassidy – Lead Officer for Housing Property
<b>Title</b>	Council Housing Voids Refurbishment Framework

## **1. What is the report about?**

- 1.1. The re-tendering of Denbighshire County Council's Community Housing Voids Framework.

## **2. What is the reason for making this report?**

- 2.1. To seek Cabinet approval for the re-tendering of the Framework

## **3. What are the Recommendations?**

- 3.1. That the Committee confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1) as part of its consideration.
- 3.2. That Cabinet approves the re-tendering of the Framework

## **4. Report details**

- 4.1. The Council's Housing Service manages and maintains circa 3,480 tenanted properties. Tenant movement results in approximately 250 properties becoming void annually (empty while new tenants are allocated).
- 4.2. The Council takes this opportunity to refurbish the units to the new lettable standard resulting in expenditure in excess of £4M Million p/a.

- 4.3. A Housing Voids Framework minimises costs and time in respect of undertaking works on void housing units, minimising spend from the Housing Revenue Account while maintaining the high standards that have been established by Denbighshire set in terms of quality housing for the Council's housing tenants.
- 4.4. The current, first, Voids Framework was authorised by Cabinet in 2018.
- 4.5. The current Framework has proved that, by having nominated local contractors working with Denbighshire over the lifetime of the Framework, an improved service is delivered, in terms of quality and value.
- 4.6. With the contractors being local, the monies stay in Denbighshire, and with them being local, we have fast turn around times for remedial works and also for tendering of new void works.
- 4.7. In 2017 Denbighshire Housing made a strategic decision to offer an improved void standards to our tenants. This commitment is under constant review, to ensure value for money. The standard will be revised in line with the new mandated Welsh Housing Quality Standards 2023, known as WHQS 2023.
- 4.8. The first Voids Framework was launched in response to the identified need to improve the procurement of voids works. The first framework has delivered improvements and the next iteration of the framework is designed to continue the improvements.
- 4.9. Value and Scope of the Programme: The anticipated value of the programme is up to £16million over four (2+1+1) years, refurbishing circa 250 council homes per year.
- 4.10. Process Overview: The tender will be split into 4 Lots according to value of projects. Lots 1 & 2 lower value (Up to £8000 per contract) with a geographical County split of North and South (of the A55). Similarly Lots 3 & 4 used the same split for higher value (£8000-£50,000 per contract).
- 4.11. An Open (1 stage) procurement procedure will be utilised. This approach removes potential barriers for local SME's to compete with the larger national companies. This has proved extremely successful with the current Framework
- 4.12. The quality/price weighting for all lots will be 60/40.

4.13. A maximum of 4 contractors is set for the lower value Lot award and a maximum of 5 contractors will be set for each higher value Lot award.

4.14. Subject to Cabinet decision, The OJEU notice will be published in May 2024.

## **5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?**

5.1. The renewed Framework will support priorities within the current 2022 to 2027 Corporate Plan in terms of:

5.2. A Denbighshire of quality housing that meets people's needs. We will be providing homes that meet our tenant's needs and also complying with WHQS 2023.

5.3. A Prosperous Denbighshire. One of the core principals of this Framework will be to make it accessible to Denbighshire based SMEs and Community Benefits will see work experience and apprenticeship opportunities being made to residents.

5.4. A Greener Denbighshire. As part of this Framework and with additional Retrofit capital programmes, we will reduce be reducing the carbon footprint of our homes, whilst providing affordable warmth for our tenants.

## **6. What will it cost and how will it affect other services?**

6.1. The maintenance and refurbishment Framework is valued at £16 million over the life of the Framework, 4 years. (2+1+1).

6.2. Framework management and execution will be met through the existing arrangements and no additional funding will be required for this.

6.3. Legal and Procurement advice continues to be necessary to ensure that the new Framework adheres to new procurement policy and legislation.

## **7. What are the main conclusions of the Well-being Impact Assessment?**

7.1. The WBIA awarded the Framework 30/36 points with a three star rating.

7.2. The Framework will have an overall positive impact on future generations within Denbighshire due to:

- Improved condition of council housing stock
- Opportunities for local contractors to carry out the works
- Business for the local supply chains for building materials
- Community benefits to include apprentice opportunities

7.3. The Wellbeing Impact Assessment is attached at Appendix 1.

## **8. What consultations have been carried out with Scrutiny and others?**

- 8.1. We have been in discussion with the procurement team concerning the best vehicle for voids works and a repeat of the original Framework is deemed the most suitable fit.
- 8.2. Consultation has been carried out with contractors currently used for Void refurbishment works. All have expressed an interest in being included on the Framework.

## **9. Chief Finance Officer Statement**

- 9.1. The report seeks Cabinet approval to tender the Housing Voids Framework which will ensure when a council house becomes vacant it will be refurbished to WHQS 2023. Having the framework in place ensures compliance with public procurement regulations, and that works are completed in a timely manner at competitive costs. All of which benefits the Housing Revenue Account which funds these types of activity.

## **10. What risks are there and is there anything we can do to reduce them?**

- 10.1. Legal challenge in relation to the procurement process – managed by the input of specialist legal and pricing advice in terms of the process and drawing up the required documentation;
- 10.2. Contractor performance is poor – regular monitoring of KPI's within the contract will ensure sanctions are available to the Council to address poor performance
- 10.3. Contractors withdraw from the Framework/go into liquidation – the remaining contractors on the relevant Lot should be able to manage the workload in the short term until another contractor is appointed.

## **11. Power to make the decision**

11.1 The power to make decision is contained in S2 Local Government Act 2000, S111 Local Government Act 1972, Regulation 33 Public Contracts Regulations 2015.