

Subject:	Procurement of contract for the Servicing, maintenance and installation of Door Entry Systems and CCTV in Council Housing		
Date of Meeting:	17 November 2021		
Report of:	Executive Director Housing Neighbourhoods and Communities		
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The report outlines the required services for servicing, maintenance and installation of door entry systems and CCTV in council housing and seeks delegated authority to the Executive Director for Housing Neighbourhoods and Communities to procure and award a contract for these services.
- 1.2 The estimated value of the works outlined in 1.1 and referred to in the recommendations below is £2.85M over 5 years.

2. RECOMMENDATIONS:

- 2.1 That Housing Committee delegate authority to the Executive Director for Housing Neighbourhoods and Communities to:
- (i) Procure and award contracts for Door Entry and CCTV systems services described below for a term of 3 years.
 - (ii) Approve an extension(s) to this contract for a period of up to two years following the initial three year term, subject to satisfactory performance by the provider.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Across the housing stock there are 744 Door Entry Systems (DES) serving 6342 homes, and 72 CCTV systems serviced and maintained through the existing contract. The current contract has provided for the servicing, repair, maintenance and installation of DES across housing sites since January 2015. The contract with the incumbent provider ends on the 4th January 2023 following the second 2-year extension to the contract allowed within the provisions. Since 2015, we've completed replacement or major modernisation works on 291 DES across the city.

- 3.2 The average value of the servicing and maintenance of our existing DES & CCTV is approximately £170,000 per annum. This covers planned maintenance and reactive repairs. Over the period of the existing contract the annual cost of repairs and maintenance has gradually declined as new systems have been installed at more sites.
- 3.3 There are 453 DES across the city that have not been replaced or modernised through the current contract. A draft outline programme of planned DES replacements/modernisation has been drawn up based on the expected 'life expectancy' of these systems. The upgrade programme is estimated to have a value up to £2million, with approximately 250 systems needing replacement over the 5 years of the proposed contract term (including extension). This service therefore must be procured under the Public Contracts Regulations 2015.
- 3.4 The programme of planned replacements/modernisations in the new contract will be refined and monitored on an ongoing basis to ensure prioritisation of those DES most in need of upgrade. The programme is monitored through the Council's own Mechanical & Electrical engineer and is based on age, availability of parts and history of breakdowns and repair. The aim is to have a proactive programme to try and avoid a DES having to be deactivated for long periods of time due to unreliability/failure.
- 3.5 Where a DES is identified for replacement, specific consultation will be carried out with tenants and leaseholders in the affected block at the appropriate time. This includes writing to all residents informing of the planned works and inviting their feedback.
- 3.6 CCTV – There is currently no planned programme for the installation of new CCTV systems for the proposed contract term, however it is anticipated that there may be requests for installation or upgrade of 2-3 new systems each year during the contract in response to requests from tenancy management teams responding to resident's security or anti-social behaviour concerns.
- 3.7 Consideration has been given to separating the different elements of the existing contract. In the following ways;
- Separating the CCTV and DES into two separate contracts
 - The servicing and maintenance elements in one contract and a separate contract for upgrades/installations
- 3.8 CCTV and DES works are commonly provided by one provider/specialist contractor. The value of the CCTV element is significantly lower than DES, so including the two services together in one contract lowers costs and increases efficiency in terms of contract management for the Council, and is likely to lead to lower costs from providers bidding for this contract, as they can provide a responsive repairs service for both elements as opposed to having separate providers for each.
- 3.9 The preferred option is to tender all works within one contract. The Council's experience indicates that better reliability and operation is achieved when the

provider responsible for the installation of a system is also responsible for the ongoing servicing and maintenance.

- 3.10 The current contract is managed by a dedicated Council officer and the performance monitored against a set of agreed Key Performance Indicators, including response times, first time fix and time to complete repairs. The dedicated contract management includes regular contract meetings and joint site visits to plan, inspect and sign off works.
- 3.11 Under a new contract, as with current practice, any new installation or upgrade of a DES or CCTV system would be specified by the Council and quoted by the provider which would be scrutinised by the Council's own engineer prior to approval and works being authorised.
- 3.12 The procurement of a new contract was discussed at Procurement Advisory Board (PAB) on the 18th October, the Board are supportive of the approach proposed to Housing Committee. Discussion at PAB focussed on whether delegated authority should be given to the Executive Director to approve the 2 year extension proposed or whether this should be referred back to Committee. The Board also gave feedback regarding the social value and sustainability elements and requested that these elements had greater detail in the report and possible weighting in the evaluation of bids, reflected below.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 DES and CCTV servicing, maintenance, repairs and installation is a highly technical and specialist area of work for which we do not have the skills and experience, beyond the contract management function, to deliver in-house.
- 4.2 Repairs and maintenance of these systems requires specialist supply chains that the Council does not have access to and may not have the resource and buying power of a specialist contractor. This presents significant risks to the ability to complete repairs quickly and therefore provide a good value for money service to residents.
- 4.3 When it was agreed that the Housing Repairs and Maintenance service would be 'brought in-house' at the end of the contract with Mears, it was noted at that time that some specialist works would continue to be delivered by specialist providers, such as the case here.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Appropriate engagement and consultation with residents including leaseholders will be carried out throughout the contract procurement exercise.
- 5.2 All planned modernisation works for Door Entry Systems include extensive consultation with all residents, including writing to residents with details of the planned works and providing a 'Frequently Asked Questions' document. The appropriate leaseholder consultation takes place on projects as required.

6. CONCLUSION

- 6.1 The servicing, maintenance and installation of these systems are essential to maintain both security and access for residents (and their visitors) in communal buildings. A proactive approach to servicing reduces the number of repairs and assists in the identification of systems that may require remedial works or replacement at an early stage.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The servicing, repair and maintenance costs are expected to be similar to those in previous years. The current HRA revenue budget is £0.180m, with a small underspend anticipated based on spend to date.
- 7.2 The installation costs in respect of HRA Door Entry systems and CCTV is met from within the approved HRA capital programme. The current capital budget is £0.440m and it is anticipated that budget/spend will remain at these levels throughout the contract period and this will be reflected in the upcoming 3-year HRA capital budget report.

Finance Officer Consulted: Name Michael Bentley Date: 17/09/2021

Legal Implications:

- 7.3 The council's Contract Standing Orders require that authority to enter a contract valued at £500,000 or more be obtained from the relevant service committee prior to commencing any procurement activity. All CCTV and Door Entry Systems need to be operated with due regard to individuals' privacy rights and the Information Commissioners CCTV Code of Practice.

Lawyer Consulted: Name Liz Woodley Date: 20/10/2021

Equalities Implications:

- 7.4 An Equalities Impact assessment is in place and reviewed for all modernisation and installation projects. The recommendations from this will form part of project planning with the contractor.
- 7.5 Residents with complex health issues and disabilities who rely on home care services or informal support require a functioning door entry system to give access to carers as required.

Sustainability Implications:

- 7.6 Sustainability outcomes will form part of the evaluation of bids for the contract, forming 10% of the total quality score. This will include how contractors intend to reduce their own carbon emissions and what support they can provide to the council in its ambition to be carbon neutral by 2030.
- 7.7 Where possible reuse of material and modernisation of key components, in place of full replacements, will be considered where appropriate to support the Council's ambitions regarding creating a circular economy by reducing waste. Where a full upgrade is carried out any useable components will be retained for reuse in repairs of other systems.
- 7.8 Sustainability outcomes will be incorporated into the contract as a Key Performance Indicator.
- 7.9 Social value and community wealth benefits are a priority and therefore require significant consideration when being incorporated into the tender requirements. These will form part of the evaluation of bids for the contract in line with the council's Social Value Framework and will form at least 10% of the total quality score.
- 7.10 These could include seeking the use of apprenticeships for local residents through the contract or encouraging the use of local labour and/or supply chains. The specialist nature of this contract and the proposed route to market (open procedure) suggests that most of the specialist providers expected to submit bids for the contract are likely to be based locally, therefore the above objectives should be more practical to achieve.
- 7.11 The appointment of a local provider with directly employed staff is desired for this contract, and this would create significant social benefit - as would keeping as much of the supply chain local as is reasonably practical.
- 7.12 The Council would encourage the provider who is selected to deliver the contract to employ a workforce who is representative of Brighton and Hove's diverse community.
- 7.13 During the tender stage of the procurement process, potential bidders will be evaluated on how they will incorporate the Council's social value and community wealth objectives into delivering this contract. They will also be asked to demonstrate how they have delivered social value and community wealth benefits on previous projects to demonstrate their ability to deliver the commitments to the Council.
- 7.14 Furthermore, as part of the tender process, potential bidders will be given the opportunity to propose how they will demonstrate additional innovation in terms of contributing to social value and community wealth.

Brexit Implications:

- 7.15 There are no direct known impacts associated with Brexit.

Any Other Significant Implications:

Crime & Disorder Implications:

- 7.5 Door Entry Systems support the security of communal blocks and control the locking mechanism of main entrance doors. Servicing and maintaining systems effectively is important to ensure this aspect of the building security and allow residents control over who they allow in to communal areas.
- 7.6 The provision of CCTV can be a deterrent for crime and anti-social behaviour in some areas of the city and can give reassurance to residents about their own safety in these areas.

Risk and Opportunity Management Implications:

- 7.6 The main risk associated with the procurement activity is that we are unable to mobilise a new contract within the time set aside for the activity however based on the current timeline sufficient time is available. If there are unexpected delays, we would review options of a waiver for a short-term extension to the current contract to maintain servicing and repair of DES.

Public Health Implications:

- 7.7 As above a door entry system supports residents requiring care at home, this supports independence and wellbeing.

SUPPORTING DOCUMENTATION

Appendices:

none

Background Documents

none