

<b>Subject:</b>	<b>Procurement of Housing Services Fire Alarm System Servicing, Maintenance, Design and Installation</b>		
<b>Date of Meeting:</b>	<b>13 June 2018</b>		
<b>Report of:</b>	<b>Executive Director Neighbourhoods, Communities &amp; Housing</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Miles Davidson</b>	<b>Tel: 01273 293150</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

## **FOR GENERAL RELEASE**

### **1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Authorisation is sought from Housing and New Homes Committee regarding the recommendations in section 2 for the approval of a contract for fire alarm servicing, maintenance, design and installation across the Council's social housing properties to ensure the safety of the tenants and leaseholders in relation to fire safety.

### **2. RECOMMENDATIONS:**

That the Committee:

- 2.1 Grants delegated authority to the Executive Director for Neighbourhoods, Communities and Housing to take all steps necessary to:
- (i) Procure and award a contract for the fire alarm servicing, maintenance, design and installation across Council housing properties for a term of three years;
  - (ii) Approve an extension(s) to the contract referred to in 2.1(i) above 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 As a Landlord, the Council has a legal responsibility under the Regulatory Reform (Fire Safety) Order 2005 to take such general fire precautions as may be reasonably required to ensure that the premises are safe. It is an offence to fail to comply with that duty where the failure puts one or more relevant persons, such as tenants, leaseholders and employees at risk of death or serious injury in case of fire. Upon conviction for such an offence, an unlimited fine may be imposed.

- 3.2 The current contract, which commenced on 05 January 2015, with the incumbent contractor Allied Protection Ltd. ends on 4 January 2019, with an option to extend for a further 2+2 years. Although we are satisfied with the current contractor's performance for revenue maintenance works, the current contract does not cover capital works. This means capital projects have to be procured separately which restricts our ability to effectively plan a programme of works in an efficient manner. Whilst we could extend the existing contract and procure a long term agreement separately for capital works, re-procuring a contract for both revenue and capital works is likely to lead to a more streamlined contract management approach and greater value for money due to the specialist and localised nature of the work.
- 3.3 The new contractor will be required to service, maintain, design and install fire alarm equipment in accordance with British Standard 5839. As a landlord we currently have 170 fire alarm systems made up of 22 systems in sheltered blocks, with the remainder in general housing. The same levels of monitoring and reporting will be carried over to the new contract with a set of robust key performance indicators to monitor performance.
- 3.4 Relevant findings and recommendations, in relation to fire alarm systems, following the Grenfell tragedy enquiry will be monitored to ensure any relevant good practice or changes to regulations are reflected in future work in this area.
- 3.5 The average value of this contract is likely to be £240,000 per annum, totalling £1,200,000 across the five year contract. This contract therefore must be procured in accordance with the provisions of the Public Contracts Regulations 2015.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 Collaborative opportunities with Orbis Partners are not being considered at this time as no housing stock is owned by East Sussex County Council, or Surrey County Council.
- 4.2 The Council has considered whether it would be beneficial to package this work with the forthcoming arrangements for repairs, planned works and major capital works for which delivery options are currently being considered. Through work with the Council's procurement team it has been identified that fire alarm servicing, maintenance and installation would likely be delivered by a specialist contractor so any inclusion as a package within a building works contract or through direct delivery would likely necessitate a further sub-contractor appointment to deliver the works. As this is the case it is recommended that the Council procure this work as a stand alone package in line with other compliance focussed mechanical and electrical contracts.
- 4.3 Five frameworks have been identified as potentially suitable for call off by the Council and therefore a stand alone tender is deemed an unnecessary use of resource. Officers plan to procure the new contract under an existing framework and analysis of the most appropriate framework to call-off to ensure value for money is underway.

## 5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The proposed procurement of a new contract will be discussed at the Tenants Home Group meeting and relevant feedback will be incorporated into the procurement activity where appropriate.
- 5.2 We are working closely with external legal advisors on the appropriate leasehold consultation process. The current advice is that we will be following Schedule 2 of Section 20 (the consultation requirements), which relates to a qualifying long-term agreement where public notice is required and requires a two stage consultation process.

## 6. CONCLUSION

- 6.1 It is recommended that the committee approve the recommendations set out in section 2 in order to comply with the Council's legal obligations as a Landlord and to ensure the safety of the tenants and leaseholders in regards to fire safety.
- 6.2 It is proposed that Corporate Procurement will support the contract management officer with this procurement to ensure that the Public Contracts Regulations 2015 are adhered to and a value for money contract is awarded.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 The average value of this contract is likely to be £0.240m per annum. The cost of this contract will be met from current HRA budget resources for 2018/19 and beyond.

*Finance Officer Consulted: Name Michael Bentley Date: 15/05/18*

### Legal Implications:

- 7.2 In accordance with Part 4 of the Council's constitution, Housing & New Homes Committee is the appropriate decision making body in respect of the recommendations set out in paragraph 2 above. In addition, in order to comply with Contract Standing Order ('CSO') 3.1, authority to enter into contracts in excess of £500,000 must be obtained from the relevant committee.
- 7.3 The estimated total value of the contract is £1.2 million and the procurement of the contract is therefore governed by the Public Contracts Regulations 2015 (PCR 2015). An appropriate framework agreement will be identified in accordance with CSO 7. The procurement of contracts through framework agreements must comply with all relevant public procurement legislation as well as the Council's CSOs. As the contract will have a value of over £250,000, it must be executed as a deed using the Common Seal of the council in accordance with CSO 14.7(i).

*Lawyer Consulted:*

*Name: Wendy McRae-Smith Date:14/5/18*

Equalities Implications:

- 7.4 An Equality Impact Assessment has not been carried out as it is anticipated that an award under an existing framework will take place. Under all the frameworks the supplier must comply with the Equality Act 2010 on the basis that the supplier is providing services and exercising public functions under that Act.

Sustainability Implications:

- 7.5 None

Any Other Significant Implications:

- 7.6 Provision, servicing and maintenance of fire alarm systems is a key function of our landlord duties in ensuring the safety of residents.

**SUPPORTING DOCUMENTATION**

**Appendices:**

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None