



Meeting	Cabinet Committee: Housing
Date and Time	Monday, 31st October, 2022 at 10.00 am.
Venue	Walton Suite, Winchester Guildhall

Note: *This meeting is being held in person at the location specified above. In line with relevant legislation and public health guidance the following arrangements apply. Members of the public should note that a live audio feed of the meeting will be available from the council's website (www.winchester.gov.uk) and the video recording will be publicly available on the council's YouTube channel shortly after the meeting.*

For members of the public who are unable to utilise this facility, a limited number of seats will be made available at the above named location however attendance must be notified to the council at least 3 clear working days before the meeting. Please note that priority will be given to those wishing to attend and address the meeting over those wishing to attend and observe.

AGENDA

PROCEDURAL ITEMS

- 1. Apologies**
To record the names of apologies given.
- 2. Disclosure of Interests**
To receive any disclosure of interests from Members and Officers in matters to be discussed.
Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.
- 3. To note any request from Councillors to make representations on an agenda item.**
- 4. Public participation**
NB members of the public are required to register with Democratic Services three clear working days before the meeting (contact: democracy@winchester.gov.uk or 01962 848 264).



Members of the public and visiting councillors may speak at this meeting, provided they have registered to speak three working days in advance. Please contact Democratic Services by 5pm on Tuesday 25 October 2022 via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

BUSINESS ITEMS

5. **New Homes Programme Update (presentation - to follow)**
6. **New Homes Scheme - Final Business Case - Southbrook Cottages, Micheldever (less exempt appendices) - CAB3364(H) (Pages 5 - 22)**
Key decision
7. **Tenancy Sustainment - Assist Fund Programme (presentation - to follow)**
8. **Housing Services Cleaning Procurement - CAB3359(H) (Pages 23 - 44)**
Key decision
9. **EXEMPT BUSINESS:**
To consider whether in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
 - (i) To pass a resolution that the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100 (I) and Schedule 12A to the Local Government Act 1972.
10. **New Homes Scheme - Final Business Case - Southbrook Cottages, Micheldever (exempt appendices) (Pages 45 - 58)**

Laura Taylor
Chief Executive

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provide a number of copies of the agenda front sheet at the meeting which contains the QR Code opposite. Scanning this code enables members of the public to easily access all of the meeting papers on their own electronic device. Please hold your device's camera or QR code App over the QR Code so that it's clearly visible within your screen and you will be redirected to the agenda pack.

21 October 2022

Agenda Contact: Nancy Graham, Senior Democratic Services Officer Email: ngraham@winchester.gov.uk or phone 01962 848 235

MEMBERSHIP

Cabinet Committee: Housing

Cabinet Member for Community & Housing (Chairperson) – Councillor Ferguson, Cabinet Member for Finance & Value (Councillor Power) and Cabinet Member for Service Quality (Councillor Gordon-Smith)

Non-voting invited councillors: Councillors Clear, Batho, Horrill and Scott (Deputy: Miller)

Non voting TACT representatives: David Light and David Chafe (Deputy - Lyn Mellish)

In the event of any member of Cabinet not being available for a meeting of the Cabinet Committee another member of Cabinet may deputise where no conflict arises.

Quorum = 2 voting members

TERMS OF REFERENCE

Cabinet Committee: Housing – Included within the Council's Constitution (Part 3, Section 2)

Public Participation at meetings

Representations will be limited to a maximum of 3 minutes, subject to a maximum 15 minutes set aside for all questions and answers.

To reserve your place to speak, you are asked to **register with Democratic Services three clear working days prior to the meeting** – please see public participation agenda item below for further details. People will be invited to speak in the order that they have registered, subject to the maximum time period allowed for speaking not being exceeded. Public Participation is at the Chairperson's discretion.

Filming and Broadcast Notification

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Disabled Access

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REPORT TITLE: NEW HOMES SCHEME - FINAL BUSINESS CASE -
SOUTHBROOK COTTAGES, MICHELDEVER

31 OCTOBER 2022

REPORT OF CABINET MEMBER: Cllr Paula Ferguson, Deputy Leader and Cabinet
Member for Community and Housing

Contact Officer: Deborah Sunley Tel No: 01962 848248 Email
dsunley@winchester.gov.uk

WARD(S): SOUTH WONSTON AND MICHELDEVER

PURPOSE

This report sets out the progress and the outcome of the tender process to build 6 new council homes at Southbrook Cottages, Micheldever. It seeks authorisation to proceed with the scheme and to enter into a JCT Intermediate Contract with Contractor's Design 2016, Edition (ICD 2016) with the preferred bidder, subject to clarifications. It also seeks authorisation for the approval of additional capital expenditure of £719k from the approved budget to proceed, which is required because of significant cost increases and inflationary pressures

The scheme proposed at Southbrook Cottages for six new homes is an exemplar scheme and will provide the highest standard of energy efficiency of any new homes scheme the council has built. Each new home will have extremely low energy consumption, be carbon neutral and contribute towards the council's target for the Winchester district to be carbon neutral by 2030. The scheme will also allow the council to evaluate the benefits of building similar schemes in the future, through the analysis of the challenges of construction, the on-going repair and maintenance costs and the impact on tenants in terms of reduced energy and water consumption, reduction in bills and quality of life.

In December 2020, the Council approved the Outline Business Case for the development of 6 flats at Southbrook Cottages, Micheldever, to submit a planning application and to tender the construction of 6 properties using a single stage traditional contract.

The Outline Business Case confirmed that a Final Business Case report would be brought to Members after the tenders were evaluated to agree whether to proceed

and to award and enter into a construction contract with the preferred bidder.

The report recommends that the Tender is accepted and that the council moves forward with the scheme, for the provision of 6 new homes built to Passivhaus Plus standard, as this will contribute both to council's commitment to provide 1000 new homes in the period 2021-30 and to the council's carbon neutrality targets.

Additionally, the report sets out the consultation process for the appropriation of the land under the S122(2A) of the Local Government act 1972 and seeks authorisation to appropriate this land to create additional offsite parking on Southbrook Cottages for existing local residents.

RECOMMENDATIONS:

1. That the Corporate Head of Asset Management be authorised to award and enter into a JCT Intermediate Building Contract with Contractor's Design, 2016 Edition (ICD 2016) to construct 6 properties at Southbrook Cottages, Micheldever for the sum as detailed in Exempt Appendix 2 with Ascia Construction Ltd.
2. That an additional increase in the current capital budget and expenditure of £719,000 be vired from the Unallocated New Build budget of £3m be authorised, to bring the approved budget and expenditure up to the amount required of £1,990,513.
3. That the Corporate Head of Asset Management (CHAM) be authorised to negotiate and agree terms for easements, wayleaves and related agreements with utility suppliers, telecom/media providers and neighbours and relevant associated legal agreements in order to facilitate the development.
4. That the appropriation of open space be approved following the consultation exercise undertaken in May 2022 in accordance with the requirements of Section 122 (2A) of the Local Government Act 1972 (as amended) and the appropriation of the land for planning purposes in order to create additional parking at Southbrook Cottages for local residents.
5. That the CHAM be authorised to agree and arrange for a scheme to mitigate nutrients in perpetuity as required in order to discharge the relevant planning condition either on sites owned by the council, and/or the purchase of nutrient credits from a 3rd party prior to the occupation of the new homes located at the Southbrook Cottages site.
6. That the virement of £85,000 from the Estate Improvement budget be approved for the construction of the offsite additional car parking at Southbrook Cottages.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Tackling the Climate Emergency and Creating a Greener District
- 1.2 By providing housing to Passivhaus Plus standards, these proposals support the council's climate emergency priorities for Winchester City Council to be carbon neutral by 2024 and that the Winchester District be carbon neutral by 2030.
- 1.3 All the new homes will meet the Passivhaus Plus standard. Passivhaus is a low energy building standard which requires the fabric of the building to be extremely efficient and air tight. This reduces the heating requirement and carbon emissions and minimises over-heating as the climate heats up. Building to Passivhaus standards produces healthy homes which are affordable to run with lower energy bills and which are resilient to extreme climate events. Further details of the environmental design specification are set out in section 7.
- 1.4 Homes for all
- 1.5 The accommodation proposed at Southbrook Cottages will be let at an affordable rent and will aim to increase the proportion of young people working and living in the district. In addition, the proposals are consistent with the council's commitment that all homes are energy efficient and affordable to run.
- 1.6 This reflects the 'Homes for All' priority, enabling more young people to live in the district and encourage diverse, healthy and cohesive communities
- 1.7 Vibrant Local Economy
- 1.8 Homes for younger, working people helps to support the local economy by enabling employees of local businesses to live in the Winchester District
- 1.9 Living Well
- 1.10 Tackling the climate emergency and creating a greener district is a council plan priority.

- 1.11 The Passivhaus standard produces healthy, comfortable homes, resilient to extreme climate events and overheating.
- 1.12 Your Services, Your Voice
- 1.13 The proposals reflects the local demand for affordable housing. The offsite parking proposals reflect the views of the local residents and the local Parish Council following community consultation.

2 FINANCIAL IMPLICATIONS

- 2.1 The full Financial implications are detailed in **Exempt Appendix 2**, however in summary the following points are made,
- 2.2 The original scheme budget approved in the HRA Capital Programme in February 2022 was £1.066m and later revised to £1.272m. If the recommended tender is accepted the total scheme cost will now be £1.99m. The significant increase in the cost of the scheme is due to the unprecedented increase in materials costs, labour shortages and the contractor pricing given the risk of further inflationary increases.
- 2.3 The scheme will require an additional allocation of expenditure and budget of £719k, which will be vired from the HRA Capital Programme Unallocated Sites budget of £3m.
- 2.4 The expenditure can be contained within the HRA Business Plan for 2022-23 to 2051-52.
- 2.5 The scheme does not now pass the council's viability criteria (details in Exempt Appendix 1) however it is recommended that the project proceeds on the basis that,
 - a) It is an exemplar pilot project built to the highest energy saving standards that will demonstrate where the council should be investing its capital to obtain the maximum benefit for occupants as well as meeting the net zero challenge
 - b) Redesigning the scheme to potentially reduce costs will delay the scheme and mean re-tendering, in that time there is a high risk that prices would have further increased overtaking any identified savings.
 - c) Not proceeding with the scheme would mean writing off the £138,630 of preliminary costs (spent on fees, site surveys and the planning application)
 - d) There is a need for these homes in the community and there is a clear expectation that the project will proceed after several years of

discussion and negotiation, in order to provide 6 new energy efficient homes for local households

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The tender opportunity was published on the Central Government's Contracts Finder website, which opens the opportunity to the full market.
- 3.2 The council's e tendering portal (EU Supply/CTM Portal) was utilised to manage submissions electronically and the works have been procured under the JCT Intermediate Building Contract with Contractor's Design, 2016 Edition (ICD 2016) using an open tender procurement process. The Procurement team have provided advice on all aspects of the tender process.
- 3.3 Five tenders were submitted which have been thoroughly and extensively reviewed by the council's appointed Contract Administrator and Quantity Surveyor, Baker Ruff and Hannon. (The Tender Report detailing this review is contained in Exempt Appendix 4.) The evaluation of tender returns has been conducted in accordance with the published evaluation model, along with financial checks. A joint moderation exercise has been undertaken on all of the tenders by the Quantity Surveyor, the council's Procurement team and New Homes Project Manager
- 3.4 Following evaluation of the tenders, clarifications were sought with another bidder who submitted a competitive tender. However, this contractor has subsequently withdrawn their tender. Further information on the tender process is contained in the Financial Implications section of this report in Exempt Appendix 2
- 3.5 The procurement process undertaken is in accordance with the Public Contract Regulations 2015 and the council's Contract Procedure Rules.
- 3.6 Officers will continue to explore opportunities to reduce total development costs whilst still achieving the Passivhaus Plus standard and this is being undertaken with advice from the Procurement team.
- 3.7 A Deed of Easement is required between WCC and Micheldever Parish Council for connection to foul sewage on land owned and managed by the Parish Council. Good progress has been made with this document and verbal assurances received from the Parish Council. However a build contract will not be entered into until the Head of Legal Services is satisfied that a connection can be made.
- 3.8 As part of the build, the council proposes to create additional offsite parking in Southbrook Cottages, on a grassed verge identified as open space. This followed feedback from local residents on the problems of parking in the vicinity of the proposed development and further details on this is contained in Section 6.

- 3.9 Section 122(2A) of the Local Government Act require that before appropriating any land consisting of, or forming part of open space, the council must place advertisements in two consecutive editions of a local newspaper and consider any objections received in response.
- 3.10 Further to consultations regarding parking in the area, draft proposals were drawn up to create additional parking spaces at the top (southern end) of Southbrook Cottages. The proposals include utilising the open grass verge comprising land to the front of numbers 11 to 14 Southbrook Cottages. This is an area of approximately 276 square metres as identified in the plan shown in Appendix 3. Residents no longer use the open space land for recreation purposes. It is mainly used as access to the parking available in the road in front of their houses. In the consultation carried out by the council the majority of residents supported the conversion of the open space land to car parking.
- 3.11 Consistent with the procedures required of Section 122 (2A) of the Local Government Act, the appropriation of land was advertised in the Hampshire Chronicle for 2 consecutive weeks in May 2022. No comments or objections were received in response to the article placed in the Hampshire Chronicle.
- 3.12 Members are asked to approve the appropriation of the land identified in Appendix 3
- 3.13 In order to discharge the relevant planning condition regarding nutrient neutrality, a mitigation package is required to address the additional nutrient input arising from the development to be approved by the Local Planning Authority, and secured prior to occupation. In order to discharge this planning condition, it may be necessary to obtain additional nutrient credits consistent with the more recent guidance of Natural England. As such, delegated authority is required to authorise the Corporate Head of Asset Management to agree and arrange a scheme to mitigate nutrients in perpetuity, either on sites owned by the council and/or to purchase nitrates credits from a 3rd party prior to occupation.

4 WORKFORCE IMPLICATIONS

None – within existing Business Plan Objectives

5 PROPERTY AND ASSET IMPLICATIONS

The proposed scheme provides 6 new flats on land within the council's ownership, and will become a council owned asset with the council responsible for its ongoing maintenance. The additional offsite parking proposed is on land owned by the council with ongoing maintenance responsibility. As noted already, construction costs have risen dramatically in the last 18 months and the costs of building to the exemplar carbon reduction specifications are higher.

6 CONSULTATION AND COMMUNICATION

- 6.1 A public consultation took place in August 2020 and attended by Architecture PLB. The proposed design of the flats was discussed and presented via an online event.
- 6.2 Letters and information packs were delivered to local residents informing them of the consultation including details of how and when to join the live event. An email address and telephone number were also provided as an alternative means of commenting. A recording of the online event was also uploaded to the consultation webpage to allow for retrospective viewing and comment. In total, 41 residents joined the live event and submitted a total of 21 questions to which responses were provided and published shortly after on Citizen Space. From the comments, two key concerns were noted; overlooking privacy and parking. Steps were taken in the design to alleviate overlooking privacy concerns, including removal of some of the windows.
- 6.3 As a consequence of parking concerns expressed by local residents, a further online survey was conducted from 24 September 2020 to 9 October 2020 with a view to providing additional parking on or near the street. 19 responses were received including 15 from residents who lived in Southbrook Cottages. Responses provided by local residents included existing concerns over emergency and refuse vehicles accessing Southbrook Cottages, the lack of parking spaces for current local residents, including lack of disabled parking spaces, and concerns that the proposed flats will worsen parking problems.
- 6.4 Parking proposals were therefore drafted by Ubu Design, Landscape Architects, for the creation of offsite additional parking spaces and a final parking consultation took place on these proposals via the online platform, Citizen Space. The survey took place from 26 April 2021 to 5 May 2021.
- 6.5 As a result of the feedback received, an offsite parking scheme has been designed to remove 12 on-street parking spaces including 3 disabled spaces and to provide 20 new parking spaces including 10 off-street spaces, 5 off-street disabled spaces, 5 on-street spaces, and associated landscaping. This will result in a net gain of 8 parking spaces.
- 6.6 Local members and the Parish Council have been regularly updated throughout the development of the project.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 It is well documented that buildings significantly increase carbon emissions. The proposals for Southbrook Cottages, designed to the exacting standards of Passivhaus Plus, support the council's Climate Emergency priorities. Passivhaus is a low energy building standard focusing on achieving excellent levels of internal comfort with an energy input as close to minimal as possible. It adopts a whole building approach with clear measured targets, focused on high quality construction certified through an exacting quality assurance process. There are only approximately 1500 Passivhaus certified buildings in

the UK and even fewer still have achieved Passivhaus Plus standards of performance.

- 7.2 Passivhaus Plus is a variation of Passivhaus where the little energy which is required is provided by renewables. The project uses a combination of increased building fabric efficiencies paired with renewable energy technologies such as ground source heat pumps, photo voltaic panels and MVHR (Mechanical Ventilation Heat Recovery Units)
- 7.3 The efficiency of the building fabric has been improved by increased U values and air tight construction. In addition, careful thought has gone into the size and shape of the building as well as the size and position of each window. This attention to detail along with the increased fabric efficiency means that the building requires little additional heating. To keep the heat in and provide a continuous supply of fresh air, each flat will be equipped with a Mechanical Ventilation Heat Recovery (MVHR) unit. The MVHR units mean that each flat can be kept at a comfortable 21 degrees with a supply of fresh air when the temperature is as low as minus 10 degrees outside.
- 7.4 Hot water is provided through ground source heat pumps. Water is pumped through a series of underground pipes to enable it to extract warmth from the ground. The warm water is then stored in a tank within each flat. The energy to top up the water temperature is provided by photovoltaic (PV) panels. The result of all these emissions is that the building will produce approximately 78% less carbon emissions and 75% less running costs than building regulation standards. Homes built to Passivhaus Plus standard will produce net zero carbon.
- 7.5 The scheme was granted planning permission in August 2021 following the submission of detailed information on issues of sustainability, ecology, air quality and noise mitigation. The scheme meets current planning guidelines on water sustainability and significantly exceeds planning policy guidelines on reducing energy and carbon emissions.
- 7.6 The project is designed to achieve Passivhaus Plus certification. The certification means that the building will achieve excellent levels of internal comfort while being incredibly energy efficient, using 90% less energy than a typical house. Additionally, the 'Plus' criteria of Passivhaus means that the building will produce 100% of the energy it uses on site, giving it the status of a zero-carbon (operational energy) building. In practical terms, using current average energy usage data and prices, it is estimated that for a one bedroom flat energy costs would be £170 month or £2040 per year. Actual energy consumption of the scheme will be monitored to verify if this is accurate before being used as a justification for further schemes
- 7.7 In addition to Passivhaus Plus Certification, the building design has aimed at achieving two out of the 4 targets (operational energy and embodied carbon) in the RIBA 2030 Climate Challenge, missing out on the embodied carbon target because of the exceptionally poor ground conditions which have necessitated piled foundations. The RIBA 2030 Climate Challenge sets a

series of voluntary performance targets for operational energy use, water use, embodied carbon and health and wellbeing. These performance targets have been developed in consultation with other professional UK construction bodies and align with future legislative targets. They set out challenging goals to realise significant reductions necessary by 2030 in order to have a realistic prospect of achieving net zero carbon for the whole building stock by 2050

- 7.8 The scheme takes account of the council's Air Quality Supplementary Planning guidance with regard to noise reducing and using alternatives to gas boilers. Electric Vehicle charging points are provided as well as secure cycle storage.

8 PUBLIC SECTOR EQUALITY

- 8.1 An Equality Impact Assessment has been completed for the Housing Development Strategy approved by Cabinet in March 2021(CAB3291)
- 8.2 The completed development will increase the supply of affordable housing which will be of benefit to all protected groups and therefore in compliance with the city council's public sector equality duty.
- 8.3 The low energy demand and high energy efficiency of the development will reduce running costs for tenants as energy bills will be lower.
- 8.4 Community consultation has not given rise to representations that there will be adverse effects from the proposed development on protected groups.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None required

10 RISK MANAGEMENT

- 10.1 The scheme proposed is the Council's pilot Passivhaus project identified in the Council's Carbon Neutrality Action Plan.
- 10.2 Key risks are costs. Passivhaus is more expensive than traditional build due to the enhanced building fabric specification and energy saving heating requirements. The council have appointed a design team with experience and expertise in Passivhaus construction. Architecture PLB have been appointed as architect and qualified Passivhaus designer, Qoda have been appointed as Energy consultants. Additionally, Warm Consultants have been appointed as an independent Passivhaus Certifier and Baker Ruff and Hannon as Contract Administrator and Quantity Surveyor.

Risk	Mitigation	Opportunities
<p>Financial Exposure – Scheme viability affected by recent interest rate rises.</p> <p>Construction Inflation – potential of incurring increased costs</p> <p>Availability of materials</p>	<p>Improve on viability of development by potential of reducing development costs</p> <p>To work collaboratively with the preferred contractor and explore options for reducing costs without compromising standards or the integrity of the procurement exercise.</p> <p>Consider alternative products if availability of materials dictate and/or contractor to place timely order of materials.</p>	
<p>Exposure to challenge</p> <p>Higher development costs of Passivhaus and higher than the pre tender cost estimate</p>	<p>Explore cost savings in contract without compromising the Passivhaus Plus standard.</p>	<p>The project is a real opportunity to showcase a small Passivhaus project to support future developments consistent with the council’s climate emergency priorities. It provides an opportunity to provide affordable housing for tenants which are comfortable to live in with lower energy bills.</p>
<p>Innovation the Passivhaus standard is challenging to meet and is a relatively new concept to the council</p>	<p>The Passivhaus standard is a high energy efficiency benchmark. A qualified Passivhaus Consultant and accredited Passivhaus Certifier have been appointed to</p>	<p>The build will create a real opportunity for the council to provide energy efficient affordable housing</p>

Risk	Mitigation	Opportunities
<p>Reputation - higher costs of Passivhaus build</p> <p>- Negative response of not delivering the project because of high costs.</p>	<p>support the process.</p> <p>Higher costs of building a Passivhaus project can be balanced against the provision of affordable housing with high levels of comfort and low energy bills.</p> <p>Robust design and project preparation has taken place by a qualified and experienced design team to ensure the scheme is deliverable. Planning permission has been given</p>	<p>This project presents an opportunity to undertake and showcase a Passivhaus Plus project on a small scale in order to support the undertaking of larger refurbishment projects to meet the corporate priorities of the climate emergency.</p>
<p>Achievement of outcome</p>	<p>An independent Passivhaus Certifier has been appointed to ensure that the high standards that Passivhaus demands are achieved and the independent Passivhaus certification confirms this</p>	<p>The success of this project will provide a solid foundation to support further energy efficient projects consistent with the council's climate emergency priorities. The project will allow for ongoing performance monitoring of energy demand and use to confirm the project achieves Passivhaus standards.</p>
<p>Property Connection required into foul sewer on land owned and managed by Parish Council</p> <p>The site is small with little room for construction</p>	<p>Deed of Easement drafted and build contract will not be entered into until Deed of Easement is signed with Parish Council.</p> <p>Contractor will need to</p>	<p>This presents an opportunity for early</p>

Risk	Mitigation	Opportunities
traffic.	ensure suitable arrangements for construction traffic before contract starts. This has been identified in the Pre-construction information provided at tender stage	engagement by the contractor with the local residents
Community Support	Engagement with Parish Council who are supportive of the development.	The contractor will engage with local neighbours and residents at an early stage
Timescales	To consider alternative suitable products in early stages of project should problems with supply of materials arise	
Project capacity	Staff resources allocated	
Other: Nutrient Mitigation;	Arrange for an appropriate scheme on Council sites and/or by acquiring credits to allow discharge of the relevant planning condition	Opportunity to source appropriate mitigation

11 SUPPORTING INFORMATION:

- 11.1 In September 2019 Architecture PLB were appointed to investigate the site at Southbrook Cottages, to consider feasibility for affordable housing.
- 11.2 Southbrook Cottages is a cul de sac off Duke Street on the eastern edge of Micheldever and the site is a brownfield garage site owned by the council.
- 11.3 The chief aims of the brief were to develop a scheme, not only for affordable housing, but as a pilot scheme for low energy, low carbon housing to help make future policy and development decisions in the context of the council's declaration of a climate emergency. Following discussions with Architecture PLB it was agreed that Passivhaus Plus could be achieved for the project. Passivhaus Plus seeks a net balance of energy use and demand, - near zero operational energy and as close to net zero carbon as a whole project. Net zero carbon encompasses operational energy as well as embodied carbon maintenance and end of life.
- 11.4 Architecture PLB were initially appointed to provide a feasibility study for 8 one bedroom flats. However, further to design development and analysis of the site it became evident that the provision of 8 flats, whilst maintaining the

Passivhaus Plus standards and the urban design constraints, was not possible. Therefore, the decision was made to reduce the number of flats to 6 and to provide four 1 bedroom flats and two 2 bedroom flats.

- 11.5 Approval was given to the Outline Business Case for Southbrook Cottages at the Housing and Asset Management Decision Day on 7 December 2020. The report sought approval to submit a planning application for 6 no flats and to tender for the construction using a single stage traditional contract.
- 11.6 A planning application was submitted in May 2021 for the development of 6 flats to provide 4 one bedroom flats and 2 two bedroom flats. Planning approval was given in August 2021. The scheme will be required to mitigate for 4.9kg of nitrates, and as this mitigation is required by the first occupation it will require either that credits be purchased from the nitrate mitigation market (or trading platform introduced by DEFRA) or credits are generated from the Councils own mitigation project.
- 11.7 The parking provision on Southbrook Cottages was reviewed following comments received during public consultation. Many comments were received confirming parking problems in the street and concerns were raised that a new housing development would only exacerbate these problems. As a consequence, a further survey was conducted online (from 24 September 2020 to 9 October 2020), with a view to providing additional parking on or near the street.
- 11.8 The council therefore appointed UBU Architects to design a parking scheme on Southbrook Cottages (independent to the housing proposals) in order to increase the provision of parking spaces and a final consultation took place regarding these draft proposals via Citizen Space, an online platform, between 26th April 2021 to 05th May 2021.
- 11.9 It became evident that a planning application (independent to the flats) would be required. Owing to the small constraints of the site identified for additional parking, robust vehicle tracking exercises had to be undertaken before a planning application could be submitted.
- 11.10 Subsequently, Scott White and Hookins Civil Engineers were appointed to develop the additional offsite parking proposal to its current stage and the proposals were then reviewed by an independent Road Safety Audit with all comments being incorporated into the parking design.
- 11.11 A planning application for the offsite additional parking was submitted in February 2022 and planning approval was given in May 2022. The proposals are to remove 12 on-street parking spaces including 3 disabled spaces and to provide 20 new parking spaces including 10 off-street spaces, 5 off-street disabled spaces, 5 on-street spaces, and associated landscaping. This will result in a net gain of 8 parking spaces.
- 11.12 The offsite additional parking was included in the tender documentation to ensure this is undertaken as part of the main works contract. It is proposed

that funding for this element of the contract to be provided by the Estates Improvement Fund.

- 11.13 All submitted tenders have been thoroughly and extensively reviewed by the council's appointed Contract Administrator and Quantity Surveyor, Baker Ruff and Hannon. The process has been conducted in accordance with the Public Contract Regulations 2015 and the council's Contract Procedure Rules.
- 11.14 The Tender Report provided by Baker Ruff and Hannon is at Exempt Appendix 4.
- 11.15 The preferred bidder's tender figure is significantly higher than the pre tender cost estimate provided by our Quantity Surveyor, Baker Ruff and Hannon. This means that the financial appraisal does not now meet the current viability parameters.
- 11.16 However, on balance, officers advise that we proceed with the recommended bidder and tender. If the project is delayed and retendered, there is the possibility of attracting further inflationary build costs in the current uncertain economic climate. Proceeding with this project, however, will present an opportunity for the council to pilot and showcase a small Passivhaus project which will support future developments for the New Homes Team and provide a leaning opportunity on which to base future development.
- 11.17 Additionally, the project will support the delivery of the council's ambitious housing targets by providing additional much needed affordable housing for tenants as well as supporting the council's climate emergency priorities. The accommodation at Southbrook Cottages will not only be extremely comfortable to live in but will also significantly reduce tenants energy bills given the very high energy efficiency standards which the Passivhaus model provides. It is anticipated that the high quality build with excellent levels of internal comfort will correspond with high levels of tenant satisfaction.
- 11.18 It is also anticipated that whole life operating costs may be realised as buildings designed to this exacting standard are more efficient and cheaper to run. This pilot scheme will allow us to improve our understanding and knowledge in this area to inform future development.
- 11.19 It is intended that actual energy and water usage data be obtained over the course of one year after project completion and it is anticipated that this will inform our knowledge of the performance and performance gaps between the predicted design targets and the actual building performance data. This will enable us to identify opportunities for further improvements for future projects to meet the council's carbon neutrality targets.

OTHER OPTIONS CONSIDERED AND REJECTED

- 11.20 It would be possible to retender the project with a view to securing alternative tenders more aligned with the pre tender cost estimate. However, this option does also carry risks. This could result in delays and the potential of further

inflationary construction costs during the tender and build stages in a very uncertain economic climate.

- 11.21 The council could reduce the specification from the high standards of Passivhaus Plus but this project has been identified as the council's pilot project to support future larger scale Passivhaus projects. Not proceeding on this basis would be a reputational risk.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

[Approval of Outline Business Case DD16 Outline Business Case, Southbrook Cottages, Micheldever 7th December 2020](#)

Other Background Documents:-

[Planning Application 21/01279/FUL Removal of existing garages and construction of a single two storey building for affordable housing, containing 4x one bed flats and 2x two bed flats.](#)

[Planning Application 22/00279/FUL Removal of 12 on-street parking spaces including 3 disabled spaces. Provision of 20 new parking spaces including 10 off-street spaces, 5 off-street disabled spaces, 5 on-street spaces](#)

APPENDICES:

Exempt Appendix 1 – Scheme Viability

Exempt Appendix 2 – Financial Implications

Appendix 3 – Red line plan for appropriation of land under S122 (S2a) Local Government Act

Exempt Appendix 4 - Tender Report by Baker Ruff and Hannon Cost Consultants

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Appendix 3 - Plan for Appropriation under Section 122(2A) of the Local Government Act

Site Address:- SOUTHBROOK COTTAGES, MICHELDEVER

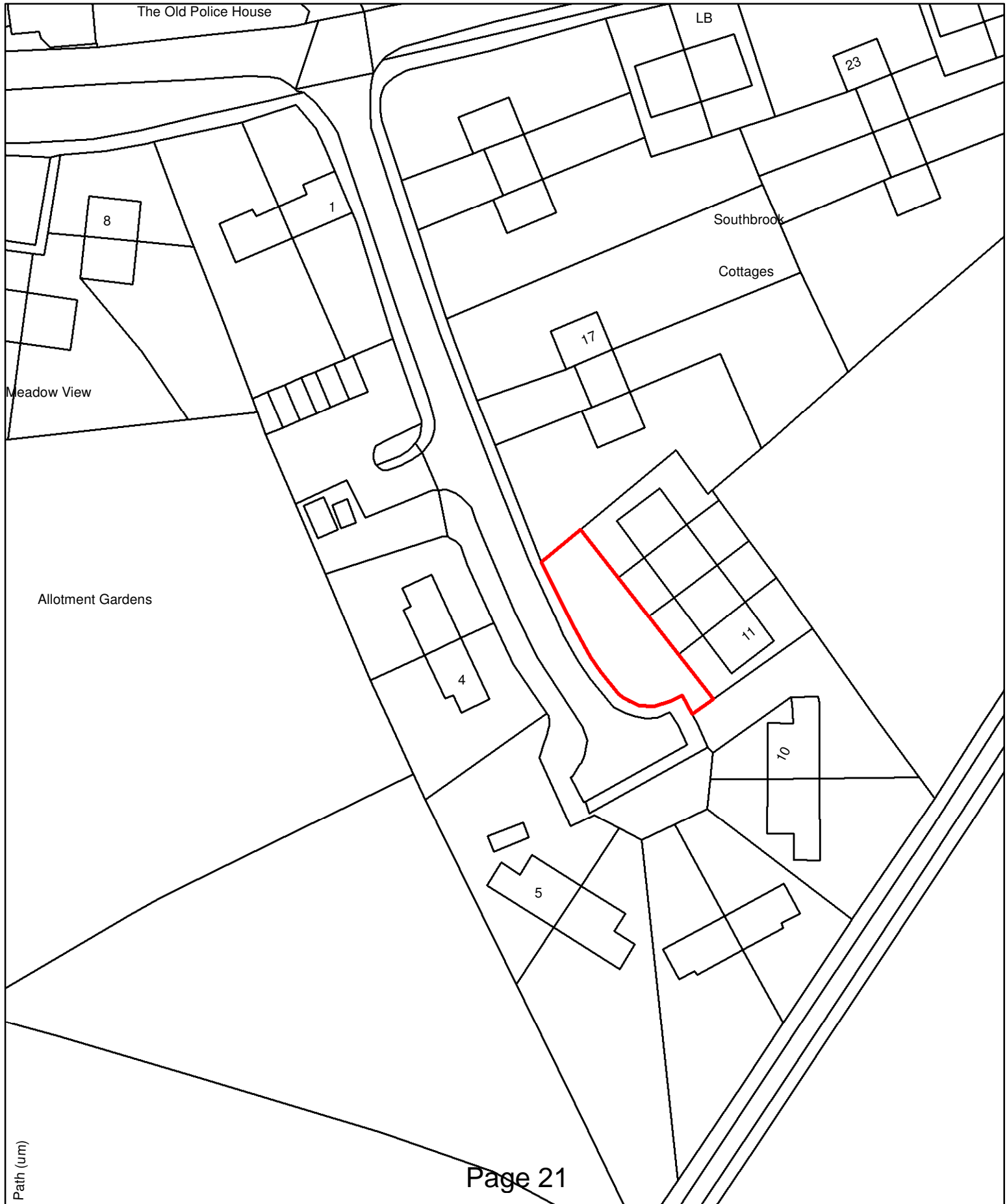


Winchester City Council
Estates Division

Scale:- 1:500 @ A4
Date:- MAR 2022
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Map Ref:- 5139

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CAB3359(H)
CABINET COMMITTEE: HOUSING

REPORT TITLE: HOUSING CLEANING PROCUREMENT

31 OCTOBER 2022

REPORT OF CABINET MEMBER: Cllr Paula Ferguson, Cabinet Member for
Community & Housing

Contact Officer: Amber Russell Tel No: 01962 848 229 Email
arusell@winchester.gov.uk

WARD(S): ALL

PURPOSE

The provision of cleaning services to housing's communal areas is a key service area for council tenants and leaseholders. Tenants and leaseholders require the cleaning service they receive to be consistently of good quality, which means the contractor meeting the defined service specifications whilst also providing value for money. Procuring a new cleaning provider is therefore a high profile decision and one that the housing service makes in consultation with its residents.

This report provides Members with an overview of the intended procurement process for the contract for cleaning communal areas in the council's Housing stock. The current contract with YBC Cleaning Services expires on 30th April 2023. No further extensions of the existing contract are being sought and a new contract should be established.

Consultation with both tenants and leaseholders has highlighted the issues within the current service together with improvements to the specification and contract in readiness for procurement.

Officers are requesting authorisation to proceed with the outlined procurement process and the relevant approvals to award the contract to the most economically advantageous tender in accordance with the Public Contract Regulations (PCR) 2015 and the council's Contract Procedure Rules.

RECOMMENDATIONS:

1. That it be agreed that the current cleaning contract to YBC Cleaning Services should not be extended for a further 1 year period.
2. That the procurement of a cleaning service using an open tender procedure be authorised in accordance with the council's Contract Procedure rules and the Public Contract Regulations 2015 (PCR 2015);
3. That to ensure best value for residents, tenders are to be evaluated based on a criteria of 60% cost and 40% quality and 10% of the quality criteria, will be allocated to environmental and social value matters;
4. That the Strategic Director be authorised to award the contract to the preferred bidder. This being the applicant with the most economically advantageous tender for a term of 3 years with an option to renew for up to a further 2 years based on performance of service provision.
5. That the Strategic Director be authorised to enter into all necessary agreements with the preferred contractor to provide a building cleaning service within the common and communal areas of the councils housing stock.
6. That delegated authority be granted to the Service Lead: Legal to execute and enter into all necessary contractual agreements.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

- 1.1 Tackling the Climate Emergency and Creating a Greener District
- 1.2 Sustainability will be a consideration throughout the procurement life cycle: planning, refining the specification, evaluation and selection of a preferred supplier and contract management.
- 1.3 Suppliers will need to evidence at the procurement stage the measures they employ to minimise their organisations carbon footprint and environmental impact and enhance environmental and social benefits and how these will be applied in the delivery of the service. For example use of sustainably sourced materials, management of hazardous materials, toxic chemicals, solvents and ozone depleting substances, management of waste and recycling, use of technology to enhance customer interactions, reduction in the impacts of transport through car sharing and/or the use of electric vehicles is to be explored.
- 1.4 The measures specified within the preferred bidders tender response will be monitored as part of the ongoing contract management activities. The aim is to work collaboratively with the preferred supplier to foster innovation where feasible throughout the contract term. Tackling the Climate Emergency is everyone's responsibility.
- 1.5 Homes for All
- 1.6 The council's housing stock delivers quality housing options for Winchester residents.
- 1.7 Vibrant Local Economy
- 1.8 Utilising an open tender procedure means that the opportunity is 'open' to all and local companies can apply if of interest.
- 1.9 The council is an accredited Living Wage employer, certified by the Living Wage Foundation and this applies to both our own employees and our suppliers. A requirement will be that the supplier must pay the Living Wage Foundation rates of pay.
- 1.10 The Local Economy can also be supported by seeking to incorporate provisions into the contract, where appropriate, to offer training and employment opportunities for members of the local community.
- 1.11 Living Well
- 1.12 Having well maintained communal areas is an important contributor to providing good quality housing which has a direct impact on the health and

wellbeing of residents. Feedback from tenants and leaseholders shows that the appearance of communal areas is important to them. Having areas in a poor condition can be detrimental to feelings of pride in their communities and that their landlord does not give sufficient care and thought to them.

- 1.13 These are issues which were highlighted in the Governments Social Housing White Paper, published in November 2020. From April 2023 landlords will be required to evidence to the regulator that they provide a good quality home and neighbourhood for their residents to live in and levels of satisfaction towards communal areas and services form part of this.
- 1.14 Your Services, Your Voice
- 1.15 Housing tenants and leaseholders are directly involved in the preparation of the cleaning specification and also the award of the contract. This has included a survey to tenants and leaseholders living in a flat to gain their views about the cleaning survey and what is important to them, followed by two focus groups to assist in finalising the cleaning specification around contract delivery, monitoring and management.
- 1.16 Two volunteers from the focus groups will also be involved in the tender selection process including participating in the interviews of shortlisted contractors.
- 1.17 In addition, both TACT and the Housing Management and Maintenance Service Delivery Group will be kept informed on the tender process and their views taken into account throughout.
- 1.18 The council is also required under Section 20 of the Landlord and Tenant Act 1985 to consult with leaseholders who are required under the terms of their leases to contribute through payment of service charges for costs incurred under a qualifying long-term agreement, where the contribution of any one leaseholder exceeds £100 in any accounting period.
- 1.19 Included in the consultation process is the provision for leaseholders to make written observations on the proposed agreement. Leaseholders will also have the opportunity to nominate a contractor of their choosing to tender. Once a preferred supplier has been identified, a notice of intention to enter into a long-term agreement will be issues to leaseholders, who will be invited to make written observations on the selection. The Council has a duty to have regard to all written observations from leaseholders made within the consultation period.

2 FINANCIAL IMPLICATIONS

- 2.1 Provision for the cost of a building cleaning service has been included within the Housing Revenue Account (HRA) budget for 2022/23 and beyond, as reported in CAB3334 Housing Revenue Account Budget 2022-23 dated 17 February 2022.

- 2.2 The budget for next financial year 2023/24 will allow for a cleaning contract value of £270,600 for that financial year. The total value of the contract over the full 5 year life of the contract is expected to be approximately £1.5million.
- 2.3 When the cleaning contract was last tendered in 2019 there was a cost saving to the HRA of approximately £25,000. However, in light of the current economic landscape, with rising labour and other on costs, it is anticipated the overall value of the contract will increase.
- 2.4 Although the contract value is likely to increase, the Housing service expects to see other financial savings from re-tendering the contract associated with the client management. Officer time spent on overseeing and administering the contract will reduce through improvements to the contract and specification which will allow this resource to be utilised in other areas of the Housing service.
- 2.5 The expectation is that the labour element of the contract charge will be linked to the nominal average wage index (as published by the Office for National Statistics (ONS)). Following the initial year (for which a firm and fixed price is required) subsequent years will be subject to adjustment in accordance with this index. Providers will be required to fully price the contract to allow fair comparison (i.e. to provide the base line price). However, applying a 60% cost evaluation model will help ensure that bids are competitive.
- 2.6 Sufficient provision will be made within the HRA for this contract cost. The provision of cleaning services is also a recoverable cost through service charges.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The procurement exercise will be conducted in accordance with the Public Contract Regulations 2015 (PCR 2015) and the Council's Contract Procedure rules.
- 3.2 The tender opportunity is above the UK threshold for a services contract and an open tender procedure is compliant with the PCR 2015.
- 3.3 An open tender procedure is recommended as this process will enable any interested local suppliers and SME's to bid in addition to enabling leaseholders to nominate a contractor in accordance with Qualifying Long Term Agreement legislation as detailed in 1.18.
- 3.4 The evaluation criteria will be created to meet stakeholder's outcomes and the opportunity tailored specifically for the Winchester district. The process has been reviewed and agreed by the both the Council's legal and procurement services.

- 3.5 The council has an obligation as a best value authority under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.” By following due process through the UK compliant procurement exercise, upon entering into the cleaning contract, the Council will have observed its other statutory duties, including in regard to the duty to obtain best consideration.

4 WORKFORCE IMPLICATIONS

- 4.1 The contract will continue to be managed and monitored by the Housing Estates Compliance Officer.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The successful contractor will be entering and cleaning council housing stock. The contract provides for relevant insurances and maintenance regimes.

6 CONSULTATION AND COMMUNICATION

- 6.1 Housing tenants and leaseholders are directly involved in the preparation of the cleaning specification and also the award of the contract.
- 6.2 In May 2022 a digital survey was emailed to tenants and leaseholders living in general needs flats and a paper copy was hand delivered to sheltered residents. The survey sought residents’ views on both the current contract and what a new service should look like. The response rate for general needs households was 10.82% and 28.40% for sheltered. A summary of the feedback is provided in Appendix 1.
- 6.3 As part of the survey residents were asked if they would like to be involved in a focus group to discuss the cleaning service in more detail in order to help shape the specification in relation to contract delivery, monitoring and management. Two focus groups were held in July 2022 attended by 9 tenants and 3 leaseholders. The tenant representatives covered both general needs and sheltered sites.
- 6.4 The focus groups were an effective way of consulting with residents on issues with the current contract and officers’ thoughts on potential improvements for the new contract. Residents also put forward a number of excellent suggestions which will be incorporated into the contract specification and contract.
- 6.5 Two volunteers from the focus groups also confirmed they would be prepared to be involved in the tender selection process including participating in the interviews of shortlisted contractors.
- 6.6 As detailed in 1.18, the council is required to undertake statutory consultation with leaseholders following a prescribed format to ensure their views are taken into consideration.

- 6.7 Members were provided with a briefing note in May 2022 outlining the consultation process and a copy of the residents' survey. Moving forward Members, TACT and tenants/leaseholders will be updated on the tender process and the outcome.
- 6.8 In addition, on 22nd September 2022 a draft of this paper was presented at TACT. TACT were supportive of the recommendations and the proposed procurement process as outlined in this document.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 As part of the tender process, applicants will be required to set out how they will assist the council to meet its environmental targets by reducing its carbon footprint, proactively managing and reducing its impact on the environment and its use of natural resources and to develop its Corporate Social Responsibility.
- 7.2 It will be a requirement for applicants to agree with this approach should they wish to progress in the tender qualification. Applicants will also need to state their waste management practices, emergency practices including chemical spills and water contamination, environmental use of water, COSHH (Control of Substances Hazardous to Health) and risk assessments due to the nature of the services.
- 7.3 All bidders will need to complete and 'pass' a standard qualification selection questionnaire as part of the procurement exercise. The questionnaire is designed to check the business conduct of suppliers including proven offences of grave professional misconduct, including environmental matters and modern slavery.
- 7.4 Additionally 10% of the evaluation weighting for 'quality requirements' will be allocated to environmental considerations.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 Whilst there are no actions which arise directly from this report, officers have regard to s149 (1) of the Equality Act in that the council must have due regard, in the exercise of its functions, (and Cabinet must, as the decision maker in respect of the proposed decision, have due regard) to the need to:
- a) Eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act.
 - b) Advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them.
 - c) Foster good relations between persons who share relevant protected characteristics and persons who do not share them.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure <i>Risk of increased service costs</i>	Provision for an increase to the cost of the cleaning contract will be included within the HRA budget for 2023-24 A 60% cost 40% quality evaluation model is recommended taking into account feedback from residents about concerns for rising service charges	
Exposure to challenge <i>Challenge from residents</i> <i>Challenge from tenderers</i>	Consultation at an early stage with residents including involvement in tender selection Undertaking statutory consultations with leaseholders as outlined in regulations Robust tender process supported by the councils procurement and legal services to ensure compliance with the PCR 2015	
Innovation <i>Standardised contract that does not address service challenges</i>	Open tender procedure provides the opportunity to tailor the procurement and contract documents Officer and resident input has generated innovated options to improve contract specification,	Environmental and social value opportunities Digital options for customer feedback and contract management To foster collaboration and continuous

Risk	Mitigation	Opportunities
	management and monitoring	improvement through robust contract management and in accordance with the councils contract management framework
<p>Reputation</p> <p><i>Risk of quality/service delivery not meeting resident expectations and/or contract requirements</i></p>	<p>Robust quality assessment as part of tender process including references</p> <p>Robust monitoring of the contract through a range of measures including contractor, officer, resident and KPIs, contract management framework</p>	
<p>Achievement of outcome</p> <p><i>Contractor does not deliver service as stipulated</i></p>	<p>Robust monitoring of the contract through a range of measures including contractor, officer, resident and KPIs, contract management framework</p>	
<p>Property</p> <p><i>Poor maintenance of Council housing asset</i></p>	<p>Contract clearly defines cleaning responsibilities and contractor expectations</p> <p>Robust monitoring through a range of measures including contractor, officer, resident and KPIs, contract management framework</p> <p>Robust escalation process in place that ensures any performance issues are addressed in a</p>	<p>Contractor reports property issues which may not have identified by officers and residents</p>

Risk	Mitigation	Opportunities
	timely manner	
Community Support <i>Resident satisfaction with cleaning service</i>	Quality assessment of method statements Resident involvement during the tender process Requirement to meet and work in partnership with residents and officers throughout contract term including contract monitoring	Positive consultation with residents brings forward options/solutions that may otherwise have not been considered
Timescales <i>Delay in procurement process may result in new contract not starting on time</i>	Project timetable with key milestones in place Key service teams/officers aware of roles and targets Option to secure overlap/extension with current cleaning provider	
Project capacity - <i>None</i> <i>Will be delivered within existing officer resources</i>		
Other - <i>None</i>		

11 SUPPORTING INFORMATION:

Background

- 11.1 YBC Cleaning Services have been the contractor providing cleaning services to housing communal areas within blocks of flats and sheltered schemes on behalf of the council since 2019. The contract was initially for 3 years and was extended in May 2022 for a further year. The contract is due to expire at the end of April 2023.

- 11.2 The contract could be extended for a further year. Due to the limitations of the current contract and specification, officers are requesting that approval be given to commence the procurement process to secure a new cleaning service contract.
- 11.3 The purpose of the housing cleaning contract is to provide consistent, good quality cleaning services to all housing communal areas. This encompasses communal areas within 72 general needs sites, 12 sheltered schemes, 3 extra care schemes and 7 temporary accommodation and/or leased sites.
- 11.4 The requirements at each site and the frequency of cleans is determined by the individual elements and physical aspects of the site together with any issues identified. This is set out clearly in the contract specification. For example, some sites have communal areas which are cleaned daily due to the high footfall and/or identified hazards whereas for others fortnightly cleaning is sufficient. In addition to the general cleaning that takes place, there is a programme of deep cleaning for all sites which happens quarterly together with a programme for window cleaning. The contract will give flexibility to amend cleaning frequencies and scope of cleans should this be necessary. Likewise, sites can be added and removed from the contract as the need arises, for example new schemes coming on line or decommissioning buildings.
- 11.5 The contractor is required to supply all cleaning materials, equipment and tools in order to undertake the cleaning to the standard set in the specification. The quality of the cleaning is monitored by both the contractor and the council. Requirements in terms of quality controls and performance measures will be clearly defined in the tender documentation, monitored and subject to change throughout the contract term.
- 11.6 The contract will be for the initial term of 3 years with the option to extend for a further period/s of up to 2 years.
- 11.7 Provision for the cost of the cleaning service will be included within the HRA budget forecast for 2023/24 at £270,600. This sum will be adjusted once the actual cost of the contract is determined following the completion of the tender process. The expectation is that the labour element of the contract charge will be linked to the nominal average wage index (as published by the Office for National Statistics (ONS) as detailed in paragraph 2.2 above.
- 11.8 Set out in the tender documentation and contract will be robust monitoring and satisfaction requirements, including key performance indicators. These will be used to robustly manage the performance of the contractor throughout the contract term. Failure by the contractor to perform to the required standard could result in a financial remedy for the contractor. The contract also contains clauses for termination in relation to breach of contract.

Tender Process

- 11.9 The estimated value of the tender is above the UK threshold for a services contract. It is recommended that an 'open' tender procedure compliant with the PCR 2015 and the councils Contract Procedure Rules is undertaken. The contract will be advertised on the UK 'Find a Tender Site' and on the Central Government's website: 'Contracts Finder'. Consideration has been given to alternative tender processes such as a Dynamic Purchasing System, DPS and use of a suitable Framework. Enquiries have also been made with other Local Authorities and registered social landlords as to how they procure similar cleaning services.
- 11.10 Using a DPS or Framework can save time as some of the procurement activities and due diligence checks have already been undertaken. However, there are constraints in terms of having to comply with the conditions of that DPS or Framework which can impact on the evaluation criteria used, which suppliers we can invite to tender and contract terms.
- 11.11 Following research, an open tender procedure was identified as the most suitable tender procedure as it provides flexibility to tailor the opportunity including contract requirements and enables local suppliers to bid.
- 11.12 Tenders will invited from suitably qualified service providers who are required to 'pass' the first stage qualification process. Stage 1 is an assessment of all tenderers to ensure they meet the council's minimum requirements for economic and financial standing and mandatory standards relating to business conduct, insurance, health and safety and relevant experience. Tenderers that do not pass this stage will not progress any further in the procurement exercise.
- 11.13 In stage 2 and in accordance with the published evaluation criteria the Tenderer will be formally assessed on how contract requirements will be met. in accordance with the evaluation criteria. This stage will also include an interview process whereby shortlisted tenderers will be invited to meet with both officers and tenant and leaseholder representatives to discuss their submission.
- 11.14 The preferred bidder will be the applicant with the most economically advantageous tender, MEAT, calculated in accordance with published evaluation criteria and scoring mechanism.

Conclusion

- 11.15 The provision of cleaning services to housing stock is a high profile service for both tenants, leaseholders and members. It is important for the council to procure a contractor who can consistently provide a good quality service as set out in the customised specification whilst also providing value for money. The housing service fully recognises the value of involving residents, leaseholders and members in the procurement process whilst ensuring it meets all legislative requirements.

11.16 We are therefore seeking authorisation to conduct a tender process using an open tender procedure and to evaluate tender submissions based on a criteria of 60% cost and 40% quality. In addition, we are requesting that delegated authority be given to appropriate officers to authorise the award of contract and enter into all necessary contract arrangements.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 The primary alternative option would be to access another cleaning contract via an existing national framework or deliver the service in-house. Research available demonstrated that frameworks do not offer the relevant benefits, control and flexibility.

12.2 A further option considered and rejected is to extend the contract with YBC Cleaning Services. The current specification and contract require amendments in order to ensure improvements to services currently received by tenants to include clarity around operational and contractual requirements.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None.

Other Background Documents:-

None.

APPENDICES:

Appendix 1

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CLEANING CONTRACT CONSULTATION – JUNE 2022
GENERAL NEEDS TENANTS' & LEASEHOLDERS' FEEDBACK

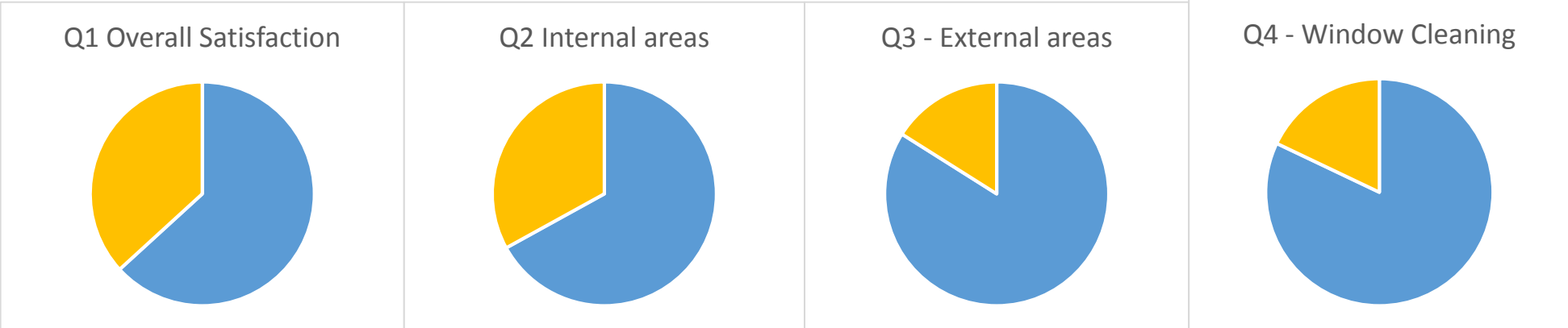
Summary Information		
Number of emails sent out	988	
• Number/Percentage successfully delivered	949	95.90%
• Number/Percentage of emails Opened (unique)	562	59.20%
• Number/Percentage of emails Clicked (unique)	89	9.40%
• Number of emails Bounced	41	
• Number Unsubscribed	4	
Number of reminders sent	864	
• Number/Percentage reminders successfully delivered	857	99.20%
• Number/Percentage of reminders Opened (unique)	464	54.1
• Number/Percentage of reminders Clicked (unique)	55	6.40%
• Number of reminders Bounced	7	
• Number Unsubscribed as a result of reminder	2	
Number of responses total	106	

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Question	Responses	Values		Upper/Lower Half values
Tenure	87	WCC Tenant		N/A
Are you a WCC Tenant or Leaseholder?	19	Leaseholder		N/A
Question 1	35		1	Least Satisfied
Overall, how satisfied are you with the current cleaning service?	32		2	Not Satisfied
	28		3	Satisfied
	11		4	Most Satisfied
				39
Question 2	37		1	Least Satisfied
Cleaning of the internal communal areas	34		2	Not Satisfied
	23		3	Satisfied
	12		4	Most Satisfied
				35
Question 3	60		1	Least Satisfied
Cleaning to the external area	29		2	Not Satisfied
	14		3	Satisfied
	3		4	Most Satisfied
				17

Question	Responses	Values		Upper/Lower Half values	
Question 4	56		1	Least Satisfied	87
Window cleaning to communal areas	31		2	Not Satisfied	
	14		3	Satisfied	
	5		4	Most Satisfied	19
Question 5		Less frequent cleaning – but more time on site for each visit			
	5				
What would you like to see from a new cleaning contractor	24	Additional cleaning visits			
	42	Regular monitoring of the service with residents and the contractor			
	35	Digital feedback options for residents – to report concerns and rate the quality of the service			
Question 6	36		Yes		
Do you feel the charge you currently pay for cleaning is good value for money?	70		No		
Question 7	32		Yes		
Would you be prepared to pay more for an enhanced cleaning service, such as more frequent cleaning?	74		No		

DIAGRAMATIC FEEDBACK – GENERAL NEEDS



CLEANING CONTRACT CONSULTATION – JUNE 2022

SHELTERED TENANTS' FEEDBACK

Summary Information	
Number of responses total	107

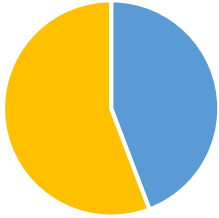
Question	Responses	Values		Upper/Lower Half values	
Question 1	24		1	Least Satisfied	46
Overall, how satisfied are you with the current cleaning service?	22		2	Not Satisfied	
	28		3	Satisfied	
	30		4	Most Satisfied	58
Question 2	15		1	Least Satisfied	44
Cleaning of the internal communal areas	29		2	Not Satisfied	
	27		3	Satisfied	
	32		4	Most Satisfied	59
Question 3	37		1	Least Satisfied	60
Cleaning to the external area	23		2	Not Satisfied	
	24		3	Satisfied	
	21		4	Most Satisfied	45

Question	Responses	Values		Upper/Lower Half values	
Question 4	25		1	Least Satisfied	48
Window cleaning to communal areas	23		2	Not Satisfied	
	24		3	Satisfied	
	27		4	Most Satisfied	51
Question 5	23		1	Least Satisfied	40
Window cleaning to your flat	17		2	Not Satisfied	
	24		3	Satisfied	
	32		4	Most Satisfied	56
Question 6	82		Yes		
Would you like to continue having windows to your flat cleaned every six months	21		No		
Question 5	19	Less frequent cleaning – but more time on site for each visit			
What would you like to see from a new cleaning contractor	33	Additional cleaning visits			
	43	Regular monitoring of the service with residents and the contractor			
	18	Digital feedback options for residents – to report concerns and rate the quality of the service			

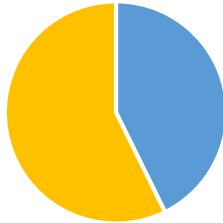
Question 6	49	Yes		
Do you feel the charge you currently pay for cleaning is good value for money?	37	No		
Question 7	29	Yes		
Would you be prepared to pay more for an enhanced cleaning service, such as more frequent cleaning?	64	No		

DIAGRAMATIC FEEDBACK – SHELTERED

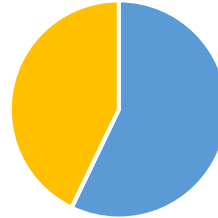
Q1 Overall Satisfaction



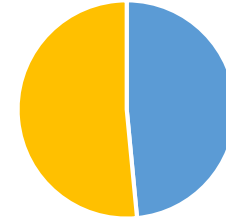
Q2 Internal areas



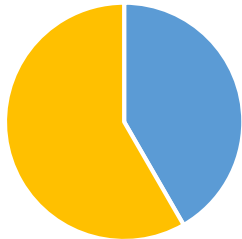
Q3 External areas



Q4 Communal Windows



Q5 Flat Windows



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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of the Local Government Act 1972.**

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