


REPORT TO CABINET

27 June 2018

Subject:	Provision of Annual Gas Safety Checks
Presenting Cabinet Member:	Councillor Kerrie Carmichael – Cabinet Member for Housing
Director:	Director – Housing and Communities – Alan Caddick
Contribution towards Vision 2030:	
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC 03/05/2018
Cabinet Member Approval and Date:	Councillor Kerrie Carmichael
Director Approval:	Alan Caddick
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	Ward councillors have not been consulted
Scrutiny Consultation Considered?	Scrutiny have not been consulted
Contact Officer(s):	Steve Piddock – Contracts Manager steve_piddock@sandwell.gov.uk Matthew Cotter – Category Manager matthew_cotter@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorise the Director – Housing and Communities to award the contract with Liberty Gas Group, Vinshire Plumbing & Heating Limited and Phoenix Gas Servicing Limited for the provision of Annual Gas Safety checks for a contract period of three years, from 1 August 2018 to 31 July 2021.
2. Authorise the Director – Monitoring Officer to execute any documents necessary to give effect to the recommendation set out in 1 above.

1 PURPOSE OF THE REPORT

- 1.1 The Council is obliged by statute to undertake gas safety inspections and servicing to its properties as a landlord.
- 1.2 This report seeks approval to award the contract for the provision of Annual Gas Safety checks.

2 IMPLICATION FOR THE COUNCIL'S AMBITION

- 2.1 The renewal of this contract will enable our customers to feel safe within their homes.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 Sandwell Council is responsible for the risk and maintenance of gas appliances under Landlords responsibility which encompasses approximately 26,000 serviceable properties and over 60,000 gas fitments.
- 3.2 The Council is seeking to appoint three Contractors to assist the Council's in house Gas Section to undertake the Annual Gas Safety checks in our Council Properties, for a contract period of three years, from 1 August 2018 to 31 July 2021.
- 3.3 The current contract expires on the 31 July 2018.
- 3.4 The anticipated value of the contract is in the region of £4.1m, (£1.37m per annum) for a period of three years.
- 3.5 Eighteen expressions of interest were received of which eleven contractors returned a compliant tender.
- 3.6 The eleven compliant tenders received have been evaluated in accordance with the criteria stipulated within the tender documentation 60% Price and 40% Quality. The Contractors with the winning submissions are Liberty Gas Group, Vinshire Plumbing & Heating Limited and Phoenix Gas Servicing Limited.
- 3.7 The contract has been divided into three geographical areas, with each of the successful contractors to be allocated to only one area.

Area 1 - Tipton and Wednesbury

Area 2 - West Bromwich and Smethwick

Area 3 - Oldbury and Rowley Regis

4 THE CURRENT POSITION

- 4.1 The current contract was awarded in June 2016 for a two year period with the contract expiring on 31st July 2018.
- 4.2 The contract was awarded to Vinshire Plumbing & Heating Limited, Phoenix Gas Services Limited and Glevum Heating.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 No consultation with stakeholders is required.

6 ALTERNATIVE OPTIONS

- 6.1 There are no other options available, this contract is required in order for Sandwell MBC to be able to maintain its current housing stock and fulfil its landlord obligations.
- 6.2 The Council is obliged by statute to undertake gas safety inspections and servicing.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The proposed contract for £4.1m, (£1.37m per annum) over three years for provision of Annual Gas Safety checks is included within approved Housing Revenue Account budgets.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 All contracts will be awarded in accordance with the council's Procurement and Contract Procedure Rules and the Public Contracts Regulations 2015.
- 8.2 The Gas Safety (Installation and Use) Regulations 1998 contain a statutory duty for all landlords to carry out an annual safety check of all gas appliances and flues.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment was not undertaken as this is a renewal of an existing contractual arrangement. The contract will be monitored to ensure compliance.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The sharing of any relevant data for the delivery of this contract will be in compliance with the General Data Protection Regulations.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no crime and disorder issues needed to be considered as part of this report.

12 SUSTAINABILITY OF PROPOSALS

12.1 There are no sustainability implications.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 **Liberty Gas Group** response is as follows:

We're owned by a social purpose organisations and we reinvest 2/3rds of our profit to improve lives of vulnerable people & communities. We'll partner with SMBC to deliver a community & SMBC's 'Vision 2030' through; ECONOMIC IMPACT.

We'll support 'Ambitions 1, 3 & 7' by partnering with SMBC, schools and colleges to provide workshops, open days and work experience to raise aspirations, increase education and promote future skills within the industry.

We'll also utilise these partnerships to target recruitment towards SMBC's preferred audience, ensuring we employ local engineers and recruiting 1 apprentice for this contract to keep money in the local area. We'll offer SMBC 100 free property inspections per annum, identifying building repairs and reporting recommendations.

13.2 **Vinshire Plumbing & Heating Limited** response is as follows:

We have contacted Karen Richards the Sandwell MBC community benefits coordinator, Vinshire will work closely to support and promote the community of Sandwell by actively engaging with the Council's community and housing teams, schools, health and social care and third sector organisations to help meet the Sandwell Vision 2030 targets.

Ambition 3 – Workforce and young people – Vinshire will continue to employ over 80% of staff from the local community Advertising all new vacancies through Think Sandwell Employ an apprentice each year working towards a minimum NVQ 2 Provide training opportunities for Sandwell employees to help them develop their skills and knowledge in gas servicing.

Work in partnership with Jobcentre Plus to provide work experience opportunities Provide work experience placements for local schools
Ambition 3 – Communities and aspirations.

Vinshire will donate 80 hours of staff time to community based environmental projects annually Provide funding opportunities to the value of £2,500 per annum for Council sponsored community projects such as environmental, grant schemes to assist vulnerable homeless people with moving in costs, and for aspiring young sport people to assist with training We also commit to working with Sandwell to help achieve other ambitions within Vision 2030.

13.3 **Phoenix Gas Servicing Limited** response is as follows:

Phoenix have committed to invest in the Borough of Sandwell, this includes helping Sandwell achieve it's 10 ambitions highlighted in the Vision 2030 statement, we have started this process by purchasing office accommodation in Oldbury as a long-term investment.

Setting up procurement deals with local suppliers including materials, vans, plant, administration supplies and cleaners.

Having a local branch and suppliers reduces the environmental impact on the area our business would create.

Providing employment for local labour, direct and subcontract.

Offering work placements and training to local residents.

Employing apprentices from the local area to improve the skill set of young people in the area.

Working with Sandwell Area Employment officers to advertise jobs and recruit apprentices through the Sandwell Guarantee scheme. Our success is highlighted by the recruitment of apprentice administrator Alex Homer in January 2017.

Alex joined us on a two-week placement organised by the Area Employment team. We were very impressed with his attitude so offered him a full admin apprentice position with Business Admin BTEC level 2 training. Case Study for Alex Homer attached. Through this contract we will commit to employ 1 more apprentice (minimum) in 2018

14 **IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

- 14.1 The renewal of this contract will enable Sandwell MBC to fulfil its landlord duties and ensure all properties have a valid gas safety certificate.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 Approval to procure and enter into contract was agreed by Cabinet in December 2015 (Minute 212/15).
- 15.2 This contract is still required in order for Sandwell MBC to continue to maintain its current housing stock. The work comprises of the checking of all gas appliances, and the issuing of a landlord's gas safety certificate. The carbon monoxide and smoke alarms are also checked and replaced where necessary.
- 15.3 Therefore, it is recommended that Cabinet approve the renewal of the Annual Gas Safety checks to Liberty Gas Group, Vinshire Plumbing & Heating Limited and Phoenix Gas Servicing Limited as set out in Appendix 1.
- 15.4 Liberty Gas Group, are based in Liverpool.
- 15.5 Vinshire Plumbing & Heating Limited, are based in Derby.
- 15.6 Phoenix Gas Servicing Limited, are based in Newcastle Under Lyne.

16 BACKGROUND PAPERS

- 16.1 None

17 APPENDICES:

Appendix 1, Tender Return Results

Alan Caddick
Director – Housing and Communities

Appendix 1 Tender Return Results

Area 1 is Tipton and Wednesbury, Phoenix Gas Servicing Limited

Supplier	Price %	Quality Mark %	Total	Rank
Phoenix Gas	60.00	38.40	98.40	1
Supplier B	58.83	32.00	90.86	2
Supplier C	54.68	22.00	76.68	3
Supplier D	53.83	32.00	85.83	4
Supplier E	53.69	36.00	89.69	5
Supplier F	52.33	37.60	89.93	6
Supplier G	52.52	34.40	86.92	7
Supplier H	52.56	24.80	77.36	8
Supplier I	44.53	30.80	75.33	9
Supplier J	44.92	25.60	70.52	10
Supplier K	0	0	0	11

Area 2 is West Bromwich and Smethwick, Vinshire Plumbing & Heating Limited

Supplier	Price %	Quality Mark %	Total	Rank
Phoenix Gas	60.00	38.40	98.40	1
Vinshire	59.68	32.00	91.68	2
Supplier C	56.37	32.00	88.37	3
Supplier D	48.80	37.60	86.40	4
Supplier E	48.73	36.00	84.73	5
Supplier F	49.65	34.40	84.05	6
Supplier G	49.99	24.80	74.79	7
Supplier H	52.74	22.00	74.74	8
Supplier I	41.73	30.80	72.53	9
Supplier J	42.34	25.60	67.94	10
Supplier K	0	0	0	11

Area 3 is Oldbury and Rowley Regis, Liberty Gas Group

Supplier	Price %	Quality Mark %	Total	Rank
Phoenix Gas	60.00	38.40	98.40	1
Vinshire	58.91	32.00	90.91	2
Liberty Gas	55.31	32.00	87.31	3
Supplier D	50.28	36.00	86.28	4
Supplier E	49.40	34.40	83.80	5
Supplier F	43.34	37.60	80.94	6
Supplier G	49.41	24.80	74.21	7
Supplier H	51.31	22.00	73.31	8
Supplier I	42.20	30.00	73.00	9
Supplier J	42.26	25.60	67.86	10
Supplier K	22.56	26.40	48.96	11