


REPORT TO CABINET

28 August 2019

Subject:	Electrical Services
Presenting Cabinet Member:	Councillor Joanne Hadley - Cabinet Member for Homes
Director:	Executive Director - Neighbourhoods – Alison Knight
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Cabinet Member for Homes
Director Approval:	Executive Director – Neighbourhoods
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	This is a boroughwide initiative
Scrutiny Consultation Considered?	Scrutiny has not been consulted
Contact Officer(s):	Jonathan Rawlins Senior Quantity Surveyor – Asset Management and Maintenance 0121 569 5045 Simon Parry Business Manager – Contract Procurement and Improvement Programmes 0121 569 2949

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorise the Director – Housing and Communities to award contracts to undertake Electrical Services to Housing to Newey Electrical Installations Limited, C & S Electrical Installations Limited, Midwest Electrical Services Limited and OpenView Security Solutions Limited for a contract period of four years, from 1st November 2019 to 31st October 2023 for Lots 1, 2 and 3 and one year from 1st November 2019 to 31st October 2020 for Lot 4 as follows:
 - Lot 1 Electrical Repair and Maintenance
 - Lot 2 Electrical Periodic Inspection and Reporting to both domestic dwellings and communal areas
 - Lot 3 Periodic Inspection and Reporting of Fire Alarms
 - Lot 4 Upgrading of Smoke Ventilation Systems within High Rise dwellings

2. That in connection with 1. above, the Director – Law and Governance and Monitoring Officer be authorised to enter into appropriate contracts with Newey Electrical Installations Limited, C & S Electrical Installations Limited, Midwest Electrical Services Limited and OpenView Security Solutions Limited.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval to award the contract to undertake Electrical Services to Housing.

2 IMPLICATION FOR VISION 2030

- 2.1 The award of this contract will enable the Council to meet a full range of housing needs.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Council is seeking to appoint five contractors to undertake electrical services to housing for a contract period of four years, from 1st November 2019 to 31st October 2023 for Lots 1, 2 and 3 and one year from 1st November 2019 to 31st October 2020 for Lot 4.

- 3.2 Fifty-one expressions of interest were received of which six compliant tenders were returned by the deadline of 21st June 2019.
- 3.3 The anticipated value of the contract is in the region of £5.6 million (£1,400,000 per annum) for a period of four years.
- 3.4 This tender has been divided into the following lots:
- Lot 1 Electrical Repair and Maintenance
 - Lot 2 Electrical Periodic Inspection and Reporting to both domestic dwellings and communal areas
 - Lot 3 Periodic Inspection and Reporting of Fire Alarms
 - Lot 4 Upgrading of Smoke Ventilation Systems within High Rise dwellings
- 3.5 Lot 1 comprises electrical services to supplement the electrical teams in Sandwell Council's Response Repairs, Planned and Cyclical, Aids and Adaption's and Void sections. The project is to provide repair/maintenance to domestic council owned housing properties throughout the Borough of Sandwell. The tender is therefore seeking to appoint one contractor to cover the whole of the Borough.
- 3.6 Lot 2 comprises an electrical inspection and testing in the form of a Domestic Electrical Installation Condition Report (DEICR) to each of our council owned housing properties, carried out every 5 years, at change of tenancy or sooner, should the testing engineer recommend so. It also includes an Electrical Installation Condition Report (EICR) on the fixed wiring (lighting and power) within our high, medium and low-rise flats' communal areas, over a 5-year cycle. As part of this contract there is cyclical inspection, servicing and maintenance to emergency lighting, fire alarms, smoke alarms (in all electric properties) and roof fans.
- 3.7 For the delivery of the works identified in Lot 2 we are seeking to appoint two Contractors, one to serve the North of the Borough and one in the South with the most economically advantageous tender awarded the North area and the second most economically advantageous tender awarded the South area.
- 3.8 Across the Borough we have 24 premises that are managed by Housing and Communities that are fitted with a commercial fire alarm system. These

are serviced on a 6-monthly basis. Testing of these systems on a weekly basis is split between Council staff at 7 of the sites whilst the other 18 sites are tested by an external contractor. The contract covers the ongoing regular test, servicing and maintenance regime.

3.9 Due to the specialist nature of these systems we are seeking to appoint one contractor to cover the works within Lot 3.

3.10 Lot 4 comprises the upgrading of Smoke Ventilation within high rise dwellings as managed by Sandwell MBC. Within our high-rise blocks of flats primarily, we have smoke ventilation systems. These are designed to keep escape and access routes free from smoke, assist firefighting operations and reduce the risk of the fire developing further. Through the High-Rise refurbishment programme these are typically updated and or replaced. These systems however, whilst covered by a separate servicing and maintenance contract, require part or full replacement due to components being beyond economical repair. A programme of works has been identified and due to the specialist nature of these works we are seeking one contractor to deliver these works over the first year of the new contract.

3.11 The six compliant tenders received have been evaluated in accordance with the criteria stipulated within the tender documentation; the Contractors with the winning submissions are: -

Lot 1	Newey Electrical Installations Limited
Lot 2 (North)	Newey Electrical Installations Limited
Lot 2 (South)	C & S Electrical Installations Limited
Lot 3	Midwest Electrical Services Limited
Lot 4	OpenView Security Solutions Limited

4 THE CURRENT POSITION

- 4.1 The Council currently has two contracts for the inspection, testing and maintenance of electrical installations within our council owned housing stock and communal space within our flatted accommodation. We are seeking to bring these together into one contract.
- 4.2 At present the first contract provides additional support for our in-house team, in dealing with day to day reactive maintenance and minor improvements to electrical installations. It also includes electrical inspection and testing in the form of a Domestic Electrical Installation Condition Report (DEICR) to each of our properties, carried out every 10 years, at change of tenancy or sooner, should the testing engineer recommend so.
- 4.3 The second contract includes an Electrical Installation Condition Report (EICR) on the fixed wiring (lighting and power) within our high, medium and low-rise flats' communal areas, over a 5-year cycle. As part of this contract there is cyclical inspection, servicing and maintenance to emergency lighting, fire alarms, smoke alarms (in all electric properties) and roof fans.
- 4.4 Through adopting best practice, it is proposed to move the DEICR to a 5-year testing regime.
- 4.5 As a result of the current communal testing contract we have identified the need to modernise and improve installations in order to reduce ongoing maintenance costs and energy consumption.
- 4.6 The current contracts were awarded in: -
- Electrical Repairs and Maintenance – November 2016
 - Electrical Periodic Inspection & Reporting – July 2018
- 4.7 The current contracts are undertaken by: -
- Electrical Repairs and Maintenance – Newey Electrical Installations Limited and C & S Electrical Services Limited
 - Electrical Periodic Inspection & Reporting – C & S Electrical Services Limited

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

5.1 Consultation was not required with stakeholders.

6 ALTERNATIVE OPTIONS

6.1 Sandwell MBC's Asset Management and Maintenance team have directly employed operatives who currently work on day to day reactive maintenance and minor improvements to electrical installations.

6.2 Traditionally the in-house team has been supported by External Contractors in order to assist in delivering the volume of electrical repairs on an annual basis. Over the last 12 months we have recruited additional electricians in order to reduce the ongoing use of external contractors to deliver this service, however over the duration of the contract it is still anticipated that there will be a requirement, especially when there are peaks, traditionally seasonal, within the requests for electrical repairs.

7 STRATEGIC RESOURCE IMPLICATIONS

7.1 The proposed contract £5.6 million (£1,400,000 per annum) for provision of Electrical Services to Housing 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.

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 The properties will be managed and maintained by the council and all the associated costs will be met from within the Housing Revenue Account.

12.2 The income generated from the rent will also go back into the Housing Revenue Account.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 All tenderers were asked, within the procurement process, to provide a response to a question in relation the Social Value that can be generated by the tenderers during this contract. The responses from all contractors cover a wide range of initiatives including work experience placements from local schools, apprenticeships, employment opportunities, a commitment to deliver electrical based works to local community groups, and examples were also given of sponsorship to local sporting teams.

13.2 The outputs will be monitored throughout the delivery of the contract to ensure that the commitments made are honoured.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 The award of this contract will enable Sandwell Council to fulfil its landlord duties and ensure all properties are electrically compliant in accordance with the 18th Edition IET Wiring Regulations (BS 7671:2018).

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The current contracts were awarded in November 2016 and July 2018.

15.2 This contract is still required for Sandwell MBC to continue to maintain and let its current housing stock.

15.3 Therefore, it is recommended that cabinet approve the award of the contracts to undertake Electrical Services to Housing to Newey Electrical

Installations Limited, C & S Electrical Installations Limited, Midwest Electrical Services Limited and OpenView Security Solutions Limited as set out in Appendix 1.

- 15.4 Newey Electrical Installations Ltd are based in Cradley Heath.
C & S Electrical Installations Ltd are based in Wednesbury.
Midwest Electrical Services Ltd are based in Wolverhampton.
OpenView Security Solutions Ltd are based in Oldbury.

16 BACKGROUND PAPERS

16.1 None

17 APPENDICES:

Appendix 1, Tender Return Results

Alan Caddick
Director Housing and Communities

Appendix 1 Tender Return Results

The successful contractors are as follows:

Lot 1 Electrical Repairs and Maintenance

	Price Score	Quality Score	Total	Rank
Newey Electrical Installations Ltd	60.00%	39.20%	99.20%	1st
Contractor B	58.77%	32.40%	91.17%	2 nd
Contractor C	52.62%	34.40%	87.02%	3 rd
Contractor D	47.77%	38.40%	86.17%	4 th
Contractor E	44.58%	37.60%	82.18%	5 th
Contractor F	43.24%	26.00%	69.24%	6 th

Lot 2 Electrical Periodic Inspection and Reporting

	Price Score	Quality Score	Total	Rank
Newey Electrical Installations Ltd	60.00%	39.20%	99.20%	1st
C & S Electrical Installations Ltd	57.03%	32.40%	89.43%	2nd
Contractor C	50.80%	38.40%	89.20%	3 rd
Contractor D	53.61%	34.40%	88.01%	4 th
Contractor E	44.23%	37.60%	81.83%	5 th

Lot 3 Fire Alarms

	Price Score	Quality Score	Total	Rank
Midwest Electrical Services Ltd	56.21%	38.40%	94.61%	1st
Contractor B	59.39%	34.40%	93.79%	2 nd
Contractor C	60.00%	32.40%	92.40%	3 rd
Contractor D	49.63%	37.60%	87.23%	4 th

Lot 4 Smoke Ventilation

	Price Score	Quality Score	Total	Rank
OpenView Security Solutions Ltd	60.00%	34.40%	94.40%	1st
Contractor B	55.24%	32.40%	87.64%	2 nd