



Report to Policy Committee

Author/Lead Officer of Report: Jason Peck –
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Report of: *Ajman Ali – Executive Director Neighbourhood Services*

Report to: *Housing Policy Committee*

Date of Decision: *20/06/2024*

Subject: *Commissioning of Housing Repairs (Disrepairs, Damp and Mould) - Additional Resources – Contracts*

| | | |
|---|---|--|
| Type of Equality Impact Assessment (EIA) undertaken | Initial <input checked="" type="checkbox"/> | Full <input type="checkbox"/> |
| Insert EIA reference number and attach EIA | 2693 | |
| Has appropriate consultation/engagement taken place? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Has a Climate Impact Assessment (CIA) been undertaken? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Does the report contain confidential or exempt information? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

Purpose of Report:

This report seeks approval to commission contracts with external providers for the following specialist services for Direct Services through 2024/25:

- *Disrepairs*
- *Damp and Mould*

Recommendations:

It is recommended that the Housing Policy Committee:

- 1) Approves the commission of a contract for a period of up to 2 years with a provider for the delivery of the disrepairs works, with an estimated value of £1,200,000 as set out in this report.
- 2) Approves the commission of a contract for a period of up to 2 years with a provider for the delivery of damp and mould remedial works, with an estimated value of £1,250,000 as set out in this report.
- 3) Notes the impact on the 2024/2025 business plan of the proposals set out in paragraph 4.2.4 of this report and that savings will be required in 2025/2026.

| Lead Officer to complete: - | | |
|-----------------------------|---|---|
| 1 | I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed. | Finance: <i>Helen Damon</i> |
| | | Legal: <i>Gemma Beecroft</i> |
| | | Equalities & Consultation: <i>Louise Nunn</i> |
| | | Climate: <i>Jason Peck</i> |
| | <i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i> | |
| 2 | SLB member who approved submission: | <i>Ajman Ali</i> |
| 3 | Committee Chair consulted: | <i>Councillor Douglas Johnson</i> |
| 4 | I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1. | |
| | Lead Officer Name: <i>Jason Peck</i> | Job Title: <i>Contracts Manager</i> |
| | Date: <i>04/06/2024</i> | |

1. PROPOSAL

1.1 Background

1.1.1 The Council has direct repairs accountability for its social housing estate. Most repair works are undertaken by the Council's in-house Housing Repairs and Maintenance Section (HRM) which sits within Operational Services. However, the service has a reliance on external providers to deliver specialist goods and services that cannot be delivered by in-house staff as well as providing additional resource to help manage fluctuating workloads in some key areas.

1.1.2 To meet this responsibility, the service must engage a flexible and sustainable supply chain to help support the in-house delivery, thereby ensuring compliance with numerous areas of legislation, keeping building users safe, maintaining service delivery and future proofing the estate.

1.2 Current Situation

1.2.1 The Council is currently facing significant volumes of work in Disrepair cases and Damp/Mould on its social housing estate. Whilst in-house resources are being increased to ensure sustainability in the future, current in-house and sub-contractor resource in these workstreams is not sufficient to deal with the volume of current work in progress. The level of work in progress is therefore not currently reducing.

1.3 Damp & Mould

1.3.1 In 2022 the Council procured a contract with an external Service Provider to support in-house staff in addressing damp and mould issues on the social housing estate. In 2022 the Council received an average of 22 reports of damp per day, in 2023 this rose to 45 cases per day, an increase of 115%. Over the subsequent two years since issuing the contract occurrences of mould and damp have increased by 115%, surpassing the capacity of the existing external service provider and our in-house teams. To maintain the necessary response times to resolve issues with damp and mould internal resources have been increased in this priority work area, but further action is required to deal with current volumes of work.

1.3.2 Damp and mould present significant risks to residents, details below.

1.3.3 **Health Risks:** Mould and damp environments can exacerbate respiratory problems such as asthma and allergies. Prolonged exposure may also lead to respiratory infections and other health issues, especially for vulnerable populations such as children, the elderly, and those with pre-existing health conditions.

1.3.4 **Quality of Life:** Living in a damp and mouldy environment can significantly impact the quality of life of residents. It can cause

unpleasant odours, damage personal belongings, and create an overall sense of discomfort and dissatisfaction with the living conditions.

- 1.3.5 **Structural Damage:** Dampness and mould can also cause structural damage to buildings over time. It can weaken walls, ceilings, and floors, leading to costly repairs and potentially rendering the housing uninhabitable if left unchecked.
- 1.3.6 **Legal Obligations:** The Council is required under the Landlord and Tenant Act 1985 to ensure that any dwelling they rent out is fit for human habitation. Failure to address mould and damp issues may result in legal consequences and penalties for the Council.
- 1.3.7 **Social Equity:** Providing safe and healthy housing is a fundamental aspect of promoting social equity and justice. All residents deserve to live in environments that support their health and well-being.
- 1.3.8 Overall, attending to mould and damp issues in social housing is not just a matter of property maintenance; it's a critical component of ensuring the health, safety, and dignity of individuals and communities.
- 1.3.9 Damp and mould works can involve a number of workstreams depending on the cause of the damp and/or mould in the property. These can include preventative works to improve the integrity of the building structure to prevent water ingress and installation of forced ventilation units to improve airflow in the premises.
- 1.3.10 The works will also include for the removal and treatment of areas affected by mould, normally completed by undertaking a three-stage process of cleaning down of effected areas, coating with an appropriate anti mould treatment and making good.
- 1.3.11 All works will be undertaken by trained staff and in compliance with health and safety guidance to ensure the safety of residents.

1.4 **Disrepairs**

1.4.1 Managing disrepairs is a key priority of the Housing and Neighbourhood Service's service plan for 2023-2025. The increase in disrepair cases over the past few years is well documented and is illustrated by the table below.

1.4.2 Disrepair cases since 2018 are as follows:

| Year to April | Disrepairs (New Cases) |
|---------------|------------------------|
| 2018 | 117 |
| 2019 | 170 |
| 2020 | 286 |
| 2021 | 392 |
| 2022 | 932 |

| | |
|------|------|
| 2023 | 1045 |
| 2024 | 821 |

- 1.4.3 Following a report to the Housing Policy Committee in 2023 additional internal resources for disrepairs were agreed to help ensure disrepair cases are completed within the 55 day repair category, however support from external service providers is currently required on a short term basis to reduce the volume of work in progress to a manageable level and ensure issues relating to disrepairs can be addressed in a reasonable timeframe in the future via our internal teams.
- 1.4.4 It is proposed that disrepairs work at 1000 properties are passed to a third-party service provider to attend and resolve. The works required at the properties involve a multitude of trades including joinery, electrical, plumbing and roof repairs. There is no one archetype for disrepairs and the nature of work will vary from property to property.
- 1.4.5 The scale of work required at the properties varies from property to property. It is proposed to engage with a service provider that has the capacity and the skilled workforce required to ensure works are completed within the proposed timescale.
- 1.4.6 The Housing Repairs and Maintenance Team will manage the proposed work program with the service provider and ensure that the Council is receiving value for money from the contract and that works are completed to a satisfactory level and within the required timeframe. Regular contract management meetings will be held and minuted.

1.5 **Commission**

- 1.5.1 The Council has direct repairs responsibility for its social housing stock and is faced with increased cases of damp/mould and disrepairs in its properties. To manage the volume of work in these areas and provide the level of service expected to its residents it is proposed that the Council: -
- 1.5.2
- Approve the commission of a contract for a period of up to 2 years with a provider for the delivery of the disrepairs works, with an estimated value of £1,200,000.
- 1.5.3
- Approve the commission of a contract for a period of up to 2 years with a provider for the delivery of damp and mould remedial works, with an estimated value of £1,250,000.

2. **HOW DOES THIS DECISION CONTRIBUTE?**

2.1 Better health and wellbeing

- 2.1.1 Mould and damp environments can exacerbate respiratory problems such as asthma and allergies. Prolonged exposure may also lead to

respiratory infections and other health issues, especially for vulnerable populations such as children, the elderly, and those with pre-existing health conditions. The proposal will help ensure damp and mould issues identified within the social housing estate are addressed in a timely and effective manner.

2.2 Thriving neighbourhoods and communities

2.2.1 In delivering good value and quality services, the proposal will contribute to the Council's aim to create great neighbourhoods that people are happy to call home and will improve residents' quality of life, through access to good quality housing.

2.3 Tackling inequalities

2.3.1 The Council's properties are available to all. Whilst everyone is vulnerable to the health impacts of damp and mould, people with certain health conditions, children and older adults are at greater risk of more severe health impacts. The proposal will help prevent risks to these vulnerable groups addressing damp and mould issues throughout the social housing estate.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 No external consultation is required / has taken place as the proposed procurement is for the provision of services to support the service in the delivery of its day-to-day services.

3.2 The procurement strategy for the required services will be jointly developed in consultation with relevant stakeholders in Direct Services, Housing, Legal Services and Financial & Commercial Services.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 It is considered that the proposal will have a positive impact on the health and wellbeing of the Council's social housing residents as maintenance issues on their homes are addressed more speedily than would otherwise have been the case.

4.2 Financial and Commercial Implications

4.2.1 The proposed contracts will commit the Council to a spending figure of £2,450,000 over a period of up to 2 years. Forecast spend figures are based on the future projection of spend based on historical spend data for the type of works being procured and the level of backlog works currently identified.

4.2.2 Both proposed contracts are for repairs to the Council's housing stock,

so will be funded through the Housing Revenue Account (HRA).

4.2.3 As part of the 2024/25 budget £625k was included to cover the costs associated with increased repair work on disrepair cases, it is therefore proposed that this funding is used to partially fund these contracts for a period of 2 years.

4.2.4 There is currently no identified funding for the remaining £1.2m, this will mean an overspend in the HRA for 2024/25 of £600k. This will be funded either through the HRA revenue reserve or through a reduction to the revenue contribution to the housing capital programme. A budget pressure of £600k will be included in the 2025/26 business planning process.

4.3 Legal Implications

4.3.1 This report seeks approval to commission 2 contracts, a contract for a period of up to 2 years with a provider for the delivery of the disrepairs works, with an estimated value of £1,200,000 and a contract for a period of up to 2 years with a provider for the delivery of damp and mould remedial works, with an estimated value of £1,250,000.

4.3.2 The Council has direct repairs accountability for its social housing estate. In accordance with the Landlord and Tenant Act 1985, the Council must ensure that any dwelling they rent out is fit for human habitation both at the time the lease is granted and during the term of the lease. Commissioning the above contracts will ensure the Council is able to carry out the maintenance/repairs required.

4.3.3 The Council will need to ensure the proposed contract award complies with the Council's Contract Standing Orders, and all applicable legislation and regulations including but not limited to the Public Contracts Regulations 2015, UK GDPR, the Data Protection Act 2018 and the Equality Act 2010.

4.4 Climate Implications

4.4.1 A Climate Impact Assessment has been completed with the findings indicating a slight increase due to the extra works being undertaken.

4.4 Other Implications

4.4.1 None

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 **Do Nothing** - this is not an option as the Council has the ongoing requirement and legal responsibility to maintain its buildings and housing estate. Additional procurement of extra external resources is required to ensure the Council is fulfilling its obligations as Landlord.

5.2 **Self-Deliver** - this is not an option; the service does not have the capacity to deliver the services to the level required to reduce the existing backlog of works.

5.3 **Pass more work to existing contractors** – this is not an option as the Council’s current contractors are operating at their capacity.

6. REASONS FOR RECOMMENDATIONS

6.1 Preferred option – to commission the contracts described in section 1 of this report. This will enable the Council to increase provision in both Disrepairs and Damp/Mould works to address the existing backlog of works. The procurement of the contracts will ensure the Council is operating in accordance with the Public Contract Regulations 2015 and achieving best value in its procurement of the services.