

Policy Committee Decision Report

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| Title of Report: | Commissioning the Vacant Property Security and Clean & Clear Contract to support the Housing & Corporate Repairs and Maintenance Service |
| Date of Decision: | 19/09/2024 |
| Report To: | Housing Policy Committee |
| Report Of: | Ajman Ali – Executive Director Neighbourhood Services |
| Report Author: | Jason Peck – Commercial Service Manager Operational Services |
| Executive Summary: | This report will seek approval to commission a contract with an external provider for Security Shuttering and Clean & Clearance Services of vacant properties for the Council. |



Council Plan outcomes:

[Great neighbourhoods that people are happy to call home](#)

Policy Committee remit:

This report is to be considered by the Housing Policy Committee as its remit includes functions of the Council as Local Housing Authority and agreeing the commission or purchasing decision and the budget on any given requirement reserved to the policy committee.

Does the report contain confidential or exempt information? No

Recommendations:

Housing Policy Committee is recommended to:

1. Approve the commissioning of Security Shuttering Services and Clean & Clearance services to vacant properties for a period of 4 years with an estimated value of up to £4,150,000, as set out in this report.
2. Notes the impact of the proposal set out in this report on the 2025/2026 business plan and future years, as set out in paragraph 7.2. This will need to be mitigated or included in future business planning.

Financial Implications: Yes. Approved by: Paul Foster

Legal Implications: Yes. Approved by: Gemma Beecroft/Marcia McFarlane

Equality and Inclusion Implications: Yes. Approved by: Louise Nunn

Initial Equalities Impact Assessment completed with EIA number: 2695

Climate Change Implications: Yes. Approved by: Jason Peck

Background Papers: None

Appendices: None

1. Background to the issue

- 1.1 The Council has direct repairs accountability for both its corporate and housing estates. Most repair works are undertaken by the Council's in-house Repairs and Maintenance section which sits within Operational Services. However, Operational Services 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.
- 1.2 Over the last 4 years a robust supply chain has been in place to provide support to the in-house service provision for security shuttering of the Council's vacant properties and vacant property cleans, clearance, environmental cleaning / clearing and garden clearing and hazardous waste, including sharps.

2. Proposal

2.1 Security / Shuttering

The security shuttering of vacant buildings is a proactive measure to safeguard the property, protect public safety, prevent crime, and maintain the overall quality and value of the community. In the majority of cases, security shutters are only required as a temporary measure to protect a building whilst work is completed, and the building is re-occupied. Due to the temporary nature of security shutters, they are normally acquired on a rental basis, but we have the option to purchase the shutters outright if the building is remaining empty for a prolonged period and purchasing is the more economic option. At the end of any rental period the appointed contractor will remove the shutters, and they will be re-used on other properties.

- 2.2 Security shutters are constructed of metal and are securely fixed to openings in the building such as windows and doors to prevent unauthorised access. Steel shutters on doors are openable via a lock to provide access to authorised council staff.
- 2.3 There are a number of advantages for securely shuttering vacant properties, some of which are detailed below.

2.3.1 Prevention of Vandalism and Theft:

- Vandalism: Vacant buildings are prime targets for graffiti, broken windows, and other forms of vandalism. Shuttering helps protect the exterior and interior from damage.

- Theft: Vacant properties often attract thieves looking to steal valuable materials such as copper wiring, plumbing, and fixtures. Security measures deter these activities.

2.3.2 Safety:

- Public Safety: Vacant buildings can become hazardous if not properly secured. Trespassers might engage in risky behaviours, leading to accidents or injuries. Proper shuttering prevents unauthorized access and reduces the likelihood of such incidents.
- Fire Hazards: Vacant buildings can become targets for arson or accidental fires started by trespassers. Securing the premises reduces the risk of fire outbreaks.

2.3.3 Protection of Property Value:

- Buildings that are left unsecured and fall into disrepair can lead to a decline in the value of the property and surrounding area. Proper security measures help maintain the building's condition and the neighbourhood's appeal.

2.3.4 Preservation of Historical and Cultural Sites:

- Some vacant properties may have historical or cultural significance. Protecting them from damage and unauthorized access helps preserve these important sites for future generations.

2.3.5 Deterrence of Illegal Activities:

- Unsecured vacant buildings can become hotspots for illegal activities such as drug use. By securing these buildings, the Council can reduce crime rates and improve community safety.

2.4 Clean & Clear

2.4.1 The cleaning and clearance of vacant properties is primarily concerned with work to void properties on the Council's social housing estate, although on occasion the service may be required for buildings on the corporate estate.

2.4.2 The timely clean and clearance of vacant properties forms an essential part of the process of enabling our in-house repair operatives to ensure properties are maintained to a re-lettable standard and available for occupation, which in turn provides revenue for the Council's Housing Revenue Account.

2.4.3 This service is essential for the Council to manage its housing stock effectively and to ensure that properties are ready for new tenants as soon as possible. It ensures that void properties are turned around quickly and efficiently, minimizing the time they

remain empty whilst helping to maintain the quality and habitability of council housing stock.

2.4.4 The Housing Repairs and Maintenance Voids Team are responsible for ensuring that void properties are brought to a lettable standard in accordance with the Council's approved lettable standard. This involves undertaking various works as and when required including structural repairs and upgrades/repairs to kitchens and bathrooms. One of the first jobs to be undertaken is to ensure the property is cleared of any detritus left by the previous occupant both inside and external to the property, ensuring it is disposed of in accordance with waste management regulations. This work is primarily undertaken by the Voids Team using their own in-house staff with the support of the Council's Environmental Services Team. However, this in-house provision is also supported by an external service provider to help deal with fluctuations in workload and periods of peak demand.

2.4.5 Cleaning: This involves cleaning the property, which may include tasks such as deep cleaning carpets, washing walls, sanitizing kitchens and bathrooms, and ensuring the property is in a habitable state.

2.4.6 Clearance: This involves removing any rubbish, unwanted furniture, and belongings left behind by previous tenants. It may also include clearing out overgrown gardens and ensuring that the property is free of debris.

2.5 The contract with the current incumbent service provider is due to end in December 2024 and it is proposed that the Council commission security shuttering services and clean and clearance services from an external provider for a period of up to 4 years with an estimated value of £4,150,000.

2.6 The Council has an ongoing requirement for these services in its day-to-day maintenance activities on its properties. The Council does not have sufficient in-house resource to undertake this work and is therefore required to procure the services of third-party service providers.

3. How does this decision contribute to the Council Plan?

3.1 Council Plan outcome

3.1.1 Great neighbourhoods that people are happy to call home - The proposal will contribute to the Council's plan to increase the availability, quality and range of housing in our neighbourhoods, helping to ensure Sheffield's homes are fit for the present and the future. It will positively contribute to the provision and availability of Council homes by ensuring empty properties are made available for occupation as quickly as possible. It will help towards creating great neighbourhoods that people are happy to call home.

3.2 People – Prosperity - Planet

3.2.1 The proposal will help towards maintaining the Council's properties ensuring homes are not left vacant for extended periods and when required empty buildings are secured to prevent them attracting anti-social behaviour. Ensuring empty properties are re-occupied as soon as possible will help towards building a community cohesion and add to the local economy. Contractors will be assessed as to their sustainability credentials, and it will ensure waste from the properties is disposed on in an environmentally friendly way in accordance with environmental legislation.

3.3 City Goals

Not applicable

4 What community or partner engagement has been undertaken and how has it informed the proposal?

- 4.1 No external consultation is required / has taken place as the proposed commission is for the provision of services to support the service in the delivery of its day-to-day services.
- 4.2 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.

5 What alternative options did we consider?

- 5.1 Alternative Option 1:
Do nothing - This is not an option as the Council has the ongoing requirement for shuttering and clean & clearance services and public procurement regulations dictate that we procure a compliant contract for the delivery of these services.

- 5.2 Alternative Option 2:
Self-Deliver - this is not an option; the service has neither the capacity or expertise to deliver these goods and services without the assistance of an external service provider.
- 5.3 Alternative Option 3:
Further extend existing contract – this is not an option as all available contract extensions have been utilised. As ever, Council must adhere to the Public Contract Regulations 2015 (PCR) thus further variations (value and duration) are not deemed easily reconcilable with the provisions set out within PCR.

6 How has equality, diversity and inclusion been actively considered?

- 6.1 Overall, there are no significant differential, positive or negative, equality impacts from this proposal. It will help ensure that we keep council housing property and corporate property maintained and safe.

7 Financial and Commercial Implications

- 7.1 Analysis of spend data indicates an average annual spend figure of around £875k. Following a 10% increase in costs for 2024/25 the spend for this year is forecast to be £960k. With an allowance for annual inflation of 3% over the life of the proposed contracts this will commit the Council to a forecast spend of £990k in 2025/26 and £4.15 million over the potential four-year period of the contracts. For comparison the most recent contract value for 6 months was £454k (£908k per annum).
- 7.2 Analysis of budgets suggest there is around £677k within Housing Repairs and Maintenance to cover this cost. The 2025/26 forecast spend would therefore leave us with an approx. £313k pressure / overspend that we would either have to mitigate or include in Business Planning. If costs were to grow each year with inflation as outlined that will increase this pressure by approx. £30k per year unless budgets kept pace.
- 7.3 The Service will be aiming to mitigate inflationary rises and manage overall expenditure on the contract moving forward by:
- Increasing the internal workforce of the voids team and maximising the work passed to our Environmental Services team.
 - Improved working on recharges where applicable to recoup some of the costs of clean and clearance work.
 - Continued work to improve tenancy management which should improve the general state of the property when vacated, reducing clean and clearance costs.

8 Legal Implications

- 8.1 This report seeks approval to commission a contract for a period of up to 4 years with a provider for the delivery of security shuttering and clean & clearance services of vacant properties, with an estimated value of £4,150,000.
- 8.2 Section 21 Housing Act 1985 gives the Council general powers of management over its housing stock, which currently includes occupied and vacant council properties. The Council may use this power to manage its vacant properties as proposed, namely keeping them clean, cleared and secured while unoccupied.
- 8.3 Section 111 of the Local Government Act 1972 allows the Council to do anything which facilitates the discharge of, is conducive to or incidental to the Council's obligations in relation to its functions. The Council may use this power to commission works and services that will help deliver required cleaning, clearing and security services for vacant Council properties, in relation to the Council's general housing management function.
- 8.4 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 and the Procurement Act 2023 when it comes into force on 28 October 2024, UK GDPR, the Data Protection Act 2018 and the Equality Act 2010.

9 Climate and Environmental Implications

- 9.1 A Climate Impact Assessment has been completed for the proposal. The commission is considered to be generally neutral in its environmental impact. The commission is for the renewal of an existing service. Waste cleared from sites will be disposed of in accordance with environmental regulations.

10 Other implications

- 10.1 None

11 Reasons for decision

- 11.1 Preferred option – to commission the appropriate contract in the manner described in section 1 of this report. This will help enable the

Council to continue to provide this key service. The commission of the contract will ensure the Council is operating in accordance with the Public Contract Regulations 2015 and achieving best value in its procurement of the services.

