

Report to: Sukvinder Kalsi, Executive Director of Finance and Corporate Services, in consultation with Councillor Frances Umeh, Cabinet Member for Housing and Homelessness

Date: 3 September 2025

Subject: Procurement Strategy and Contract Award for Disrepair and Stock Condition Surveying

Report author: Gavin Duncumb, Senior Commercial and Contracts Manager

SUMMARY

This report recommends a contract award to assist the Council with its stock condition and in-depth surveys where the resident is working with London Borough of Hammersmith and Fulham Council (the “Council”) on the resolution of a repair via a legal advisor, known as ‘legal disrepair case’. This contract will help ensure that our stock condition surveys are up to date and residents have the homes they deserve and reduce payments from the Council to external legal firms from funds that could be used to ensure high-quality properties and resident services.

The Council proposes using Workstream 1A (Direct Award): Stock Condition Surveys: Domestic – Greater London of the National Housing Maintenance Forum (NHMF) Framework Asset Management Consultancy framework (the “Framework”) to award a contract for the provision of stock condition and disrepair surveying services. The contract award is intended to support an overarching strategy to improve outcomes from the responsive repairs service, specifically by providing additional capacity to support on the resolution of legal disrepair cases and ensure accuracy of stock condition surveys to inform future asset management strategies.

This is value and time limited award to support the effective delivery of stock condition surveys and legal disrepair case outcomes in the short term. This solution will help maintain good service delivery, whilst longer-term strategies are developed and implemented, such as the re-procurement of the repair contracts.

RECOMMENDATIONS

1. Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. To approve a contract award to the Preferred Supplier, identified in Appendix 1 (the “Preferred Supplier”) for the Contract Award Value included in Appendix 1 (the “Contract Award Value”) for a contract period of 2 years using Workstream 1A of the Framework. We aim to incept the contract as soon as allowable.
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Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Corporate Plan and the H&F Values
Building shared prosperity	Social value assessments were included within the Framework evaluations. It is understood these will have a positive impact on local wellbeing and prosperity. The Preferred Supplier have confirmed that they will undertake free training on defending disrepair cases and also to offer work experience days for our apprentices.
Creating a compassionate council	Having accurate data for our assets allows the Council to take informed decisions on future programmes of work to benefit the residents. Disrepairs have a significant negative impact on our tenants. It is important to effectively address the backlog in current disrepair cases to support good outcomes for residents and reduce negative impacts of ongoing repairs issues.
Doing things with local residents, not to them	The contract will stipulate high standards of resident communication throughout the service process when accessing properties to undertake surveys.
Being ruthlessly financially efficient	Ensuring accuracy of stock condition surveys is essential to make the right investment decisions. Meeting the challenge of disrepair cases will help to minimise potential further legal and compensation costs in this area and support the reduction of rent loss. Disrepair is an area which has high financial risk of Housing Revenue Account (HRA) overspend so getting to grips with, resolving, and reducing case numbers is crucial to managing this risk.
Taking pride in H&F	It is important that the Council provides tenants with homes to be proud and has affordable investment programmes and effectively manage disrepair cases promptly.
Rising to the challenge of the climate and ecological emergency	Works specified will include the latest specifications and current Building Regulations.

Financial Impact

This report requests approval to award a disrepair and stock condition surveying contract for the Contract Award Value.

Based on the nature of this activity and the condition of the properties which will be surveyed, up to 92% of the costs are expected to be capitalisable.

The revenue budget for this activity will be sufficient to cover the expected revenue costs per annum.

In February 2025, Cabinet approved a capital budget to be spent on responsive capital works across financial years 2025/26 and 2026/27. This is sufficient to fund the estimated capital element of the contract value in this report.

This procurement, in reducing the number of disrepairs, will contribute to improving the financial position of the HRA through reducing legal and compensation costs as well as reducing voids rent losses.

Should the assumed level of capitalisation be lower than expected, this could result in a revenue pressure. Finance officers will work closely with the service to continuously monitor the nature of works following surveys and the levels of capitalisation to ensure that costs are carefully managed within the approved budget envelopes.

Further details undertaken to provide financial assurance are included in Appendix 1.

Mark Collins, Principal Accountant HRA Revenue, 1st July 2025 and Anjeli Chadha, Principal Accountant – Housing Capital, 2nd July 2025

Verified by: Danny Rochford, Head of Finance (Housing), 2nd July 2025

Verified by James Newman, AD Finance, 6 August 2025

Legal Implications

The Council is legally obliged to carry out works of repair to its housing stock to comply with its duties as a landlord under the Landlord and Tenant Act 1985. The proposed award will assist the Council in dealing with disrepair cases more effectively and to fulfil its duties as a landlord.

The value of the proposed contract means that the Council needs to comply with the provisions of the Procurement Act 2023. The use of an existing framework which was procured in accordance with the previous procurement regime (the Public Contracts Regulations 2015) is a compliant method of procurement under the Act. The Council is entitled to call-off under the Framework.

The Council is entitled to make a direct award under the Framework if the selected supplier (and no other supplier under the Framework) has provided satisfactorily

similar services in the twelve months preceding the award. This is the position with the Preferred Supplier, so the Council is entitled to make a direct award.

This is a high value contract under the Council's Contract Standing Orders (CSOs). The use of a suitable third-party framework in accordance with its terms is a compliant method of procuring a contract of this value. The Council is entitled to use the Framework and is entitled to make a direct award to the Preferred Supplier. The requirements of the CSOs have therefore been met.

The award of this contract is a key decision under the Council's constitution and needs to be included on the key decision list on the Council's website.

John Sharland, Special Projects Lawyer, 1st May 2025

Procurement Comments

The procuring officer is required to work with the Procurement and Commercial team to ensure the call-off is undertaken compliantly and in accordance with the Public Contracts Regulations 2015, Framework terms of use, and the Council's own CSOs. Based on the details provided in this report, CSO 19.4. of the Council's CSOs has been complied with.

The Framework proposed for use has been subject to full diligence checks by the Procurement and Commercial team, which have not identified any issues of concern. The framework is therefore compliant for use by the Council in procuring this requirement.

A Contract Details Notice must be published to satisfy the requirements of the Public Contracts Regulations 2015 for contracts equal to and over £30,000 (including VAT). This must be completed using the Council's capitalEourcing eProcurement portal.

The contract must be added to the capitalEourcing eProcurement portal, to ensure it is published on the Council's Contract Register in line with the legislated transparency obligations, and all applicable legal notices must be published within their legislated deadlines.

A named contract manager must be allocated to the contract on the Council's capitalEourcing eProcurement portal.

Chris Everett, Category Lead – Procurement and Commercial, 23rd July 2025

Background Papers Used in Preparing This Report

None.

DETAILED ANALYSIS

Background

1. Additional capacity for undertaking disrepair surveys is still required to meet current demand whilst we re-procure our repairs and maintenance contracts, for which the new service will commence in 2027.
2. Updating stock condition surveys is essential to monitor decency of our properties and to ensure future investment programmes are sustainable. Accurate stock condition data from surveys also allows the Council to be able to bid for Government grant funding to assist us in improving thermal efficiency and reduce carbon.
3. On average, the Housing Repairs service is receiving 16 potential disrepair cases a month. These cases need to be surveyed, and a scope of works agreed with the resident's legal representatives. These surveys need to be completed within strict protocols and timescales.
4. Defending unsubstantiated disrepair claims is also important so that the Council is not liable for any unfair external legal costs.
5. Surveyors who are experienced in disrepair specific protocols are in high demand across London and the southeast.
6. The Preferred Supplier had an existing Contract with the Council and this expired on Tuesday, 10 December 2024. The Preferred Supplier has a good track record of dealing with disrepair and stock condition surveys with the Council and are fully aware of the Council's disrepair protocols and procedures. Currently they are closing out some of the high-level complicated cases.

Short to Medium-Term Solution

7. This additional capacity will offer a strategy to support disrepair surveys and provide evidence where disrepair is unsubstantiated.
8. The intention is that the Preferred Supplier survey and complete an estimated potential 600 legal disrepair cases over the duration of this proposed contract. This will be supported and supervised by Council officers.
9. The Preferred Supplier will carry out all visits and review repairs history against Letters of Disrepair. This will include home visits, and creation of a definitive Schedule of Works and Scott Schedule for the supplier who will undertake the works to deliver.
10. The Preferred Supplier has the relevant skillsets and experience to deliver their respective disrepair and stock condition surveys and a good knowledge and understanding of our protocols and requirements.

11. This short- and medium-term solution will support the progress that has already been made within the Housing Repairs service whilst the longer-term repairs model is planned and procured and commences in 2027.

Reasons for Decision

12. To continue to support the Housing Repairs service and provide additional temporary capacity relating to disrepair and stock condition surveys which will provide accurate data for investment decisions and assist with defending unsubstantiated disrepair cases.

Contract Specifications Summary

13. See table below for a description of the works or services being procured:

Contract	Contract Value	Description of Works and/or Services
Preferred Supplier	See Appendix 1	<ol style="list-style-type: none">1. Provision of surveying services to produce Schedules of Works, assessing requirements against Letters of Claims.2. Review of current cases including progress to date and status of live repairs.3. Providing pre and post inspections to all homes.4. Stock condition surveys to measure current decency and provide accurate data for investment decisions.

Procurement Route Analysis of Options

14. The service being procured has been identified as falling within the scope of the main Common Procurement Vocabulary (CPV) code 71631000 – Technical inspection services, and the Contract Award Value detailed in Appendix 1 means the procurement falls within scope of the applicable procurement legislation and the Council's CSOs.
15. **Do nothing or decommission the service – Not recommended**
This option is not recommended as the Council cannot address the matters with its current consultant due to having reached the contract value, so needs to reprocure this requirement to ensure compliance with the Procurement Act 2023.
16. **Deliver the supplies, services, and/or works in-house (make/buy decision) – Not recommended**
The Council does not currently have the capacity in-house to deliver these disrepair surveys, so to fulfil our obligations, we need to procure the works, to

be delivered by an external consultant. The Housing Repairs service has recently undertaken a recruitment exercise, but this was not successful.

17. Undertake a full regulated procurement process, advertised to the market – Not recommended

It is recognised that a full regulated procurement process, advertised to the market would attract the widest competition and achieve the best value for money for the Council. We are working towards this on the current procurement of the new repairs contract, however, the disadvantage to this approach for the disrepair surveys, is the time it takes to procure. Competitive procurement can take between 10 and 16 months, which is not a timeframe we have available to us on this occasion, so an alternative compliant route to procure needs to be used.

18. Procure using a suitable and compliant framework or Dynamic Purchasing System (DPS), either by way of a mini competition or direct award – Recommended

Similar to the full regulated procurement process, advertised to the market, the timescales associated with running a successful mini competition for these works are estimated between 6 and 12 months to complete, which is not a timeframe we have available to us on this occasion. It is for this reason that a compliant direct award from a suitable and compliant framework is proposed to be the best option for the Council and its tenants.

19. In this instance, the Housing Repairs service urgently requires additional capacity for disrepair and stock condition surveys to prevent negative outcomes for residents, reduce potential compensation and external legal fees whilst providing accurate stock condition data for investment planning. The first three options, as well as the mini competition have been precluded due to timescales and a new procurement will be assessed along with the structure of the team.

20. The preferred option therefore is to award from a compliant framework whilst assessment of future options and opportunities are undertaken. This is a compliant procurement route in line with the Council's CSOs and the applicable procurement legislation, and which adheres to the requirements of the framework provider.

21. The Framework commenced on Tuesday, 1 December 2022 and expires on the Monday, 30 November 2026. A Find a Tender contract award notice was published 2023/S 000-003499 The award criteria for the successful consultants was based on an evaluation of quality (60%) and price (40%). This framework allows the provision for a direct award, in accordance with Schedule 4 to the Framework Agreements for the Direct Award frameworks, which requires that Where one of the Framework Providers has been the sole provider of similar works or services to the Council in the last 12 months and has provided those works or services to the satisfaction of the Council, the Council must Allocate the Call-Off Contract to that Framework Provider. Further details to support this section are included in Appendix 1.

22. Direct award outside of any framework is not being recommended as it would not meet the requirements of the Council's CSOs or the Procurement Act 2023.

Market Analysis and Engagement

23. Market engagement has not been undertaken for this requirement, as this is a short to medium term measure and the Repairs service will be reviewing its structures to ensure it has the right capacity in the future.

Conflicts of Interest

24. All officers and decision makers, including elected members (where appropriate), have been required to complete a Conflict of Interest Declaration form to record any actual, potential, and/or perceived conflicts, along with appropriate mitigations (as appropriate), on the Conflicts Assessment.
25. Approval of this Procurement Strategy by the Strategic Leadership Team (SLT) Member and elected member constitutes their declaration that they do not have any actual, potential, and/or perceived conflicts, relevant to this procurement, except where a specific Conflict of Interest Declaration form has been completed and provided, advising differently.
26. The Conflicts Assessment will be kept under review and updated throughout the life of the project (from project inception to contract termination).

Local Economy and Social/Added Value

27. Social value assessments were included within the Framework evaluations and have been considered in assessing suppliers award onto the Framework.
28. The Preferred Supplier has confirmed that they will undertake free training on defending disrepair cases and offer work experience days for our apprentices.
29. The Preferred Supplier will complete a social value matrix return to outline their social value commitments as part of this contract.

Lot Considerations

30. The contract is not being split into lots, as the procurement is proposed to be undertaken using an established framework, and the appropriate framework lot (referred to by the Framework as a "Workstream") has been selected.

People Based Considerations

31. The Transfer of Undertakings (Protection of Employment) Regulation 2006 (UKSI 2006/246) (TUPE) is not applicable to this contract.

Risk Assessment and Proposed Mitigations

32. There will need to be special processes for dealing with communication between the residents and their legal representatives and the Preferred Supplier's staff. This will be mitigated because the Preferred Supplier will be working with designated Council staff for each disrepair order and following strict processes. The Council's Disrepair Team will take responsibility for interaction with residents and booking appointments and all sign offs and inspections will be jointly managed by the Housing Repairs staff.
33. The volume of work given to the Preferred Supplier is controllable as the contract will include a clause which stipulates that there is no commitment to give them any specific survey work volume. The level of surveys the consultant ultimately receives will be determined by the quality of their Scott schedules and building diagnostic surveys up to the contract value limit. The volume of surveys can be controlled so that it does not overwhelm the special management processes put in place to manage this contract.
34. The Framework call-off contract will include a specific clause to allow the Council to remove existing survey orders from the contract specification without financial penalty.

Contract Duration Considerations

35. The Contract will run for a maximum of 2 (two) years.

Timetable

36. Please see below for an estimated timetable:

Activity	Date
Key Decision Entry (Strategy and Award)	22 July 2025
Contracts Assurance Board (Strategy and Award)	6 August 2025
SLT with Cabinet Member Sign-Off (Strategy and Award)	3 September 2025
Contract Start Date	15 September 2025

Selection and Award Criteria

37. Selection and award criteria are not applicable to a compliant direct award process using a framework; however, the Preferred Supplier has been selected, and any contract will be awarded in line with the Framework terms and conditions.
38. Price mechanisms are described in the table below.

Contract	Pricing Mechanism
Preferred Supplier	Framework rates

39. The rates detailed above are from Tuesday, 1 April 2025. Indexation using the Consumer Price Index (CPI) will be applicable after Wednesday, 1 April 2026, and will be applicable to all the rates in line with the contract.

Contract Management

40. The Housing Repairs team will manage this contract with the Head of Operations being the dedicated Contract Manager for the disrepair surveys and the Head of Asset Management and Compliance will manage the stock condition surveys.
41. The standard of surveys and service will be monitored and measured by the Housing Repairs team. The Preferred Supplier will be required to provide evidence of surveys undertaken, including data sets, reports and where necessary photographs.
42. There will be monthly performance meetings in which Key Performance Indicators (KPIs) will be reviewed. KPIs are likely to include, but not be limited to:
- Missed appointments;
 - Disrepair surveys completed by target date;
 - Stock condition surveys; and
 - Timescales to submit all information.
43. The Preferred Supplier will be liable for costs incurred by the Council as follows:
- £50 for each missed appointment paid out to a resident; and
 - Any legal and compensation costs paid by the Council if a disrepair survey is not completed within the designated timescale, where this is the fault of the Preferred Supplier.

Equality and Inclusion Implications

44. As landlord of social housing there is a higher proportion of vulnerable residents who are impacted more by needed repairs, that left untreated, may have health impacts. The additional capacity provided by the consultant ensures accurate specifications so that works can be planned.

Yvonne Okiyo, Strategic Lead for Equity, Diversity, and Inclusion (EDI), 30th April 2025

Risk Management Implications

45. It is recommended that the disrepair and stock condition survey programme has a detailed risk log that both the supplier and council will review at monthly meetings to ensure mitigation. The risk mitigation for quality service will be mitigated by trial pilot surveys being undertaken and full process mapping to ensure delivery.
46. There is an operational risk and resulting people risk that the service provided may deteriorate during the lifetime of the engagement. There will be a review and a suite of KPIs will be introduced to measure quality, time and cost.

Jules Binney, Risk and Assurance Manager, 14th July 2025

Climate and Ecological Emergency Implications

47. The Preferred Supplier will sign up to the Council's supplier Low Carbon charter and will adhere to these commitments. They additionally have a strong sustainability strategy with their own target to reach carbon net zero by 2030 and will bring their strategies and policies around to this contract, in particular use of electric vehicles where possible.
48. When structural surveys are undertaken consideration will be given to assess the condition of the property to see what additional works, subject to funding being available, can be undertaken to improve the following;
 - a. Ventilation (passive and mechanical);
 - b. Insulation to the fabric to reduce energy use;
 - c. Improved drainage;
 - d. Retrofit considerations; and
 - e. Component replacements such as windows and doors.
49. This will not only deal with the defect issues but give us a better understanding of our housing stock and provide data to allow us to make the most cost-effective improvements.

Verified by: Meghan Kingsley-Walsh, Heat Decarbonisation Lead, 28th July 2025

Local Economy and Social Value

50. The Preferred supplier will provide work experience events for our residents and apprentices to provide them experience and overview of surveying in the social housing sector.
51. The Preferred supplier will also undertake 6 monthly Continuous Professional Development courses with the Housing Repairs service to provide training for ;
 - a. "Disrepair protocols and defending claims"
 - b. Energy Performance training for our surveyors so that residents can be advised of the best ways to reduce energy within their homes.

52. It is recommended the commissioner and Social Value Officer still work together with the Preferred Supplier to ensure that the social value included in the Framework submission is still realised as part of this contract and to ensure the above added value is achieved.
53. The commissioner will work closely with the Social Value Officer to ensure the Framework commitments are reported regularly by the Preferred Supplier.

Harry Buck, Social Value Officer (Procurement), 9th April 2025 (reviewed on September 2025)

Digital Services and Information Management Implications

54. **IT Implications:** There do not appear to be any IT implications arising from this report, as all data sets are issued to the Council for to upload via Excel sheets. Surveys are sent to via email and uploaded onto the shared drive.
55. **Information Management implications:** The Preferred Supplier will be expected to have a Data Protection policy in place and staff will be expected to have received Data Protection training. The service will also need to complete a Data Privacy Impact Assessment.
56. The contract with the Preferred Supplier will need to include the Council's data protection and processing schedule. This is compliant with the UK Data Protection law.

Çinar Altun, Strategy Lead – Digital Services, 29th April 2025

LIST OF APPENDICES

Appendix 1 (Exempt) – Contract Award Details