

	London Borough of Hammersmith & Fulham CABINET 11 AUGUST 2014
HOUSING ASBESTOS SURVEYS	
Report of the Cabinet Member for Housing – Councillor Lisa Homan	
Open report A separate report on the open Cabinet agenda provides exempt information in connection with the procurement process.	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Melbourne Barrett – Executive Director of Housing & Regeneration	
Report Author: Ian Watts – Commercial & Contracts Manager	Contact Details: Tel: 020 8753 1848 E-mail: ian.watts@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. This is a re-procurement of an existing contract, with some changes in activity to reflect the arrangements of the new repairs contract with MITIE, and the Property Services re-structure.
- 1.2. The existing contract for asbestos co-ordination and management has reached its full term, and cannot be extended further.
- 1.3. The package of works within the new repairs contract was adjusted to reflect a subtle change of strategic direction within Property Services, such that all direct landlord's duties would be undertaken either in house or with directly managed contracts, with the works arising from such duties being undertaken through the repairs contracts. Thus this contract is simply for Asbestos surveys, sampling and air monitoring, with any works arising from these surveys being undertaken through the repairs contract.

- 1.4. In addition, Schools and Corporate buildings have expressed a desire to be named within the scope of the contract and thus have the ability to avail themselves of the services if such a need arises.

2. RECOMMENDATIONS

- 2.1. That a 5 year contract be awarded to ACEPSI for the provision of asbestos surveys, sampling and air monitoring for Housing Properties (with the potential addition of schools and corporate buildings).
- 2.2. To note that the tendered costs (identified in the exempt report) are in line with budgeted allowances for the financial year 2014/2015.

3. REASONS FOR DECISION

- 3.1. The Control of Asbestos regulations 2012 places a duty to manage asbestos in non-domestic buildings (which for the purposes of the Council's Housing and Regeneration Department) refers to the communal parts of multiple occupancy dwellings).
- 3.2. In addition, the Council has a responsibility under the Landlord and Tenant Act 1985 to ensure that its properties are fit for habitation and to that end has a programme of surveying samples of the housing stock to assess the likelihood of asbestos and asbestos based material being present.

4. INTRODUCTION AND BACKGROUND

- 4.1. The existing contract for asbestos co-ordination and management was due to terminate in January 2014, but has been extended in the interim until the new contract could be awarded.
- 4.2. As part of the re-structuring of Property Services within the Housing and Regeneration Department, the Council sought to carefully delineate between responsibilities which were designated as a Landlord's duty, and any consequential works which could be appropriately instructed to the repairs contractor. Thus, the Council is proposing to bring back in house the responsibility of asbestos co-ordination, and to directly manage a discreet contract for asbestos surveying, sampling and air monitoring. All works arising from these surveys will be undertaken through the recently awarded repairs contract with MITIE.
- 4.3. During the period that the specification was being worked up, discussions with corporate colleagues revealed a desire for these arrangements to be made available on an opt-in basis to 3BM (the Council's employee led Mutual) for asbestos survey work in schools, and this option has been included. Subsequently a request was received to include a further option

as a fall back service for corporate buildings, and this further option has also been introduced.

- 4.4. It should be emphasized that both of these requirements have been introduced on an optional basis, and that the contract remains viable even if only the Housing Regeneration element is instructed.

5. PROPOSAL AND ISSUES

- 5.1. A tender was carried out in accordance with the Public Contracts Regulations 2006 (as amended) using the Open Procedure. The contract notice being sent for publication in the *Official Journal of the European Union* on 7 January 2014. The tender was made available through the London Tenders Portal for return on Tuesday 18 February 2014. This tender return date was extended to 26 February owing to the necessary correction of one of the tender documents.

Tender Selection

- 5.2. A total of twenty-six applicants responded by the revised deadline, and the applications were scored by consensus method. The Tender Appraisal Panel consisting of Charles Hahn (HRD Head of Safety), Sebastian Mazurczak (Asbestos Compliance Manager) and Ian Watts (HRD Commercial & Contracts Manager).
- 5.3 The outcome of the Tender Appraisal Panel's considerations are set out in the exempt report.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. It is not possible to further extend the existing contract.
- 6.2. It is not possible for the reasons stated in section 3, to cease undertaking the works
- 6.3. The prices, having been competitively tendered, have been reviewed to assess whether they a) afford value for money and b) are sustainable i.e. are not abnormally low (as outlined in Regulation 30 (6) of the Public Contracts Regulations. The prices are adjudged to offer reasonable value for money and therefore it is recommended that this option is in the best interests of the Council.

7. CONSULTATION

- 7.1. There is no requirement to consult, as the cost of any survey to a communal area would fall below the threshold for Section 20 Leaseholder consultation purposes.

- 7.2. An Equalities Impact Assessment has not been undertaken as this service does not have a primary impact on residents and there is no proposed change to the responsive service. The sample surveys of dwellings does not affect residents as it is managed when a property remains void.
- 7.3. The process for any requirement for urgent asbestos survey during a simple response repair has not been changed.

8. EQUALITY IMPLICATIONS

- 8.1. A full Equalities Impact Assessment has not been undertaken as this service does not have a primary impact on residents. The sample surveys of dwellings is managed when a property becomes void.
- 8.2. The process for any requirement for urgent asbestos survey during a simple response repair has not been changed.

9. LEGAL IMPLICATIONS

- 9.1. The proposed award of the Service Contract has been carried out in the compliance of the Council's Contract Standing Orders and the Public Contracts Regulations. Accordingly the Bi-borough Director of Law endorses the recommendations in this report.
- 9.2. Legal Services will be available to assist the client department with preparing and completing the necessary contract documentation.
- 9.3. Implications completed by: Kar-Yee Chan, Solicitor (Contracts), 020 8753 2772

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 The financial standing of ACEPSI has been examined and the Council has been advised that in the light of the information available, the overall performance of the company is considered to be sound.
- 10.2 The overall spend on the contract will be controlled on a commitment basis and monitored through the department's monthly monitoring regime in order to ensure that the final outturn each year does not exceed the budget provision.
- 10.3 Cost control will be supported by robust contract management arrangements which will ensure that value for money promised under the tendering process is maintained throughout the life of the contract.
- 10.4 The budget of £75,000 is held on the following cost code within the Housing Revenue Account: 12376 MRP512.

10.5 Implications verified/completed by: (Danny Rochford, Head of Finance, 020 8753 4023).

11. RISK MANAGEMENT

11.1. These proposals do not reflect any change to the Council's policies, they replicate existing arrangements and the proposals have been prepared in conjunction with advice from Health & Safety Advisors (Head of Safety for HRD, and the corporate Asbestos Advisor)

11.2. Implications verified/completed by: (Michael Sloniowski, BiBorough Risk Manager 0208 753 2587)

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

12.1. It is noted that the overall spend on the contract will be controlled on a commitment basis and monitored through the department's monthly monitoring regime in order to ensure that the final outturn each year does not exceed the budget provision.

12.2. The tender was carried out in accordance with the Public Contracts Regulations 2006 (as amended) using the Open Procedure and is in accordance with the Council's Contract Standing Orders.

12.3. Implications verified/completed by: (Robert Hillman, Procurement Consultant x1538)

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Tender documents (exempt)	Ian Watts x. 3064	Housing & Regeneration