

## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	31 OCTOBER 2016	AGENDA ITEM:	10
TITLE:	CONTRACT AWARD - CLEANING AND CLEARING OF VOID RESIDENTIAL PROPERTIES		
LEAD COUNCILLOR:	CLLR DAVIES	PORTFOLIO:	HOUSING
SERVICE:	HOUSING	WARDS:	BOROUGHWIDE
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#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report seeks approval for the award of the Voids Cleaning Contract following a competitive tendering exercise which largely relates to the cleaning and clearance of the Council's housing properties when these become 'void' (available to re-let).

#### 2. RECOMMENDED ACTION

- 2.1 That Policy Committee resolves to award a contract to ServiceMaster Contract Services By Deeland Limited for the Clearing and Cleaning of Void, Occupied and Tenanted Properties for an initial period of 4 years with an option to extend for a further two year period in accordance with the Public Contracts Regulations 2015.

#### 3. CLEARING AND CLEANING OF VOID, OCCUPIED AND TENANTED PROERTIES

##### 3.1 Introduction

- 3.2 Reading Borough Council currently manages over 5,600 Council properties which are let throughout the Borough and requires a contractor for the provision of a range of cleaning and related services for these properties when they become available for re-let.

- 3.3 As part of the management of its portfolio of rental properties, the Council has a duty of care to ensure that when these properties are vacated they are inspected and, where necessary, cleared and cleaned prior to a new tenant occupancy. Over the course of a typical year approximately 360 to 500 (6.5% to 9%) of the Council's rental properties will become empty and come up for re-letting as demonstrated over the course of the current contract. This figure includes permanent and temporary accommodation.

3.4 The bulk of the contract involves:

- Internal clearance of properties including rubbish, goods and furniture
- Disposal of waste
- Itemised inventory of goods remaining
- Movement of goods to storage facility
- Pre-repair works domestic cleaning
- Pre-tenancy let domestic cleaning
- Specialist cleaning and de-contamination, pest control and deodorising

3.5 The nature of work required at a property often combines a range of the services above. Void turnaround times are very tight to keep rent loss to a minimum and to ensure that people are housed as quickly as possible, as a result the specification for this contract requires that jobs are completed within 24 hours.

3.6 In addition, Environmental Health and Social Services will refer approximately 15 properties per annum requiring a clean whilst they are occupied by vulnerable adults. This work is required under the Council's enforcement powers and duties under the Public Health Act 1936, the Environmental Protection Act 1990, and the Prevention of Damage by Pests Act (PDPA), The Care Act 2014, & Children & Families Act 2014.

3.7 The Council has recently invited tenders for this work from interested contractors for a new contract to replace the existing arrangements. The contract opportunity was advertised in both OJEU and the Government's Contracts Finder procurement portal. The evaluation of the tenders is now complete and the Committee is asked to award the contract to the successful tenderer.

3.8 The Council considered carrying out the work in-house, but the option appraisal identified that an external contractor would be better able to manage the requirement for a rapid turnaround for the service and to manage the relatively variable and unpredictable volumes of work that are required.

#### **4. CONTRIBUTION TO STRATEGIC AIMS**

4.1 The voids cleaning contract will support the achievement of the Council's strategic aims in two ways:

- Safeguarding and protecting those that are most vulnerable; and
- Providing homes for those in most need

Those elements of the contract that support achieving value for money and controlling expenditure support the aim of:

- Remaining financially sustainable to deliver these service priorities.

#### **5. COMMUNITY ENGAGEMENT AND INFORMATION**

5.1 None relevant to these contracts

## **6. EQUALITY IMPACT ASSESSMENT**

6.1 There is no Equalities Impact Assessment required for this contract.

## **7. LEGAL IMPLICATIONS**

7.1 This contract has been procured in accordance with the Public Contracts Regulations 2015.

## **8. FINANCIAL IMPLICATIONS**

8.1 The tendered price for evaluation purposes (to enable comparison of tender submissions) was approximately £248,000 per annum. There is no volume of work guaranteed under the contract as the actual spend each year will depend on the number of voids arising and the precise work required for each property. The tender exercise has set competitive prices for the full range of potential services that could be required. The contractor will be paid at the tendered price for the actual work to be carried out.

8.2 The cost of the services will be met from the approved HRA revenue budget.

## **9. BACKGROUND PAPERS**

9.1 Procurement Documentation including, Invitations to Tender and Procurement Project approval forms.  
ESPO MSTAR2 Framework Agreement User Guide and call-Off Agreement.