



Mayor and Cabinet

Approval to Procure and Award, Housing Compliance Contracts for the delivery of Electrical Installation Condition Reports (EICRs), Fire Risk Assessments (FRAs) and Fire Door Supply & Installation.

Date: 13th March 2024

Key decision: Yes

Class: Part 1

Ward(s) affected: All

Contributors: Head of Compliance, Housing Quality & Investment
 Head of Building Safety
 Finance Business Partner
 Director of Law, Governance and Elections

Outline and recommendations

This report seeks approval to procure and award three contracts related to statutory compliance for Housing Quality and Investment through three separate framework agreements. The report also seeks delegation to the Executive Director for Housing to select the preferred contractors.

Mayor and Cabinet are recommended to:

Approve the procurement of the following contracts:

- Electrical Installation Condition Report (EICR) and Smoke Detection compliance programme, for a period of three years, commencing May 2024 to April 2027, with a total contract value of £7.8m via a mini competition under the South East Consortium Electrical Works Framework Agreement
- Fire Door Supply & Installation programme, for a period of 3 years, commencing May 2024 to April 2027, with a total contract value of £7.5m via a mini competition under the Fusion 21 Framework for Building Safety and Compliance, Lot 8 – Passive Fire Protection – Fire Doors.
- Fire Risk Assessments and Fire Door Surveying programme, for a period of 3 years, commencing September 2024 to August 2027, with a total contract value up to £1.5m via a mini competition under the Fusion 21 Framework for Building Safety and Compliance, Lot 6 – Fire Risk Assessments

Approve the award of contracts to the preferred contractors in relation to the contracts set out above, provided the contract values are within authorised limits as set out in the recommendation.

Delegate authority to the Executive Director for Housing (in consultation with Director of Law and Corporate Governance and the Head of Compliance for Housing Quality & Investment) to select the preferred contractors for each contract set out in recommendation 2.1.1 in accordance with the award criteria published in the tender documentation and agree final form of contract.

Timeline of engagement and decision-making

There are no previous reports linked to this request for approval to procure and grant delegated authority to award contracts as listed in the outline and recommendations.

The contracts for EICR's, Fire Risk Assessments and Fire Door Supply and Installation form part of our statutory compliance requirements as a Landlord. The value of these contracts constitutes a key decision from Mayor and Cabinet and as such will be subject to scrutiny.

1 Summary

- 1.1 This report seeks to grant approval to procure contracts, related to our statutory obligations as a Landlord and to maintain compliance under the Regulator Reform (Fire Safety) Order 2005, The Fire Safety (England) Regulations 2022, Fire Safety Act 2021 and the Building Safety Act 2022.
- 1.2 There are a total of 13,586 dwellings and 1,299 blocks with communal landlords' electricity supplies that require an EICR every 5 years, equating to 3,000 tests per year being undertaken.
- 1.3 There are a total of 1,510 Fire Risk Assessments that need to be undertaken in buildings between a 1 to 3 year cycle , with 8,649 communal and residential fire doors that require inspections in line with the Fire Safety (England) regulations.
- 1.4 The fire door replacement contract will supply and install fire doors to Lewisham Council properties and offer the opportunity for Leaseholders access to the contract.
- 1.5 The current 3 year programme forecasts up to 3,400 fire door replacements, which includes 1,800 Lewisham Council properties and identified 1,600 Leaseholder properties.
- 1.6 Procurement options have been considered and based on access to suitably qualified and competent providers, with the capacity to meet our requirements, the chosen route for procurement of these contracts will be through Public Sector Frameworks where an open tender process will be undertaken.
- 1.7 This report seeks to grant approval to delegate authority to award contracts to the Executive Director of Housing (in consultation with the Director for Law and Governance and the Head of Compliance for Housing Quality & Investment).

1.8 This is a summary of the report and details including risks, legal and financial implications can be found in the full report.

2 Recommendations

2.1 It is recommended that Mayor and Cabinet: approve the procurement of the following contracts:

- Electrical Installation Condition Report (EICR) and Smoke Detection compliance programme, for a period of three years, commencing May 2024 to April 2027, with a total contract value of £7.8m via a mini competition under the South East Consortium Electrical Works Framework Agreement
- Fire Door Supply & Installation programme, for a period of 3 years, commencing May 2024 to April 2027, with a total contract value of £7.5m via a mini competition under the Fusion 21 Framework for Building Safety and Compliance, Lot 8 – Passive Fire Protection – Fire Doors.
- Fire Risk Assessments and Fire Door Surveying programme, for a period of 3 years, commencing September 2024 to August 2027, with a total contract value up to £1.5m via a mini competition under the Fusion 21 Framework for Building Safety and Compliance, Lot 6 – Fire Risk Assessments

2.2 Approve the award of contracts to the preferred contractors in relation to the contracts set out above, provided the contract values are within authorised limits as set out in recommendation 2.1.

2.3 Delegate authority to the Executive Director for Housing (in consultation with Director of Law and Corporate Governance and the Head of Compliance for Housing Quality & Investment) to select the preferred contractors for each contract set out in recommendation 2.1 in accordance with the award criteria published in the tender documentation and agree final form of contract.

3 Policy Context

3.1 This report aligns with Lewisham's Corporate Priorities, as set out in the Council's [Corporate Strategy \(2022-2026\)](#):

- Quality Housing
- Health & Wellbeing
- Cleaner and Greener
- A Strong Local Economy
- Children and Young People
- Safer Communities

- Open Lewisham
- Health and Wellbeing

3.2 In particular, this report is closely aligned to priority of Quality Housing as these contracts form part of our statutory obligation as a Landlord and is also directly related to the Building Safety Act 2022.

4 Background

4.1 EICR and Smoke Detection - An electrical installation condition report (EICR) is used to identify defects, deterioration, damages and/or conditions which may indicate potential danger, as well as providing recommendations for improvement within a given property.

4.2 Lewisham Councils housing stock consists of 13,586 dwellings and 1299 blocks with communal landlords' electricity supplies.

4.3 It is a requirement for rented accommodation to have the electrical installations inspected and tested at intervals not exceeding 5 years by completing an EICR. This means on average; 3,000 properties are inspected and tested each year to ensure they remain in a safe condition and the installation meet the requirements of BS7671 IET Wiring regulations

4.4 As part of this compliance regime, any remedial works identified at the testing stage are rectified and a satisfactory electrical safety certificate issued.

4.5 Previous domestic remedial works have included the replacement of existing smoke detectors and the installation of additional smoke detectors to bring the fire detection installation up to an LD2 standard.

4.6 The current delivery of EICR's and Smoke Detection is through a mixture of our appointed Measured Term Contractors and our DLO operation.

4.7 We are currently 100% compliant on communal EICRs and 99.4% compliant on domestic EICR's.

4.8 Fire Risk Assessments (FRA's) and Fire Door Surveys - We have a total of 1,510 Fire Risk Assessments that need to be completed on a 3 year cycle.

4.9 From these properties, 655 properties need to be completed annually, 333 properties need to be completed every 2 years and 522 properties are completed every 3 years.

4.10 The current contract for the delivery of FRA's and fire door surveys expires in August 2024 and therefore we are seeking to replace the contract in

order to maintain our compliance regime under the Regulatory Reform (Fire Safety) order 2005 and the Fire Safety (England) Regulations 2022.

- 4.11 In order to maintain compliance under the Fire Safety (England) Regulations 2022, residential fire doors and fire doors in communal areas require inspections in line with regulation to ensure the integrity of the doors fitted continue to meet the required fire stopping time.
- 4.12 There are currently 3,953 fire doors in communal areas that require inspections on a quarterly basis, with a further 4,696 residential fire doors that require an annual inspection.
- 4.13 This contract is only to provide the risk assessments and surveys. Remedial actions are undertaken by specialist appointed contractors under a separate contract.
- 4.14 Fire Door Supply and Installation -The current contract for fire door supply and installation has been completed with the remaining doors awaiting installation.
- 4.15 This 3 year programme seeks to supply and install 3,400 fire doors through approved specialist contractors.
- 4.16 The programme will deliver fire rated doors to c.1,800 Lewisham Council housing stock.
- 4.17 The contract will also offer the opportunity for Leaseholders to access the contract and we have currently identified 1,600 Leaseholder doors that may be replaced under this contract.

5 Procurement Options

- 5.1 Evaluation has been undertaken with stakeholders, including Corporate Procurement, to assess the most suitable route for procurement based on cost, quality, competence and time.
- 5.2 For all contracts that are the subject of this report, officers evaluated the options for delivering the services in house. This was not considered to be a viable option as the skill set of staff would not be met by the existing staff nor would it be possible to insource – These contracts require specific expertise and competencies across fire safety, fire door supply and installation and electrical safety. Therefore, this option is not viable and would be very costly to the Council. To bring in house would increase the cost of the service due to increased staff and supply costs.

5.3 The use of an open procurement route was explored but due to the large number of properties the project would not be suitable to smaller companies and it was deemed that procuring via a framework would be most suited as the suppliers are pre-qualified. Existing frameworks with providers that have already been vetted for quality and price would give the Council a better offer than procuring on its own due to the buying power of multiple purchasers from the framework agreement. For all these reasons this procurement route is not recommended.

5.4 The decision to access the South East Consortium, Electrical Works Framework Agreement as the chosen route for delivery of the EICR and smoke detection contract is based on having access to a number of contractors that can demonstrate quality, competence, capacity and have a direct workforce present in the area.

5.5 The chosen route will be to procure the FRA and Fire Door Surveying contract through the Fusion 21 Building Safety and Compliance Framework, accessing Lot 6 – Fire Risk Assessments. This framework is the chosen route due to the ability to access a range of providers with the necessary competency and capacity to meet our needs.

5.6 The chosen route to procure fire door supply and installation will be through the Fusion 21 Building Safety and Compliance Framework, accessing Lot 8 – Passive Fire Protection – Fire Doors. This framework is the chosen route due to the ability to access a range of providers with the necessary competency and capacity to meet our needs.

6 Financial implications

6.1 This report seeks Mayor & Cabinet approval to procure 3 contracts with a total value of up to £16.8m over a 3 year period.

6.2 These schemes are included within the planned programme of works for repairs and capital for the social housing stock.

6.3 Therefore the cost of the contracts will be fully chargeable and funded by the existing HRA annual allocations for revenue and Capital repairs and have been accounted for within the 2024/25 budget setting process and update of the HRA business plan.

7 Legal implications

7.1 Approval to Procure

7.2 The report seeks approval to procure three external contractors via a mini competition under a framework agreement to provide the following:

- Electrical Installation Condition Report (EICR) and Smoke Detection

compliance programme

- Fire Door Supply & Installation programme
- Fire Risk Assessments and Fire Door Surveying programme

7.3 Given the potential spend on these contracts (at a length of 3 years) would be categorised by Contract Procedure Rules as “Category A” contracts. The report sets out the other options considered and explains why procurement of these contracts via a mini competition under a framework agreement is the recommended option.

7.3 Under the Council’s Contract Procedure Rules the Council may use a framework agreement set up by a public sector body where that framework agreement has been procured in accordance with the Public Contracts Regulations 2015 and allows for the Council to use the Framework Agreement. It appears that all of the recommended framework agreements are compliant and that the Council is entitled to use those frameworks.

7.4 Assuming that Mayor and Cabinet accepts the recommendation to procure contractors, the Contract Procedure Rules (“CPR”) place requirements on how that should happen. The CPR require that when letting contracts steps must be taken to secure value for money through a combination of cost, quality and competition, and that competitive tenders or quotations must be sought depending on the size and nature of the contract (Rule 5). The requirements of the CPR would be satisfied by use of framework agreements. As Category A contracts, it would be for Mayor and Cabinet to take a decision on the award of any contract. Given the potential spend on this contract the Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc) (EU Exit) Regulations (“the Regulations”) will apply.

7.5 Approval to Award This report proposes that Mayor and Cabinet approve the award of all 3 contracts for Electrical Installation Condition Report (EICR) and Smoke Detection compliance programme, Fire Door Supply & Installation programme and Fire Risk Assessments and Fire Door Surveying programme. This report further proposes that Mayor and Cabinet instruct the Executive Director for Housing in consultation with the Head of Compliance for Housing Quality & Investment and the Director of Law and Corporate Governance to give effect to this decision by applying the selection criteria to determine and enter into contract with the preferred contractor.

7.6 The decision to award the contracts contained in this report is a Key Decision under Article 16.2 of the Constitution as it has a value of more than £1.5 million. It is therefore required to be contained in the current Key Decision Plan and the Council’s Key Decision procedure must be followed.

7.7 Provided that the final contract values are within authorised limits set out in this report and the preferred contractors are selected in accordance with the selection criteria published in the tender documentation, then the selection by Executive Director for Housing of the preferred contractors in accordance with Mayor and Cabinet’s direction will not be a Key Decision. For audit purposes a written record should be kept setting out how the selection process has been applied and the

preferred service provider selected, and officers from Legal Services should be consulted as necessary throughout the selection and award process.

8 Risk Implications

8.1 The risks related to this report are detailed below.

Risk	Mitigation
Not taking the decision to procure and award these contract related to statutory obligations and the Building Safety Act 2022 means that Lewisham Borough Council cannot meet it's statutory obligations as a Landlord.	There are no mitigations to this decision, it is a statutory obligation. In addition it is required in some areas of the insurances on properties.
Operational risk with Fire Door Supply and Installation	Damaged doors, This will be managed by robust quality assurance and monitoring processes set out in the specification, and the requirement for the provider to have appropriate accreditation, certification and insurance.
Fire Risk Assessments (FRA's) and Fire Door Surveys failure to manage across a wider portfilio of projects	Fire Risk Assessment and Fire Door Survey will be managed by robust quality assurance and monitoring processes as set out in the specification, and the requirement for the provider to have appropriate accreditation and insurance.
EICR and smoke detection failure	The EICR and smoke detection failure will be managed by robust quality assurance and monitoring processes in the specification, and the requirement for the operator to have appropriate accreditation and insurance.

9 Equalities implications

9.1 As part of the tender evaluation process suppliers will be asked to address equal opportunities in the Method Statements which will be assessed as part of the non-financial criteria.

9.2 Particular attention will be paid to how the needs of residents are met that are classified as vulnerable.

10 Climate change and environmental implications

10.1 Lewisham's Climate Emergency Strategic Action Plan sets out an ambitious plan for the borough to be carbon neutral by 2030. Housing represents approximately 50% of the borough's emissions based on the Government local authority carbon data. The Fire Door Supply & Installation programme will not only address the safety issues, but will be an important step towards delivering the Council's net zero ambition, providing safer and warmer homes.

11 Crime and disorder implications

11.1 There are no crime or disorder implications related to this report.

12 Health and wellbeing implications

12.1 Providing a safe environment for people to live is essential and a statutory duty as a Landlord.

12.2 It is widely accepted that poorly maintained homes can have a detrimental effect on residents health and wellbeing. The Electrical Installation Condition Reports (EICR's), Fire Risk Assessments (FRA's) and Fire Door Supply & Installation, these contracts will aim to support work to improve the quality of our buildings across Lewisham's housing stock

13 Social Value implications

13.1 All procurement will be undertaken through Public Sector Frameworks with a Social Value scoring of 10%.

13.2 Bidders will be provided with the Lewisham Council Social Value Toolkit for completion as part of the tender process and evaluation will be undertaken on the tender returns.

14 Background papers

14.1 Review of Frameworks

15 Glossary

15.1 A summary of terms can be found below.

15 [Link to Oxford English Dictionary here.](#)

Term	Definition
EICR	Electrical Inspection Condition Report
FRA	Fire Risk Assessment

16 Report author(s) and contact

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17 Appendices

17.1 There are no appendices to this report.