



ADUR DISTRICT
C O U N C I L

Cabinet Member for Adur Homes and
Customer Services

Decision Ref No: A/AH&CS/003/23-24

30th June 2023

Decision to be taken on or after 28th
July 2023

Key Decision: Yes

Ward(s) Affected: Adur

To procure additional contractors to support the voids work

Report by the Director for Housing and Communities

Executive Summary

1. Purpose

- 1.1. To update the Cabinet Members on the current backlog of void properties and proposed procurement for two additional contractors to tackle this.
- 1.2. To request approval to procure a shorter term contract for two contractors for a temporary period of 6-9 months to enable the backlog of voids to be addressed.
- 1.3. To note that Officers will carry out a full procurement exercise for longer term management of voids across the service area.

2. Recommendations

- 2.1. The Cabinet Member for Adur Homes and Customer Services is recommended to approve the employment of two contractors via a direct award contract to enable the backlog of void properties to be heavily reduced over the remainder of the financial year.

3. Context

- 3.1. The number of void properties has increased significantly and this has impacted Adur Homes in two ways. Firstly, a loss of rental income and the need to meet associated costs thereby, reducing the money available for reinvestment and secondly, by reducing the homes available for local people of Adur to rent to help alleviate homelessness in the local area.
- 3.2. This increase has had a detrimental effect on the financial position of both the HRA and the General Fund.
- 3.3. There is the urgent need to be able to increase the work undertaken on the outstanding void properties to bring them back into the rental market as quickly as possible.
- 3.4. There is currently one contractor employed that is undertaking this work and they do not have the resources to increase capacity to complete more properties.
- 3.5. The key element of this work is to return these properties to enable them to be re-let and families and individuals can be housed.

4. Issues for consideration

- 4.1. To reduce the backlog of void properties and to return the properties back to enable re-let, the approach being planned is
 - 4.1.1. To directly award in accordance with the Council's Contract Standing Order two further works contracts to support the existing workload.
 - 4.1.2. These contracts will be let using the M3NHF Schedule of rate enabling a standard pricing structure across elements to save time in evaluating price submissions and will evidence value for money
 - 4.1.3. Allocate additional budget to this area of work (within existing budget thresholds) to undertake the void work and clear the backlog
 - 4.1.4. Additional rents will generate more works to be planned

- 4.2. The recommendation is to employ two additional contractors to support the process of completing this work within this financial year. These two contractors are Ecosafe Ltd and DH Professional Services Ltd.
- 4.3. While these contractors are employed and the backlog is reduced, the process of a full procurement exercise will be undertaken to obtain a contractor for the on-going voids works from 2024 onwards.
- 4.4. Annual budgets will be set for these works in line with the budgetary process and annual spend will be calculated accordingly and included to establish a contract value.
- 4.5. The alternative option would be to continue the works as it is currently operated with one official contractor while the procurement process is completed but this would lead to a longer period before we are able to only manage the new void properties as they arise, could be 12+ months.
- 4.6. With additional staff now employed, the additional contractors will be managed appropriately across both quality and costs and

5. Engagement and Communication

- 5.1. Internal discussions have been held regarding the need for this additional resource to address this matter. Approval has been sought and confirmed from the Chief Financial Officer and Legal Services on taking this route.
- 5.2. Two contractors have been approached and they have confirmed they have the resources to undertake this work and manage the processes.

6. Financial Implications

- 6.1. The overall Adur Homes capital programme can accommodate this work. A revised programme is due to be approved in the autumn by the Cabinet member of Customer Services which will include a 2023/24 budget of £1.7m for the voids works.
- 6.2. The current backlog in maintenance works is causing financial strain to the HRA. The level of voids results in additional lost income and council tax costs. Addressing the backlog should improve the budget position by £390,000 per year.

7. Legal Implications

- 7.1. Under the Contract Standing Order at paragraph 5.3 there is an exemption to carrying out an open tender exercise the procedure for which has been followed. There is also provision for dealing with contracts which are deemed to be an emergency or special circumstance. Additionally, the Council intends to now formally procure for the longer term contractor to carry out the works.
- 7.2. The Council has power to enter into the proposed voids contract under Section 111 of the Local Government Act 1972 and Section 1 Local Government (Contracts) Act 1997, which enables the Council to carry out activity that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions and to enter contracts accordingly.
- 7.3. Section 1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 7.4. Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Background Papers

None

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Sustainability & Risk Assessment

1. Economic

- These programmes and projects demonstrate economic investment into assets owned by Adur District Council

2. Social

2.1 Social Value

- The work to the housing stock outlined in the report will have a beneficial impact on the health and wellbeing of the residents, many of whom are more disadvantaged in terms of health and income than other residents.

2.2 Equality Issues

- The work has no impact on accessibility or equalities.

2.3 Community Safety Issues (Section 17)

- Matter considered and no specific issues identified.

2.4 Human Rights Issues

- Matter considered and no specific issues identified.

3. Environmental

- Matter considered and no specific issues identified.

4. Governance

- The progress is regularly monitored via the Capital Working Group. Progress is reported to members 4 times a year.
- The procurement of works will comply with the procurement regulations and contract standing orders.