

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

**Housing, Environment and Economic Development Committee:
8 December 2010**

Subject: Care and Repair Service Tender

1. Purpose

- 1.1** The purpose of this report is to seek the approval of the Committee to invite tenders for the provision of a Care and Repair service as part of the Council's Scheme of Assistance.

2. Background

- 2.1** A report was presented to the Tendering Committee on 7 September 2010, seeking approval to initiate a tender exercise for the provision of a Care and Repair service as part of the Council's Scheme of Assistance. Members of the Tendering Committee felt that there was insufficient information before them at that time to allow a decision to be made on whether to initiate a tender exercise and that questions members wished to raise would be out with the remit of that Committee. They therefore requested that a further report on this matter be submitted for consideration to a future meeting of the Housing, Environment and Economic Development Committee providing details of the length of time that the arrangements with the current provider of the Care and Repair service has been in place, how successful the current service has been and the implications of not approving the initiation of a tendering process in respect of the provision of this service.

3. Main Issues

- 3.1** The current service provider, Lomond and Clyde Care and Repair, has been in operation since 1992 and has charitable recognition from the Office of the Scottish Charity Regulator. They have provided the care and repair service from 1992. The service receives funding from the private sector housing grant budget in addition to funding from other sources. The organisation has grown in size and experience over its lifetime and have completed works amounting to £4.4 million, when possible using local contractors.

- 3.2** The primary aim of the Care and Repair service is to assist elderly and disabled home owners, as well as private rented tenants, to have repairs and improvements carried out to their properties and therefore allow them to remain in the safety and comfort of their homes. Customer satisfaction is constantly monitored by the Care and Repair provider. All clients are issued with a customer satisfaction survey on completion of all works and out of 550 clients who have had work carried out and returned the survey since April this year, 95% have rated the service as very good with the remaining 5% rating the service as good.
- 3.3** The provision of a Care and Repair service as part of the Council's Scheme of Assistance is properly categorised as procurement by the Council of a service contract, rather than a grant arrangement. Accordingly in order to comply with the Council's standing orders for the provision of this service, it requires to be advertised and assessed in the manner appropriate for a contract of this type and value. The implications in not complying with the requirements of the Official Journal of the European Union level procurement rules are that the Council could face a challenge to the appointment. This may lead to the payment of significant fines to the Scottish Courts for an illegal direct award or the set aside of the contract. In addition, there is a potential liability to pay compensation and costs to the aggrieved party and the Council would be required to run a tendering exercise for the provision of the service. Such measures are likely to also incur reputational damage to the Council.

4. People Implications

- 4.1** Other than the use of Council staff required to prepare and check the tender documentation, there are no people implications in respect of Council staff. There may be TUPE implications for existing Lomond and Clyde Care and Repair staff if they are not successful in securing the contract. This issue will be addressed in the tender documents.

5. Financial Implications

- 5.1** The budget allocated to the Care and Repair Service is approved on an annual basis by this Committee and in the current financial year amounts to £231,000. The allocation for 2011/12 will be prepared following notification of the overall budget award from the Scottish Government.
- 5.2** There could be significant financial implications if the Council is challenged on the failure to tender the service including a potential liability to pay a considerable amount of compensation and costs to any aggrieved parties or alternative service providers.

6. Risk Analysis

- 6.1** The Council could be challenged as noted at 3.3 above. The financial implication and potential damage to the Council's integrity and current services could be significant.

6.2 It is acknowledged that the appropriate action to mitigate this risk effectively is to ensure the procurement of the service taking cognisance of OJEU procurement requirements.

6.3 In embarking on this exercise however the Council will wish to ensure that services to groups supported through Care and Repair are maintained. Lomond Care and Repair have advised that they will continue providing the service in the meantime.

7. Equalities Impact

7.1 No significant issues were identified in a screening for potential equality impact of the tendering proposals.

8. Conclusions and Recommendations

8.1 A tendering exercise will provide a competitive and transparent option for the provision of a Care and Repair Service as part of the Council's Scheme of Assistance.

8.2 It is recommended that the Committee approve the initiation of an open tendering procedure by the Council for provision of a Care and Repair Service as part of the Scheme of Assistance and the matter reported to the Tendering Committee for authorisation to award the contract to the preferred bidder.

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Date: 9 November 2010

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Appendix: None

Background Papers: Minute of Tendering Committee - 7 September 2010

Lomond and Clyde Care and Repair Ltd, Business Plan 2010 - 2013

Wards Affected: All