



**LANCASTER
CITY COUNCIL**

Promoting City, Coast & Countryside

INDIVIDUAL CABINET MEMBER AND OFFICER DELEGATED DECISIONS

WEDNESDAY, 14 DECEMBER 2022

Please find enclosed Decision Notice in connection with the following:

ICMD10 STOCK CONDITION SURVEY (Pages 2 - 8)

Please note that this is subject to call-in.

Queries regarding these documents

Please contact Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk.

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Town Hall,
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Promoting City, Coast & Countryside

**EXECUTIVE DECISIONS TAKEN BY CABINET PORTFOLIO HOLDER OR DELEGATED OFFICER
NOTICE OF DECISION**

| | | | |
|---|--|---|----------------|
| TITLE OF DECISION: | | | |
| APPOINTMENT OF STRATEGIC MANAGEMENT AND CONSTRUCTION DELIVERY PARTNER | | | |
| NAME OF DECISION TAKER: | COUNCILLOR MATTHEWS | | |
| POSITION AND RESPONSIBILITY HELD: | CABINET MEMBER WITH RESPONSIBILITY FOR HOUSING | | |
| CONTACT OFFICER: | ANDREW WHITTAKER | | |
| TELEPHONE: | 07539 213614 | | |
| E-MAIL: | awhittaker@lancaster.gov.uk | | |
| Details of Decision: | | | |
| To seek authorisation for the 'Appointment of a Strategic Partner, for surveying, delivery and management, of a stock condition survey of Lancaster City Council Housing'. | | | |
| Reasons for the decision: | | | |
| A comprehensive stock condition is essential to drive and achieve the ambitions of the agreed Asset Management Strategy for Council Housing and will ensure we meet our statutory obligations as a registered social landlord to our tenants, achieve a viable 30-Year Business Plan and ensure compliance with Decent Homes legislation. | | | |
| Authorisation is requested because of the aggregated value of all phases of this contract, potentially £345K. To ensure full compliance with internal procurement procedure & statutory requirements, it is a requirement to put in place an enabling contract in the sum of the aggregated value. | | | |
| An ICMD decision is required because the aggregated value of this contract exceeds the cost threshold and requiring authorisation by the Cabinet Portfolio Holder for Council Housing. | | | |
| IS THE DECISION URGENT | | | |
| No | | | |
| SIGNATURE OF DECISION TAKER: | Cllr Cary Matthews | | |
| DATE: | 14.12.22 | | |
| <i>THIS SECTION TO BE COMPLETED BY DEMOCRATIC SERVICES</i> | | | REF NO. |
| | | | ICMD10 |
| DATE DECISION TAKEN: | 14.12.22 | DATE RECEIVED BY DEMOCRATIC SERVICES: | 14.12.22 |
| DATE DECISION PUBLISHED: | 14.12.22 | IMPLEMENTATION DATE (publication day + 5 working days): | 22.12.22 |

Individual Cabinet Member Decision

Appointment of a Strategic Partner, for surveying, delivery and management, of a stock condition survey of Lancaster City Council Housing

Report of Directorate of Communities and the Environment

| PURPOSE OF REPORT | | | | |
|--|----------|-------------------------|--|-------------------------------------|
| To seek authorisation for the 'Appointment of a strategic partner, for surveying, delivery and management, of a stock condition survey of Lancaster City Council Housing'. | | | | |
| Key Decision | Y | Non-Key Decision | | Referral from Cabinet Member |
| Date of notice of forthcoming key decision | 23/11/22 | | | |
| This report is public | | | | |

RECOMMENDATION OF Cllr Carey Mathews, Portfolio Holder for Housing

(1) That approval be given to appoint a strategic partner for surveying, delivery and management of a stock condition survey of Lancaster City Council Housing

1.0 Introduction

- 1.1 The purpose of the report is to seek authorisation for the 'Appointment of a strategic partner, for surveying, delivery and management, of a stock condition survey of Lancaster City Council Housing'.
- 1.2 Authorisation is requested because of the aggregated value of all phases of this contract, potentially £345K. To ensure full compliance with internal procurement procedure & statutory CPR, it is a requirement to put in place an enabling contract in the sum of the aggregated value.
- 1.3 The report sets out reasons why Condition Surveys are required, e.g., essential foundation to Asset Management Strategy, inform the 30-Year Business Plan, meeting our obligations as a social landlord, and our statutory obligations of Decent Homes legislation.
- 1.4 The report recommends that authorisation is given to put contractual in place to enable the procurement of an initial 25% Condition Survey this year with provision and to enable the balance of 75% to be called-off at our discretion as funding is approved.

2.0 Proposal Details

- 2.1 The Asset Management Strategy 2022-27 was commissioned from

Pennington Choices in and approved in May 2022.

- 2.2 The Asset Management Strategy 2022-27 was commissioned from Pennington Choices in and approved in May 2022.
- 2.3 item 1.17 of the asset management strategy sets out the requirement to implement a new stock condition survey to achieve a 100% survey of our housing stock.
- 2.4 In addition, the Council will acquire a new asset management system to enable data storage, scenario planning and reporting
- 2.5 Appendix 17 sets out a timetable for the procurement, commissioning and implementation of a condition survey.
- 2.6 A request for a Waiver to undertake the procurement through a compliant framework was request and authorised, and Client brief developed.
- 2.7 The procurement exercise for the above has been completed using Fusion 21 which is a compliant framework.
- 2.8 Ridge & Partners were selected after evaluating the proposals, it is proposed to make an appointment through a compliant direct award.
- 2.9 The award will also enable an interim solution for the storage and management of our condition data, which was the deciding factor in selecting Ridge & Partners and will be portable to the new AMS when purchased.
- 2.10 The work will be commissioned in phases to achieve a 100% survey of the housing stock.
- 2.11 This authorisation enables subsequent phases to be commissioned at our discretion through a single contract. However, the actual decision to proceed with all or part of following phases will be confirmed in February 2023 in the HRA Capital Budget settlement and subject to Cabinet approval.

3.0 Details of Consultation

- 3.1 Consultation with tenants/residents is an essential part of our survey strategy. We will engage with tenants and stakeholders. For example, we will publish notice of the surveys using Council publications and other media, Customer Services and staff will be advised, and each tenant will receive timely notification of surveys to the property.

4.0 Options and Options Analysis (including risk assessment)

| | Option 1: To proceed with the appointment | Option 2: Do not proceed with the appointment |
|------------|---|--|
| Advantages | <p>Advantages:</p> <p>The condition survey is essential to achieve the ambitions of the agreed Asset Management Strategy.</p> <p>A comprehensive survey of the estate will provide essential information required to generate our 30-Year Business plan, associated programmes of work. To ensure future asset strategy is informed and that we invest</p> | None |

| | | |
|--|---|--|
| | <p>wisely, the survey will verify and survey data that will include.</p> <ul style="list-style-type: none"> - Verification and progression of existing condition & property data - The lifecycle for major components e.g. <ul style="list-style-type: none"> - Kitchens and bathrooms - Rooflines and roof covering - Doors & windows <p>The surveys will also generate performance data, future liabilities and aligned to cost information stock inform retention and disposal policy.</p> <p>The surveys will ensure we meet our statutory obligations in respect of Decent Homes legislation and the HHRS standards, for example</p> <ul style="list-style-type: none"> - safe and secure homes - standards - suitability of our accommodation - demonstrate our commitment to managing the estate - identify any Category 1 hazards present in the stock, including damp and mould <p>Professionally surveyed to a standardised and approved format, the data Ridge & Partners surveys ensure managed consistency and quality throughout the survey programme.</p> <p>The award will also enable an interim solution for the storage and management of our condition data, which will be portable to the new AMS when purchased, which is a unique</p> | |
|--|---|--|

| | | |
|---------------|---|---|
| | service offered by Ridge. | |
| Disadvantages | none | <p>Not proceeding with the condition surveys will undermine the integrity of 30-Year Business by failing to update the supporting assumptions and stock condition data</p> <p>Not proceeding will seriously jeopardise the achieving the ambitions of the Asset Management Strategy</p> <p>Not proceeding will expose LCC to commercial risk, regulatory controls, and reputational damage.</p> <p>LCC will fail to maintain updated reliable data on which to base our decisions and or accurate verifiable information to report, particularly in respect to Decent Homes</p> |
| Risks | <p>If we do not proceed, we do not have the internal resources to undertake this level of survey work or the reporting software, and in this respect the Ridge proposal, uniquely meets our requirements.</p> <p>We currently have funding options in next years' HRA budget to complete a 100% survey, which is unlikely in future years given future capital programmes and income.</p> <p>Ridge have committed resources to achieving these surveys which may be unavailable in the longer term or if the work is not continuously programmed.</p> | |

5.0 Officer Preferred Option (and comments)

5.1 To proceed with Option 1.

5.2 This will initiate the start of surveying in January 2023 and the roll-out of the survey programme across the Housing Estate

6.0 Conclusion

6.1 The condition survey programme is a vital to achieve the objectives and key deliverables of the agreed asset management including compliance and reporting of Decent Homes standards.

6.2 This authorisation will enable LCC to procure the initial 25% representative survey included in this years' budget and the remaining 75% surveys at our discretion through a single contract. However, the actual decision to proceed with all or part of following phases will be confirmed in February 2023 in the HRA Capital Budget settlement and subject to Cabinet approval.

RELATIONSHIP TO POLICY FRAMEWORK

A sustainable district:

- achieving Decent Homes and maintaining sustainable tenancies
- contribute to the development of Carbon Zero
- verify & assure our obligations to achieve a financially sustainable 30-year plan.

An inclusive and prosperous local economy

- work to help support a local job opportunity

Happy and Healthy Communities

- contribution to the well-being through quality housing

A co-operative, kind, and responsible council

- working in partnership with tenants

Housing strategy

key contribution to Lancaster District Homes Strategy 2020-2025 through delivery of the Housing Asset Management Plan

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

Compliance with the obligations under the Housing Act 1985 and Decent Home standards

LEGAL IMPLICATIONS

Should the recommendation be in support of appointing the strategic partner, Legal Services confirm that it will be appropriate for the Council to utilise the Framework agreement referred to in the report. Legal Services will be able to review the terms and conditions of the call off contract from this Framework prior to execution of the same. Legal Services are familiar with this specific Framework and its call offs and does not anticipate that there will be any unusual or unduly onerous terms.

FINANCIAL IMPLICATIONS

As the delivery of the contract will span at least two financial years, the anticipated costs have been incorporated into the 2022/23 Mid-year Review Budget Position and 2023/24 estimates for the HRA. £80K has been allocated in 2022/23 with a further £250K in 2023/24, both funded through reprofiling other areas of planned maintenance spend.

The authorisation of a strategic partner enables phases of works to be commissioned at our discretion, through a single contract. Therefore, the decision to proceed with the 2023/24 (and any

subsequent) phase will be subject to the approval of the HRA budget by Budget Council in February 2023.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None

Information Services:

none

Property:

none

Open Spaces:

none

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and had no further comments to add.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and had no further comments to add.

BACKGROUND PAPERS

Reference to the Lancaster City Council
Asset Management Strategy 2022-2027

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Ref: