

**DECISION NO:***For Member Services use only*

Concurrence No: 066454

**Action under delegated authority of Chief Executive****X****Action under delegated authority of Director of Finance and Cabinet Member for Finance****Action taken by Chief Executive in consultation with Cabinet Member(s)**

Subject: Exception to Contract Standing Orders to permit repairs service provided by B3 Living to temporary accommodation to continue under a revised service level agreement

Signature and designation of officer(s) taking action:

\_\_\_\_\_  
Chief Executive                      28/09/21  
Date

\_\_\_\_\_  
Director of Finance                      27/09/21  
Date

\_\_\_\_\_  
Procurement Officer                      24/08/2021  
Date

**Name of Cabinet Member(s)  
Consulted:**

I have been consulted and concur with the proposals set out below:

\_\_\_\_\_  
Councillor  
Cabinet Member for

\_\_\_\_\_  
Signature:                      Date:

\_\_\_\_\_  
Councillor  
Cabinet Member for

\_\_\_\_\_  
Signature:                      Date:

Name of any member who has declared a  
conflict of interest in relation to this decision: \_\_\_\_\_

**THIS DOCUMENT WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE**

The report overleaf sets out the decision to be taken, the reasons for the decision, and the details of alternative options, if any, considered and rejected. Officer decisions are available for public inspection, both at the Borough Offices and on the Council's website. Officer decisions are kept for a period of six years at the Borough Offices and for six months on the website after the decision is made. Background papers are available for four years.

**RECOMMENDED that:** approval be given for an exception to Contract Standing Orders to allow ongoing repairs services to Council-run temporary accommodation to continue to be provided by B3 Living, under a revised service level agreement.

## **Purpose**

To request approval for an exception to Contract Standing Orders to permit existing arrangements to continue whereby B3 Living provides ongoing repairs services to Council-owned temporary accommodation units. A revised service level agreement (SLA) will be signed to this effect.

## **Background**

B3 Living provides the Council with a repairs service to certain Council-run temporary accommodation units, mostly hostel sites.

The Council proposes to put in place a revised SLA to clarify the existing roles and responsibilities of each organisation in terms of categorising repairs, ordering, charging, payments and planning for future capital works as needed. The revised SLA will run for an initial period of three years. Annual reviews will be conducted to ensure that working arrangements are fit for purpose.

There are several benefits of continuing this arrangement with B3 Living, rather than opening the repairs work to tender from other service providers. B3 Living has a unique knowledge of the Broxbourne area and ability to work closely with the type of vulnerable clients who are housed in temporary accommodation. Using a more general service provider, not located in the area and without local knowledge for this type of repairs work, could lead to a need for more repeat visits at greater cost to the Council, as well as difficulties engaging with the client group which could then require the Council to use officer time and resources in managing repairs interactions.

In addition, the Council leases two temporary accommodation schemes from B3 Living, including Grove House, which represents the Council's largest hostel accommodation scheme. There are pronounced advantages to allowing B3 Living to continue with repairs contracts for these buildings, which are already in their ownership and where their staff have detailed knowledge and expertise.

Therefore, an exception to Contract Standing Orders is requested on the basis that the works or services are of a specialist nature and are obtainable from only one or a limited number of suppliers and there are no other satisfactory alternatives.

## **Financial, Legal and Risk Management Implications**

### **Financial**

The financial implications of the current arrangements are outlined below.

The Council's overall budget for responsive general repairs is £83,500 per year. This is used to cover the costs of the repairs service provided by B3 Living which includes

a set monthly admin fee, as well as work carried out by other contractors and is adequate to cover the costs of a revised SLA.

Spending on repairs carried out by B3 Living during the last two financial is as follows:

2019/20: responsive repairs total £19,842, monthly admin fees total £23,285

2020/21: responsive repairs total £27,622, monthly admin fees total £23,797

The revised SLA proposes a change to the way the admin fee is charged to the Council.

Repairs would be charged at cost plus 15% to cover admin charges. Based on spending during the previous two years, the admin fee would amount to around £3,000 to £4,000 per year. This is considered to be good value in comparison with the current level of spending as it anticipated this will result in a lower admin costs which would be met from within the existing temporary accommodation repairs and maintenance budget.

### Legal

There are no direct legal implications arising from this report. The signing of the revised SLA will not constitute a contract and will provide additional clarity around roles and responsibilities to the existing repairs arrangements with B3 Living, including providing dispute avoidance and resolution and termination procedures.

### Risk

Effectively running temporary accommodation, including providing a timely repairs service, reduces the risk to the Council's reputation that would be associated with failing to provide good quality accommodation for vulnerable and homeless households. The signing of a revised service level agreement reduces reputational risk to the Council by formalising the roles and responsibilities of both organisations.

### **Alternative Options Considered and Rejected**

The alternative would be to put the repairs work out to tender, but another provider may not be able to offer the same level of service as B3 Living. B3 Living has unique knowledge of the area and expertise dealing with this particular client group and provides a specialist service. B3 Living also has access to economies of scale with its suppliers. Dealing with a new general supplier could involve organising repeated repairs calls, potentially from a location remote from the Borough, and difficulties with the contractor contacting and engaging with clients, leading to more officer time having to be devoted from the Council's resources to managing this engagement.

### **Contribution to the Council's Objectives and Environmental Sustainability Priorities**

This project contributes to the following corporate objective:

Be transparent and ensure effective scrutiny

### **Conclusion**

An exception to contract standing orders be granted to the usual procurement rules to permit the signing of a revised, three year, service level agreement with B3 Living to provide a repairs services to Council-run temporary accommodation.

Contact Officer: Lee Anne Hill

Ext: 5753

Date 15  
September  
2021

---

Action reported to the Cabinet on:

---