



REPORT TO THE CABINET

27 May 2020

Subject:	Soil Stack Replacement
Director:	Alan Caddick – Housing and Communities
Contribution towards Vision 2030: 	
Cabinet Member Approval and Date:	Cabinet Member for Homes
Director Approval:	Director – Housing and Communities
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	This is a Borough wide initiative.
Consultation of the Relevant Scrutiny Board:	Scrutiny consultation has not taken place
Contact Officer(s):	Simon Parry Business Manager – Contract Procurement and Improvement Programmes 0121 569 2949 Jonathan Rawlins Senior Quantity Surveyor - Asset Management and Maintenance 0121 569 5045

DECISION RECOMMENDATIONS

That the Cabinet

1. Award the contract to undertake the Soil Stack Replacement to various properties to Vinci Construction UK Limited for a contract period of four years, from April 2020 to March 2024 to a value of £750,000 per annum.
2. That in connection with 1. above, the Director – Law and Governance and Monitoring Officer be authorised to enter into an appropriate contract with Vinci Construction UK Limited.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval to award the contract to undertake soil stack replacements to various locations within Housing Stock owned by Sandwell Council.

2 IMPLICATION FOR THE COUNCIL'S AMBITION

- 2.1 The award of this contract will enable the Council to meet a full range of housing needs.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 Within the Council's housing stock primarily in its low, medium and high rise flatted accommodation the soil and vent pipes are those that were installed at the time the buildings were built, typically in the 1950's and 1960's.
- 3.2 The existing pipework generally decays from the inside irrespective of the material used, typically either cast iron, galvanised steel or copper. Problems also occur as a consequence of the build-up of material reducing the bore of the pipe. These two issues lead to leaks on the system which cause damp and foul smells within flats affected.
- 3.3 The following High-Rise blocks have been identified and are experiencing issues
 - 1 Harry Price House, Hackwood House, Wallace House – Oldbury
 - 2 Alfred Gunn House – Oldbury
 - 3 Moorlands Court, St Giles Court – Rowley

- 4 Holly Court, Oak Court – West Bromwich
- 5 Addenbrooke Court, Wesley Court – Rowley
- 6 Meadow Avenue (Willow House, Birch House, Aspen House) – West Bromwich

3.4 The following Low/Medium Rise Blocks of flats are also experiencing issues related to the soil stacks as identified through our repairs service

- 1 Severn house, Avon House, Arrow House, Smestow House, Stour House, all at Queensway, Oldbury
- 2 163 - 193 Stanhope Road, Smethwick
128 - 150 Beakes Road, Smethwick
- 3 93 - 104 Thompson Gardens, Smethwick
108 - 119 Thompson Gardens, Smethwick

3.5 From the list of High Rise blocks all are covered by the High Rise External Programme agreed by Cabinet on 18th October 2017. Whilst these works are not deemed external they will benefit from inclusion in the programme given the disruption typically associated with the works.

3.6 The exceptions to this are Harry Price House, Hackwood House, Wallace House – Oldbury. These works were not contained within the scope of the external refurbishment of the contract. As a consequence of the current condition it is proposed that these blocks will form the initial phase of this programme.

3.7 Similarly, the 3 blocks at Meadow Avenue, West Bromwich when refurbished did not include the replacement of the soil stacks. It is envisaged that these blocks will receive works following the completion of the works at Lion Farm.

3.8 The contract will also include a survey of soil stacks in all our high-rise blocks to provide up to date stock information on the age, condition and any remedial works required.

3.9 The Council is seeking to appoint one contractor to undertake the replacement of soil and vent pipes within the Council's Housing stock. The contract period will be for four years, from April 2020 to March 2024.

- 3.10 Three compliant tenders were returned by the deadline of 14th February 2020.
- 3.11 The anticipated value of the contract is in the region of £3.0 million (£750,000 per annum) for a period of four years.
- 3.12 Owing to the significant price differences within the three compliant tenders received, Officers have undertaken due diligence checks including issuing several queries to each tendering contractor in order to validate both their full compliance with the specification and the commercial viability of their submissions. Responses received indicate that the tender of Vinci Construction UK Limited is a fully compliant bid inclusive of being priced on the basis of the soil stack replacement system specified within the tender documentation.
- 3.13 The three compliant tenders received have been evaluated in accordance with the criteria stipulated within the tender documentation; the Contractor with the winning submission is Vinci Construction UK Limited.

4 THE CURRENT POSITION

- 4.1 There is currently no contract in place to replace soil stacks within our properties.
- 4.2 Across the various sites identified we continue to repair, where required, through the Repairs Service within Asset Management and Maintenance.
- 4.3 On 18 October 2017 Cabinet approved the Housing Investment Programme which included reference to the ongoing issues with the internal soil stacks, which have begun to fail owing to the age and condition of the pipework.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Consultation with tenants and Leaseholders affected by these works will be undertaken prior to and during works being undertaken, subject to approval.

6 ALTERNATIVE OPTIONS

- 6.1 The alternative option is to continue to provide a repairs service to those properties affected by the deterioration of the soil pipes and the associated leaks. However, given the age of the pipework and the issues that have occurred since their installation typically over 60 years ago this may lead to a catastrophic failure.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The proposed budget for the contract is £3m (£750k per annum) and will be funded by reserves within the Housing Revenue Account.
- 7.2 The budget is intended to provide capacity to deliver remedial and or replacement works dependant on the results of surveys undertaken through the course of the contract.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The Council's responsibilities include to maintain the structure and exterior of the property in good repair. Failure to address failing soil pipes may lead to damp and if untreated may become harmful to the health of tenants.
- 8.2 The contract will be awarded in accordance with the Council's Procurement and Contract Procedure Rules and the Public Contracts Regulations 2015.

9 EQUALITY IMPACT ASSESSMENT.

- 9.1 An Equality Impact Assessment was not undertaken as this is a Boroughwide contract.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The sharing of any relevant data for the delivery of this contract will be in compliance with the General Data Protection Regulations.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There are no crime and disorder issues needed to be considered as part of this report.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 Undertaking the work identified within this report will assist in sustaining the lettability of properties identified in our housing stock.
- 12.2 The properties will be managed and maintained by the council and all the associated costs will be met from within the Housing Revenue Account.
- 12.3 The funding set out within this report is part of an affordable programme that remains within our borrowing capacity limits.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 In providing new soil stacks to the building identified in this report this will prevent any potentially negative impacts to tenant's health.
- 13.2 The contract will include the provision for Social Value to be generated because of the works, through employment and training opportunities.
- 13.3 Social Value will be achieved through the inclusion of an Employment and Skills Plan contained within the formal contract with Vinci Construction UK Limited. The plan includes contractual performance indicators such as work experience placements, apprenticeships in addition to school engagement and community activities.
- 13.4 Vinci Construction UK Limited through their tender submission have expressed their passion for delivering real and tangible social value outcomes across all the contracts they have delivered on behalf of Sandwell Council. They fully understand the requirements of the Public Services (Social Value) Act 2012, focussing on environmental, economic and employment initiatives, supporting clients to maximise positive outcomes and support delivery of our compliance obligations.
- 13.5 Vinci Construction UK Limited have committed to continue to build on the good work and initiatives already being delivered for Sandwell via the Voids Maintenance, Major Adaptations and External Refurbishment contracts. Examples of their Social Value to date includes working with schools, Vinci have arranged 6 work experience placements, have planned and attended a range of events at schools and Sandwell College including Breakfast Business Events, visits to Vinci's Technology Centre, careers events and mock interviews. Three apprentices are currently employed directly working on Sandwell Projects with another planned on resumption of services. Furthermore, a graduate is now employed as an assistant Quantity Surveyor.

13.6 Across the Voids Maintenance, Major Adaptations and External Refurbishment Contract a total of 145 people are employed to deliver these works. Of these 72 have Sandwell postcodes representing 50% of the overall number employed. There are 25 sub-contractors used across these contracts, of which over 90% are from the West Midlands, with 6 based in Sandwell.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 The award of this contract will enable Sandwell MBC to maintain identified properties within its Housing Stock.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 This is a new contract to carry out the replacement of Soil Stacks in identified properties as well as those subsequently identified through survey.

15.2 The successful delivery of the scope of works covered by this contract will allow the Council to provide properties that are free from the issues raised by the degradation of soil stacks.

16 BACKGROUND PAPERS

16.1 Report to the Cabinet, 18th October 2017 Housing Revenue Account Funded Housing Investment Programme Minute no 167/17 refers.

17 APPENDICES:

Appendix 1, Tender Return Results.

David Stevens
Chief Executive

**Appendix 1
Tender Return Results**

SCC 531 - Soil Stack Evaluation			
	Price Score	Quality Score	Total Score
Vinci Construction UK Ltd	70.00	30.00	100.00
Contractor B	39.53	25.80	65.33
Contractor C	36.43	19.55	55.98