

EXECUTIVE DECISION RECORD SHEET

Name of decision maker: Margaret Griffiths

Portfolio: Portfolio Holder for Housing

Date of Portfolio Holder Decision: 23 April 2009

Title of Decision: To suspend standing orders requirement for three quotations for work exceeding £10,000 in relation to the scope of the Stock Condition Survey

Decision made and reasons: It is recommended that the additional items of work be incorporated within the scope of the survey to provide robust financial information for the Valuation of the Housing stock prior to a possible transfer.

Reports considered:

Background report regarding the scope of works.

Officers/Councillors/Ward Councillors/Stakeholders Consulted:

Senior housing officer, Procurement senior officer, Housing Futures Project Team.

Monitoring Officer/Chief Financial Officer Comments:

The Council's Procurement Standing Orders can only be suspended in special circumstances by the Council or the Cabinet or the appropriate Cabinet Portfolio Holder. The special circumstances in this case are explained below and relate to the need to avoid delays to the Housing Futures timetable and achieving greater value for money for the Council.

It has been confirmed there is sufficient budget to cover this all expenditure.

Implications:

Financial & Value for Money:

The inclusion of the work during the stock condition survey provides economies from collecting the data in a separate survey or by the in-house team, who have insufficient capacity to undertake this work within the timescales required for the Housing Futures team.

Budget:

Budget provision has been identified in the Housing Futures for the Stock Condition survey for 2008/09 of £225,000

Risk:

The in-house Asbestos management system is insufficiently well developed to provide information regarding the ongoing financial liabilities in regard to the management of Asbestos. The current statutory requirement is for data to be

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collected on communal areas, not individual residential properties.
This information is required to complete the valuation of the stock for transfer purposes and business plan.

Options Considered and reasons for rejection:

The asbestos surveys and collection of the NROSH data could be tendered separately or carried out by in-house surveyors.

These options rejected for the following reasons:

Re-tendering would increase the survey period and involve a further visit to properties, which could have access implications.

A further survey would delay the production of the financial modelling, which would impact, negatively on the Housing Futures project Plan.

To undertake the work in-house, an increase in officer resource would be necessary in order to deliver the information within the required timescales.

The information would need to be warranted for the purpose of financial modelling for third party funders, which would incur additional cost and be potentially subject to challenge as the Council would be viewed as an interested party.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

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Date Decision Record Sheet received from portfolio holder: 20/04/09

Date Decision Published: 23/04/09

Decision No: PH/020/09

Date of Expiry of Call-In Period: 30/04/09

Date any Call-In received or decision implemented:

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BACKGROUND AND BUDGET

In September 2008, Cabinet approved the budget provision for the Housing Futures Project team and consultancy costs.

In January 2009, Portfolio Holders, Councillor Tilley and Councillor Griffiths, approved the appointments of the Housing Futures Consultants. Savills was appointed to undertake the Stock Condition survey on behalf of Dacorum Borough Council, in order to develop the business plan and valuation of the housing stock in preparation for a proposed transfer.

The procurement was undertaken in accordance with the European Community procurement guidelines, however the tenders received were below the threshold required for this process. The tenders were evaluated on a 70% price and 30% quality split.

The tender for the survey included for the various components required for a pre Large Scale Voluntary Transfer model and the tenders were based upon these criteria.

The Council currently operates an Asbestos management database to collate and manage any Asbestos Containing Materials (ACM's) and surveys have been undertaken of communal areas in accordance with our statutory obligations. The requirement for asbestos surveys was not included within the original tender as it was considered that the information held by DBC may be sufficient to reduce the number of properties that would need to be surveyed.

Upon review of the information that DBC hold, Savills provided a proposal to carry out type 1 visual surveys of all the properties which are included within the 10% sample survey. The information held by DBC does not provide comprehensive data upon which business planning and cost modelling could be viable.

The unit cost of £28.00 allows for the collection of data, uploading into the stock condition report and financial modelling for the purpose of the housing valuation. Savills also provide the necessary guarantees and warranties for any interested parties including the 3rd party funders.

Additionally the National Register of Registered Social Housing has included additional mandatory fields regarding accessibility both to and within Social Housing. The information is to provide Government with information regarding the provision of social housing that is suitable for adaptations in line with the Lifetime Homes agenda.

The Council is required to provide information on 30% of the stock in 2009 and 100% of the stock by 2010.

Savills have provided a unit cost of £15 per property to capture this data on the properties included within the scope of the Stock condition survey. Whilst this does not completely cover the 2009 requirement it will demonstrate a commitment to the

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collection of the data required and can supplement information collected by the in-house team.

BUDGET

The table below identifies the budget allocated in the Housing Futures budget for stock condition survey both pre and post ballot.

Item	2008/9 Pre-ballot	2009/10 Pre-ballot	2009/10 Post-ballot	Total
Stock Condition Survey	£225,000		£15,000	£240,000

Budget Commitment

Item	Maximum number	Cost
Stock Condition Survey	1065	£60,650
EPC's (item within tender but priced individually) Unit cost £25.00	1065	£26,625
Asbestos Type 1 survey Unit cost £28.00	1065	£29,820
NROSH data £15.00	1065	£15,975
TOTAL		£133,070

To provide further clarification the Stock Condition Survey and EPC's were subject to the costs identified within the original tenders for the work.

The Asbestos surveys and collection of NROSH data are the additional elements. The Asbestos surveys quote exceeds the £10,000 standing orders limit by £19,820 and the NROSH data by £5,975.

All of the information will be used to provide the modelling for the valuation of the stock and for ongoing asset management.

It will not be feasible with the current staffing levels within the directorate to be able to complete the requirement for the NROSH data in-house. The initial 10% provided by Savills, as part of the stock condition survey, will support the remaining data captured during routine void and repairs inspections.