

# **MINUTES OF THE MEETING Cabinet Member Signing HELD ON Thursday, 7th August, 2025, 1.00 - 1.30 pm**

## **PRESENT:**

**Cabinet Member: Councillor Sarah Williams**

### **23. FILMING AT MEETINGS**

The Cabinet Member referred to the filming at meetings notice.

#### **RESOLVED:**

The filming at meetings notice was noted

### **24. APOLOGIES FOR ABSENCE**

There were none.

### **25. URGENT BUSINESS**

There were none.

### **26. DECLARATIONS OF INTEREST**

There were none.

### **27. DEPUTATIONS / PETITIONS / QUESTIONS**

There were none.

### **28. DISREPAIR CONTRACT**

A proposal to extend existing contracts with four suppliers was considered —DCK Construction Limited, ICB General Build and Civil Engineering Ltd, Foster Property Maintenance Ltd, and Milestone South East Ltd—for the continued provision of repair services aimed at reducing the backlog of disrepair cases across the borough.

It was noted that, as a social landlord, the Council is responsible for maintaining its social housing stock, which is subject to legal claims for disrepair. These contracts had originally been established to address a long-standing issue with such claims, enabling the Council to engage repair contractors to carry out the necessary remedial works.

Each contract had a maximum spend of £499,999 and was set to run for a period of up to two years. The contracts commenced on 4 November 2024 and were scheduled

to expire on 4 November 2025, with an option to extend for a further year until 4 November 2026.

Officers reported that the allocated contract values were expected to be exhausted by late Q1 or early Q2 of the 2025/26 financial year. As such, an extension of the contract value was required to align with the approved budget and ensure that service delivery remained uninterrupted.

## **RESOLVED:**

That the Cabinet Member:

3.1 Pursuant to Contract Standing Orders 18.03.3 & 2.01(d) approved extensions of contracts to four suppliers: DCK Construction Ltd, ICB General Build and Civil Eng Ltd, Foster Property Maintenance Ltd and Milestone South East Ltd.

3.2 Approved each of the 4 existing contracts are extended; by 100% for DCK Construction Ltd and Milestone South East Limited, and 43% for ICB General Build and Civil Eng Ltd and Foster Property Maintenance Ltd, based on the existing run rate, whilst the service and procurement work to put in place a long-term contract.

3.3 Noted that the extension would allow the service to put in place suitable medium to long term contracts, following a procurement exercise expected to be completed by Q4, to prevent service delivery and financial risks associated with failure to complete work at an adequate scale and frequency.

## **Reasons for decision**

4.1 It is essential to maintain continuity of high frequency repairs completions in disrepair cases, as this is the main action by which legal costs are reduced. If we have to stop work for any period of time, there will be increased legal expenditure.

4.2 It is a strategic objective of the Council to clear the historic works backlog and then maintain pace with newer cases, to achieve a lower cost per case. Failure to extend contracts to enable time for wider re-procurement and arrange suitable medium to long term contracts will prejudice the achievement of this objective, and risk the significant progress already made.

4.3 Approximately 35% of last year's gross spend was attributed to capital works. Accordingly, it is anticipated that additional budget will be generated during this financial year and up until the re-procurement exercise concludes, thereby funding Q4 of that new procurement from capital receipts, with the remainder of that procurement to be funded by future years budgets.

4.4 It is within the Council's best interests to extend these contracts pending re-procurement as specified, as contractor performance is sufficient to deliver the required results in the short term, and there are risks attached to engaging new contractors, as their performance is unknown. In addition, significant operational resource has been expended in building operational practices to work effectively with

these contractors. It is therefore considered to be inefficient and risky to disrupt the existing model.

4.5 A rebalancing exercise will be undertaken following a benchmarking exercise, to issue more work to the cheaper suppliers in the short term, both being granted 43% extensions, and achieve higher output to mitigate differential in run rate between suppliers over the period of the extension and better enhance value for money considerations.

4.6 The extension will allow the required repair works to be delivered at the existing rates, which were locked in during the procurement of 2023/24. Accordingly, market rates have increased since this time, meaning a new procurement exercise will result in higher costs against the same scope. Therefore, extending existing contracts on lower rates aids value for money considerations in addition to facilitating the strategic objectives.

### **Alternative options considered**

5.1 Do nothing / allow contract sums to exhaust with no replacement

5.2 This option has been rejected because this would leave ongoing legal cases without an appropriate facility to complete works at the required scale to meet the overarching strategic objectives, to reduce claims and the costs associated with them.

## **29. EXCLUSION OF THE PRESS AND PUBLIC**

### **RESOLVED:**

That the press and public be excluded from the remainder of the meeting as items contain exempt information as defined under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972

## **30. EXEMPT REPORT - DISREPAIR CONTRACT**

The exempt report was considered by the Cabinet Member.

CABINET MEMBER:

Signed by CABINET MEMBER: .....

Date .....

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