

Report for: Cabinet – 9 December 2025

Item number: 14

Title: Disrepair New Contract Procurement

Report authorised by : Sara Sutton, Corporate Director of Adults, Housing and Health

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Ward(s) affected: All

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1. As a social landlord, the Council maintains a social housing stock, which is subject to legal claims for disrepair. This report seeks approval to procure new contracts for the provision of repairs in connection with legal disrepair claims.
- 1.2. This contract procurement follows previous contract awards which were put in place to resolve existing disrepair claims; to complete the works associated with those claims.
- 1.3. The previous contracts are now coming to an end and the service requirement remains, thus a new procurement exercise is required.

2. Cabinet Member Introduction

- 2.1 We want fairer housing across our borough – safe, warm, comfortable, affordable homes for all.
- 2.2 We are retrofitting and refurbish council homes all over Haringey. Our Estate Renovation Plan will put more than £500m into home improvements over the next ten years – driving up the comfort and quality of our homes.
- 2.3 It will bring 100% of council homes in Haringey to Decent Homes standard – by 2028. It will take the average council home from a C-grade energy rating to B-grade, cutting bills for thousands of residents. That means double glazing going in, new modern boilers, wall and loft insulation, new front and back doors and much more.
- 2.4 This new contract for disrepair cases will take us further. It will bring in additional contractors to deal with repair works for formal disrepair cases, helping

us clear the backlog inherited from our outsourced service and build a high-performing repairs service for our residents.

3. Recommendations

It is recommended that Cabinet

- 3.1. Approves, pursuant to Contract Standing Order 2.01(b), the commencement of a procurement exercise to procure two contracts for the provision of repair works in connection with legal disrepair claims for an initial period of 3 years, with up to two further one-year extensions totalling a maximum term of 5 years at a contract sum stated in the exempt portion of the report.

4. 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 the service must stop work for any period of time, increased legal expenditure will be incurred. It is therefore essential to have adequate contractual provision to service this demand at all times.
- 4.2 It is a strategic objective of the Council to ensure cases are managed within the required timescales and to reduce costs associated with this type of work. Previous work and investment have reduced case levels over previous years, and this procurement will ensure Haringey Council can appropriately manage future caseloads.
- 4.3 Approximately 35% of last year's gross spend on works was attributed to capital works. Accordingly, this contract has been conceived at a value which is expected to mitigate the disparity between required contract value and the budget position, by building in projected capital works values over the period.
- 4.4 Residents would otherwise remain living in properties which are in a state of disrepair, presenting a risk to health and wellbeing to residents, in addition to financial and reputational damage to the Council, for want of appropriate contractor resources.
- 4.5 Further legal breaches would otherwise arise needlessly, attracting negative perception from the Courts and causing reputational damage to the Council.

5. Alternative options considered

5.1 Do nothing

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

5.3 Utilise the Direct Labour Organisation [DLO] to deliver works

- 5.4 This option has been rejected as the DLO is already under significant pressure to deliver the Responsive Repairs Service, which performs a vital responsive function to our residents. The nature and scale of the work required in disrepair claims is more appropriately delivered by contractors under existing operational practices. Accordingly, this option is not a viable proposition for either the short or medium-term planning of the Council.

6. Background information

- 6.1 The current strategic and operational strategy is working well, achieving a significant decrease in open cases and a substantial saving in potential liabilities. However, in order to reduce claims to an acceptable anticipated turnover and case total, we must ensure that the completion of repairs can continue at the current rate and increase where possible.
- 6.2 The existing contracts, entered into in October 2024 are close to exhaustion and expiration will leave the team without contractual provision to continue operating. This event would undo the progress being made and prejudice the Council's strategic and financial objectives.
- 6.3 This presents a clear risk to operational delivery. Should works be slowed down or stopped entirely, the immediate result will be a failure to comply with Court Orders and settlement agreements, in connection with s.11 and 9A Landlord and Tenant Act 1985, resulting in sanctions, such as injunctions and Penal Notices, and increased legal expenditure. This is an unacceptable risk which must be prevented. As legal expenditure is on track to reach tolerable levels through the reduction in open case levels, it would not be within the Council's interests to allow cases to rise again for want of necessary resources.
- 6.5 We must therefore procure new contracts, and it would make clear operational sense to include broader cover into future financial years, to ensure that future case levels are controlled and there remains in place a suitable operational and commercial strategy to deal with claims.
- 6.6 Complying with the law will enhance the Council's reputation and assist with mitigating potential criticism from the Regulator and Housing Ombudsman in relation to Housing Conditions and Awaab's Law.
- 6.7 The Haringey Deal makes clear that we must get the basics right, and ensure that our interactions with residents should be effective in order to build trust. When dealing with repairs, particularly those associated with legal claims, our residents deserve to have their legal rights complied with and issues resolved effectively. This is impossible without the implementation of these recommendations.
- 6.8 The Disrepair Team have attended the Continuous Improvement Group, to consult with them on procedures in development for this area. We have not

explicitly put this proposal of procurement to them, but this proposal is consistent with and necessary to deliver the agreed approach.

- 6.9 Potential risks of using contractors are mitigated on an operational level, by ensuring there is sufficient technical oversight of the contractor's performance and is monitored and reviewed on an ongoing basis with weekly operational meetings. The current approach is effective and properly managed, delivering the desired results. We therefore simply require continuity and where possible, enhancement of the existing arrangements.

7. Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes

- 7.1 Improving the Council's capacity and procedures to deal with legal disrepair claims to deliver the 'Homes for the Future' theme of the Corporate Delivery Plan where everyone should have a safe, sustainable, stable, and affordable home and aims to improve the quality of our social housing and landlord services.

8. Carbon and Climate Change

- 8.1 Completing works associated with Disrepair claims can have a positive impact on heating efficiency and represents an opportunity to utilise new, low-carbon and sustainable materials in the course of repairs and therefore mitigate emissions.
- 8.2 Regard will be given in the procurement exercise to consider carbon and climate change including utilising ULEZ compliant vehicles, such as hybrid and electric vans, to facilitate the transport of materials and labour to and from site; in addition to waste management practices.

9. Statutory Officers comments (Director of Finance (Head of Procurement), Director of Legal and Governance, Equalities)

9.1 Finance

- 9.1.1 The HRS Disrepair Team is seeking approval to initiate the procurement of two contracts for disrepair works, with a combined total value stated in the exempt portion of the report.
- 9.1.2 The contracts are expected to commence in April 2026 and run until March 2031, covering a five-year period. It is estimated that the funding will be split between capital and revenue budgets.
- 9.1.3 The total value will be split evenly between the two contracts, each worth the sum stated in the exempt portion of the report.

- 9.1.4 There is a budget provision of £1.5 million for 2026/27, which includes the one-off growth in 2026/27. For the remaining four years, the base budget of £540,000 per annum will be utilised.
- 9.1.5 It is anticipated that an estimated £1.1million capital funds required over the period of 5 years will be met from major works capital programme budget.
- 9.1.6 HRS will be responsible for monitoring expenditure against the awarded contracts and ensuring that any financial pressures are identified early and mitigated where possible.
- 9.1.7 There is a risk of cost escalation if these contracts are not properly monitored.
- 9.1.8 There is also a risk of works not meeting the criteria for capitalisation policy, therefore putting additional pressure on the revenue budgets.

9.2 Procurement

- 9.2.1 Strategic procurement notes the contents of this report, and the recommendations as set out.
- 9.2.2 This procurement opportunity will be tendered in accordance with the Councils' CSO's, with primary consideration to CSO 7.02 and 8.01. Where it is not possible to use either CSO 7.02 or 8.01, approval for an alternate route to market will be sought from the Chief Procurement Officer.
- 9.2.3 Strategic procurement (SP) will work with the service to ensure value for money is achieved through the procurement activity, including delivery of the social value aligned with the Council's priorities.
- 9.2.4 Pursuant to the provisions of the Council's Contract Standing Order (CSO) 2.01(b), Cabinet required to approve the commencement of a tendering process where the value of the contract to be procured is £500,000 and above, and as such the recommendation in paragraph 3.1 of the report is in line with the provisions of the Council's CSO.

9.3 Legal

- 9.3.1 The Director of Legal and Governance (Monitoring Officer) was consulted in the preparation of this report.
- 9.3.2 Pursuant to the provisions of the Council's Contract Standing Order (CSO) 2.01(b), Cabinet has authority to approve the commencement of a procurement exercise where the value of the contracts to be procured is £500,000 or more and as such the recommendation in paragraph 3 of the report is in line with the Council's CSO.
- 9.3.3 The Director of Legal and Governance (Monitoring Officer) see no legal reasons preventing the approval of the recommendations in the report.

10. Equality

10.1 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

10.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

10.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socio-economic status as a local protected characteristic.

10.4 The purpose of this decision is to approve contract extensions and procurement activity, to facilitate appropriate works delivery methods for legal disrepair claims.

10.5 This decision is not expected to have any effect on those who share the protected characteristics and will not advance or hinder the Public Sector Equality Duty in Haringey. As such it will have a neutral impact on equalities.

10.6 As an organisation carrying out a public function on behalf of a public body, the firms will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above.

11. Use of Appendices

Appendix A – Exempt

12. Background papers

None