



London Borough of Hackney
Hackney Service Centre
1 Hillman Street
London
E8 1DY

**HACKNEY PROCUREMENT BOARD (or LOW RISK)
CONTRACT AWARD REPORT**

Low Risk £1.2M-£2.5M (inc. VAT)
or
Medium Risk up to £2.5M (inc. VAT)

Title of report	HCE S746 DN747464 Domestic Electrical Test & Inspections (12 months)
Hackney Procurement Board meeting date	26th May 2026
Risk Assessment Tool rating (Low / Medium)	Medium
Contract duration (including extensions e.g. 2 yrs + 1 yr + 1 yr)	1 Year with an option to extend for a further 1 Year
Contract value (<u>both</u> Inclusive of VAT and Exclusive of VAT, for the duration of the contract including extensions)	£2,000,000 (ex VAT) £2,200,000 (Inc VAT)
Ward(s) affected Click here for list of wards	All
Key Decision No.	CED S429
Classification	Open with exempt appendix
Cabinet Member Click here for Cabinet Members and their portfolios	Cllr Alastair Binnie-Lubbock - Cabinet Member for Regeneration, Planning & Inclusive Neighbourhoods
Group Director Click here for Group Director names and job titles	Kain Roach Operations Director

1. GROUP DIRECTOR'S INTRODUCTION

1.1 Subject matter of the contract

In 2024 Hackney Council self referred to the Housing Regulator in relation to the consumer standards that are associated with compliance and year end performance, which was not to the required level. As part of this referral, Hackney committed to improve the performance of the electrical testing program, where there had been a significant drop in compliance following a move from a 10 year to 5 year programme.

The electrical testing program has historically been solely undertaken by the council's own direct labour organisation (DLO), where they currently undertake around 1300 electrical tests per year. While this is enough to maintain the program, there is no allowance for recovery to enable the testing to get back on track with the maintenance of statutory compliance.

There were around 15,000 electrical inspections that required action, and since the original Business Case for this contract, this has now risen significantly. This is largely due to the restructure and the impact this has had on delivery. The proposed plan is to increase the DLO allocation to 7000 and a further 11,000 will need to be allocated to an external provider, 5,000 under this contract award. It is anticipated both DLO and external provider programs will run concurrently over a two year period to address the outstanding inspections. It has now been acknowledged that an additional external provider will need to be engaged to deliver the remaining numbers while ensuring capacity for delivery, and ensure Hackney fully addresses compliance and meets the Regulator's expectations.

The commitment to recover the electrical testing program has been made to the Housing Regulator, where Hackney has stated this will be delivered within 3 years. This additional time against our planned programs will give us an allowance for no access, or any unforeseen situations that may arise through the course of undertaking the electrical testing and inspections.

The programmes of work will also ensure our compliance with the current edition BS7671, The Electrical Safety, Quality and Continuity Regulations 2022 and The Electricity at Work Regulations 1989.

Upon completion of this project, the aim is to return the electrical testing and inspection program back to the DLO, who will be in a position to undertake this wholly without any additional contractor support. There will be some resilience in the 1st year as the proposed contract is 1 years - plus 1 year, but we currently anticipate the program will be recovered to a satisfactory level in the first 2 years.

This objective aligns with the council's commitment to meet their legal requirements regarding electrical safety in residents' homes. It also aligns with the Mayor's priority to ensure that homes across the borough are safe:

Safer: Making Hackney a place where everyone can feel healthy and safe at home, work, streets, parks, and estates, and where the air is cleaner.

1.2 This report seek approval to award a contract of up to 2 years to an external contractor to support the DLO in delivery of the back log programme of works, and for LBH to regain full compliance in this area. Two pilot programmes for around 800 inspections have been delivered by outside contractors. This was used to validate the operational viability and financial efficiency of this proposed hybrid model between DLO and external contractor, and identifying any unforeseen operational risks to be resolved or mitigated before commitment to this contract award. Both pilot programmes have been successful and the award of this contract is now urgently needed to fully address the current programme challenges and meet the Regulator's expectations.

This proposed procurement will enable us to meet statutory requirements in terms of electrical safety sooner and aligns to the recommendation and subsequent action plan that has been derived for electrical safety program recovery to the Housing Regulator.

2. RECOMMENDATION(S)

2.1 It is recommended that Hackney Procurement Board approve the award of a contract for electrical testing & inspection to Supplier A via a call-off following mini-competition on the Fusion 21 - Heating, Renewables and Electricals Framework, Lot 7, for a value of £2.2m including VAT over the contract period, for 1 year with the to option to extend for 1 further year, with a total contract period of 2 years.

3. RELATED DECISIONS

3.1 The original Business Case can be found in Background Papers.

3.2 The 'hybrid' operating model for electrical testing, which involves both the Direct Labour Organisation (DLO) and external organisations, has been successfully piloted through external contractors. This allowed for the assessment of key operational risks before committing to a longer-term contract.

3.3 A commitment has been made to the Housing Regulator to recover the domestic electrical testing and inspections over the next two years. External resources are essential to increase delivery capacity to achieve this. Following this recovery period, the DLO will manage the program entirely. A framework of back-up contractors will be established within a defined lot under the M&E Framework, to provide supply chain resilience and mitigate the risk of future delays.

3.4 The backlog of domestic electrical tests has grown during this tender process. To provide the necessary support and capacity to the Direct Labour Organisation (DLO) and efficiently address this backlog within a timely timeframe, an additional external contract is required alongside the award detailed within this report. Given the urgency and time constraints, it is

proposed that a direct award be made via the Fusion 21 framework to the contractor who successfully completed the pilot contract for this work last year. This measured Term contract is anticipated to be up to the value of £900k, to provide the required level of capacity to deliver the Regulator's targets. This will be addressed under a separate tender process and approval report.

4. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

4.1 In-house provision:

Insourcing would require the Building Maintenance Team to employ additional staff on an interim basis (2 years) to allow the electrical inspection testing program to recover. This would put additional pressure on the team as they would need to recruit more staff and this would take time and then at the end of the 'recovery phase' these staff members would no longer be needed.

This could also delay the recovery as it could take considerable time to recruit the specialist staff that is needed and also additional vehicles etc, which would result in further costs to the organisation.

Outsourcing gives us resilience on top of the electrical safety team that is already in place - with the most minimal risk possible.

A commitment has been made to the Housing Regulator to recover the electrical domestic testing and inspection program within the next two years. This recovery will only be possible by the use of external resources for this period of time, once recovered the program will be managed wholly by the DLO. Therefore this option was rejected.

4.2 Undertake own open tendering exercise rather than using a framework:

Competitive tender was considered, however this would have taken significant time and resources which are currently not available. This is an option that could be considered, but given the time constraints it will be used as a long-term strategy for these works rather than the immediate need that has to be addressed as a priority. A full competitive tender is not viable due to the time needed to complete this process and the urgent nature of the work that has been identified, which requires timely progression. Not doing so could put our residents at risk. The longer term requirement, to provide a back up to the DLO when needed, has been included within the M&E procurement strategy and will be included in the competitive tender process of the M&E Framework.

4.3 Using existing Hackney Framework:

This work could be delivered by the capital works framework, however this framework is still very much in the procurement strategy stage and will not be tendered in time to meet the requirements. However, discussions are in place for the capital works programme to include reactive fire safety works as part of the long-term strategy. Ongoing discussion is needed to determine the

suitability of this strategy, opposed to a set supply chain for fire safety, to avoid future supply chain issues to carry out essential works.

4.4 Do nothing:

A commitment has been made to the Housing Regulator to recover the electrical domestic testing and inspection program within the next two years. This recovery will only be possible by the use of external resources for this period of time. Doing nothing would put our residents at risk. Therefore this option was rejected.

5. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

5.1 This is a revenue expenditure funded by the Housing Revenue Account (HRA). A dedicated HRA budget of £1.7 million is allocated for the Domestic Electrical Testing programme for the 2026/27 financial year. The contract cost will be contained and is affordable within this existing budget. Any delays will incur unbudgeted costs.

6. COMMENTS OF THE DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES

6.1 This report recommends the award of a contract to Bidder A following a mini-competition on the Fusion 21 Heating, Renewables and Electricals Framework. The contract period is 1 year with the option for an extension of 1 year at the Council's absolute discretion, giving a 2 year contract period. The estimated value of this contract is £2.2 million including VAT.

6.2 The applicable legislative regime is the Public Contracts Regulations 2015. This is because the framework itself was procured prior to the implementation of the Procurement Act. The Public Contracts Regulations reg. 33 provides for awards following mini-competition in circumstances where not all of the terms governing the contract are set out in the framework. The procurement process set out in this report is compliant with regulation 33.

6.3 The Council has a duty to deliver best value. The process set out in this report explains how the Council has assessed best value and how they have selected the preferred supplier.

6.4 The award recommended in this report should be broadly in line with the business case put forward to Hackney Procurement Board on 10th of June 2025. The report sets out the procurement approach applied. It is clear that this is in line with the recommendations of the original business case. 6.5 The Council's Contract Standing Orders set out the relevant decision makers for contract awards. This is broadly judged based on a) its risk rating; and b) the value of the proposed award. 2.17 and Table 2 of the CSOs set out that medium risk contract awards that are valued £2.5 million or below are to be awarded by Hackney Procurement Board. The decision to award this contract

was delegated to the Group Director for Climate, Homes and Economy at the time the business case was approved. However, the Chair of Hackney Procurement Board has requested this decision be brought back to Hackney Procurement Board for this award decision. In line with the preceding legal comments, Hackney Procurement Board has the requisite authority to approve this decision.

7. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

7.1 This procurement and its award are fully compliant with both the Council's Standing Orders and the Procurement Act 2023.

7.2 Running a competition from the Fusion 21 Framework delivers both pre-assured bidders - hence the lower quality ratio - as all bidders have already been assessed and are assured as highly competent when they were assessed and qualified to join the Framework - as well as competitive tension allowing Hackney to secure excellent value for money.

7.3 The procurement process was separately assured and is confirmed as being robust and fair.

7.4 This award is for a Contract of Services for a defined period by the Contractor, a clause excluding TUPE / ADR forms part of the agreement. No work is being displaced from any part of the Council, and no new obligations relating to employment by the Council are being entered into - including the DLO (Direct Labour Organisation). For these reasons there are no HR implications.

8. PROJECT PROGRESS

8.1 Since the original Business Case was approved and the procurement process concluded, the backlog for this programme has significantly increased.

While the award of this contract provides capacity for up to 5,000 tests and inspections, an additional 3,000 to 4,000 are needed over the next year to address this increase.

Consequently, an additional external contractor is now required to deliver the remaining volume. This engagement is essential to ensure Hackney meets full capacity requirements, addresses compliance, and satisfies the Regulator's expectations. This requirement will be addressed under a separate business case.

8.2 Conflicts of Interest Assessments

Conflicts of Interest Assessments are carried out to identify, record, monitor and manage potential, actual and perceived conflicts throughout the procurement and contract management cycle.

Officers involved in the evaluation process have completed conflicts of interest assessments, and no relevant actions have been identified.

Suppliers who submitted tenders were also requested to complete the LBH standard Procurement Conflict of Interest Declaration, Certificate of Non-Collusion and the Certificate of Non-Canvassing as part of their submission requirements. No notable actions were identified.

8.3 Sub-division of the contract into lots - N/A

This service is not suitable for lotting.

8.3 Whole Life Costing and Budgets

Funding is available for the project and any further additional resources that may be required. The savings section below provides details on how the budget could potentially be reduced over the life of the contract. However, this work is to deliver safety works across LBH housing and is a statutory requirement to achieve its compliance targets.

As the service is for testing and inspections, the life cycle costs are limited to delivery costs. There is potential for further contract delivery savings via sustainability and added value from social value opportunities. This could include the contractor providing training and lessons learned on achieving effective and efficient delivery to the DLO to avoid back log of work in the future. This is an option the contract manager and compliance team can explore with the contractor during delivery.

8.4 Risk Assessment and Management

Risks will be managed during the delivery of the contract by the contract manager, and the conditions set out in the contract. A risk register with proposed mitigations, will be established as part of the mobilisation process.

The Electric Contract Manager will have the primary responsibility for identifying the risks inherent in the delivery of this project. A number of risks identified have been mitigated and/or managed through the procurement and the proposed form of contract.

The table below illustrates the management of foreseeable risks and any adverse consequences of future events that may occur as part of the delivery of this project.

Risk	Likelihood		Impact	Overall	Action to avoid or mitigate risk
	L – Low;	M – Medium;	H - High		
Overrun budget	Medium	Medium	Medium	Medium	Regular meetings with finance are needed to

				<p>ensure no overspending and forecast spending.</p> <p>A budget management tracker is used to track spending.</p> <p>Regular reports run off Repairs Hub to monitor spend - cross reference against own records</p> <p>Under the proposed form of contract, programme of inspections can be issued in batches to allow close control of overall contract spend v budget.</p>
The proposed contract value could increase	High	High	High	Close monitoring / program management to be implemented, including quarterly KPIs on cost certainty. Actual contract spend against contract value will be closely monitored to foresee any capacity issues
Overdue Inspection / poor contract performance	Medium	Medium	Medium	<p>Monthly contract meetings are in place to monitor the contractor's performance, including quarterly and annual KPIs. Any low scoring KPIs will be discussed in detail with the supplier to identify the route cause and implementation of an improvement plan where needed.</p> <p>Issue of the number of inspections will be linked to performance</p>
Data Processing	Medium	Medium	Medium	Training and access to our systems with IT Support. Monitor via the monthly contract meetings and KPI.

				Ensure accurate data processing through regular validation, secure systems, monitoring checks, and compliance with data protection procedures
Health & Safety	Medium	Medium	Medium	Identify hazards and assess risks and implement control measures to reduce likelihood and impact. Provide training and ensure PPE is issued and used. Monitor and review safety Procedures regularly Report and address incidents promptly
No Access	High	High	High	Confirm appointments and send reminders, using alternative platforms including letter, phone call and text. Increased resident engagement and liaison with the local housing officers. Offer of out of hours appointments and incentives.
Meeting Regulator set Targets for recovery	Medium	Medium	Medium	Use demand forecasting, effective capacity planning, and continuous performance monitoring to identify pressures early, allocate resources efficiently, and implement recovery actions to meet regulator targets. Hold additional meetings to see if works can be accelerated and increased.
Reputational Risk	Low	Low	Low	Protect organisational reputation through regular

				<p>review of contractor modern slavery statements, performance monitoring, compliance checks, and prompt resolution of service or ethical issues</p>
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8.5 Contract Modification should a Known Risk Occur

The terms and conditions will be JCT Measured Term Contract 2016. This is a standard construction industry form of contract and has mechanisms for risk management and contract variations as standard.

9. SAVINGS

The cost comparison, derived from multiplying the successful bidder's and the pilot contract's schedules of rates by the anticipated annual volumes for the next 12 months, forecasts a significant saving. Against equal volumes, the successful bid is anticipated to save up to £359,030.50 annually, equating to a potential total saving of £720,061.00 over the full contract term. A full breakdown has been included within Exempt Appendix 2: Breakdown of Evaluation Scores and Savings calculations.

As part of the robust contract management of this contract, actual realised cost savings will be calculated at the end of the first year of the contract, when actual volumes delivered will be added to the savings schedule to support delivery and capture of savings.

10. SUSTAINABILITY IMPACTS AND OPPORTUNITIES, NET ZERO AND SOCIAL VALUE BENEFITS

The Council is committed to procure all works in accordance with its Sustainable Procurement Strategy; with fair sustainable practices that seek to benefit the local community; and minimise any negative environmental impact of goods, services and works contracts procured. The following Sustainability issues and KPIs were included within the scope of work and will be part of the contract delivery requirements and KPI monitoring;

10.1 Procuring Green

The contractor must comply at all times with the Environmental Protection Act 1990, other relevant legislation, and the Council's Environmental policies. For example, they must ensure that all vehicles minimise emissions.

The specifications for these works incorporate the Council's usual terms for sustainability of construction materials and efficiency ratings for relevant components e.g. mechanical and electrical equipment

The contractors must follow operational sustainability procedures as part of the contract terms, including on waste management and efficient vehicles during general operations. General operations encompass transportation between properties during the course of work and the execution of quality control inspections, along with the subsequent sign-off process.

The contractor will deliver any sustainability commitments as issued as part of their tender submission, and will be required to demonstrate that they have achieved these commitments as part of contract delivery.

All work will be administered paperless by a paperless compliance system.

10.2 **Procuring for a Better Society**

The internal inspections will require access to dwellings, which will impact on residents. To allow for this, communication with residents is essential, which may also be more difficult depending on the resident's circumstances. The contractor will be informed about any particular requirements of the tenants. Furthermore, Hackney and the contractor will agree and implement an effective communication strategy prior to conducting the surveys.

10.3 **Procuring Fair Delivery**

While it is preferred but appreciated that test inspection work itself may not always be carried out by specialists or tradespeople living within Hackney, those involved in delivery of the contract will utilise local shops and suppliers wherever possible, to reinvest in the local area.

10.4 **Social Value benefits**

The contractor will deliver their Social Value offer as detailed with their tender proposal. The Social Value offer will include a requirement to consider engaging local suppliers in their supply chain as far as possible, and consideration for directing resources towards the local economy, including consideration of employment, apprenticeship and training opportunities as well as mentoring of local young people to add value to the local workforce.

Social Value KPI's

- Post inspection pass rate - reducing return visits which will reduce wasted vehicle miles - report percentage of 1st visit completions
- Use local material shops / warehouses where possible - minimising transportation - report spend in local economy and with local SMEs
- Minimising packaging and waste - report waste figures
- Agree social value KPIs to report delivery of your social value offer and delivery plan targets (offer v delivered)

10.5 **Equality Impact Assessment and Equality Issues**

The contractor will implement an active equal opportunities policy that achieves targets and encourages an ethnically diverse workforce.

The contractor will consider local employment opportunities, including those for disadvantaged people (i.e. people facing additional barriers in the labour market, such as long-term unemployment). The contractor will also support young people in accessing and entering the world of work.

The London Living Wage (LLW) will be paid to employees as a minimum.

10.6 Modern Slavery

Modern day slavery was assessed as part of the contractors appointment to the F21 Framework. In addition, the contractor will be asked for a copy of their Modern Slavery and Human Trafficking risk assessment as part of the contract monitoring process in a bid to prevent issues occurring.

11. TENDER ASSESSMENT & MODERATION

11.1 The procurement route followed a mini competition call off from an external framework - Fusion 21 (F21) PCR 2015 Heating, Renewables and Electricals Framework - Lot 7 Electrical Testing. The framework have been procured and established in line with Public Procurement Regulations and meet the compliance and competency requirements under the associated electrical safety regulations. Having been appointed to a Electrical Safety Framework, the contractors successfully passed a rigorous competency assessment and adhere to a specification for third-party accreditation, which would meet the needs under the electrical safety regulations.

11.2 As this was a mini competition under an already well-established framework of specialist contractors and a challenging budget, it was agreed that the priority was placed on social value and commercial offer. The agreed evaluation criteria was as follows;

- Quality 35%
- Social Value 15%
- Commercial 50%

11.3 Fusion 21 issued an expression of interest request to all 19 framework members for Lot 7. A total number of 16 expressions of interest were received. The ITT was issued to all relevant contractors via LBH etender portal ProContract.

11.4 The quality criteria focused on assessing each bidders understanding of the LBH project specific requirements and risks, and how they would best manage these to ensure a successful delivery. Social Value was evaluated against the established Fusion 21 framework criteria considering the level of credits offered, the social value and sustainability outcomes offered, and a detailed delivery plan to provide further assurance that the offer could be

delivered with further detail around setting agreed timescales as well as routes for delivery and management and monitoring process.

11.5 As the proposed contract was a JCT Measured Term Contract, a schedule of rates was provided with anticipated quantities for delivery over the term of the agreement to determine how many properties could be tested for a set budget. An all in rates was requested to provide a detailed schedule of rates for comparison during evaluation and to manage the contract.

11.6 Following the issue of the ITT, a total of 12 submissions were returned by the deadline date. The tender submission was evaluated by the following evaluation team members;

Quality and Social Value:

- PAM - Head of Compliance and M&E
- PAM - Electrical Contract Manager
- PAM - Head of Fire Safety
- PAM - Health & Safety Officer

Commercial:

- PAM - Senior Quantity Surveyor
- Procurement - Category Manager

To ensure a fair and transparent process, the Quality and Commercial submissions were evaluated independently by separate evaluation teams.

11.7 After the independent evaluation and scoring of the Quality and Social Value submissions was completed, a moderation meeting took place. This meeting included all quality evaluation team members, where the scores were reviewed and collectively agreed upon a single final score (out of 5) for each of the bidders' questions, with reasons for the final score recorded. Each score was multiplied by the question weighting, added together and weighted by the award criteria to determine the final score of quality and social value for each of the bidders.

11.8 The commercial evaluation team conducted the commercial assessment. The total commercial cost for the evaluation was calculated by multiplying each bidder's schedule of rates by a schedule weighting, which was determined by the anticipated annual volumes for each rate, and then summing these costs. The bidder with the lowest price was awarded 100% of the 50% commercial weighting. The scores for all other bidders were calculated based on the percentage difference from this lowest total commercial cost.

11.9 The weighted Quality, Social Value and Commercial scores were added together for each bidder, and the highest scoring bidder ranked first. This bidder was also the highest scoring commercial bidder providing the highest value for money.

11.10 The highest scoring bidder's schedule of rates was benchmarked against the 2025/26 pilot scheme's rates. The lowest bid was approximately 50% lower than the highest bid received in this procurement process, and also lower than the rates paid to the external contractor during the pilot contract. Commercial clarification was sought from the lowest bidder to confirm the tendered costs were firm and included overhead and profit. Further assurance of their ability to deliver at the submitted tender costs is provided by the fact that they have a track record of successfully completing similar work for LBH at costs even lower than those quoted in this tender.

11.8 Reason for Recommendation

11.8.1 **Quality Evaluation**

The overall first ranked bidder scored highly on all quality questions, coming 4th overall in total Quality scores demonstrating capacity and capability to deliver the project requirements. The evaluation team summarised the following as a result of a review of the successful bidders submission;

The bidder demonstrated the availability and capacity to resource delivery of the LBH specific project requirements. An electrical testing and maintenance contractor with 40 years' experience in social housing, they currently deliver fire safety work for LBH and have been awarded additional work due to good performance. They utilise 100% direct delivery with more than sufficient levels of staff and engineers for full contract delivery from inspection to certification. The dedicated delivery team includes a Contract Manager, an RLO, and a Contract Administrator for scheduling, real-time certification, and KPI updates, supported by Electrical Operations, Group Operations, and Group Client Care Directors for oversight. A separate customer care team manages appointments. All staff are LBH system-trained and familiar with property types. The programme will be prioritised and geographically planned using LBH asset and risk data. The response clearly demonstrates sound understanding of the project requirements and provides strong management proposals for Health & Safety, and engagement of tenants and residents to mitigate any risk of delivery to the project, including flexibility to address no access risk. A clear understanding of the project risks and timescales was demonstrated through a robust mobilisation plan, confirming availability for immediate start as required. There are established electronic processes and systems in place to fully facilitate effective and efficient documentation and certification recording and sharing as needed.

11.8.2 **Social Value & Sustainability Evaluation**

The overall first ranked bidder presented a strong Social Value proposal, aligning with F21 requirements by offering 200 credits in total. They achieved joint 4th place in the overall scoring for this award criterion, demonstrating added value in contract delivery. Commitment to the London Living Wage was also confirmed. The outcomes of their Social Value commitment are summarised as follows:

<i>Please select the relevant outcome Theme</i>	<i>Please select the relevant Social Value Outcome</i>	<i>Unit of measure for the outcome</i>	<i>Quantity for use when UOM is people or number. Value for use when UOM is £</i>	<i>Number of Social Value credits generated by activity</i>	<i>Please provide any additional information you feel is relevant</i>
Theme	Outcome	UOM	Quantity / Value	Credits	Notes / Description
Employment	Job sustained - full time	People	3	75	We will prioritise hiring operatives and engineers from within the borough to support local employment and cut travel-related emissions. We will retain our three current local engineers and appoint our Hackney-based Contract Manager to oversee day-to-day delivery. Recruitment Officer Olivia Gilbert will lead any additional hiring through Job Centre Plus, local agencies, and job fairs—an approach that successfully engaged over 200 local people in Tower Hamlets. SV Coordinator Daisy Moloney will monitor and report on all recruitment and retention quarterly to ensure accurate recording of local hires and Service Credits.
Local Economy	Number of contractor operatives from within local authority area	People	4	20	Supplier A already has engineers working in the borough and will prioritise employing operatives who live locally wherever possible, supporting local employment, strengthening community ties, and contributing to the local economy throughout the contract.
Career advice and mentoring	Mentoring at school	People	8	40	We will deliver two mentoring sessions over the 12-month contract, led by our DBS-checked industry advocates who are experienced in working with young people in small groups of four. The sessions will introduce participants to careers in electrical and building services, including EICRs and housing maintenance, while developing key transferable skills such as problem-solving, safety awareness, and customer service.
Wider social value support to local community	Donation of time	Days	2	10	Supplier A will provide two volunteer days during the 12-month contract, supporting activities such as communal garden maintenance, litter collection, and digital inclusion workshops to help residents access online services, report repairs, and understand the EICR process.
Support and capacity building - individual/family	Receiving employability advice	People	8	40	Supplier A will deliver two employability sessions during the 12-month contract, supporting small groups of residents with CV writing, interview skills, and career guidance, led by our People Team.
Career advice and mentoring	Work Place visit	Days	2	10	Supplier A will offer short workplace visits for small groups of residents during the 12-month contract, giving them the chance to observe on-site work, understand key roles, and learn about career pathways in electrical and building services.
Wider social value support to	Value of materials / equipment	2500	£	5	Supplier A will donate decommissioned laptops and iPads worth approximately £2,500 during the 12-month contract to care homes, sheltered housing,

local community	donation				and young patients in hospitals, providing training to help recipients use their devices, stay connected, and access online services.
			Total	200	

11.8.3 Commercial Evaluation

The overall first ranked bidder submitted the lowest cost across the schedule of rates. These rates are benchmarked against the rates that applied during the pilot contract delivery. Their commercial offer clearly set them apart from other bidders, demonstrating capability to deliver within budget and value for money. Further details are included within the Savings section below.

11.8.4 Overall Evaluation Scores

The table below set out the high-level, final tender evaluation results;

Bidder	Social Value (15%)	Quality (35%)	Price (50%)	Total (100%)
A	9	22.75	50.00	81.75
B	7.8	23.45	48.81	80.06
C	3.9	22.75	47.60	74.25
D	4.5	16.1	48.58	69.18
E	7.8	22.75	36.50	67.05
F	9.6	23.1	33.93	66.63
G	4.5	23.8	37.54	65.84
H	9	19.6	35.92	64.52
I	9	19.25	35.59	63.84
J	9.3	14.7	33.28	57.28
K	3.6	17.85	29.98	51.43
L	9.3	12.95	28.21	50.46

*The detailed breakdown of evaluation scores for individual bidders is included in **Exempt Appendix 2: Breakdown of Scores and Savings Calculations**. This Appendix is classified as exempt due to the commercially confidential nature of the information it contains.

11.8.4 The first ranked bidder is recommended for the contract award. Their submission demonstrated clear affordability against the budget, showcasing both efficiency savings and value for money compared to pilot contract rates. Furthermore, the successful bidder has proven the capacity and capability necessary to achieve the objectives outlined in the Business Case;

- Recover the electrical Test & Inspection program
- Address the current backlog of inspections and under performance
- Accelerate the annual testing program to ensure the electrical tests in our residential homes are completed within a reasonable timeframe
- To meet our statutory and legal requirements in terms of electrical safety at the earliest opportunity

- To align with commitment made to Housing Regulator and the associated recovery plan

11.8.5 It is acknowledged that TUPE does not apply to this contract.

12. CONTRACT MANAGEMENT ARRANGEMENTS AND MANDATORY USE OF THE CONTRACT MANAGEMENT SYSTEM

12.1 Contract Management Resources (Roles and Responsibilities)

The Electrical Contract Manager oversees all electrical workstreams, including Electrical testing and remedial works. The Electrical Service Manager is responsible for operational delivery, which includes:

- **Mobilisation:** Organising the start of the testing program and raising necessary job orders.
- **Operational Meetings:** Holding monthly meetings to monitor progress on testing and remedial works and address operational issues.
- **Performance Monitoring:** Tracking performance through KPIs and quality inspections conducted by the Electrical COW officer.
- **Compliance:** Ensuring adherence to the Electricity at Work Act and other relevant regulations. This involves uploading certifications to the council's compliance portal and closing completed job orders in the council's ordering system (Repair Hub).
- **Spend Monitoring:** Ensuring costs remain within the contract value limits.
- **Dispute management and resolution:** This is a small level contract for a short duration. This workstream has been managed for a number of years with the same client officers. During that time there have been no performance issues with external contractors. Also with the same team being responsible for delivering this contract.
- However any arising disputes will be managed initially at operational level chaired by the Electrical Service Manager and if the dispute is unable to be resolved at that level, it will be escalated to Contract senior level , which will be chaired

12.3 Key Performance Indicators

The following KPIs were included within the scope of the contract and will be monitored throughout the contract term;

12.3.1 **Target Standards and MAP Standards:**

- i. There are a total of 9 KPIs. Most are reported quarterly and some are reported annually. For the purposes of the Annual Reviews, the Provider's performance for each KPI will be reviewed based on its performance over the previous four quarters , in accordance with the formulae set out in this KPI Framework document.

- ii. All KPIs are assessed as follows (and as described in more detail in Part 5 of this KPI Framework document):
 - a. Green is performance at or above the Target,
 - b. Amber is performance above the Minimum Acceptable Performance Standard (MAP Standard) but not at the Target Standard; and
 - c. Red is performance below the Minimum Acceptable Performance (**MAP**)
- iii. For any KPI Review, the Provider is required to achieve the following standards:
 - a. The Target Standard (Green) must be achieved on the minimum number of KPIs set out in the Summary Table below (depending on the number of KPIs assessed during the relevant KPI Review), and these must include KPIs 4, 5, and 8.
 - b. Amber scores (achieves the MAP Standard but does not achieve the Target) can be accrued on up to the maximum number of KPIs set out in the Summary Table below but must not exceed this number; and
 - c. No Red scores (less than MAP Standard) must be achieved against any KPI.
- iv. Where as part of any KPI Review, there is no data against a particular KPI, it will be considered 'not applicable'.

Summary Table:

No. of Assessed KPIs	Green (Target Standard)	Amber (MAP Standard achieved but Target Standard not achieved)	Red (less than MAP Standard)
10 or more assessed KPIs	All but 3, but must include KPIs 4,5, and 8	Maximum of 3, but not include KPIs 4,5, and 8	None
6-9 KPIs assessed	All but 2, and must include KPIs 4,5, and 8 where assessed	Maximum of 2, but not KPIs 4,5, and 8 where assessed	None
Up to 5 KPIs assessed	All but 1, and must include KPIs 4,5, and 8 where assessed	Maximum of 1, but not KPIs 4,5, and 8 where assessed	None

12.3.2 OPERATIONAL CAPITAL KEY PERFORMANCE INDICATORS

The KPI's to be monitored during the contract term were included within the Scope of Requirement at tender stage, and have clearly defined targets and method of calculation. The KPIs are summarised below;

KPI Reference	KPI Description	Reporting Schedule
KPI 1	Customer Satisfaction – overall	Quarterly
KPI 2	Client Handover Pass Rate	Quarterly
KPI 3	Recalls to Works Defects in the Defects Liability Period	Annually
KPI 4	Safety - Client Health and Safety Inspections	Quarterly
KPI 5	Predictability Cost	Quarterly
KPI 6	Time – Periodic Servicing and Inspections Completed In Time	Quarterly
KPI 7	Safety – Provider's accident rate	Annual
KPI 8	Social Value	Quarterly
KPI 9	ITT Commitment - Certification & Reporting	Quarterly

APPENDICES

Appendix 1 - N/A

*Appendix 2 - Breakdown of Evaluation Scores and Savings Calculations (Exempt)

EXEMPT

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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N/A

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document (or None)

See DN747464 Domestic Electrical Test & Inspections- HPB Business Case Report

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