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Award

## **Deed of Variation in relation to repairs and maintenance services of building installations**

Network Homes

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-000738

Procurement identifier (OCID): ocds-h6vhtk-039661

Published 10 January 2023, 7:05pm

### **Section I: Contracting authority/entity**

#### **I.1) Name and addresses**

Network Homes

The Hive, 22 Wembley Park Boulevard

Wembley

HA9 0HP

#### **Contact**

Linda Lally

#### **Email**

[linda.lally@networkhomes.org.uk](mailto:linda.lally@networkhomes.org.uk)

#### **Telephone**

+44 2087824854

#### **Country**

United Kingdom

**Region code**

UKI - London

**Internet address(es)**

Main address

[www.networkhomes.org.uk](http://www.networkhomes.org.uk)

**I.4) Type of the contracting authority**

Body governed by public law

**I.5) Main activity**

Housing and community amenities

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Deed of Variation in relation to repairs and maintenance services of building installations

#### **II.1.2) Main CPV code**

- 45300000 - Building installation work

#### **II.1.3) Type of contract**

Works

#### **II.1.4) Short description**

Network intends to enter into a deed of variation with MCP Property Services Limited, the effect of which will extend the duration of an existing R&M contract between Network and MCP (the "Underlying Contract") by six (6) months, and which will increase the value of the Underlying Contract by approximately £6,000,000 (six million pounds) Notwithstanding that the original Contract Notice was published in the Official Journal of the European Union, TED has confirmed that Network is unable to publish a modification notice in OJEU in respect of this modification.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £6,000,000

### **II.2) Description**

#### **II.2.2) Additional CPV code(s)**

- 45453100 - Refurbishment work
- 45453000 - Overhaul and refurbishment work
- 50700000 - Repair and maintenance services of building installations

#### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom

Main site or place of performance

UNITED KINGDOM

#### **II.2.4) Description of the procurement**

Network intends to enter into a deed of variation with MCP Property Services Limited, the effect of which will extend the duration of an existing repairs and maintenance contract between Network and MCP (the "Underlying Contract") by 6 months, and which will increase the value of the Underlying Contract by approximately £6,000,000 (six million pounds). The Underlying Contract will now expire on 31 January 2024. The Underlying Contract is for the provision of responsive repairs and void refurbishment works [across the entirety of Network's housing stock]. The properties covered by the Underlying Contract include General Needs Housing, Shared Ownership and Sheltered Housing Sites.

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

This VTN gives notice that Network is entering into a deed of variation (the "Contract") to award additional works to MCP. The estimated increase in the value of the Underlying

Contract is estimated to be £6,000,000 (six million pounds) across a 6 month period. A procurement procedure is not necessary on the basis that the award of the Contract is permitted pursuant to regulation 72(1)(e) and 72(1)(c) of the Public Contracts Regulations 2015. The Contract will award additional works to MCP, and will have the effect of modifying the Underlying Contract in accordance with Regulation 72 of the Public Contracts Regulations 2015. Whereas the Underlying Contract had an original value of £16,000,000 (sixteen million pounds) across a full possible ten (10) year term, the Underlying Contract will be varied in order to extend the duration of the Underlying Contract by a period of six (6) months, and the estimated value of the Underlying Contract is increased by £6,000,000 (six million pounds). This modification is being made in accordance with regulation 72(1)(e) and 72(8) of the Public Contracts Regulations 2015. Namely, the modification is not substantial within the meaning of regulation 72(1)(8) on the basis that: it does not render the contract materially different in character – it is limited to the same type, scope and nature of works in the same geographic area. There is just an increase in the number of homes to which MCP will be required to provide R&M works; it does not introduce conditions which would have (a) allowed for the admission of other candidates, (b) allowed for the acceptance of another tender, or (c) attracted additional participants - the change in value is not a significant change and is unlikely to have changed the outcome of the procurement; it does not change the economic balance - Network is satisfied that the estimated compensation is reflective of market costs and does not amount to an over-compensation; it does not extend the scope of the contract considerably. The modification does not constitute a substantial modification and is permitted by regulation 72(1)(e) and 72(8). Further, or in the alternative, the modification is permitted pursuant to regulation 72(1)(c) of the Public Contracts Regulations 2015 (on the basis that the circumstances giving rise to the need for the modification could not have been foreseen by Network, acting diligently, at the time the Underlying Contract was procured). Network's existing repairs and maintenance works are provided by MCP and another contractor (the "Second Contract"). Wider market issues have caused difficulties with delivery and the Second Contract is in the process of being ended. This (and the need to urgently allocate outstanding work under the Second Contract) could not have been foreseen by Network, acting diligently, when the contracts were entered into. The modification does not alter the overall nature of the Underlying Contract, nor does it increase the price by more than 50% of the original contract value.

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

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## **Section V. Award of contract/concession**

A contract/lot is awarded: Yes

## **V.2) Award of contract/concession**

### **V.2.1) Date of conclusion of the contract**

11 August 2022

### **V.2.2) Information about tenders**

The contract has been awarded to a group of economic operators: No

### **V.2.3) Name and address of the contractor/concessionaire**

MCP Property Services Ltd

Treviot House,, 186 - 192 High Road,

Ilford

IG1 1LR

Country

United Kingdom

NUTS code

- UKH3 - Essex

National registration number

03744489

The contractor/concessionaire is an SME

No

### **V.2.4) Information on value of contract/lot/concession (excluding VAT)**

Initial estimated total value of the contract/lot/concession: £6,000,000

Total value of the contract/lot/concession: £6,000,000

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## **Section VI. Complementary information**

### **VI.3) Additional information**

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=748008572>

GO Reference: GO-2023110-PRO-21892447

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

High Court of England and Wales

London

Country

United Kingdom

#### **VI.4.2) Body responsible for mediation procedures**

High Court of England and Wales

London

Country

United Kingdom

#### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

The Contracting Authority will conduct itself in accordance with the Public Contracts Regulations 2015.

#### **VI.4.4) Service from which information about the review procedure may be obtained**

Cabinet Office Town: London Country: United Kingdom

London

Country

United Kingdom