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Contract

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

Sovereign Network Homes

F03: Contract award notice

Notice identifier: 2024/S 000-007081

Procurement identifier (OCID): ocids-h6vhtk-0445c4

Published 5 March 2024, 4:05pm

### **Section I: Contracting authority**

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

Sovereign Network Homes

The Hive, 22 Wembley Park Boulevard

Wembley

HA9 0HP

#### **Contact**

Linda Lally

#### **Email**

[procurement@networkhomes.org.uk](mailto:procurement@networkhomes.org.uk)

#### **Telephone**

+44 2087824854

#### **Country**

United Kingdom

**Region code**

UKI - London

**Internet address(es)**

Main address

[www.sng.org.uk](http://www.sng.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 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**

Sovereign Network Homes (SNH) is entering 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 SNH and MCP (the "Underlying Contract") by twelve (12) months, and which will increase the value of the Underlying Contract by approximately £12,000,000 (twelve million pounds).

#### **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: £12,000,000

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

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

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

#### **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**

SNH 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 SNH and MCP (the "Underlying Contract") by twelve (12) months, and which will increase the value of the Underlying Contract by approximately £12,000,000 (twelve million pounds). The Underlying Contract will now expire on 31 January 2025. The Underlying Contract is for the provision of responsive repairs and void refurbishment works across the entirety of SNH's housing stock. The properties covered by the Underlying Contract include General Needs Housing, Shared Ownership and Sheltered Housing Sites. The Underlying Contract was originally entered into between MCP and Network Homes Limited. However, following an agreement to merge in October 2023 between Network Homes Limited and Sovereign Housing Association Limited, Network Homes Limited changed its name to Sovereign Network Homes on the 28th September 2023. This Notice and the Deed of Variation will therefore be in the name of Sovereign Network Homes.

#### **II.2.5) Award criteria**

Price

#### **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:

SNH is entering into a deed of variation (the "Contract") to extend the duration of an existing R&M contract between SNH and MCP. The estimated increase in the value of the Underlying Contract is estimated to be £12,000,000 (twelve million pounds). A procurement procedure is not necessary on the basis that the award of the Contract is permitted pursuant to regulation 72(1)(e) of the Public Contracts Regulations 2015. The Contract will have the effect of modifying the Underlying Contract in accordance with Regulation 72 of the Public Contracts Regulations 2015.

The Underlying Contract had been previously extended by a period of 6 months in January 2023. Following the merger between Network Homes Limited and Sovereign Housing Association Limited, the Underlying Contract will be varied in order to extend the duration of the Underlying Contract by a further period of twelve (12) months in order to facilitate the reprocurement of a repairs and maintenance contractor for the entirety of the merged entity's stock. The estimated value of the Underlying Contract is increased by £12,000,000 (twelve 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 proposed modification is not substantial within the meaning of regulation 72(1)(8) on the basis that:

1.the modification does not alter the contract materially different in character - the proposed modification remains limited to the same type, scope and nature of works, and will be delivered in the same geographic region.

2.the modification 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 in the procurement procedure - the change in value as a result of a short extension of the opportunity is not a significant change and is unlikely to have changed the outcome of the procurement.

3.The modification does not change the economic balance in favour of the contractor in a

manner which was not provided for in the contract - SNH has satisfied itself that the estimated compensation for the additional works is reflective of market costs and does not amount to an over-compensation of the works to be provided.

4. As per our comments at 1. above, the modification does not extend the scope of the contract considerably. For the reasons set out above, the proposed modification does not constitute a substantial modification and is permitted by regulation 72(1)(e) and 72(8) of the Public Contracts Regulations 2015.

Additionally, we note that the proposed modification is in part to facilitate the reprocurement of a contractor following the merger between Network Homes Limited and Sovereign Housing Association Limited, in order to ensure enough time to align an approach to the re-procurement of the repairs and maintenance requirement as a whole.

#### **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**

A contract/lot is awarded: Yes

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

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

22 February 2024

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

Number of tenders received: 1

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

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

MCP Property Services Ltd

Treviot House, 186-192 High Road

Ilford

IG1 1LR

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

03744489

The contractor is an SME

No

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

Total value of the contract/lot: £12,000,000

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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=847176155>

GO Reference: GO-202435-PRO-25413884

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

Cabinet Office

London

Country

United Kingdom