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Contract

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

Network Homes

F03: Contract award notice

Notice identifier: 2023/S 000-008560

Procurement identifier (OCID): ocids-h6vhtk-03b5a0

Published 23 March 2023, 7:05pm

Section I: Contracting authority

I.1) Name and addresses

Network Homes

The Hive, 22 Wembley Park Boulevard

Wembley

HA9 0HP

Contact

Linda Lally

Email

procurement@networkhomes.org.uk

Telephone

+44 2045125273

Country

United Kingdom

Region code

UKI - London

Internet address(es)

Main address

<https://www.networkhomes.org.uk>

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Housing and community amenities

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 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 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).

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.2.3) Place of performance

NUTS codes

- UKI - London

Main site or place of performance

LONDON

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 six (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.2.5) 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

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:

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

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

1 February 2023

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

Essex

IG1 1LR

Country

United Kingdom

NUTS code

- UKH3 - Essex

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: £6,000,000

Section VI. Complementary information

VI.3) Additional information

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=770625566>

GO Reference: GO-2023323-PRO-22379253

VI.4) Procedures for review

VI.4.1) Review body

The High Court of England and Wales

London

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

The 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

London

Country

United Kingdom