

**REPORT ON TENDER
FOR
Domestic Gas Maintenance Contract
FOR
WAVERLEY BOROUGH COUNCIL OFFICES,
THE BURYS, GODALMING, SURREY, GU7 1HR
29th November 2022**

1.0 INTRODUCTION

Waverley Borough Council has a statutory duty as a Landlord within the Gas Industry and Use Regulations 1998, to manage and maintain a gas appliance(s) within the property it owns. To date this work has been undertaken by the company CHS (Central Heating Services Ltd). The need to reprocur was centred on CHS's, poor performance contractually, and diminishing financial standing and the fact that the issues combined compromised Waverley Borough Councils ability to maintain regulatory compliance in terms of gas safety.

The timescales to negate risks associated with failure to provided heating, as outlined in the in the Decent Homes Standard section 4.6, which states the requirement for Waverley Borough Council to provide both effective insulation and efficient heating, for the dwellings it is responsible for and Gas Safety as defined in the Gas Industry Installation and Use Regulations 1998 section 36 Duties of a Landlord, dictated the use of a Framework to direct award the contract to a suitable and competent Contractor.

2.0 Direct Award

The contract was awarded to the Company Smith & Byford Ltd:

1. The company was incorporated in September 1972 (50 Years Old)
2. The company's area of operation includes electrical installation, BMS design and installation, plumbing, heat, and air-conditioning installation.
3. In March 2021 they reported a £30,604,967 turnover/ Operating profit £2.1m/ Gross margin 44.7%/ Profit after tax £1,781,008
4. The company has 365 employees – employee costs £14,103,133

3.0 Contract Value

The contract has an estimated value £1,305,000 for 18 months and a total of £2,175,000 if the 12 month extension is used.

4.0 Contract Type

The contract is a JCT Measured Term contract. It is intended that the contract will commence on 31 January 2023 at 17.00hrs. The contract shall run for a period of 18 months with the option to further extend the contract term by a period of no more than 12 months. The contract will be subject to regular satisfaction reviews based on performance and the quality-of-service delivery.