



## Frequently Asked Questions

### **Why have I received this Notice?**

The London Borough of Lambeth is seeking to replace contracts it uses to provide services to its tenants, leaseholders and homeowners. You have received these notices because you are a London Borough of Lambeth leaseholder or homeowner and hence by law and by the terms of your lease, we must consult with you via a Section 20 Notice. Many of the services covered by this Notice are rechargeable to leaseholders and homeowners and if we do not consult with you, we are not able to recharge our full costs.

### **I do not receive the some or all of the services detailed in the notices so why am I being consulted and will I be charged?**

This is a borough wide consultation, hence we consult with all tenants, leaseholders and homeowners. You will only be charged for services that you receive in your block and/or on your estate.

### **My property is part of a block or estate managed by a Tenant Management Organisation (TMO) who provide these services directly. Why am I being consulted and will the services currently being provided by my TMO be replaced by those provide under these contract?**

This notice is a borough wide Section 20 consultation to all Lambeth Council homeowners regardless of if they would receive services under the proposed new contracts. This is so all homeowners are aware of the proposal and could pose questions should they so wish.

Lambeth Council recognises that you will not receive some or all these services from our procured providers as they are provided directly by your Tenant Management Organisation (TMO), by sending you the notice we are simply inviting you to make comment, we have no intention of imposing these services upon you/your TMO and once any proposed new contract goes live, you will continue to receive your services via your TMO as you do now.

## **Some of the services mentioned (such as rubbish removal) appear to be services that I already receive funded by Council Tax, why am I going to be charged again?**

These services are those provided by Lambeth as your landlord/freeholder over and above those services provided to you as a Council Tax payer and are funded from the Housing Revenue Account. Any services that are currently provided by Lambeth and funded through Council Tax will remain in place and we will not be charging you again.

## **Why are we proposing to enter into a long-term agreement?**

Having reviewed its current housing service delivery arrangements, the Council considers that long-term agreements represent the best delivery mechanism for some of its service areas. A long term agreement is one that lasts longer than 12 months.

The Council intends to design and use long-term contracts for purchasing services that do not typically lend themselves to direct delivery by Lambeth employees.

These include highly specialist services, those which cannot guarantee regular and consistent work volumes, and those where moving to direct delivery would adversely affect service costs or lead to a prolonged period of service disruption.

Long-term contracts will provide an opportunity to continually improve services; deliver services in a consistent manner; increase cost certainty; and avoid repeated procurement exercises and the associated costs and delays these bring.

Long-term contracts also create pricing economies by virtue of their scale and longevity and instil a heightened willingness for contractors to invest in the borough. The Council does however intend to build flexibility into the long-term contracts, such as by making no-fault termination provisions, to ensure that it can deliver services in an alternative way should it so wish in the future.

## **What is the proposed scope of the long-term agreement?**

The Council has reviewed its housing service delivery arrangements and considers that long-term agreements represent the best-fit delivery mechanism for the following service areas:

- Responsive repairs and maintenance
- Lift repairs and maintenance
- Capital works and planned maintenance
- Bespoke major work projects to the structure of buildings and estates
- Bespoke major work projects to mechanical and electrical services

- Multi-disciplinary consultancy support
- Block cleaning and concierge

The review considered a range of objectives, looked at current best practice within the sector, the strengths and weaknesses of the current service and considered the aspirations of residents on how the service can be improved. Having identified best-fit delivery arrangements for its service areas, the Council now intends to start designing long-term agreements and invite proposals/bids from suitable contracting organisations.

The nature of the long-term agreement for bespoke major work projects and multi-disciplinary consultancy support will be one that supports future competition amongst service providers on a project-by-project basis. The council is exploring several solutions that will deliver future competition amongst providers which include Frameworks and Dynamic Purchasing Systems. Should a Framework arrangement be considered the best fit solution, the length of the Framework agreement will be restricted to a maximum of 4 years.

### **What do you mean by responsive repairs and maintenance?**

Responsive repairs, including void property repairs, refers to work that is typically done in a reactive manner (usually reported by residents or identified by housing staff) and does not tend to form part of a planned project - although repairs are often packaged together to deliver them in a more efficient and coordinated manner. The scope also includes the repair, servicing and maintenance of gas supplies and heating systems, boilers, door entry systems, electrical services, lightning protection systems and water supply/storage systems.

### **What do you mean by lift repairs and maintenance?**

Lift repairs and maintenance work includes the repair, servicing and maintenance work to passenger lifts and stair lifts and associated equipment and controls.

### **What do you mean by capital works and planned maintenance?**

Capital works includes renewal type work and work of a more substantial nature needed to maintain a home to a minimum fitness standard – currently referred to as the ‘Lambeth Housing Standard’. The work typically includes the renewal or major repair to kitchens, bathrooms, heating systems, electrical systems, roofs, windows, entrance doors, communal doors, lifts etc. Planned maintenance refers to projects that are planned in advance (including aids and adaptation work); or work that is done in routine cycles i.e. decoration.

### **What do you mean by bespoke major work projects to the structure of buildings and estates?**

Bespoke major work projects are those ad-hoc projects to the structure of buildings or estates that have not yet been identified and cannot therefore be competitively priced in advance.

### **What do you mean by bespoke major work projects to mechanical and electrical services?**

Bespoke major work projects are those ad-hoc projects to the mechanical and electrical services to buildings or estates that have not yet been identified and cannot therefore be competitively priced in advance.

### **What do you mean by multi-disciplinary consultancy support?**

The Council requires specialist support from independent professional consultancy firms to carry out a range of compliance and support services. These services include: structural engineering, building surveying, architectural design, project management, cost management, procurement, fire risk assessments, asbestos surveys, health and safety management, disability access audits, compliance auditing.

### **What do you mean by Block cleaning and concierge?**

The block cleaning and concierge service includes cleaning of communal areas within blocks, including stairs, windows and lifts. Concierges provide additional support and security in blocks where they are present including the monitoring of CCTV systems where installed and controlling unauthorised access to buildings.

### **Can I nominate a contractor?**

You do not have the right to nominate a contractor. The 2003 Service Charge regulations refers to contracts 'for which a public notice is required'. These are for contracts where the values involved will be of a level where EU procurement rules apply. Since the intended agreements exceed the thresholds, the council will advertise the proposed contracts by putting a public notice in the Official Journal of the European Union (OJEU).

The public notice is needed for contracts supplying goods or services at £181,302 and over and for work contracts at levels of £4,551,413 and over.

At this initial stage, the council seeks for and will consider your opinions and views in the proposed contracts that we seek to procure. You are not being consulted on the choice of contractor.

## **Why doesn't Lambeth provide these services in-house and employ officers to carry out these duties?**

An evaluation of the options for delivering the service determined that bringing the service in-house would be a higher risk option in terms of service delivery and cost.

## **How will I be charged for these contracts? Where do these fees show up in our service charge bill? Are they separate?**

You will be charged for the services provided under these contracts in your yearly service charges. The costs will show on your estimates received in April and then actuals in September. If you have received Capital/Major works to your building/block or estate, these may be charged separately throughout the year, but we will inform you if this is the case.

## **How will the Council ensure costs are kept to a minimum?**

In the first instance and in addition to the economies of scale Lambeth Council is able to achieve, the Council will be creating clear specifications and tender documentation to ensure pricing is accurate. The Council will also adopt straightforward pricing arrangements that are auditable and offer transparency to service charge payers.

Furthermore, contractors will be required to work to a series of key performance indicators (KPIs), developed with residents to reflect service priorities that will be linked to profit payments.

The Council is building a contract scrutiny and cost management team to assess payment applications and apply a governance structure across all contracts. We are also continuing with the rollout of handheld mobile working technology to streamline physical inspections of work.

## **How will you be selecting the provider?**

Following the successful completion of this Notice of Intention consultation, the council will be in a position to start designing the long-term agreements. All of our proposed works contracts and consultancy contracts are above EU thresholds and will therefore be advertised in the Official Journal of the European Union ("OJEU").

Following the Pre-Qualification and Shortlisting stage, the tender process will commence. Submitted tenders will be evaluated based on the evaluation criteria set out in the invitation to tender that will include both cost and quality criteria.

Robust evaluation of cost and quality elements will be undertaken by an Evaluation Panel. There will be resident representation on the quality evaluation panel.

After this evaluation process, we will write to you a formal part of the Stage 2 consultation process, known as Notice of Proposal. Leaseholders will be informed of the proposed contracts and we will set out the evaluation process and a more detailed scope of works the contracts will cover. Again, the Council will give due regard to observations received.

### **Will you be applying lessons learnt?**

Whilst the current contracting arrangements have mostly delivered the required volume of work, there have been a number of lessons which the Council has learnt. The Council will apply this learning to the new long-term delivery arrangements in the following ways:

- More straightforward forms of contract
- Embed a contract scrutiny and governance oversight across all new delivery arrangements
- Financially incentivised KPIs that focus on the most important aspects of service delivery
- Create flexibility through clearly set out no-fault termination provisions
- Avoid geographical exclusivity and guarantees of work where possible
- The Council to have a say in the appointment of subcontractors
- Involve residents in service design; and the evaluation and monitoring of contracts.

### **Will the agreements differ from the existing ones?**

The intended agreements are yet to be designed but will inevitably be different – primarily to apply the lessons learnt that are summarised above. In general, the intention will be to use more straightforward forms of contract that are familiar to the market and potential bidders and which incorporate straightforward pricing arrangements.

There will also be a robust performance management framework – including financially linked KPIs – embedded in the agreement. The intended agreement will also give the Council a lot more flexibility to reallocate work should it wish to do so.

### **How long will the agreement last?**

The length of the agreement is yet to be determined and will typically be the optimum period that will maximise economies of scale yet give the Council sufficient flexibility going forward. The Council is provisionally considering six years as the optimum

period, with no-fault termination provisions effective after the second year, and with the right to extend for two additional four year periods where performance remains strong (6 years + optional 4 years + optional 4 years).

### **How will you ensure the contracts are robustly managed?**

The Council recognises the need for strong contract management and is expanding a contract scrutiny and cost management team to forensically assess payment applications and apply a governance structure across all contracts. The Council is confident that this team and governance structure, together with embedding a performance management framework and financially linked KPIs, will allow it robustly manage the intended long-term contracts.

### **Will the council be getting independent advice and support?**

In order to design and procure the intended long term agreements, the Council will employ the services of a professional consultancy to help deliver a range of specialist procurement services.

The services included are as follows:

- Service design
- Specification development
- Procurement advice
- Mobilisation
- Training and recruitment

### **How does the procurement of new service contracts affect the services I currently receive?**

During the tender stage there will be no impact to the services you're currently receiving.

### **What are the next steps?**

The key next step for the council is to consult with you as leaseholders of our intention and to respond to any queries that you may have about this procurement.

Once the Observation period is closed and all observations have been responded to with due regard, Lambeth will seek to publish a notice in the Official Journal of the European Union inviting tenders for the contract and the procurement process will start.

## Can I take part in the procurement process?

If you are interested in taking part in the procurement process, please sign-up to the Lambeth 500+, ensuring to state your interest in the housing services procurement process. A council representative will be in contact when any relevant opportunities for involvement arise. You can sign-up using the addresses below:

[www.lambeth.gov.uk/council-tenants-and-homeowners/get-involved/lambeth-500](http://www.lambeth.gov.uk/council-tenants-and-homeowners/get-involved/lambeth-500)

## Who do I contact about the current service providers?

Repairs: If you want to request a repair, please call our Lambeth Housing Management Contact Centre on 020 7926 6000. You can also request repairs online <https://www.lambeth.gov.uk/housing/council-and-social-housing/request-a-repair-to-a-council-house>. To report an emergency repair outside of normal working hours (including on a bank holiday or weekend) please call our Lambeth Housing Management Contact Centre on 020 7926 6000.

Caretaking Services: To contact your local housing caretaker or concierge operator during normal office hours contact us on 020 7926 6000.

Report a communal light repair: If you notice that a lamppost or stairwell light needs repairing visit: <https://www.lambeth.gov.uk/parking-transport-and-streets/street-and-road-maintenance/report-a-faulty-street-light>

Communal cleaning: If you feel there is a problem with the cleaning or you would like to register a complaint about the standard of cleaning, call us on 020 7926 6000.

Pest control services: If you think you are infested with these pests, or would like advice about dealing with them, call us on 020 7926 6000 or contact your area housing office who will arrange for a pest control contractor to visit you.

Service charges, altering your home, subletting: Please email us on [HMhomeownership@lambeth.gov.uk](mailto:HMhomeownership@lambeth.gov.uk) or call us on 0207 926 1116.

## I have a question about this letter.

If you would like to raise a query or an Observation about this letter please contact us via the following methods:

- Online via our E-Form: <https://www.lambeth.gov.uk/forms/homeowners-major-works-written-observation-form-section-20>
- Email the Section 20 Consultation Team at: [HMhomeownership@lambeth.gov.uk](mailto:HMhomeownership@lambeth.gov.uk). Please state '**Section 20 Observation**' in the subject box.
- Post: London Borough of Lambeth, Home Ownership Services, PO Box 734, Winchester, SO23 5DG, quoting '**Section 20 Observation**' in the letter.

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Telephone: 0207 926 6521  
Email: [HMHomeOwnership@lambeth.gov.uk](mailto:HMHomeOwnership@lambeth.gov.uk)  
Website: [www.lambeth.gov.uk](http://www.lambeth.gov.uk)