

To: HOUSING AND SOCIAL WORK SERVICES COMMITTEE	Subject: HOUSING AND PROPERTY MAINTENANCE SERVICE
From: EXECUTIVE DIRECTOR OF CORPORATE SERVICES	
Date: 20 AUGUST 2008	Ref: JOH/AH

1. Introduction

- 1.1 The current contractual arrangements with MPC for delivery of the Housing and Property Maintenance Service are due to expire in January 2011 in terms of the ten year contract which was put in place. Given the preparation timescales to allow the Council to determine how it might wish to put in place a fresh arrangement for delivery of the service beyond the contract period, it is appropriate that consideration be given at this point to the strategy for putting those fresh arrangements in place.

2. Commission for Option Appraisal

- 2.1 As an initial step a joint commission has been given to Grant Thornton, Management Consultants and Messrs Burness, Solicitors to undertake on behalf of the Council a high level option appraisal in order that the Council can choose a strategy to develop future arrangements. That commission is being worked on and it is anticipated that the consultants' report will be available by the end of August 2008.
- 2.2 These consultants were chosen on the basis of earlier work which they jointly undertook on behalf of Glasgow City Council relative to structures which that Council put in place and it was felt that some of that earlier work could, with value, inform the study to be undertaken on behalf of our own Council.
- 2.3 Single inclusive fees have been negotiated for delivery of the consultants' report, being a payment of £25,000 to Grant Thornton and £12,500 to Burness, both subject to VAT.
- 2.4 The Council's Contract Standing Orders envisage that in a commission such as this of a value range between £10,000 and £50,000, the Council would anticipate some form of quotation system, albeit falling short of a full tendering framework which would be required for contracts of a value over £50,000. In the context of the relatively modest values associated with the commission and in particular the wish to instruct consultants who had a particular history which could be of value, it was considered that the Council's best interests lay with a single commission to these consultants on a fixed price basis.

3. Financial / Personnel / Legal / Policy Implications

- 3.1 The fees for the delivery of the consultant's report will be contained within the Housing Revenue Account (HRA).

4. Recommendation

- 4.1 That the Committee homologate the action taken to appoint a consultancy to deliver a high level option appraisal to assist the Council in developing a strategy for the Housing and Property Maintenance Service which is due to be in place following the current contract arrangements.


Executive Director of Corporate Services