

Agenda Item No:

Report To: Cabinet

Date of Meeting: 27th July 2023

Report Title: Repairs contract

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Job Title: Assistant Director of Housing

Portfolio Holder: Cllr.Barrett

Portfolio Holder for: Homes and Homelessness



Summary:

The provision of a day to day responsive repairs service is currently outsourced by the Council to a main contractor – Equans (formerly Engie). Equans has, as it is entitled to do, given 6 months' notice to terminate the contract. This will end on 30th November 2023. This report sets out the options available to the Council to ensure that the Housing Service's 5,000 tenants continue to receive a service from 1st December 2023 (only 4 months away).

The report explores the most favourable option for delivering an improved and more efficient repairs service, and highlights the potential for savings in the proposed delivery model to the Housing Revenue Account. This report has been produced to provide a high-level overview to inform and update members on the current situation and available options and makes a clear recommendation. The paper also recommends that more detailed work follows and that this be reported back to Cabinet in the autumn.

Key Decision: YES

Significantly Affected Wards: All wards will be affected by this decision as the Council has housing stock across the length and breadth of the borough.

Recommendations: **The Cabinet is recommended to:-**

- I. Agree that the Responsive Repairs service becomes an in house operation.**
- II. Agree that a cross party member task and finish group is set up to include the Housing Portfolio Holder and Shadow Portfolio Holders.**
- III. Delegate to the Chief Executive, in consultation with the Leader and relevant Portfolio Holders, to make a final decision on proceeding with bringing the repairs service in house. A full business case will be developed to support the transfer.**
- IV. Authorise the Solicitor to the Council and Monitoring Officer to negotiate, finalise and**

complete all necessary legal agreements and other documents to give effect to the above.

V. Note that the TUPE implications for bringing the service in house will be identified and discussed with Human Resources.

Policy Overview:

The council provides housing to approximately 5,000 tenants and is obliged to ensure that the stock is kept in good order to meet the Decent Homes Standard and comply with landlords' repairing obligations.

It is essential that any replacement service provision must be in place by the end of November 2023 at the latest to create a seamless transition providing continuity for a fully functioning repairs service.

Housing Ombudsman Service – Spotlight on: Damp & Mould

A Charter For Social Housing Residents – Social Housing White Paper 2020.

The Building Safety Act 2022 (Commencement No. 4 and Transitional Provisions) Regulations 2023

Financial Implications:

The contract arrangements with Equans as the prime contractor is costing the Housing Revenue Account (HRA) £3.3m per annum and is therefore a significant contract for Ashford Borough Council. It is anticipated that the in house provision can be delivered within the existing budget framework. The replacement of this contract with any of the potential options set out below is likely to take a significant amount of officer time over the next 4 months. To support the project, we will continue to work with Housing Quality Network (HQN) where necessary to meet the timescales required.

Officers have consulted the HQN to assist the Council in reviewing the options available for the service moving forward. HQN has identified that by bringing the service in house, an indicative saving in the region of £500,000 per annum (to the Housing Revenue Account) is likely to be achieved as well as achieving a significant increase in satisfaction levels based on sector-wide experience. Further work is required to verify the full extent of such savings and a full business plan for an in-house service must be produced.

Bringing the services in-house will result in costs for staffing, a fleet of vehicles and a suite of IT requirements, including hardware and software and associated infrastructure.

Legal Implications:
*Text agreed by
Principal Solicitor on
20.07.23*

The council's contractor (Equans) is part-way through a responsive repairs and maintenance contract with the Council. Equans has issued Notice under the contract's Break Clause to terminate the contract. This gives the

council 6 months to either procure another contractor or to implement an alternative solution to continue the services it is obliged to provide to residents.

The options available to the Council to maintain services within this short timeframe are as follows:

- Procure a new contractor using an existing procurement framework
- Advertise the contract using urgency rules within the Regulations
- Bring the repairs services in-house, recognising the TUPE implications with the ability to Novate the services of existing sub-contractors currently with Equans, to the Council. The terms of the subcontracts would need to be checked to make sure there are adequate termination provisions in favour of the Council.

An overview of the options mentioned above is provided within the report.

Equalities Impact Assessment:

A full impact assessment will be undertaken as part of the project plan.

Data Protection Impact Assessment:

It will be necessary to procure a suitable computer system to manage the repairs service more efficiently and to enable the future planning and scheduling of repairs appointments. The options for delivery of this solution have been considered and appropriate costs obtained to enhance the existing software with the existing provider, MRI. This would be favourable as it fully integrates with our existing software and can be delivered within the timeframe available to provide continuity to the service.

As part of this process a full Data Protection Assessment will be undertaken.

Risk Assessment (Risk Appetite Statement):

There is a substantial risk to the Council that there will be no suitable repairs service available to comply with our Landlord Repairing obligations if a decision is not made promptly. This is at a time of markedly increased regulation in the sector. A risk assessment will be completed as part of the development of the business case.

Sustainability Implications:

Due to the urgency of ensuring continuity of services the priority will be to deliver a service, however over time we will need to ensure that the in house provision delivers services in the most sustainable fashion.

Other Material Implications:

None.

**Exempt from
Publication:**

NO

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Report Title: Repairs contract

Introduction and Background

1. The main contractor, Equans, currently appointed to provide Ashford Borough Council's housing day-to-day repairs service has provided 6 months' notice. The contract officially terminates on 30th November 2023.
2. In order to ensure that the Council can meet its landlord obligations it is essential that the service is replaced. A number of options have been considered in consultation with officers from the legal and procurement teams. These are set out below.
3. One such option is to bring the service in house to directly provide a repairs service to the Council's tenants. To that end, the Council's housing services team has approached the Housing Quality Network (HQN) to consider this option in more depth. Initial findings suggest it is likely that a higher quality service can be provided to tenants for a lower cost by proceeding with the in-house option. In view of this, the in-house option is the preferred option to pursue.

Proposal

4. Following on from the recommendations arising from the HQN report it is proposed that a full business plan is developed alongside a strong project plan for an in-house option to be agreed under the delegated authority of the Chief Executive.
5. Given the limited timeframe and the need for improvements to service delivery, the recommendation is to bring the in service in house.
6. It is proposed to utilise HQN to assist in developing the detailed business plan using its access to a wide range of examples of good practice, similar projects and performance ratings.
7. Due to the time constraints, it will be essential that the Council is agile in taking some of the operational decisions quickly but pragmatically to support an in-house provision at an early stage.

Analysing the Current Service

8. Attached at **Appendix A** is HQN's analysis of the current service.
9. The key messages from this analysis are:
 - a. The current contracted provision is a relatively expensive service compared to the best forming landlords in HQN's survey
 - b. There is room to improve performance and ABC would have more control over this with an in house repairs service.

- c. There may be benefits from utilising more modern approaches in terms of operating practice and stock control.

Options Considered

10. The options available to the Council are set out below following consultation with the legal department and the procurement team. These are:
- i) Framework agreement*
11. If the Council is procuring a new contractor to replace the existing contract, this could be the quickest route to procure as frameworks can help save time and money by removing the need to run a fresh tender process. This would be the case in the second option below. This is because the contractors have already gone through a public procurement process to get onto the framework in the first place and are required to prove that they are able to provide the services to a set standard to be included.
12. Frameworks are designed to ensure competitive pricing, to drive savings and to improve efficiencies and the Council can directly call upon them, or run a mini competition, for greater flexibility. This would still involve a requirement to review the contract terms and requirements since several issues have been identified operationally. For a new contractor to recruit and gear up to deliver the contract in practice, it is likely to be a lengthy process.
- ii) Advertise the contract using urgency rules within the regulations*
13. The council could go out to the market again and procure another contractor. A table of the possible procurement routes the Council could use is set out below in Table 1; this details what the normal time limits are and what the time limits would be if using urgency rules. This does not take into account minor reductions for using electronic processes. The test under the regulations is; “Where a state of urgency duly substantiated by the contracting authorities renders impracticable the time limits laid down in this regulation...” This means that the Council would have to demonstrate and record that 6 months is not long enough to undertake a full procurement exercise. In matters of urgency, duly substantiated by the Contracting Authority (and evidence retained for audit and justification in the event of a potential challenge), the time limit for tenders using the urgency decisions in the table can be used.
14. While the urgency provisions shorten the tender process it would be a significant challenge to undertake a full procurement exercise, negotiate and agree contracts, and for the contractor to recruit staff and set up systems to be ready and operational in time for the contract which must begin at the end of November.

Table 1. The tender process

Procedure	Selection stage	Tender stage	Urgency
Open	N/A	35 days (Regulation 27.2 receipt of tenders)	15 days (Regulation 27.5)
Restricted	30 days (Regulation 28.2 request to participate)	30 days (Regulation 28.5 receipt of tenders)	15 days/10 days (Regulations 28.10(a) & 28.10(b))

Competitive with Negotiation	30 days (Regulation 29.4 from contract notice)	30 days (Regulation 29.5 receipt of tenders)	15 days/10 days (Regulations 29.10(a) & 29.10(b))
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iii) Contract out smaller contracts on a case-by-case basis

15. This is possible where the contracts do not form part of an overall requirement. The risk here is having allegations made against the council that it is disaggregating the contracts in order to award below the thresholds of the regulations (services/goods contracts, currently £213,477 including VAT) and thus not procuring them properly. This can be ameliorated by the contracts not being fundamental to the overall requirement of the council for the bigger contract and advertising the smaller ones separately. Smaller contracts that are not advertised because of urgency, and that fall under the EU thresholds, would need to be dealt with under the Council's own internal procedures as well as requirements set out in the Regulations for under threshold contracts. While this is possible, it is not likely to be a very efficient method and nor does it allow the council to ensure that its tenants receive a clear and consistent delivery of the repairs service.

iv) Bring services in-house

16. There could be an option to bring the service in house. Linked to this is the likelihood of any TUPE implications with the end of the contract where contractor employees move over either to the Council if the Council is taking the service in-house, or to an incoming service provider. An analysis of this option was requested from HQN and an overview of their analysis is at Appendix 1. The report indicates that the current contract performance compared to other contracts and services of this type could be significantly improved by bringing the services in house. The report also indicates that despite the costs of bringing the service in house in terms of salaries, van hire, appropriate software, it is likely to deliver significant savings. This option allows the Council to be in direct control of service delivery. Within this option any staff being brought in under TUPE would have to be appointed on their existing terms and conditions. However, in preparation for this option a full project plan would be developed to reflect the need to set out the standards the Council requires from the employees, addressing training needs and undertaken a full on-boarding process of all new staff.
17. The level of work with this option is not underestimated and in addition to the extensive work around TUPE, it will also include provision of IT and an appropriate system to manage the delivery end of the repairs service. The operatives appointed will also need uniforms and vehicles, a depot site will need to be considered in order to be ready for the commencement of the service from December 2023 and further work will be required to establish the Council's required standards, performance measurement, policies and procedures. This is not an exhaustive list but is set out to give an indication of the level of work involved in the creation of a new entity.

v) Novate existing subcontractors

18. The contract provides for the novation of any sub-contractors over to the Council (by way of a novation agreement where all 3 parties would need to be involved, the council, the contractor, and the sub-contractor), (clause 13.5.5 of the current contract). This may be an option for providing ongoing provision of some of the services. This would not involve a separate procurement and

would create a direct contractual relationship between the council and sub-contractor.

HQN Key Recommendations

19. HQN's key recommendations are set out below:
 - a. We recommend that on the basis of cost alone there appears to be a strong case for insourcing the service compared to a continued outsourcing of the service.
 - b. The case becomes even stronger when performance information is factored into the discussion. Our experience is that a well run in-house contractor will deliver better value for money and a service to a higher service standard compared to external contractors. But the imperative is that a strong management structure to support the team must be in place.
 - c. We consider that a key risk for ABC is that in the event of the transfer of existing staff into ABC there will be a continuity of existing performance. Nevertheless, an in-house contractor is the preferred option that should be considered in further detail by ABC.
 - d. A more detailed budget and financial options appraisal should be undertaken to firm up in more detail and develop further the indicative costs included in this report.
 - e. Specialist legal or HR advice should be obtained about TUPE implications and associated costs.
 - f. A detailed project plan and timetable should be developed, linked to the establishment of a specialist project team. The development of a detailed project plan should be one of the early high priority tasks for the team.
 - g. More specific IT requirements should be clarified, again with updated and more precise costs which should be fed into the financial options appraisal.
 - h. Preparatory work should begin on setting up a project team to project manage the migration from an outsourced to in-house service delivery model from the client side.
 - i. Work should begin on the development of a business plan for the new in-house contractor, this would incorporate a progressively more detailed project plan for the transition from delivering repairs and maintenance services from an outsourced to an in house service delivery model.
 - j. Early discussions should begin with identifying a potential materials supply chain provider.
 - k. Early discussions should begin with identifying a vehicle fleet supplier for a fleet of approximately 18 vehicles to potentially replace the existing Equans fleet.

HQN's View of Potential Savings

20. On an assumption of repairs volumes and volumes of void properties, as shown in table below, HQN advise that they would anticipate potential headline savings as follows;

WorkStream or category	Numbers/volumes annually	Current average cost	Typical in-sourced cost	Potential annual savings
Responsive repairs	10,080	£149.57	£120 (conservative estimate)	c.£320,000
Works to void properties	c.220	£4,601	c.£3,500 (Current best practice level)	£242,000

Key Benefits of moving to an in house repairs service

- Close alignment of the service with the ABC mission statement, vision, values and corporate objectives
- ABC can be directly accountable to tenants
- Less contract management meaning staff can concentrate on more direct operational, service issues
- Opportunity to develop and build a really high quality exemplary service and potentially introduce a step change in service delivery arrangements
- An opportunity to quickly introduce innovative working and changes in the service delivery model
- Improved service delivery linked to higher levels of customer satisfaction and lower complaints
- Direct control over repairs and maintenance
- Potential for significant improvement in value for money and the opportunity to either achieve financial savings or to redirect financial resources into the wider HRA
- Development of a customer centered service delivery team and approach
- Opportunity to amend and adjust the service as circumstances dictate without the need to negotiate with a third-party
- Control over the supply chain – e.g. ensuring quality materials are purchased and opportunity to support the local supply chain and communities in which ABC works

- Opportunity to add value from the service at little or no extra cost helping to support tenancy under state management services delivered by other parts of the organisation
- Locally employed operatives and support staff and opportunity to offer and develop apprentices
- Opportunity to grow and develop an in-house business and take on additional work streams currently outsourced.

Equalities Impact Assessment

21. A full Equalities Impact Assessment will be undertaken as part of the project plan for replacing the existing contract.

Consultation Planned or Undertaken

22. The Housing Regulation Bill soon to become an Act requires local authorities to strengthen networks for consultation and engagement with our tenants. As part of a wider exercise proposed for a survey of tenants in September 2023, we will include a specific reference to the repairs service.
23. It is proposed that a member focus group is set up to include the Portfolio Holder for housing and the shadow portfolio holders so that we can keep members informed or progress and to obtain their feedback as the project proceeds.

Next Steps in Process

24. Subject to members approval, proceed with developing a full business case for a in house option, and a detailed project plan be drawn up.
25. A core working group of officers including officers from legal, finance and HR has been set up to meet fortnightly to progress project. In addition, a series of focus groups have been set up to look specifically at HR implications including TUPE arrangements, IT implications including hardware and systems, Sourcing and developing a Depot site for the service to operate from.
26. Key Officers are visiting Gravesham Borough Council who have already brought their service in house to obtain insight into how this works for them and issues along the way to understand and focus on. In addition, HQN have identified that a number of other housing providers have also chosen to bring the service in house or are moving in that direction. HQN can assist to identify the best practice across the sector to feed into the project.
27. It is also recommended to set up a member focus group to involve the portfolio holder and the shadow portfolio holders.
28. The Housing Service has identified that the housing system currently being utilised is dated and not fit for purpose and this is also supported in the findings from HQN. The requirements of the system are an essential part of ensuring that we can provide a quality, data driven and well managed service. We have identified, via the councils existing housing system providers, MRI,

that there are new modules and upgrades available to provide a more efficient operating system which also provides an opportunity for an enhanced customer experience.

29. A quote has been obtained from MRI and can be contained within the HRA Business Plan. The costs of the new system will in the region of a one off cost of £100,000 for implementation if the company provide a complete implementation service which can be phased over two financial years, and an annual charge of approximately £85,000. Officers are still negotiating the exact requirements, but it is clear that these costs can be offset against savings on the parts of the older system that we no longer will require, and it would replace the need for the Total Mobile System that Housing's in house electrical team already use. Finally, the in house option is projected to generate significant savings.
30. The Council is also considering the position regarding the number of operatives required under the in house option and therefore the number of vehicles that will be required. In view of the lead in time for delivery of new vehicles we will need to make an early decision regarding placement of an order.

Conclusion

31. The report obtained from HQN indicates that there are significant savings and increased efficiencies to be derived from an in house option. It is also identified that the other options for us to get a quality based service up and running with a new contractor by 30th November 2023.
32. To deliver any option well in the short time frame available would be a challenge, however there is a strong imperative for the Council to take direct control of the repairs function for its tenants to deliver enhanced quality and potentially significant savings.

Portfolio Holder's Views

33. Though it is frustrating that the existing provider has given notice to terminate its contract, at a time of significant upheaval in the sector, housing, as ever, adapts quickly and looks forward, not back. Time is of the essence and we need to move quickly over the summer and into the autumn to have not only something in place but something of quality that will improve the service that we deliver to what are some of Ashford's most vulnerable residents.
34. I fully endorse the findings of this report and wholeheartedly propose that the Council moves forward with in-sourcing this contract. I support the ideas of a cross-party working group with shadow portfolio holders involved. It is essential that we absorb ideas from all stakeholders and learn from the experience of others who have taken this journey. We will be bold, embed customer satisfaction and environmental considerations at the heart of this work and take whatever steps are necessary to establish a fresh start.

Contact and Email

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Appendix 1 -HQN's Analysis of the Current Service

Repairs performance

35. A key question for this review is: How well is the contractor performing compared to the contract specification and service requirements?
36. HQN have addressed this by looking at two key issues:
 - i. Costs and value for money
 - ii. Responsive Repairs Costs
 - iii. Performance and service delivery

I - Costs and value for money

37. HQN carried out an analysis of a range of financial information and wider financial performance information provided to us. The key objective was to establish, compared to other organisations, whether the current service delivered by Equans is providing good value for money to ABC, since this will have a major bearing on whether there is a strong case for insourcing the service compared to the current outsourced model.
38. This is particularly important in reviewing options for the service since we need to establish whether there are potential savings or wider value for money benefits for ABC in alternative service delivery models.
39. Collectively the key workstream areas as delivered by Equans accrue to approximately £3.3 million of the overall repairs and maintenance budget. This breakdown of costs by Workstream is shown in more detail in table one below

Table 1 Workstream analysis of the full year data Repairs and maintenance values and values for 2022/23. As indicated in the main text of our report these costs exclude VAT

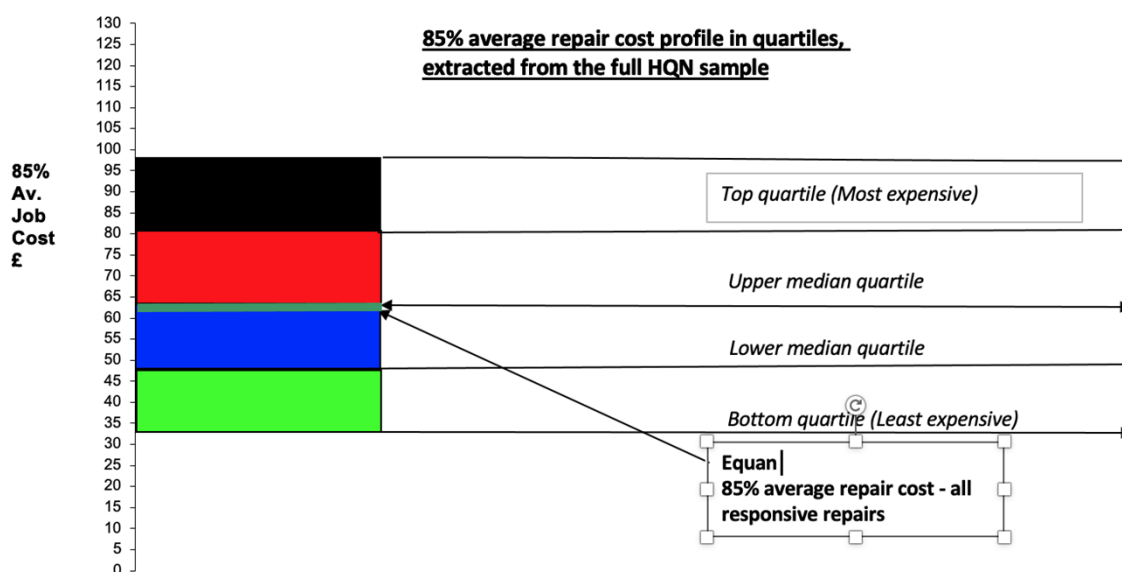
Workstream or repair category	Numbers/volumes	Value £	Average cost
Responsive repairs	10,080	1,507,513	£149.57
Works to void properties	338 (invoice lines)	1,550,553	£4,601.00
Communal works M & E	594	146,627	£247.26
Major works	107	77,221	£728.50

40. Reference to table one above will show that there is a fairly equitable split between value of work undertaken to void properties and to the overall cost of the responsive repairs service. Also please note that the average repair cost to voids as quoted excludes other works undertaken to void properties by other contractors. We have explored void costs in more detail later in this section of our report.

ii) Responsive repairs costs

41. A detailed analysis was undertaken by HQN covering the full financial year for 2022/23. They are therefore a robust set of data for financial analysis purposes upon which we can have a high degree of confidence in its accuracy and relevance for the service. It is also very up-to-date information.
42. HQN operates a repairs and maintenance cost comparison model ('CRAM") that has been used since 2005 to analyse repairs and maintenance costs of social landlords. The model has up-to-date repairs and maintenance costs for a large number of social landlords.
43. They carried out an evaluation of ABC's repairs costs using this model. Firstly, we identified that the average cost of responsive repairs was £149.57 excluding VAT, as shown in table one above.
44. HQN do not consider that 'overall average cost' is a good comparator to use because a small percentage of high value jobs can have a major distorting effect. To overcome this, our benchmarking and cost comparison exercise measures the average cost of the lowest 85% of jobs. This removes this distortion.
45. It means that they can be very confident that the figures and analysis they carry out as part of this cost assessment provides robust comparable information with other social landlords.
46. HQN calculated that the ABC average cost at 85% volume as £63.60.
47. Chart one below shows that the ABC 85% average job cost of £63.60 as delivered by Equans sits on the junction between the lower median and upper median quartile of costs the upper median quartile cost banding when compared to other social landlords in our data sample.

Chart 1: Position of ABC repair costs within quartile bands



48. This demonstrates that this is a relatively expensive service compared to best performing landlords in our sample. Our assessment is that best performing organisations, delivering best value for money, combined with high levels of service delivery generally have their 85% costs positioned broadly between £35.00 – £50.00, i.e., within the top half of the lower quartile to perhaps the lower half of the lower median quartile.
49. It should be noted that many of these best performing organisations within our database of our value for money model are delivering the responsive repairs and maintenance and voids service by way of an in-house contractor.
50. It is difficult not to conclude that if ABC were to set up a well run internal contractor running in line with best performing organisations in our model, significant financial savings are likely to be achieved in relation to responsive day-to-day repairs.

III -Performance and Service Delivery

51. HQN analysed the data from the Councils system to generate a range of performance information and we have incorporated this information in table 4 below. In addition, we have incorporated a few additional KPIs that we considered to be relevant extracted from the KPI data provided by the contractor.
52. .

Table 4: Headline key performance information Note that highlighted performance areas are contractor generated and reported KPIs and have not been calculated by HQN and from the data dump

KPI	Performance 2022/23	Target
Repairs completed within target times <ul style="list-style-type: none"> • Emergency • Urgent • Routine 	1.12 days 8.85 days 24.01 days	2-24 hours 5 days 28 days
Average amount of time to complete reactive repairs	20.81(calendar days)	HQN best practice is c.8 working days
% of repairs with an appointment made at point of order	N/A	N/A
Average responsive repair cost	£149.57	N/A
Repairs volumes - response repairs per unit.	2.3	National average is around 3 to 3.5 repairs per property per annum
Average time for completing voids works (calendar days) 5 day void	10.66 days 22.8 days	5 days 8 days

8 day void 18 day void Overall average	48.6 days 24 days	18 days N/A
% of jobs cancelled	c.10%	No formal benchmarking but we will expect this to be well below 5%
% of jobs recalled	Not measured but we estimated at 4.5%	No formal benchmarking but best performing organisations have less than a 2% recall rate

Customer satisfaction with the repairs service	95%	NA
Post inspection ' Pass rate'	100%	N/A
<i>% of appointments made and kept</i>	<i>87%</i>	<i>N/A</i>
<i>% of responsive repairs completed on first visit (right first time)</i>	<i>98%</i>	<i>N/A</i>

Responsive repairs

53. ABC has three repair categories, emergency, urgent and routine in its service standard.
54. The target time for each of these repair categories from the tenants are incorporated above. Reference to the table shows that repairs and the responsive categories are broadly being completed within timescale. However HQN advised that they would have expected emergency repairs completion times to be below one day bearing in mind that some repairs have a two hour repair category.
55. Urgent repairs with a five day target time are completed on average in 8.85 days which is some margin outside the target.
56. Routine repairs are completed in 24.01 days against a 28 day target stop.
57. However HQN advise that these targets with the exception of the emergency timescale are somewhat outdated compared to current best practice. Most organisations have abandoned the urgent and routine repair categories and appoint repairs at a mutually convenient date and time for the tenant and the contractor. Using this methodology a more accurate assessment would be the overall average time in working days to complete the reactive repair.
58. HQN were able to calculate the average time to complete repairs in all repair categories was 20.81 days. However they advise that in their experience best performing organisations, holding the HQN repairs and maintenance accreditation are able to complete responsive repairs on average in around eight days.

First time fix levels

59. The contractor is reporting a first time fix rate of 98%. Effectively they are reporting that from 100 responsive repairs visits, 98 of these repairs have been completed at one visit, the first visit, of the trade operative.
60. HQN consider this to be unachievable and is inconsistent with other information we identified. The most obvious anomaly is that as referred to immediately above in this report there are relatively high levels of record repairs. This is obviously inconsistent with a high levels of first-time fix.
61. Well-managed vehicle stock levels are an important aspect of achieving high levels of first-time fix. This is another area of incongruous and anomalous information that strongly suggest that reported first time fixed levels warrant further scrutiny

Supply chain partner for the supply of materials

62. At present the direct supply of materials is outside ABC's responsibility other than ensuring that the sourcing and quality of materials is satisfactory and appropriate and complies with the material specification in the repairs and maintenance contract. Materials are currently sourced and supplied by the range of contractors and subcontractors engaged by ABC, predominantly Equans.
63. An important factor that needs to be built into the business model, and HQN would recommend into the business plan, is the supply of materials to support the repair service.