

Report to:	Cabinet	Date: 09 September 2026
Subject:	HRA Capital Investment Programme 2026.2027 Major Refurbishment Works - Heating and Hot Water Request to enter contract with Axis Europe Limited and British Gas Social Housing Limited for Gas boiler replacement programme.	
Report of	Cabinet Member for Housing Services	

Summary

- On 11th February 2026 Cabinet approved the Housing Revenue Account ("HRA") Capital Works Programme for 2026/27 and a budget of £2,015,000 for Major Refurbishment Works - Heating and Hot Water
- The purpose of the current report is to seek formal approval of the following contract awards for the Gas boiler replacement programme:

Tender Process

- Housing Services is seeking to award two contracts for boiler replacement works to domestic properties within Bury Council's social housing stock.
- Tender prices have been sought through the Procurement for Housing (PfH) Framework, with framework contractors invited to express an interest in delivering the works.
- Expressions of interest received were reviewed against the framework rankings applicable to the relevant lot. These rankings were established by PfH through the framework procurement process and were based on suppliers' responses to quality and commercial evaluation criteria.
- In accordance with the framework call-off procedure, the highest-ranked contractors who expressed an interest, Axis Europe Limited(Company number 01991637) and British Gas Social Housing Limited (Company number 01026007), were invited to submit priced tenders for the works.

Evaluation

- As the procurement is being undertaken via a direct award process under the PfH Framework, the evaluation will primarily focus on price. Submitted tender

returns will be benchmarked by Procurement for Housing to ensure value for money. Any pricing anomalies identified during the benchmarking process will be clarified with the relevant contractor and resolved before a recommendation is made.

Timescales

8. The evaluation exercise is expected to be completed during the week commencing 24 August 2026. The anticipated combined contract value is approximately £1.8 million, including VAT.
9. Housing Services has made it clear to bidders that Bury Council reserves the right to award all works to a single contractor if the tender submissions do not demonstrate appropriate value for money across both contracts.
10. The contract(s) are anticipated to commence in September/October 2026, with completion scheduled for February/March 2027.

Recommendation (s)

11. Given the tight timescales associated with the return and evaluation of tenders, Cabinet is requested to:
 - 11.1 Delegate authority to award the contract(s) for the Gas Boiler Replacement Programme to the Director of Housing.
 - 11.2 Delegate authority for the finalisation and sealing of the contract(s) to the Director of Law and Democratic Services, in consultation with the Director of Housing.
12. This delegation will enable the timely award of the contract(s) and support the delivery of the approved 2026/27 HRA Capital Works Programme.

Reasons for recommendation(s)

13. Property data indicates that the existing gas boilers are approaching renewal and upgrade. The investment helps to ensure timely replacement and upgrade of heating and hot water provision for our tenants. Whilst helping to ensure DHS standards are met, which includes property state of repair and provision of thermal comfort.

Alternative options considered and rejected

14. Do nothing: The gas boiler replacements are necessary to help achieve legislative requirements around DHS. Also to ensure our tenants have access to energy efficient heating and hot water provision.
15. Deliver Inhouse: Due to the specialist scope of work within these contracts there is both a lack of suitable skills and capacity for the in-house contractor (Repairs Direct).

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Background

16. A gas boiler replacement programme has been developed using boiler installation dates and stock condition data to identify properties requiring replacement. The programme relates to Council-owned properties located throughout the Borough of Bury.
17. To facilitate efficient delivery and maximise contractor capacity, the procurement exercise has been divided into locality-based lots. The properties have been broadly and evenly distributed across the North Bury and South Bury areas, enabling a balanced allocation of works and improved contract management throughout the delivery period.
18. The contract(s) are anticipated to commence in September/October 2026, with completion scheduled for February/March 2027. This programme will ensure the continued provision of safe, reliable and energy-efficient heating systems across the Council's housing stock while supporting compliance with statutory landlord obligations.

Social value

19. All contracts will ensure that social value is maximised with project specific outcomes agreed at the contract award meetings. All contractors have a good track record of delivering social value through the contracts awarded through the procurement frameworks.
20. Although the contractors' submissions will be evaluated solely based on price, contractors have been encouraged to contribute towards local Social Value objectives. Accordingly, contractors were invited to provide details of

any Social Value initiatives that their organisation could support within the Bury area.

21. To assist contractors in developing their proposals, a list of local Social Value opportunities within Bury was provided. Contractors were requested to submit details of their proposed Social Value commitments prior to the commencement of works on site.

Links with the Corporate Priorities:

22. ***Let's Do It Strategy*** sets out the Council's corporate priorities. This contract will support delivery in two key areas:
23. **Improved Quality of Life:** These contracts help to provide more modern energy efficient homes that meet the Regulator's Decent Homes Standard. The measures aim to provide improved space heating and hot water provision, deliver thermal comfort with improved energy efficient gas boiler systems. Installing A-rated boilers in accordance with the heating and boiler specification will help reduce energy consumption and lower fuel bills. This will deliver positive outcomes for our tenants through improved energy efficiency and affordability, while also benefiting our homes and supporting environmental sustainability.
24. **2025 Vision and Aims:** These contracts help move forward the continued HRA capital investment in the boroughs Council Housing stock. Helps to ensure all the Council's homes meet the DHS and the minimum energy rating of EPC Band C by 2030. Additionally ensuring capital investment provides positive outcomes for our tenants and communities with the aim to lessen the impact of Fuel Poverty and cost of living.

Equality Impact and Considerations:

25. Initial screening has shown that this activity is unlikely to have a material impact on people or organisations in relation to equalities there are therefore no equality impacts or concerns at this stage

Environmental Impact and Considerations:

26. The proposed Ideal Logic 30kW condensing gas boilers provide a high-efficiency heating solution for residential properties. The boilers achieve an ErP A-rating and seasonal efficiency of up to approximately 93-94%, helping

to reduce fuel consumption and associated carbon emissions compared with older non-condensing boiler systems.

27. The chosen boiler offers an efficient and reliable heating solution for social housing developments, with high seasonal efficiency, low NOx emissions and compatibility with future low-carbon technologies. Although the system relies on natural gas and therefore continues to generate carbon emissions, its environmental impact can be reduced through good building fabric standards, smart controls and effective maintenance practices.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Works identified as required though Stock condition and cross-referencing property data.	The Council aims to complete Stock condition surveys of properties, currently achieving 88% completion. This data will help to identify priorities for forthcoming investment programmes. Full scoping has been carried out to identify the amount of works required to compile a valued tender for each contract to achieve accurate prices, VFM and social value from contractors. Cabinet approval will enable the Council to award the contract to address the required improvements.
Council Homes failing to meet Decent Homes Standard	The proposed contracts enable us to deliver improvements to Council homes that ensure our properties continue to meet the Decent Homes Standard and provide good quality, energy efficient, well maintained and safe homes for our tenants.
Failure to bring all homes to EPC C or above by 2030 (GM target)	The proposed works continue to bring properties to EPC C or above, working towards the local GMHP target of all homes being EPC C or above by 2030.

Procurement Implications:

27. This has followed a Procurement compliant process

Legal Implications:

28. Cabinet can delegate the contract award decision under the Council's Constitution and Scheme of Delegations. Approving the recommendation would enable the award decision to be made by the delegated decision maker within the parameters already agreed by Cabinet, and in accordance with the Council's Contract Procedure Rules. The delegated officer must ensure that the procurement has been conducted lawfully and in accordance with the published evaluation criteria. Delegation avoids the need to return to Cabinet and does not present additional risk, provided that the award is within the scope of the approvals already given.
29. Delegation in this instance would his delegation will enable the timely award of the contract(s) and support the delivery of the approved 2026/27 HRA Capital Works Programme.

Financial Implications:

30. The cost of the works commissioned following contract award will be met from the HRA approved capital programme.

Appendices:

None.

Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning