

NOTICE OF MEETING

CABINET MEMBER SIGNING

Tuesday, 10th January, 2017, 10.30 am - Civic Centre, High Road, Wood Green, N22 8LE

Members: Councillor Alan Strickland

1. FILMING AT MEETINGS

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on.

By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. URGENT BUSINESS

The Leader/Cabinet Member will advise of any items they have decided to take as urgent business.

3. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

4. ELECTRICS PACKAGE 5 (2016-17 ROCHFORD/MARTLESHAM) LATERAL & RISING MAINS REPLACEMENT WORKS (PAGES 1 - 8)

This report seeks approval of the award of the contract to Raytell Electrical Co. Ltd for the lateral & rising mains replacement works within the Electrics Package 5 (2016-17 Rochford/Martlesham) project; and approval for Haringey's Legal Department to issue a letter of Intent for an amount of up to and not exceeding 10% of the contract sum, as allowed under the Council's Contract Standing Orders (CSO) 9.07.3.

5. EXCLUSION OF THE PRESS AND PUBLIC

That the press and public be excluded from the meeting as item 6 is likely to contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding the information) and paragraph 5 - information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

6. ELECTRICS PACKAGE 5 (2016-17 ROCHFORD/MARTLESHAM) LATERAL & RISING MAINS REPLACEMENT WORKS - EXEMPT APPENDIX A (PAGES 9 - 10)

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Friday, 30 December 2016

Report for: Cabinet Member Signing – 10 January 2017

Title: Electrics Package 5 (2016-17 Rochford/Martlesham) lateral & rising mains replacement works

Report authorised by: David Sherrington, Director of Asset Management
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Lead Officer: Lee Willis 020 8489 1018
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Ward(s) affected: West Green

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1 To seek the Cabinet's approval of the award of the contract to Raytell Electrical Co. Ltd for the lateral & rising mains replacement works within the Electrics Package 5 (2016-17 Rochford/Martlesham) project.
- 1.2 To seek the Cabinet's approval for Haringey's Legal Department to issue a letter of Intent for an amount of up to and not exceeding 10% of the contract sum, as allowed under the Council's Contract Standing Orders (CSO) 9.07.3.

2. Cabinet Member Introduction

- 2.1 Through the housing capital programme the Council provides essential improvements to the housing stock. This report approves the appointment of the contractor to deliver the electrical lateral & rising mains replacement to two blocks on the Broadwater Farm Estate within the borough.

3. Recommendations

- 3.1 That the Cabinet approve the award of the contract to Raytell Electrical Co. Ltd for the installation of the electrical lateral and rising mains system and associated works for the Lump Sum tendered Price of £521,045, please note that this figure has been rounded up when mentioned later in this report.
- 3.2 That the Cabinet approve the total professional fees of £54,272 which represents 10.416% of the contract sum and notes the total project cost of £575,317.
- 3.3 That the Cabinet authorise Haringey's Legal Department to issue a letter of intent for the amount of up to and not exceeding £52,104, being 10% of the contract sum.

4. Reasons for decision

- 4.1 Approval of the award of contract to Raytell Electrical Ltd to undertake the replacement of the electrical rising and lateral mains and for the issue of a letter of intent pending conclusion of the formal contract is required to allow the planned work to start on site.

5. Alternative options considered

- 5.1 The option of doing nothing was considered but ruled out because the landlord electrical supply needs to be brought up to the current regulations.

6. Background information

- 6.1 This project consists of 176 properties within the West Green Ward. The project details are as follows:

- 6.2 Number of dwellings in project: 176
Total construction costs: £521,045
Anticipated contract start on site: 06th February 2017
Anticipated contract completion: 30th June 2017
Contract duration: 16 weeks
Contractor: Raytell Electrical Co. Ltd

Proposed Work

- 6.3 The scope of works includes the provision of a lateral and rising main replacement, renewal of communal lighting and provision for new emergency lighting, including containment and minor making good to the blocks as follows:

Martlesham: 1-96
Rochford: 1-80

Consultation

- 6.4 A consultation newsletter for residents and key stakeholders was sent out in October 2016. Further consultation will be undertaken by newsletters and on a one to one basis following approval to award the contract.

Tender

- 6.5 Haringey Council Corporate Procurement Unit provided the five contractors from Constructionline, (a fully owned and managed by Capita, UK register of pre-qualified construction services database), that were invited to provide competitive e-tenders, the results have been validated by the project's Cost Consultants, Playle & Partners LLP.

- 6.6 Of the five companies that were invited to tender only three tenders were returned. The list of the contractors who were invited are listed in alphabetical order and the tenders are listed in order of value:

Contractor

AJS Ltd
Austin Turner & Company Ltd
Raytell Electrical Co. Ltd
SMY Electrical Limited
WG Wigginton Ltd

Tenders

Raytell Electrical Co. Ltd	£521,044.80
Contractor A	£624,580.85
Contractor B	£628,009.50
Contractor C	No Offer
Contractor D	No Offer

- 6.7 Three of the contractors invited to tender submitted a tender which they agreed are open for acceptance for 16 weeks from the tender return date, therefore a tender should be accepted no later than 10th February 2017. The winning tender value has been rounded up within the report.
- 6.8 No arithmetic errors were found in the winning tender.
- 6.9 The pre-tender estimate prepared by the Homes for Haringey Electrical Engineering Team in July 2016 was £500,000. The difference between the pre-tender estimate and the lowest tender received is £21,045, which is an increase of 4.2% which is in line with normal estimating practices.
- 6.10 The Cost Consultant has concluded that the lowest Fixed Price tender in the sum of £521,045 with a Contract Period of 16 weeks, submitted by Raytell Electrical Ltd represent value for money and is considered to be satisfactory as the basis for a contract.

Supervision and Management Costs

- 6.11 Fees and services have been set for this project in accordance with the Construction Related Consultancy Services Framework. The detailed breakdown is within exempt section of the report.
- 6.12 The total fees for this project are £54,727, which represents 10.416% of the contract sum.

Project Team

- Lead Consultant – Pellings
- Cost Consultant – Playle & Partners LLP
- Clerk of Works – Homes for Haringey
- Principal Designers – Homes for Haringey
- Project Management services - Homes for Haringey
- Tenancy Manager Officer - Homes for Haringey
- Estate Services Officer – Homes for Haringey
- Quality Assurance Officer - Homes for Haringey

Leasehold Implications

- 6.13 As a result of applications made under the Right to Buy legislation, there are 33 leaseholders living in the properties affected by the works described in this report, 16 in Martlesham and 17 Rochford.
- 6.14 Under the terms of their lease the lessee is required to make a contribution towards the cost of maintaining in good condition the main structure, the common parts and common services of the building. Such contributions are recovered by the freeholder through the lessees' service charge account.
- 6.15 In accordance with The Service Charges (Consultation Requirements) (England) Regulations 2003, the Notice of Intention was served on 10/05/2016 expiring on the 12/06/ 2016.
- 6.16 The Notice of Estimate was issued on 20/09/2016 and expired on 23/10/2016. It gave a description of the proposed works and provided details for the costs of the works.
- 6.17 No observations were received throughout the statutory consultation period.
- 6.18 The total amount estimated to be recovered from the 33 leaseholders is £108,216.

Sustainability Comment

- 6.19 Materials and components where possible to be of lean construction, which will provides a variety of proven methods for reducing waste at the design stage, for example the steel containment will be measured and manufactured off-site to reduce waste. Provision for operational site management will also be considered in the contractors design portion, such as providing services materials for the building contractor to recycle waste.
- 6.20 The materials being removed will be recycled wherever possible.

Budget

- 6.21 This project will be funded from the 2016/17 Mechanical & Electrical Budget within the Housing Capital Programme.
- 6.22 Phasing of Expenditure

Financial year	Works	Fees	Total
2016/17	£258,019	£53,729	£311,748
2017/18	£263,026	£543	£263,569
Total	£521,045	£54,272	£575,317

Conservation Areas

- 6.23 The properties in this project are not within a conservation area.

Health and Safety Implications

- 6.24 All the contractors who have been successful and accepted onto Constructionline, have been assessed as competent under the Construction Health and Safety Assessment scheme (CHAS), which is an industry wide body. They also comply with the requirements of the Council's Health and Safety policy.
- 6.25 The Construction (Design and Management) Regulations 2015 apply to this project and the contractor's Construction Phase Health and Safety Plan will be checked and approved by the Principal Designer before works commence on site.

7 **Contribution to strategic outcomes**

- 7.1 To create homes and communities where people choose to live and are able to thrive.

- 8 **Statutory Officers comments** (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

- 8.1 The total cost of £575,317 is profiled to be incurred over 2016/17 and 2017/18 as shown in the table in 6.11. The 2016/17 expenditure will be funded from the approved capital budget for Mechanical and Electrical. The expenditure in 2017/18 will need to be catered for in the allocation for investment in housing stock which is approved as part of the 2017/18 budget setting process which may include carry forward amounts from 2016/17.
- 8.2 The estimated £108,216 to be received from leaseholders will be used to finance the capital programme.

Procurement

- 8.3 Competitive E-tenders were invited from four firms from Construction line, (a fully owned and managed Capita, UK register of pre-qualified construction services database), via the Haringey Council Contracts Procurement Group in accordance with Contract Standing Order 9.01.
- 8.4.1 Procurement notes that the difference between the pre-tender estimate and the lowest tender received is £521,045 which equates to an increase of 4.2% on the pre-tender estimate value.
- 8.4.2 The Procurement team approves the issue of a letter of intent to Raytell Electrical Ltd for up to £52,104 under Contract Standing Order 9.07.3

Legal

- 8.6 The Assistant Director Corporate Governance has been consulted in the preparation of this report and comments as follows

- 8.7 The terms of the Council's standard right to buy lease permit recovery of a proportion of the cost of these works from leaseholders, subject to compliance with the consultation requirements set out in the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003.
- 8.8 Those provisions set out a two-stage process for consultation with leaseholders, initially setting out the proposed works and inviting comments thereon and nomination of a contractor from whom to seek an estimate, and thereafter setting out estimates and inviting comments; in each case the leaseholder is to be given a minimum of 30 days to respond. The Council must have regard to any comments made, and obtain an estimate from a nominated contractor if one (or more) is nominated.
- 8.9 Details of the Council's compliance with those provisions are set out in the body of this report under "Leasehold Implications". Legal Services were consulted on and approved the form of the notices served.
- 8.10 Please see legal comments in exempt part of the report.

Equality

- 8.11 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:
- i. Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation.
 - ii. Advance equality of opportunity between people who share those protected characteristics and people who do not.
 - iii. Foster good relations between people who share those characteristics and people who do not.
- 8.12 This report relates to the award of a contract for the proposed replacement of the lateral and rising mains and associated works to the Martlesham & Rochford blocks within the West Green Wards. The replacement of the lateral & rising mains works are intended to improve the safety for all residents and visitors to the properties, which include those who share the protected characteristics.
- 8.13 The tendering process requires the contractors to provide their Equality policy as part of their tender return to demonstrate their compliance with the equalities legislation.

9 Use of Appendices

- 9.1 Exempt Appendix A – Tender Evaluation

10 Local Government (Access to Information) Act 1985

- 10.1 This appendix to this report is **not for publication** as it contains information classified as exempt under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of any particular person (including the authority holding the information), and paragraph 5 - information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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