

**Report for:** Cabinet 17<sup>th</sup> October 2023

**Title:** Award of New Fire Safety Consultancy.

**Report authorised by :** David Joyce – Director of Placemaking & Housing.

**Lead Officer:** Scott Kay – Head of Residential Building Safety.

**Ward(s) affected:** All Wards

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

## **1. Describe the issue under consideration**

- 1.1 This report seeks approval from the Cabinet for the award of a new call-off contract for the provision of Fire Safety Consultancy services to the Council, for 4 years from November 2023 to November 2027.

## **2. Cabinet Member Introduction**

- 2.1 Haringey Council requires the support of specialist fire safety services to deliver Fire Safety programmes. These programmes are critical to the safety of residents, supporting Haringey in recovering its compliance position in line with our commitments to the Regulator for Social Housing.
- 2.2 Our commitment to the Regulator following the Council's self-referral requires a high level of competency and consistency in delivering fire safety risk assessments, surveys and works inspections. Quality was therefore prioritised over lowest price, when evaluating the consultants' submissions.
- 2.3 The Council cannot allow this service to fail due to lack of resources, whether in or outsourced. By ensuring there is a suitable longer-term external supplier in place, we will demonstrate our commitment to learning from our collaborative approach with the Regulator for Social Housing and, as far as possible, ensure the safety of residents and prevent any further non-compliance.
- 2.4 In addition to supporting the in-house team, the report confirms the commitment to recruit to the current vacancies so that as much as possible of this work can be undertaken by directly employed personnel in future.

### **3. Recommendations**

#### **3.1 Cabinet is asked to -**

- note that following the completion of tender evaluations, Contractor A (who is identified in the Exempt part of this report), emerged as the highest-ranking bidder, having achieved the highest combined score for quality and price, and
- approve the award of a call-off contract to Contractor A to a maximum value of £4.0m over 4 years.

### **4. Reasons for decision**

4.1 In order to deliver the Fire Safety programmes, which includes Fire Risk Assessments, Surveys, Specifications and Schedules of Works, Reports and Quality Assurance, Haringey Council requires the support of specialist fire safety services, including risk assessments, door inspections, project management, surveying, cost management, and quality assurance from 'Competent Persons'.

4.2 The contract is awarded based on a call-off arrangement. This means that only works instructed at any time under the contract will incur costs which will be charged in accordance with the tendered schedule of rates. The rates have been compared to wider market rates to ensure they reflect value for money. We will continue to proactively recruit to our in-house team and deliver as much as possible in-house to reduce the need for reliance on these external consultants and thereby ensure we are able to deliver the programme in budget.

4.3 The previous contract for this work was put in place in January 2022 as a direct award under the Southeast Consortium's Fire Safety Consultancy Framework and has since expired. There is an interim arrangement in place until the end of October, to provide support to the in-house team, until this contract can be awarded.

4.4 This contract is to deliver programmes of safety inspections and surveys, critical to the safety of residents, supporting Haringey in recovering its compliance position in line with its commitments to the Regulator for Social Housing. Award of this contract is required whilst we continue to recruit to vacancies within our team of Fire Risk Assessors and Surveyors and undertake further assessment as to what other aspects can be delivered in-house, e.g., fire door inspections on high-rise blocks could be undertaken by our Building Safety Managers following suitable training and certification.

4.5 Wherever possible subject to appropriate competencies, we will take on more of this work in house. However, due to the competitive nature of the current market, we currently have two interim surveyors covering 2 permanent posts and two in-house risk assessors out of 4. However, we have recently appointed Building Safety Managers and undertaken a further round of interviews for Risk

Assessors and Surveyors and are looking to appoint a third permanent risk assessor to one of the vacant posts.

- 4.6 Even when the team is fully resourced, there will always be a need to rely upon additional consultancy services to support the in-house team through peaks in workload and gaps in skills and resources. There is also an ever-increasing regulatory framework for fire safety, and we will be delivering a significantly increased fire safety works programme over the next 4 years.
- 4.7 As we continue delivering fire safety programmes, this contract offers continuity and the necessary competent resource availability to support the in-house team in the delivery of the essential life-safety programmes.
- 4.8 The contract represents value for money due to it having been competitively tendered through the Haringey's London Construction Programme, Dynamic Purchasing System (DPS) for Minor Works and has been assessed in comparison, with other housing provider costs. The preferred bidder's commitments to developing costed Schedules of Works at no additional cost will support the procurement of contractors to carry out remedial works. This ensures sufficient budgets are assigned for fire safety remedial projects, prices received from delivery partners are value for money and allows Haringey to develop future maintenance and repair contracts with associated budgets.
- 4.9 The contract supports the ongoing delivery of major fire safety inspection and delivery programmes to comply with the Fire Safety Act, the Building Safety Act and subsequent secondary legislation being introduced in the form of Regulations. Such projects include Borough-wide fire safety and fire door replacement Works, Fire Risk Assessments, Bin-chute upgrades, Loft compartmentation and Fire Door inspections.

## **5. Alternative options considered**

- 5.1 Do nothing. This would leave the residents subject to living in buildings where there could be fire safety issues that go unrecorded and unremedied if we do not undertake Fire Risk Assessments and improvement works. In addition, the Council would not be compliant with both the Regulatory Reform (Fire Safety Order) 2005 and the Fire Safety Act 2021 and its subsequent secondary regulations.
- 5.2 Undertake all the work in-house. This option is not viable due to the current lack of specialist skills available in the market for Haringey to recruit.
- 5.3 Extend/vary the current contract. This has been varied by 50% once and to do so again would only provide a further short-term solution.

## **6. Background information**

- 6.1 The previous contract was awarded via a framework, for 3 years plus any extension up to a value of £495,000.00. The value was increased by 50% through variation of the contract in June 2023, due to the need to carry out

additional works because of the introduction of new fire safety regulations, previous surveys, previously postponed programmes, and a lack of in-house staff, which are continuing risks and requirements.

- 6.2 The contract sum has now been exhausted and a procurement was initiated through our DPS to implement a new contract for these services. The contract is for 4 years to allow a period of consistency In providing this service, support the in-house team and to implement programmes of fire safety surveys and resulting works across the stock.
- 6.3 The budget for this based on previous costs and expenditure under the existing contract with an allowance for an inflationary increase in the rates. The budget and therefore maximum expenditure on this call-off contract is set at £4,000,000.00 over 4 years. The profile is projected at an even rate of £1,000,000.00 per year, however this may fluctuate depending upon demand.
- 6.4 These surveys will identify and result in capital expenditure over the period. The service provision therefore provides for an allowance for project management and cost control of the resulting programmes. For example, an average programme fee rate of 6%, for £180,000 of fees would enable the delivery of a total works programme of c£3m.
- 6.5 Expenditure on fire safety consultancy activities is funded through the capital fire safety budget and this reflects the internal capital re-charges for the equivalent work carried out by the in-house teams on fire safety.
- 6.6 The consultants will be providing back up to the in-house team, rather than working on specific projects and the costs are going into overheads rather than being recharged to leaseholders. The calls on their work are ad hoc, rather than project based. Where works programmes and projects require project management under this arrangement, then the associated project management costs will be assessed to determine if recovery of costs is allowable. Where that is not the case, then a separate project management service will be procured as part of the project development. On that basis, no s20 consultation was or is required for this contract.
- 6.7 With support from strategic procurement, tender documents were collated and issued via our Dynamic Purchasing System to consultants who are on our fire safety framework and were felt capable to deliver these services. Due to the critical safety and regulatory compliance aspects of this service a high level of competency was required and therefore the quality assessment was prioritised which also demonstrates our commitment to ensuring obtain the highest levels of competency and value for money.
- 6.8 Bidders were encouraged to set out how they would add value. One significant element of the preferred bidder's proposal is to support Haringey by including the provision of detailed schedules of works and budget estimates based on market costs. This reduces the need for additional quantity surveying and administrative resources and represents potential savings of up to two additional full-time posts across the life of the contract.

- 6.9 The tender was based on a 60% quality, 10% Social Value and 30% cost assessment to ensure we obtain the highest quality and most economically advantageous service provider. Tender returns were evaluated in August and following an initial assessment it was identified that the pricing document had been completed inconsistently. Therefore, the pricing document was re-issued with additional guidance and clarifications.
- 6.10 Prices were then received on Thursday 7th September and final quality price and social value scores collated. The following table sets out the results.

		<b>FINAL SCORES</b>	
	<b>Max</b>	<b>Contractor A</b>	<b>Contractor B</b>
<b>Quality</b>	60%	58.20%	41.40%
<b>Social Value</b>	10%	3.55%	8.50%
<b>Price</b>	30%	29.00%	30.00%
		90.75%	79.90%

6.11 It is therefore recommended that contractor A is awarded the contract.

## **7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes**

- 7.1 This project will help to theme 5 of the Corporate delivery Plan A borough where everyone has a safe, sustainable, stable, and affordable home.

## **8. Carbon and Climate Change**

Due to the consultancy service procured focussing on fire safety, there were no proposed reduction of carbon emissions, reduced energy usage or effect on climate change etc. Works resulting from surveys undertaken as part of this service may need to consider carbon reduction when for example, there is a need to replace potentially combustible insulation with other measures. Such considerations will be taken as part of the resulting remediation programmes.

## **9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)**

### **Finance**

- 9.1.1 This is a call off contract with a maximum sum of £4m projected to be spent over a period of four years (£1m per year)

9.1.2 The proportion of this cost in this year will be met from the Fire safety capital programme budget 2023/24 and the cost for subsequent years will be contained within the programme MTFS.

9.1.3 Further finance comments are in the exempt report.

### **Procurement**

9.2.1 Strategic Procurement (SP) note that this report relates to the approval to award a contract to an identified supplier for the provision of Fire Safety Consultancy services.

9.2.2 A competitive tender process was undertaken in line with Contract Standing Order (CSO) 9.01.2(f)

9.2.3 SP support the recommendation in section 3 above.

### **Head of Legal & Governance**

9.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in drafting the report.

9.3.2 The Contract referred to in the recommendations was procured by a further competition under the Council's Dynamic Purchasing System, which is compliant with the Public Contracts Regulations 2015 and the Council's Contract Standing Orders.

9.3.3 Pursuant to Contract Standing Order 9.07.1(d) Cabinet have authority to approve the recommendations in the report.

9.3.4 The Council's standard right to buy lease provides for recharge by way of service charge of the cost of works and services provided to the building or estate of which the leasehold premises form part. Section 20 of the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the legislation") requires consultation of leaseholders in relation to one-off qualifying works, and long-term agreements (of 1 year or more) for the provision of work or services where the cost is to be recharged to the leaseholder subject to cost thresholds. No such consultation is required in relation to work or services the cost of which is not recharged to leaseholders, as is the case for this proposal.

9.3.5 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet from approving the recommendations in the report.

### **Equality**

9.4.1 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socio-economic status as a local protected characteristic.

9.4.2 The purpose of this decision is to approve the award of the contract for the Fire Safety Consultancy for Haringey Council until November 2027. To support our in-house fire safety team with carrying out critical safety surveys and programme delivery.

9.4.3 Given that the aim of this decision is to continue to support resident safety through the delivery of our fire safety programmes, we do not predict any negative equalities implications resulting from this decision.

9.4.4 As an organisation carrying out a public function on behalf of a public body, the contractor will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery does not result in any preventable or disproportionate inequality.

## **10. Use of Appendices**

Appendix 1 Exempt report – NOT for publication

## **11. Background papers**

There are no background documents

