

Matter being dealt with by

Richard Burbidge

Tel 8489 2923

Fax 8489 2660

e-mail richard.burbidge@haringey.gov.uk

24 November 2008

To: All Members of the Cabinet Procurement Committee
c.c. All other persons receiving Procurement Committee agenda

Dear Member,

Cabinet Procurement Committee - Tuesday, 25th November, 2008

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

9. NUISANCE VEHICLE CONTRACT (PAGES 1 - 6)

(Report of the Director of Urban Environment): To seek approval the award of a Nuisance Vehicle Contract.

14. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG6 - 20-108 PARKLANDS N22 (PAGES 7 - 16)

(Report of the Director of Urban Environment): To award the contract for Phase WG6 of the Wood Green Decent Homes programme for 2008/09.

15. SOUTH TOTTENHAM DECENT HOMES PROGRAMME 2008/09 - PHASE ST12 (PAGES 17 - 26)

(Report of the Director of Urban Environment): To seek approval to a Decent Homes improvement works to attain standards set by DCLG to 2-24, 26-48 and 31-61 Templeton Road, Pulford Road N15.

17. BUILDING SCHOOLS FOR THE FUTURE (BSF); AWARD OF CONTRACT FOR NORTHUMBERLAND PARK AND THE VALE SCHOOL (PAGES 27 - 30)

(Report of the Director of Children and Young People's Service): To seek approval to award the main works design and build contract following completion of the pre-construction stage.

20. EXCLUSION OF THE PRESS AND PUBLIC

The following items are likely to be the subject of a motion to exclude the press and public as they contain exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).

Note from the Head of Local Democracy and Member Services

The following items allow for consideration of exempt information (if required) in relation to items 9, 14 -15 and 17 which appear earlier on this agenda.

22. NUISANCE VEHICLE CONTRACT (PAGES 31 - 32)

(Report of the Director of Urban Environment): To seek approval the award of a Nuisance Vehicle Contract.

25. WOOD GREEN DECENT HOMES PROGRAMME YEAR 2008/09 - PHASE WG6 - 20-108 PARKLANDS ROAD N22 (PAGES 33 - 34)

(Report of the Director of Urban Environment): To award the contract for Phase WG6 of the Wood Green Decent Homes programme for 2008/09.

26. SOUTH TOTTENHAM DECENT HOMES PROGRAMME 2008/09 PHASE ST12 (PAGES 35 - 38)

(Report of the Director of Urban Environment): To seek approval to a Decent Homes improvement works to attain standards set by DCLG to 2-24, 26-48 and 31-61 Templeton Road, Pulford Road N15.

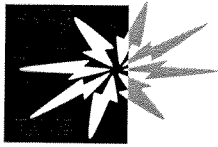
28. BUILDING SCHOOLS FOR THE FUTURE - AWARD OF CONTRACT FOR NORTHUMBERLAND PARK AND THE VALE SCHOOL (PAGES 39 - 44)

(Report of the Director of Children and Young People's Service): To seek approval to award the main works design and build contract following completion of the pre-construction stage

Members are asked to note that items 16 and 27 which relate to Building Schools for the Future – Award of Work Packages for Heartlands High School have been withdrawn.

Yours sincerely,

Richard Burbidge
Cabinet Committees Manager



Haringey Council

Agenda item:

[No.]**Procurement Committee****On 25 November 2008**

Report Title: Award of Nuisance Vehicle Contract

Forward Plan reference number 13

Report of: Niall Bolger, Director of Urban Environment

Wards(s) affected: **All**Report for: **Key Decision****1. Purpose**

1.1 To seek Member agreement to award the contract for the removal and disposal of nuisance vehicles, which includes the provision of a vehicle pound, pound management service and the provision of operators and drivers for CCTV Smart Cars.

2. Introduction by Cabinet Member

2.1 This new contract brings together three main areas of nuisance vehicle removals; abandoned; untaxed and illegally parked vehicles. In doing so it has delivered savings to the Council and I strongly recommend the Procurement Committee agreed the recommendations and award this contract to Contractor B.

3. Recommendations

That Members agree to the award of a five year contract to Contractor B for the removal and disposal of nuisance vehicles, including the provision of a vehicle pound, pound management services and the provision of operators and drivers for the Mobile CCTV Smart Cars.

Report Authorised by: **Niall Bolger, Director of Urban Environment.**

Contact Officer: **Ann Cunningham, Head of Parking Services**
Contact Number 0208 489 1355

4. Chief Financial Officer Comments

4.1 The base cost of the lowest (and only tender) is £1.033m per annum. However, the potential total cost of the contract could be £1.136m if performance on key indicators is exceeded and a 10% bonus is payable. The current budget provision for this service is £1.370m, giving

a minimum saving of £0.234m, if the recommendation of this report is approved. The saving is already assumed in the budget setting process for 2008/09 to 2010/11 and is phased in 2009/10.

5 Head of Legal Services Comments

- 5.1 This report is recommending the award of a contract with a total estimated value in excess of the current applicable EU threshold of £139,893. As such full EU procurement rules and the Public Contract Regulations are applicable.
- 5.2 An OJEU notice was issued and the contract has been duly tendered in accordance with EU procurement rules and Contract Standing Orders (CSO).
- 5.3 The award of this contract is a Key Decision and as such under CSO 11.04 must be in the Council's Forward Plan. Parking Services have confirmed that the contract details are included the Forward Plan.
- 5.4 It is noted that only one tender was received though this bid has met the award criteria and achieved a reasonable score. Subject to confirmation from Corporate Procurement Unit that the tender process has achieved best value for the Council the recommended award appears to meet the Council's duty to secure best value under section 3 of the Local Government Act 1999.
- 5.5 As the estimated value of the contract (£1,135,903.00) is in excess of £250,000, the proposed award must be approved by Members according to CSO 11.03. This says that the Cabinet must award all contracts over this value.
- 5.6 Provided that Members are satisfied having regard to the Head of Corporate Procurement comments that acceptance of this bid achieves best value, the Head of Legal Services confirms that there are no legal reasons preventing members from approving the recommendations in paragraph 3 of this report.

6. Local Government (Access to Information) Act 1985

- 6.1 The background papers relating to this report are:
The Award of contract for the removal ,storage and disposals of abandoned vehicles 6 November 2007
- 6.2. This report contains exempt and non-exempt information. Exempt information is contained in Appendix A and is **NOT FOR PUBLICATION**. The exempt information is under the following category (identified in the amended schedule 12A of the Local Government Act 1972):
- 6.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

7. Strategic Implications

7.1 The removal and disposal of nuisance vehicles contributes to two of the Council’s priorities; Creating a better Haringey: Cleaner, Greener and Safer and Delivering Excellent Services. This also makes a valuable contribution to road casualty reduction, a key indicator for the council, making streets safer. In addition the Council has a statutory duty to remove abandoned vehicles from the public highway.

8 Financial Comments

8.1 The cost of the proposed contract is £1.136m approximately. The identified budget to fund this contract is £1.370m approximately. It is anticipated that there is a potential saving of £234k if this contract is awarded. The payment of the contract is based on service delivery which is 1/12 of the contract sum, payable in arrears. The contract is based on the British Parking Association model which promotes quality in service delivery and 10% of the annual contract fee is only payable if key performance indicators are met.

8.2 Those savings are actual savings in terms of reduced costs, in addition this service area will generate additional income of £120k annually from the enforcement of untaxed vehicles. [This income currently goes to the contractor as part of existing arrangements]. There are also expectations of improved productivity by bringing all aspects of the parking operation together. This is estimated at 10% increase on current income levels. This will contribute to shortfalls in income levels elsewhere due to compliance.

8.3 Total expected savings

Source	Amount
Contract price	£234K
Untaxed income	£120K
Improved productivity	£65K
Total	£420K

9 Head of Procurement Comments

9.1 This recommendation is in line with the procurement code of practice.

9.2 This is a new approach to the packaging of vehicle removal services and at the current time the market is limited in suppliers who can provide this service. There is a risk of not having providers to pick up this service in it’s current form if there was a service failure. This will be mitigated by action identified in 15.5 which would allow the separation and re-letting of contract should the need should arise.

9.3 The new service delivery model offers value for money to the council identifying £234k savings as a result of this repackaging of services.

9.4 The contract payments are based on enhanced payment for exceeding the performance indicators; this will be monitored through day to day management of contract, monthly contract meetings with the service and quarterly meetings with senior officers.

10 Equalities & Community Cohesion Comments

10.1 There are no specific equalities implications. A firm, fair and transparent approach to parking enforcement benefits the community as a whole. The removal of obstructive, illegally parked vehicles underpins efforts in improving road safety and ensures access for disabled drivers.

11 Consultation

11.1 No consultation has been undertaken in relation to this contract.

12. Background

12.1 The existing contracts for the removal and disposal of abandoned vehicles and the parking removal contract, which includes the pound and pound management service, expire at the end of March 2009.

12.2 This new contract brings together the removal of three main areas of nuisance vehicles; abandoned; untaxed and illegally parked vehicles and provides the flexibility to handle additional areas of nuisance vehicles as the need arises. There was a need to rationalise the handling of nuisance vehicles, especially in light of the new statutory guidance on the Traffic Management Act, which limited clamping and removal powers. The changes to legislation relating to the removal and disposal of abandoned vehicles now results in more cars being claimed by their owners. In the interest of customer care and to avoid any confusion the Council would ideally only want one operational pound in the borough.

12.3 It is expected that this new generic contract will deliver further efficiencies, by including the abandoned vehicle inspection and Civil Enforcement Officer [CEO] roles, which has been historically provided in-house by separate teams of staff. This gives full responsibility for the delivery of this operation to the service provider, and is expected to improve productivity by cutting out duplication of processes.

12.4 The decision to combine the contracts for parking and abandoned vehicles was to offer innovation and to allow for economies of scale for the provider and deliver savings to the Council. The service has also taken the opportunity to add the provision of the CCTV smart cars and drivers to this contract, which has previously been delivered in-house.

12.5 During 2007 the parking service commenced a procurement process for an abandoned vehicle service, this contract was initially proposed for a three year period. This was subsequently shortened to a period of sixteen months to coincide with the expiry of the parking clamping and removal contract, due to discussions regarding the possibility of achieving further efficiencies by combining the abandoned vehicle and the parking removal contract together. (As stated in the award of contract report 6 Nov 2007).

12.6 Both of those service areas are currently provided by the same contractor, but under different contractual arrangements. This to some degree gives reassurance that those service areas can be successfully delivered by one provider.

13. Staffing implications

13.1 TUPE implications have been taken account of as part of tendering exercise and this is likely to involve the transfer of four staff from the existing Abandoned Vehicle team to the new provider. The existing on-board Civil Enforcement Officers [formerly parking attendants] will remain with the parking service and will be deployed on-street as there are existing staff vacancies. Staff and Trade Unions have also been consulted.

14. The Tender process

14.1 The contract was tendered for five years. Any new contractor would have significant set up costs, for example the lease and development of the secure site, the operational vehicles and the cashiering accommodation. Spreading those costs over a five period would be in the Council's overall interest and allow us to achieve savings already built into the parking account. Awarding a contract of this nature for a shorter period runs the risk of a significantly higher annual cost.

14.2 The tender process for the new contract started with the OJEU notice published on 30 August 2008 and was advertised on the Council's Website on 3 September 2008, with a closing date of 13 October 2008 for submission of bids. The open tendering process was followed as by the very nature of the services required, the number of prospective bidders would be limited.

14.3 The outcome of this process was three expressions of interest, with only one bid submitted by the closing date. The table below, which is reproduced with further details in Appendix A, sets out the contractors who expressed an interest in submitting a bid.

Contractor	
Contractor A	No bid submitted
Contractor B	Bid submitted
Contractor C	No bid submitted

14.4 We feel that the poor return is mostly due to the fact that we are asking the contractor to provide a suitable pound site within the borough.

14.5 There is a general lack of suitable pound sites across London. Previous attempts to identify a suitable Council owned site were not successful and the Council would not consider purchasing land. As such we feel that the most economical way of providing this service, is by asking the contractor to provide the secure site. It is a fundamental requirement that the pound site is accessible and within close proximity of public transport facilities.

14.5 The sole bid was evaluated against the Council's agreed criteria and in compliance with the Council's Standing Orders. The criteria used for evaluation are attached as Appendix A.

14.5 The Corporate Equalities and Heath & Safety teams evaluated these sections of the tenders. The Frontline Services Finance Team did the financial evaluation and this also included credit checks on this company.

- 14.6 The Contractor B bid met all expectations. They propose to use the existing pound site. This site is in the heartlands redevelopment area. They have provided evidence that their landlord is prepared to extend their existing lease. Internal enquiries with officers in the Economic Regeneration and Planning services supports the view that the earliest opportunity for redevelopment of this site would be in three years time, and the development of this particular part of the heartlands is mostly likely to happen in five years time. However, should the redevelopment of this site proceed earlier, the contractor has proposed a suitable alternative site within the borough, which they will relocate to and carry all costs of doing so.
- 14.7 The Parking Service performance team will be responsible for monitoring and managing this contract. The service will take account of any potential risks with the contract in its Business Continuity plan.

15. Recommendations

- 15.1 That Members agree to the award of a five year contract to Contractor B for the removal and disposal of nuisance vehicles, including the provision of a vehicle pound, pound management services and the provision of operators and drivers for the Mobile CCTV Smart Cars

Use of Appendices / Tables / Photographs

- 14.1. Appendix A - Exempt information.

14



Agenda item:

Procurement Committee**Date: 25th November 2008**Report Title: **Decent Homes Works: Wood Green Phase 6**

Forward Plan reference number (if applicable): v78

Report of: **Niall Bolger, Director of Urban Environment**

Wards(s) affected: Noel Park

Report for: **Key Decision****1. Purpose**

1.1 This reports sets out a detailed programme of works as it relates to the delivery of the Decent Homes Programme, at 36 various addresses collectively called WG 6 Parklands, in Noel Park, Wood Green. The works outlined in this report are scheduled to commence on 12th January 2009. As such, this report is seeking Procurement Committee approval to award the contract and to proceed with the works in this phase.

2. Introduction by Cabinet Member.

In accordance with our stated commitment to improve the quality of homes for our tenants and to meet housing need, this report informs Members of the Procurement Committee of the current packages of work to commence under the Decent Homes programmes as delivered by Homes for Haringey.

3. Recommendations

- 3.1 To facilitate the delivery of the decent homes works Members of the Procurement Committee are requested to agree:
- 3.2. To award the contract for the above Project to the contractor named in Paragraph 2.1 of Appendix A, as allowed under Contract Standing Order (CSO) 11.03 and that the AMP (Agreed Maximum Price) excluding fees as detailed in Para 2.2 of Appendix A and Appendix B be noted.

Report Authorised by: **Niall Bolger, Director of Urban Environment**

Contact Officer: **Pauline Hinds**
Strategic Client Representative
Homes for Haringey, River Park House (6th Floor)
225 High Road. London N22 4HQ
Tel no: (020 8489 1151) .email: pauline.hinds@homesforharingey.org

4. Chief Finance Officer Comments

- 4.1 It should be noted that on 13th Feb 2007, this committee approved framework agreements with Decent Homes contractors and compliance teams, to cover 4 areas. This report details the specific works needed to Parklands Road N22, priced in accordance with the framework agreement.
- 4.2 Members will be aware that DCLG has approved the funding for Decent Homes, totalling £198.5m phased over six years of which £27.5m has been approved for 2008-09
- 4.3 It should be noted that so far (excluding this report on the agenda) 35 contracts have been approved by this committee; totalling some £33.8m. With the approval of this Contract, this will bring the total commitments to £34.6. The extra costs above the currently approved budget will be funded from recharges made to leaseholder for works to their properties.

5. Head of Legal Services Comments.

- 5.1 This report is seeking Procurement Committee approval to award a call-off contract for Decent Homes works at 36 properties in the Wood Green area of the borough (details of which are set out in Paragraph 15.2 below), to the contractor named in Paragraph 2.1 of Appendix A to this report.
- 5.2 Cabinet Procurement Committee had on 13th February 2007 granted approval to the award of four Decent Homes Constructor Partner Framework Agreements in respect of four areas within the Borough (Wood Green, Hornsey, North Tottenham and South Tottenham) to four respective contractors, of which the recommended contractor is one.
- 5.3 The Framework Agreements were tendered in the EU and selection of the Framework contractors was undertaken in compliance with the Public Contracts Regulations 2006, as confirmed by external legal advisers (Trowers and Hamlin) who provided legal advice on the procurement of the Framework Agreements.
- 5.4 The contractor named in Paragraph 2.1 of Appendix A to this report was awarded the Framework Agreement in respect of the Wood Green area.
- 5.5 As the value of the contract is above the Council's Key Decision threshold of £500,000, the Council's Arms Length Management Organisation, Homes for

Haringey, who undertook the procurement of the contract on behalf of the Council have confirmed that, in accordance with CSO 11.04, details of this contract have been included on the Forward Plan.

- 5.6 The value of the proposed contract exceeds £250,000 therefore the award requires the approval of the Procurement Committee, in accordance with CSO 11.3.
- 5.7 The report states that the statutory leaseholder consultation is currently being undertaken and that no comments have been received from leaseholders to date. The consultation period is however yet to expire as at the date of provision of these comments.
- 5.8 The Head of Legal Services confirms that, provided the Council has considered any comments from leaseholders made between the date of provision of these comments (3rd November 2008) and the expiry date of the statutory leaseholder consultation period (8th November, 2008), there are no legal reasons preventing Members from approving the recommendation in Paragraph 3. 1 of this report to award the contract to the Contractor named in Parargraph 2.1 of Appendix A.

6. Head of Procurement Comments

- 6.1 The selection of the contractor for these works has been undertaken from the Decent Homes contractor framework.
- 6.2 The Client needs ensure that a risk register is in place for the works and that it is reviewed on a regular basis.
- 6.3 An Agreed Maximum Price has been agreed by the parties prior to start on site, in accordance with the process allowed under the form of contract.
- 6.4 The Head of Procurement therefore states that the recommendations in this report offer best value for the Council.

7. Local Government (Access to Information) Act 1985

7.1 The background papers relating to this project are:

- 'The Award of Framework Agreements to four Decent Homes Constructors Partners'.
- Pre Qualification Questionnaires (PQQ) Responses from Constructors dated September 2006.
- Short List Report dated October 2006
- Invitation to Tender Document dated October 2006
- Tender Reports dated February 2007

These can be obtained from Pauline Hinds – Strategic Client Representative on 020 8489 1151.

7.2 This report contains exempt and non exempt information. Exempt information is contained in Appendix A of this report and is **NOT FOR PUBLICATION**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

7.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

8. Strategic Implications

8.1 Homes for Haringey supports the Council's Housing Strategy and is committed to providing an excellent housing service while effectively delivering the decent homes programme for the residents of Haringey. As its strategic delivery partner Homes for Haringey is committed to ensuring that the decent homes programmes meets the aspirations of residents and Members. The package of works set out in this report forms part of the overall delivery of the Decent Homes Programme.

9. Financial Implications

9.1 This scheme is estimated to cost the amount set out in paragraph 2.3 of Appendix A and B.

9.2 Provision for this exists within the Decent Homes Budget for 2008/2009 and details of spend to date are set out in Appendix C.

10. Legal Implications

10.1 See section 5 above.

11. Equalities Implications

11.1 The works will ensure that all tenants and leaseholders living throughout the borough will reside in a decent home by the end of this programme of work.

11.2 This improvement will benefit all occupants of the properties, which include disabled, elderly and people from the minority ethnic communities.

12. Consultation

12.1 Homes for Haringey has carried out detailed consultation with the residents that will be effected by the works set out in this report. A resident's meeting took place on the 9th October 2008.. The Ward Members were invited to attend. A newsletter was issued to residents following the meeting.

12.2 Leasehold consultation forms part of the overall consultation process and is a statutory requirement. Details of this are set out in paragraph 17 of this report.

13. Background

- 13.1 The requirement for all local authority homes to meet the Decent Homes Standard was set out by The Office of the Deputy Prime Minister (ODPM) now known as Department for Communities and Local Government (DCLG) in February 2003. The objective of the Decent Homes Standard is that every tenanted home should be decent in accordance with the guidelines of the ODPM (now DCLG) by December 2010.
- 13.2 The Decent Homes Programme is a long term programme of major investment to bring all tenanted homes up to a decent standard. Environmental improvements, including sustainability issues, may represent up to 5% of the overall programme.
- 13.3 Managing and delivering the Decent Homes programme to cost, time and to the expectation of the tenants and residents of Haringey is paramount and as such requires the appointment of Constructors with a proven track record of delivering a similar programme for other Local Authorities/ALMOs.
- 13.4 On 13th Feb 2007, this committee approved the framework agreements to four Decent Homes contractors and 4 compliance teams, to cover 4 areas. The procurement and delivery of the Decent Homes Constructors has been managed by Homes for Haringey under the terms of its management agreement with the Council.

14. Agreed Maximum Price

- 14.1 The Agreed Maximum Price is based on the schedule of rates contained within the contractors tender returned 30th November 2006.
- 14.2 The Agreed Maximum Price is the procedure for determining the cost of a project under the PPC2000 (Project Partnering Contract) form of contract. The PPC2000 form of contract was formed from the 'Egan Report' and was designed to allow the early appointment of constructors and specialists.
- 14.3 The Project Partnering Contract (PPC2000) is designed to allow for a multi party approach by the client, constructor, consultants and specialists in order to provide a consistent approach to working within a partnering ethos. The Project Partnering Contract (PPC2000) also provides the opportunity to progress joint selection of supply chains and supply chain partnering to encompass value engineering and allows for 'open book' accountability.

14.4 Detailed below is a summary of contractor details:

Total estimated construction cost (excluding fees)	para 2.1 Appendix A
Anticipated Contract start on site	12 th January 2009
Anticipated Contract completion	30 th March 2009
Contract duration	12 weeks
Contractor	para 2.2 Appendix A

15. Property address location

15.1 This report details the specific works required to the 36 properties in the Wood Green area and are priced in accordance with the framework agreement. Listed below are the property addresses that will benefit from the raft of decent homes work under this particular phase of the programme:

Block 20-108 (evens) Parklands Road N22 – (36 no)

Property numbers are: 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 46, 48, 50, 52, 54, 56, 58, 60, 62, 64, 66, 72, 74, 76, 78, 80, 82, 84, 86, 88, 90, 92, 98, 100, 102, 104.

General Needs Dwellings

Property Address	No of units	Property Type	Floor level	No of Leaseholders	Type of Roof	Conservation Area
Parkland Road	36	Medium Rise	4	8	Flat	No

16. Schedule of works

16.1 The scope of improvements works included under this phase of the programme will include roof renewal, window and door renewal, rewires, kitchen and bathroom refurbishment and Digital IRS Installation.

16.2 Proposed Roof works

16.3 The current dwellings identified in this phase of works have a flat roof. On inspection of the roof it was confirmed that the current condition of the roof was found to be in a poor condition. Although part of the roof covering was obscured by chippings the remainder of the visible sections showed extensive patch repairs and large areas of missing lead flashing to parapet walls etc. Based on observations made at the time of the survey the estimated life cycle of the roof in its current condition, even after necessary repairs was seen to be less than 5 years.

16.4 Following criteria set out by H4H, the roof covering in its current condition will require replacement. The cost comparison between flat and pitch roof has been set out below. Because of the different levels and junctions in between lower, front and upper rear blocks; this compounded with the tile façade and shape of the building would cause practical difficulties to carry out a flat to pitch conversion of the roof. The tiled façade would need to be removed. In addition to this, the design of the pitch roof would need to incorporate numerous valley gutters. Valley gutters are known to be a common source of water ingress, which in future could amount to huge costs in maintenance.

16.5 Therefore in view of the above, we propose to replace the roof with a flat roof. A Life Cycle Costing exercise was completed which looked at the option of replacing the flat roof with a pitched roof. This compared re-roofing with a flat roof covering with a 20 year warrantee with a pitched roof with a 20 year warrantee.

Flat Roof Renewal Option

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost	Total Costs
Year 1	5	£116,800.00	£0.00	£116,800.00

Flat to Pitch Conversion

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost/Year	Total Costs
Year 1	5	£271,150.00	£0.00	£271,150.0

16.6 The lifecycle costing showed that the pitch roof is more economical over a 35 year period, and make reasonable assumptions regarding future maintenance and inflation. The initial investment to fund the conversion works is double the cost, which could not be afforded by the programme.

Year 35	5	£116,800.00	£292,000.00	£447,935.00
---------	---	-------------	-------------	-------------

Year 35	5	£1,300.00	£3,250.00	£326,785.00
---------	---	-----------	-----------	-------------

Flat Roof Renewal Option

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost	Total Costs
--	----------------------	---------------------------	----------------	-------------

Flat to Pitch Conversion

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost/Year	Total Costs
--	----------------------	---------------------------	---------------------	-------------

16.7 Planning Approval

The Planning department were consulted to comment on a proposal to convert the flat roof to a pitch. The comment was as follows “further to my conversation with you I am writing to indicate that the creation of a pitched roof on this building would create an overly dominant roof form. The top floor faced façade to this building already resembles a roof form and as such the creation of a pitched roof above this would give the building a top heavy and overly dominant appearance. The Local Planning Authority would therefore take the view that other design solutions should be considered in this case rather than the creation of a pitched roof”

16.8 Digital Satellite Provision

16.9 The provision of an integrated satellite reception system will remove the need of satellite dishes and reduce damage to the fabric of the building. Under this scheme, it is proposed to install IRS (integrated reception system) Sky, Hotbird, Turksat DAB (digital audio broadcasting) radio community channels for residents.

16.10 Residents will be written to and advised to remove their individual dish. Where dishes have not been removed, instructions will be given to the contractor to remove. The relevant tenancy officer will be provided with

the details in order to pursue enforcement action should the dishes be erected after completion of the works.

16.11 Window/Door grills

16.12 All window and door grills will be removed if required to necessitate the works. The relevant tenancy officer will be provided with the details in order to pursue enforcement action should the grills be fitted after completion of the works.

16.14 Environmental Improvements

16.15 There are no proposed environmental works during this phase of decent homes works.

16.16 Sustainability

16.17 The procurement of materials and components to be used during the decent homes programme will involve the selection of products that have a positive impact on the environment. The new windows will improve the thermal efficiency of the properties as well as reduce future maintenance costs.

16.18 The new wiring contains an element of copper; a material that can be recycled at the end of its useful life and will reduce the need for maintenance as testing of the electrical system is carried out after ten years for dwellings and five years for the landlord's services.

16.19 The dwellings that benefit from new kitchen and bathroom replacement will be fitted with two low energy light fittings. The selected kitchen, Premiere, has received the F.I.R.A Gold Award and Kite mark Certification with a life expectancy of thirty years.

16.20 The scheme has been carefully designed where possible to allow for minimising waste during the construction and consideration given to the useful life of the products.

16.21 The contractor is registered and complies with the Considerate Constructors Scheme.

16.22 Conservation Areas

16.23 In administering the decent homes programmes due regard will be shown for areas that are subject to specific consents relating to conservation.

16.24 For the purposes of this programme, the Planning department has confirmed that there are no conservation consents required

17. Leasehold Consultation

17.1 The Service Charges (Consultation Requirements) (England) Regulations 2003 ('the Regulations') require Homes for Haringey to conduct formal consultation with every leaseholder in the Borough in relation to the appointment of long-term Constructor Partners for the Decent Homes Works. A Notice of Intention to appoint Constructor Partners was sent to leaseholders on the 21 July 2006. The form and content of the Notice was approved by Mr Jonathan Brock, a leading property law Queen's Counsel, before it was issued. In March last year the LVT awarded the Council a dispensation in respect of the appointment of the Constructor Partners.

18. Leasehold Implications

18.1 As a result of applications made under the Right to Buy legislation, there are 8 leaseholders living in the properties affected by the works described in this report. The number of leaseholder dwellings where the Section 125 Notice is within the 5 year period is 1 while the number outside the period is 14. This report provides a breakdown of the costs for each group in paragraph 19.5.

18.2 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.

18.3 In accordance with The Service Charges Regulations 2003, under schedule 3, notice was issued on 9th October 2008 to expire on 8th November 2008.

18.4 The notice gave a description of the proposed works and an estimate for the costs of the works. The statutory consultation commenced on 9th October 2008.

18.5 The total amount estimated to be recovered from the 8 leaseholders is £60,512.00 This is broken down as follows:

1. Leaseholders within the 5 year Section 125 period total estimated recoverable charges £4,953.00

2. Leaseholders outside of the 5 year Section 125 period total estimated recoverable charges £55,559.00

18.6 The charges to all 8 leaseholders are limited to the estimates contained in their Offer Notices. Invoices for these works will be included with the annual Certificate of Actual Service Charge, which is sent to every leaseholder after the end of the financial year. Each invoice will be calculated on the basis of the stage payments and other costs incurred in respect of the contract during the year. The invoice will be payable

interest free over a period of up to one year. For longer periods interest is chargeable, currently at 7.46%.

18.7 No works commenced on site before the end of the 30-day statutory leaseholder consultation period.

18.8 No leaseholder observations have been received for this project as at the date of insertion of these comments (3rd November 2008).

19. Project Management

19.1 Homes for Haringey, managing this contract on behalf of the Council have appointed a project manager to manage the project team. A risk assessment has been carried out and it will be reviewed at the monthly progress meeting.

19.2 The key members of the project team are as follows:

- Pauline Hinds Strategic Client Representative – Homes for Haringey
- Andy Mace Compliance Team – Rider Levett Bucknell
- Winston Reid Head of Tenancy Management – Homes for Haringey

20. Health and Safety Implications

20.1 All contractors invited to tender 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.

20.2 The Construction (Design and Management) Regulations 2007 apply to this project and the contractor's Construction Phase Health and Safety Plan will be checked and approved by the CDM Co-ordinator before works start on site.

21. Conclusion

21.1 That the procurement committee accept the recommendations outlined in section 3 above.

22.0 Use of Appendices/Tables/Photographs

Appendices A and B Exempt information



Agenda item:

Procurement Committee

Date: 25th November 2008

Report Title: **Decent Homes Works: South Tottenham Phase 12**

Forward Plan reference number version 78

Report of: **Niall Bolger, Director of Urban Environment**

Wards(s) affected: Seven Sisters

Report for: **Key Decision**

1. Purpose

1.1 This reports sets out a detailed programme of works as it relates to various properties known as ST12 at addresses on Templeton Road and Pulford Road. within the delivery of the Decent Homes Programme. The works outlined in this report is scheduled to commence on 26th January 2009. As such, this report is seeking Procurement Committee approval to award the contract and to proceed with the works in this phase.

2. Introduction by Cabinet Member.

2.1 In accordance with our stated commitment to improve the quality of homes for our tenants and to meet housing need, this report informs Members of the Procurement Committee of the current packages of work to commence under the Decent Homes programmes as delivered by Homes for Haringey.

3. Recommendations

3.1 To facilitate the delivery of the Decent Homes works Members of the Procurement Committee are requested to agree:

3.2. To award the contract for the above Project to the contractor named in Appendix A as allowed under Contract Standing Order (CSO) 11.03 and that the AMP (Agreed Maximum Price) excluding fees as detailed in Para 2.2 of Appendix A be noted.

Report Authorised by: **Niall Bolger, Director of Urban Environment**

Contact Officer: **Larry Ainsworth**
Strategic Client Representative
Homes for Haringey, River Park House (6th Floor)
225 High Road. London N22 4HQ
Tel no: (020 8489 1134 .e.mail: larry.ainsworth@homesforharingey.org

4 Chief Finance Officer Comments

- 4.1 It should be noted that on 13th Feb 2007, this committee approved framework agreements with Decent Homes contractors and compliance teams, to cover 4 areas. This report details the specific works needed to Templeton Road and Pulford Road, priced in accordance with the framework agreement.
- 4.2 Members will be aware that DCLG has approved the funding for Decent Homes, totalling £198.5m phased over six years of which £30.0m has been approved for 2009/10. This scheme is included in the funding schedule for 2009/10 as indicated in Appendix C
- 4.3 It should be noted that this scheme is starting in January to ensure a continuation of the works by the contractor for the South Tottenham Area. The works will commence on 26th Jan 2009 and the value of works completed up to 31st March 2009 will need to be accounted for in the current financial year, but however, will be funded from the Decent Homes allocation for 2009/10, which is confirmed at £30m as indicated above.

5. Head of Legal Services Comments

- 5.1 This report is seeking Procurement Committee approval to award a call-off contract for Decent Homes works at 55 properties in the South Tottenham area of the borough (details of which are set out in Paragraph 15.2), to the contractor named in Paragraph 2.1 of Appendix A to this report.
- 5.2 Cabinet Procurement Committee had on 13th February 2007 granted approval to the award of four Decent Homes Constructor Partner Framework Agreements in respect of four areas within the Borough (Wood Green, Hornsey, North Tottenham and South Tottenham) to four respective contractors, of which the recommended contractor is one.
- 5.3 The Framework Agreements were tendered in the EU and selection of the Framework contractors was undertaken in compliance with the Public Contracts Regulations 2006, as confirmed by external legal advisers (Trowers and Hamlin) who provided legal advice on the procurement of the Framework Agreements.
- 5.4 The contractor named in 2.1 of Appendix A to this report was awarded the Framework Agreement in respect of the South Tottenham area.
- 5.5 The report states that there are no works in this phase that will affect leaseholders. This being the case, there is no legal requirement to undertake any further leaseholder consultation in addition to that set out in Paragraph 17 of this report

5.6 The value of the proposed contract exceeds £250,000 therefore the award requires the approval of the Procurement Committee, in accordance with CSO 11.3

5.7 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendation as to the award, as set out in Paragraph 3 of this report.

6. Head of Procurement Comments

6.1 The selection of the contractor for these works has been undertaken from the Decent Homes contractor framework.

6.2 The Client needs ensure that a risk register is in place for the works and that it is reviewed on a regular basis.

6.3 An Agreed Maximum Price has been agreed by the parties prior to start on site, in accordance with the process allowed under the form of contract.

6.4 The Head of Procurement therefore states that the recommendations in this report offer best value for the Council.

7. Local Government (Access to Information) Act 1985

7.1 The background papers relating to this project are:

- 'The Award of Framework Agreements to four Decent Homes Constructors Partners'.
- Pre Qualification Questionnaires (PQQ) Responses from Constructors dated September 2006.
- Short List Report dated October 2006
- Invitation to Tender Document dated October 2006
- Tender Reports dated February 2007

These can be obtained from Larry Ainsworth – Strategic Client Representative on 020 8489 1134.

7.2 This report contains exempt and non exempt information. Exempt information is contained in Appendix A of this report and is **NOT FOR PUBLICATION**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

7.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

8. Strategic Implications

8.1 Homes for Haringey supports the Council's Housing Strategy and is committed to providing an excellent housing service while effectively delivering the decent homes programme for the residents of Haringey. As its strategic delivery partner Homes for Haringey is committed to ensuring that the decent homes programmes meets the aspirations of

residents and Members. The package of works set out in this report forms part of the overall delivery of the Decent Homes Programme.

9. Financial Implications

9.1 This scheme is estimated to cost the amount set out in paragraph 2.3 of Appendix A.

9.2 Provision for this exists within the Decent Homes Budget for 2009/10 and details of spend to date are set out in Appendix C

10. Legal Implications

10.1 See section 5 above.

11. Equalities Implications

11.1 The works will ensure that all tenants and leaseholders living throughout the borough will reside in a decent home by the end of this programme of work.

11.2 This improvement will benefit all occupants of the properties, which include disabled, elderly and people from the minority ethnic communities.

12. Consultation

12.1 Homes for Haringey has carried out detailed consultation with the residents that will be effected by the works set out in this report. A resident's meeting will be held on 20th November and the number of residents attending will be reported. The Ward Member will be invited to attend. This will be followed by a newsletter to residents within 10 days of the meeting.

12.2 Leasehold consultation forms part of the overall consultation process and is a statutory requirement. Details of this are set out in paragraph 19 of this report.

13. Background

13.1 The requirement for all local authority homes to meet the Decent Homes Standard was set out by The Office of the Deputy Prime Minister (ODPM) now known as Department for Communities and Local Government (DCLG) in February 2003. The objective of the Decent Homes Standard is that every tenanted home should be decent in accordance with the guidelines of the ODPM (now DCLG) by December 2010.

13.2 The Decent Homes Programme is a long term programme of major investment to bring all tenanted homes up to a decent standard.

Environmental improvements, including sustainability issues, may represent up to 5% of the overall programme.

- 13.3 Managing and delivering the Decent Homes programme to cost, time and to the expectation of the tenants and residents of Haringey is paramount and as such requires the appointment of Constructors with a proven track record of delivering a similar programme for other Local Authorities/ALMOs.
- 13.4 On 13th Feb 2007, this committee approved the framework agreements to four Decent Homes contractors and 4 compliance teams, to cover 4 areas. The procurement and delivery of the Decent Homes Constructors has been managed by Homes for Haringey under the terms of its management agreement with the Council.

14. Agreed Maximum Price

- 14.1 The Agreed Maximum Price is based on the schedule of rates contained within the contractors tender returned 30th November 2006.
- 14.2 The Agreed Maximum Price is the procedure for determining the cost of a project under the PPC2000 (Project Partnering Contract) form of contract. The PPC2000 form of contract was formed from the 'Egan Report' and was designed to allow the early appointment of constructors and specialists.
- 14.3 The Project Partnering Contract (PPC2000) is designed to allow for a multi party approach by the client, constructor, consultants and specialists in order to provide a consistent approach to working within a partnering ethos. The Project Partnering Contract (PPC2000) also provides the opportunity to progress joint selection of supply chains and supply chain partnering to encompass value engineering and allows for 'open book' accountability.

14.4 Detailed below is a summary of contractor details:

Total estimated construction cost (excluding fees)	para 2.1 Appendix A
Anticipated Contract start on site	26th January 2009
Anticipated Contract completion	1 st May 2009
Contract duration	16 weeks
Contractor	para 2.2 Appendix A

15. Property address location

- 15.2 This report details the specific works required to the 55 properties in the South Tottenham area and are priced in accordance with the framework agreement. Listed below are the property addresses that will benefit from the raft of decent homes work under this particular phase of the programme:

2 – 48 (evens) Templeton Road N15 (24 no)

31 – 61 (odd) Templeton Road N15 (16 no)

10, 12, 16, 22, 28, 56, 60, 66, 68, 74, 76, 86, 90, 94, 96 Pulford Road (15 no)

General Needs Dwellings

Property Address	No of units	Property Type	Floor level	No of Leaseholders	Type of Roof	Conser vation Area
Templeton Road	40	low rise	2	11	Pitched	No
Pulford Road	15	houses	2	0	Flat	

16. Schedule of works

16.1 The scope of improvements works included under this phase of the programme will include internal rewires, roof renewal, kitchen and bathroom refurbishment. Additional details relating to specific works under the programme are set out below: (reference to the installation of the IRS system is included in item 16.10 – 16.13)

16. 2 Proposed Roof works

16.3 The current dwellings identified in this phase of works at 2 – 24, 26-48 and 31 – 61 Templeton Road have pitched roofs. The pitched roofs to 2 – 24 and 26 – 48 have a remaining life of 20 years, the pitched roof to 31 – 61 was replaced four years ago therefore no works are programmed to these roofs.

16.4 The flat roofs to the houses in Pulford Road require renewal. However, the 15 Council owned properties are in a terrace of 48 properties, the remainder of which are freehold properties.

16.5 The cost comparison between flat and pitched roofs has been set out below. The physical practicalities of providing a pitched roof to these properties will require structural alterations in providing gable end walls and re routing of drainage runs. In addition, the disturbance resulting from the construction of the gable walls would require partial if not complete re roofing of the adjacent freehold properties.

16.6 The pitched roof proposal will encroach on the freehold properties and party wall notices and agreements will be required.

16.7 Planning Approval

16.8 The Planning department were approached on this matter and have advised us that it would be extremely unlikely that planning approval would be obtained to effect a flat to pitched roof conversion in this instance as it would prove detrimental to the surrounding structures and aesthetics of the building line.

16.9 Therefore in view of the above, we propose to replace the 15 roofs with flat roofs. A Life Cycle Costing exercise was completed which looked at the option of replacing the flat roof with a pitched roof. This compared re-roofing with a flat roof covering with a 20 year warrantee with a pitched roof with a 20 year warrantee.

Pulford Road

Flat Roof Renewal Option

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost	Total Costs
Year1	5	£58,320.00	£0.00	£58,320.00

Flat to Pitch Conversion

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost/Year	Total Costs
Year 1	5	£110,160.00	£0.00	£110,160.00

16.10 The lifecycle costing showed that the pitch roof is more economical over a 35 year period and make reasonable assumptions regarding future maintenance and inflation. The initial investment to fund the conversion works nearly double the cost, which could not be afforded by the programme.

Flat Roof Renewal Option

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost	Total Costs
Year 35	5	£58,320.00	£114,485.24	£172,805.07

Flat to Pitch Conversion

	Inflation % Increase	Original/Maintenance Cost	Inflation Cost/Year	Total Costs
Year 35	5	£110,160.97	£46,064.00	£156,224.00

16.10 Digital Satellite Provision

16.11 The provision of an integrated satellite reception system will remove the need for satellite dishes and reduce damage to the building fabric. Under a separate scheme co ordinated with this scheme, it is proposed to install IRS (integrated reception system) Sky, Hotbird, Turksat DAB (digital audio broadcasting) radio community channels for residents.

16.12 The IRS system is not included in this contract as this is subject to a Section 20 notice. It is recommended that the works remain separate contractually, however, arrangements are being made for the works to be coordinated with the main decent homes contract in order to minimise any disruption to the residents. This will involve the works being carried out at the same time as the decent homes works.

16.13 A separate procurement process will be followed for the IRS system and this will be forwarded for approval under delegated authority.

16.14 Satellite dishes will be removed as part of the programme to install the IRS system. The relevant tenancy officer will be provided with the

details in order to pursue enforcement action should the dishes be erected after completion of the works.

16.15 Window/Door Grills

All window and door grills will be removed as part of this programme. The relevant tenancy officer will be provided with the details in order to pursue enforcement action should the grills be refitted after completion of the works.

16.16 Environmental Improvements

16.17 There are no proposed environmental works during this phase of decent homes works.

17.0 Sustainability

17.1 The procurement of materials and components to be used during the decent homes programme will involve the selection of products that have a positive impact on the environment. The new windows will improve the thermal efficiency of the properties as well as reduce future maintenance costs.

17.2 The new wiring contains an element of copper; a material that can be recycled at the end of its useful life and will reduce the need for maintenance as testing of the electrical system is carried out after ten years for dwellings and five years for the landlord's services.

17.3 The dwellings that benefit from new kitchen and bathroom replacement will be fitted with two low energy light fittings. The selected kitchen, Premier, has received the F.I.R.A Gold Award and Kite mark Certification with a life expectancy of thirty years.

17.4 The scheme has been carefully designed where possible to allow for minimising waste during the construction and consideration given to the useful life of the products.

17.5 The contractor is registered and complies with the Considerate Constructors Scheme.

18.0 Conservation Areas

18.1 In administering the decent homes programmes due regard will be shown for areas that are subject to specific consents relating to conservation.

18.2 For the purposes of this programme, the Planning department has confirmed that there are no conservations consents required

19.0 Leasehold Consultation

19.1 The Service Charges (Consultation Requirements) (England) Regulations 2003 ('the Regulations') required Homes for Haringey to conduct formal consultation with every leaseholder in the Borough in relation to the appointment of long term Constructor Partners for the Decent Homes works. A Notice of Intention to appoint Constructor Partners was sent to leaseholders on the 21 July 2006. The form and content of the Notice was approved by Mr Jonathan Brock, a leading property law Queen's Counsel, before it was issued. In March 2007 the LVT awarded the Council a dispensation from some of the further consultation requirements in respect of the appointment of the Constructor Partners.

20.0 Leasehold Implications

20.1 As there are no communal or external works identified within this phase of works, there are no works that will affect leaseholders and therefore no further statutory consultation is required.

21.0 Project Management

21.1 Homes for Haringey, managing this contract on behalf of the Council have appointed a project manager to manage the project team. A risk assessment has been carried out and it will be reviewed at the monthly progress meeting.

21.2 The key members of the project team are as follows:

- Larry Ainsworth Strategic Client Representative – Homes for Haringey
- Alan Falder Compliance Team – Potter Raper
- Paul Dennehy Head of Tenancy Management – Homes for Haringey

22.0 Health and Safety Implications

22.1 All contractors invited to tender 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.

22.2 The Construction (Design and Management) Regulations 2007 apply to this project and the contractor's Construction Phase Health and Safety Plan will be checked and approved by the CDM Co-ordinator before works start on site.

23.0 Conclusion

- 23.1 That the procurement committee accept the recommendations outlined in section 3 above.





Haringey Council

Agenda item:

[No.]**Procurement Committee****25th November 2008**

Report Title: **Building Schools for the Future: Award of Contract and Approval of Maximum Project Budget for Northumberland Park and the Vale School**

Forward Plan reference number: V78

Report of: **Director of the Children & Young People's Service**

Wards(s) affected: **Northumberland Park**

Report for: **Key Decision**

1. Purpose

- 1.1 To seek Procurement Committee approval to award the main works design and build contract following completion of the Pre-Construction Stage

2. Introduction by Cabinet Member

- 2.1 Northumberland Park and the Vale is one of the twelve schools in the Building Schools for the Future programme that has completed its pre-construction stage and is moving to the main stage of the Design and Build programme.
- 2.2 This project is of major significance to the school and the local community, who will all benefit from the enhanced facilities and consequential transformation.

3. Recommendations

- 3.1 The Procurement Committee award the design and build contract, with an Agreed Maximum Price, to the Construction Partner in clause 20.1. and authorisation to spend the Maximum Project Contingency Allocation.

Report Author: David Bray

Report Authorised by:

Sharon Shoemith
 PR Sharon Shoemith
 Director
 The Children and Young People's Service

Contact Officer: David Williamson, BSF Transformation Stream Lead
e-Mail: david.williamson@haringey.gov.uk
Telephone: 020 8489 2939

4. Chief Financial Officer Comments

4.1 Members will note that there are two outstanding items that require confirmation at their meeting :

- The confirmation of abnormalities referred to in paragraph 10.2; and
- The confirmation of receipt of the corrected Promissory Note referred to in 10.4.2

4.2 Subject to these matters being resolved the total cost of the project remains within the cash limited budget.

4.3 Members may also wish to satisfy themselves as to the adequacy of the provisional sums set out at paragraph 20.2 as these represent in excess of 10% of the total AMP and are an area where there is scope for the cost to vary.

5. Head of Legal Services Comments

5.1 The Director of Children and Young People' Services is seeking Procurement Committee approval of award of the contract for the Design and Build phase of the Northumberland Park Community School Project ("the Project") to the contractor named in Paragraph 20.1 ("the Contractor"), and for authorisation to spend the Maximum Project Contingency Allocation sum set out in the table in Paragraph 20.1.

5.2 In June 2008 the Contractor was recommended to the Procurement Committee for the award of the Pre-construction contract for the Project and the opportunity to negotiate an Agreed Maximum Price for the project as a whole, following a mini-competition held with four of the contractors on the BSF Contractor Partners Framework Agreement.

5.3 As confirmed by external legal advisers to the BSF programme, Eversheds, the BSF Construction Partners Framework Agreement was established following the correct advertisement in accordance with EU public procurement directives and regulations.

5.4 The Procurement Committee at its meeting of 12th June approved the award of the Pre-Construction Services contract to the Contractor.

5.5 The Construction Procurement Group have confirmed that all parties understood that the subsequent contract for the Design and Build stage of the contract would be awarded to the same contractor that was awarded the contract for the Pre-construction stage of the contract unless an Agreed Maximum Price could not be reached with that contractor.

5.6 An Agreed Maximum Price had now been reached with the Contractor therefore this report is seeking approval of the award of the contract for the Design and Build stage of the Project to the Contractor.

5.7 As the value of the Agreed Maximum Price in relation to the proposed contract exceeds £250,000, the Procurement Committee is the appropriate body with the power, under CSO 11.3, to approve the award of the proposed contract.

5.8 The Head of Legal Services confirms that, subject to funding, there are no legal reasons preventing Members from approving the recommendation as to the proposed contract award set out in Paragraph 3 of this report.

6. Head of Procurement Comments

6.1 The process for assembling the Agreed Maximum Price (AMP) is based on an open book process where the sum of each package of works (such as piling and decorations) compiles the AMP.

6.2 The AMP has been assembled by the contractor following a series of mini competitions to their supply chain and the figures received are arithmetically checked by the Cost Consultant. The prime contractor recommends the intended sub-contractor for each package for examination by the Cost Consultant and Project Manager.

6.3 The Agreed Maximum Price is then received and processed by Council officers in accordance with standing orders and financial regulations.

7. Local Government (Access to Information) Act 1985

7.1 The following background documents were used in the production of this report:

- Haringey Council's BSF Construction Framework documentation.
- The Council's Standing Orders

7.2 This report contains exempt and non-exempt information. Exempt information is contained in the appendices and is not for publication.

7.3 The exempt information is under the following category

(identified in the amended Schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

8. Background

8.1 In April 2007, following an Official Journal of the European Union (OJEU) process, Haringey's Procurement Committee agreed a framework of six Constructor Partners (CP). These CPs would be used to source the twelve school projects in the BSF programme.

8.2 In May 2008 it was agreed with the Leader of the Council that, in order to give full Member involvement in the BSF Design and Build process, the pre-construction stage would be reported to Procurement Committee for approval. Subsequently the main award with an Agreed Maximum Price (AMP) would also be presented to Procurement Committee.

8.3 Four contractors from the CP framework passed the financial criteria set to enter a mini competition for Northumberland Park and the Vale School. All four of the contractors accepted to tender with the tender opening taking place on the 9th April 2008. The Procurement Committee subsequently approved Apollo London Ltd, on

12th June 2008, to work through the pre-construction services and negotiate an Agreed Maximum Price

8.4 Apollo London Ltd have been working with the Project Teams during the Pre-Construction stage and submitted their Contractors Proposals with an Agreement Maximum Price, this tender was submitted 24th October 2008

9. Pre Construction Stage and Contractor's Proposals

9.1 The Pre Construction stage was undertaken as follows:

Council's Requirements

9.1.1 The Design Team Partners developed the level of design up to RIBA Stage D+ (detailed design) which formed the basis of the Council's Requirements. To allow Apollo London Ltd to formulate an Agreed Maximum Price the following information was sent to them:

- ❖ Drawings (architectural, structural and civils, mechanical and electrical, landscape and acoustic)
- ❖ Specifications
- ❖ ICT proposals
- ❖ Waste management proposals
- ❖ Statutory requirements
- ❖ Programme
- ❖ Planned maintenance programme
- ❖ Key performance indicators
- ❖ Contract terms and conditions

Pre Construction Services /Contractor's Proposals

9.1.2 Apollo London Ltd undertook the following services in order to submit an Agreed Maximum Price:

- ❖ Pre-construction design
- ❖ Supply chain management/works package tendering with full cost management
- ❖ Value engineering/open book accounting
- ❖ Procurement of surveys
- ❖ Quality assurance
- ❖ Method statements
- ❖ Procurement of material samples
- ❖ Insurances/warranties and bonds

9.1.3 Apollo London Ltd received the Council's Requirements on 14th July 2008 and then worked with the Design Team Partner and stakeholders to develop their Contractor's Proposals in response.

Review and Negotiation

9.1.4 Each package item within the design has been tendered by Apollo London Ltd. Individual packages were sent out to a minimum of three suppliers and were returned to Potter Raper Partnership's (cost consultant) Office for opening and

recording. Apollo London Ltd submitted a recommendation report for the Individual packages, which demonstrated value for money.

Potter Raper Partnership reviewed each recommendation for a package of works from Apollo London Ltd. The Design Team Partner has reviewed the recommendation to ensure that they are compliant with the Council's Requirements. Derogation from the Councils Requirements to the Contractor's Proposals have been agreed by the project team.

- 9.1.5 The School, as a key stakeholder, has been included within the discussion of the compliancy of the Contractor's Proposals.

Final Tender

- 9.1.6 The Agreed Maximum Price was submitted and opened on 24th October 2008. The tender included the following information:

- ❖ Form of Tender
- ❖ Contractor AMP form
- ❖ Programme
- ❖ Contractor's Proposals

- 9.1.7 Northumberland Park and the Vale School signed a Governing Body Agreement which acknowledges that Apollo London Ltd will require access to the school premises to carry out the works and that the school will liaise closely with them to support the phasing and decanting requirements of the scheme. They also acknowledge that the responsibility for soft and hard FM services will be with the school.

- 9.1.8 The generic Final Business Case (FBC) has been submitted to Partnership for School and has been agreed by DCFS. However, the individual project FBC is currently with PFS for approval, this was submitted on the 13th November 2008

10. Supporting information

- 10.1 The Agreed Maximum Price Summary (Appendix 20.1), incorporates a full review of the professional fees required to complete the project. The figure presented in appendix 20.1 presents the estimated costs.

- 10.2 DCSF funding guidance dictates the level and type of abnormal spending that is allowed for each project and across the BSF programme. This detailed analysis is currently being prepared by Potter Raper Partnership, but this process has not yet been fully concluded. It is anticipated that this will be completed by the time of the Procurement Committee meeting on the 25/11/08, at which point any outstanding issues will be updated.

- 10.3 DCSF issued a promissory letter on Friday 7th November 08 confirming the BSF programme FBC had successfully been signed off, and the total grant funding payable to the council.

- 10.3.1 As defined in the DCSF Funding Protocol, the date of this Promissory letter defines the moment of financial close for funding purposes. This was confirmed by the discussion and minute of the 21st October BSF Programme Board.
- 10.3.2 DCSF are in the process of releasing an Promissory Note, as the funding total described in the letter is not as expected. We are assured by PFS that this will not affect the level of grant that we require to deliver the projects confirmed in the FBC. It is planned that a replacement letter will be available for the Procurement Committee meeting on the 25th November 2008.

11 Conclusion

- 11.1. The pre-construction agreement dated 12th June 2008 will now be superseded by the award of the main works design and build contract.

Following the Agreed Maximum Price stage assessment it is recommended that Apollo is the most suitable option for the main works to be carried out at Northumberland Park and the Vale School

12 Sustainability:

- 12.1 The Northumberland Park and the Vale School exhibits a number of sustainability features. The main solution is the inclusion of Solar hot water panels. Although the new build area is less than 1,000m² it is proposed that Solar evacuated tube hot water panels are installed to meet an aspiration target of 10% renewable energy.
- 12.2 A Breeam Pre-assessment has been completed on the Northumberland Park and the Vale school which has highlighted the need to obtain additional credits during the construction process. The Project Team and Construction Partner are currently looking at opportunities to increase the project rating to a 'very good' level and will be producing an action plan to identify the credits and responsible organisations prior to starting on site.
- 12.3 Life cycle cost analysis are currently being reviewed by Potter Raper Partnership on a programme wide basis. The report will be included in the project specific FBC submission.

13 Financial Implications

- 13.1 Appendix 20.1 presents the AMP Stage Cost Schedule. This table confirms all project cost elements associated with the project's design and build phases based on information from Potter Raper Partnership and confirmed by the Mace Project Manager. This table shows that the Maximum Project Cost equals the cash limited budget for this project and therefore has the necessary budget provision available for this approval to be made (subject to successful confirmation of the points in 13.2 and 13.3 below).
- 13.2 Section 10.2 of this report highlights incomplete analysis for the funding of Abnormal Costs associated with this project and the BSF Programme overall. Pending completion of this analysis by Potter Raper Partnership, a small funding risk remains, and it is anticipated that this analysis will be satisfactorily concluded prior to the Procurement Committee meeting on 25th November, so that funding certainty can be confirmed as far as reasonably possible.

13.3 Section 10.3 confirms the process for confirming DCSF funding for the BSF Programme overall. The minutes of the BSF Board Meeting held on 21st October confirm that FBC approval (as confirmed in the Promissory Letter dated 7th November 2008) confirms financial close and hence guarantee of funding to Haringey Council. Additionally, the grant funding number in the letter is different (higher) to that expected and the Programme team is in the process of confirming the final number. This is expected to be completed by the Procurement Committee meeting on 25th November 2008 to confirm the guaranteed funding position for the BSF Programme.

14 Legal Implications (provided by Eversheds)

- 14.1 The BSF Framework Agreements with the Construction Partners were established following the correct advertisement in accordance with EC procurement directives and regulations.
- 14.2 The framework incorporates a mechanism in order to score call offs and mini competitions.
- 14.3 The scoring matrix compiled for this mini competition was carried out by Haringey's Construction Procurement Group with the assistance of other professional advisers.

15 Equalities Implications

- 15.1 The new build elements of the Northumberland Park and the Vale School project are being designed to be fully accessible to all levels of physical ability (DDA compliance). As part of the vision for the campus, the facilities have the potential to be open to the local community.

16 Health and Safety Implications –

- 16.1 During the pre-construction stage the designs have been reviewed by a Construction Design and Management Co-ordinator, (Gardiner and Theobald). Their duties have included:
- ❖ Advise and assist the client with their health and safety duties
 - ❖ Notify details of the project to HSE
 - ❖ Co-ordinate health and safety aspects of the design work and co-operate with others involved with the project
 - ❖ Facilitate good communication between the client, designers and contractors
 - ❖ Liaise with the principal contractor regarding ongoing design work
 - ❖ Identify, collect and pass on pre-construction information
 - ❖ Prepare and update the health and safety file
- 16.2 As part of their acceptance onto the Contractor's Framework for BSF the recommended contractor is a member of the Contractors Health and Safety Assessment Scheme (CHAS). This has allowed the Council access to the recommended contractor's information on their Health and Safety record, to ensure that they are meeting the necessary regulations.
- 16.3 Due to the nature of the works within a live school site, Criminal Records Bureau (CRB) checks will be submitted and monitored by the London Borough of Haringey for the Construction Partners "on site" staff. Supervisors from sub-contractors will also be subjected to CRB. This will bring to the Council's attention anyone unsuitable to work with children and other vulnerable members of society.

17 Engagement of the Community

- 17.1 The designs have been made available prior to the construction stage for resident drop in sessions, school parents and school governors' review days, school council assemblies and information has been posted through the doors of local residents (also available on line for viewing). These initiatives will continue through the construction phase
- 17.2 Full consultation has been undertaken as part of the BSF Stage approvals; this included consultation with Partnership for Schools, Commission for Architecture and the Built Environment (CABE), Council planners and building control, the Fire Officer and the Police (Secured by Design).
- 17.3 Full planning permission has been received for the scheme.
- 17.4 The selected Construction Partner will have a Customer Liaison Officer (CLO) whose role is to actively engage with the community through drop in sessions, leaflet drops, open evenings and many more stakeholder engagement activities to allow for comment and feedback during the construction process.
- 17.5 During the construction phase of the works the Construction Partner will be expected to set up apprenticeships from the community for the Northumberland Park and the Vale School project to encourage the use of locally based labour, unemployed persons etc. These apprenticeships will be within various positions, for example, trades, administration and management. These will be monitored as a Key Performance Indicator.

18 Recommendation

- 18.1 The Procurement Committee award Apollo London Ltd the main design and build works at a value set out in Appendix 20.1, and with a 73 week programme to 30th April 2010.
- 18.2 The procurement committee authorise spending on this contract up to the sum detailed in 20.1.3, with reference to the build up of this sum in 20.1.1.

19 Use of Appendices / Tables / Photographs

- 19.1 Agreed Maximum Price Summary (20.1)
- 19.2 Provisional sum schedule (20.2)
- 19.3 Programme Milestones (20.3)
- 19.4 Construction awards to date (20.4)

Document is exempt

This page is intentionally left blank

Document is exempt

This page is intentionally left blank

Document is exempt

This page is intentionally left blank

Document is exempt

This page is intentionally left blank