

# CABINET MEMBER SIGNING

**Wednesday, 7th June, 2023, 2.00 pm**

**Members:** Councillors Zena Brabazon

## **1. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

## **2. DECLARATIONS OF INTEREST**

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

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and

(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

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

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

## **3. BRANCH LIBRARY TRANSFORMATION - MUSWELL HILL LIBRARY - AWARD OF CONSTRUCTION WORKS CONTRACT (PAGES 1 - 6)**

## **4. EXEMPT REPORT**

Item 5 is not available for publication as it contains exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); para 3, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **5. EXEMPT - BRANCH LIBRARY TRANSFORMATION - MUSWELL HILL LIBRARY - AWARD OF CONSTRUCTION WORKS CONTRACT (PAGES 7 - 10)**

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Tuesday, 30 May 2023

**Report for:** Cabinet Member Signing

**Title:** Branch Library Transformation – Muswell Hill Library – Award of Construction Works Contract

**Report authorised by:** Jess Crowe, Director of Culture, Strategy & Engagement

**Lead Officer:** Claire Barnes, Major Projects Delivery Manager

**Ward affected:** Muswell Hill

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

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

1.1 To request approval to award a contract as part of the branch library transformation programme for Muswell Hill Library and to approve issuance of a letter of intent.

**2. Cabinet Member Introduction**

2.1 As this report is being presented to Cabinet Member for Children, Schools and Families for a decision, Cabinet Member introduction is not required.

**3. Recommendations**

For the Cabinet Member for Children, Schools and Families pursuant to Contract Standing Order (CSO) 16.02 to:

- 3.1 Approve an award to **Contractor B** (named in the exempt Part B of this report).
- 3.2 Approve a client construction contingency as set out in the exempt Part B of this report which will be strictly managed under change control governance arrangements.
- 3.3 Approve the issuance of a letter of intent for up to 10% of the contract value, as set out in the exempt Part B of this report.
- 3.4 To waive CSO 3.01d by delegating authority to the Director of Culture, Strategy & Engagement to approve any subsequent variation within the project and programme budget up to £499,999.
- 3.5 Fund the expenditure from the Asset Management of Council Buildings budget to provide resource cover for the contract award until Cabinet considers the provisional outturn report and the carry forward requests.

**4. Reasons for decision**

4.1 There is a significant amount of enhancement, accessibility, condition, and compliance works needed to ensure the health and safety of staff as well as the public and to ensure the library is accessible to all users.

4.3 A Cabinet Member signing is being requested to enable the mobilisation of the contractor prior to main work starting at the library summer of 2023.

## 5. **Alternative Options Considered**

5.1 Do nothing – a decision not to support this award of construction works contract will result in the Council's failure to suitably maintain its library estate by undertaking essential condition improvements, health and safety and improving accessibility. This would increase the likelihood of reactive works which will create greater disruption and cost to the Council and potentially result in temporary library closures. All of which would undoubtedly impact the ability to provide spaces for the community which are also presently designed warm spaces.

5.2 Delaying a decision further would add additional time to the programme and cost to the council. Not being able to award a contract and place orders at the earliest opportunity would increase the risk of bidders not holding their price which could be impacted by inflation. The tender is based on bidders holding their price for up to 16 weeks which this decision sits within.

## 6. **Background Information**

6.1 London Borough of Haringey (Haringey) are seeking to carry out refurbishment, decoration, and internal remodelling in areas with the highest customer impact.

6.2 The aim is that the libraries should deliver the following benefits:

- Give a modern, accessible library space with a lift installed that meets needs of customers with fresh furniture, books, and decoration.
- Look and feel to be clearly identifiable with LBH and have the capacity to be adapted to suit the needs of the local communities and the building.
- The space available and flexibility of that space, meets the needs of residents and partners.
- The library space has increased opportunity for working with partners and other service providers.
- Working with Libraries IT project to install new computing equipment and self-service technologies and provide containment and access routes for any equipment to be installed.
- Innovation and modern technologies relating to libraries will be used as an enabler for service provision, including improved self-service.
- Updated CCTV provisions to all libraries to improve security and safeguarding.
- Interior design of library spaces to modernise and better facilitate library floor walking and self-service technology. Partial removal of existing loose and fixed furniture, new furniture to be installed.

- Internal refurbishment including new partitions, screens/ doors partial new floor coverings, new signage & redecoration.
- Mechanical & Electrical works in support of interior layout and fire safety, CCTV, intruder alarms & IT installations.

- 6.3 The plans have been discussed with both sets of Friend’s groups, staff, and key stakeholders.
- 6.4 A Building Control approval has been granted; provision was made for the discharge of any conditions within the tender.
- 6.5 Following completion of the developed design, the proposal was issued to the construction market via the Minor Works (DPS) Dynamic Purchasing System (London Construction Programme) – under Principal Construction Category. Ten tenders were received on 28<sup>th</sup> February 2023. Tenders were evaluated on a 60% cost and 40% quality by an independent evaluation panel. Arithmetical adjustments were applied to the tenders during the clarification process with the result of the assessments shown below:

<b>Tenderer</b>	<b>Price Score (60%)</b>	<b>Moderated Quality Score (40%)</b>	<b>Combined Cost and Quality Score</b>	<b>Final Ranking</b>
Contractor B -	53.5%	32.8%	86.3%	1

- 6.6 Full details of the evaluation of the tenderers’ returns are set out in the Part B of this report. The assessment concludes with a recommendation to award a construction contract to Contractor B (named in the exempt Part B of the report).
- 6.7 The quantity surveyor for this project is satisfied with the pricing offered by Contractor B against the Pre-Tender Estimate (PTE). A detailed analysis of the tender returns against the PTE is provided within the tender analysis report and summarised in Part B.
- 6.8 The branch libraries programme budget has been under pressure due to the effects of inflation raising the cost of all inputs and the need, due to years of underinvestment, to undertake more extensive works. It is in the nature of refurbishment projects that once work starts more defects and issues are found. This combination of factors has placed the branch libraries budget under considerable strain and is now manifested in an overall shortfall of £0.8m if the project at Muswell Hill Library goes ahead.
- 6.9 Additionally, the Branch Libraries budget has not been re-profiled into 2023/24. The uncommitted budget of £1.4m is due to be carried forward but this is subject to a Cabinet decision in July 2023 when it considers the draft outturn report and the requests to carry forward resources.

6.10 The recommended temporary solution is to fund the expenditure through the Asset Management of Council Buildings Budget until such time as Cabinet considers the carry forward requests. In reality, there will be minimal spend between the award of the contract and the Cabinet report in July. This of using the Asset Management of Council Buildings mechanism provides resource cover to award the contract.

## **7 Contribution to Strategic Outcomes**

7.1 The initial project brief supported the Borough Plan 2019-23, which has since been superseded by the Corporate Delivery Plan 2022/3 and 2023/4.

## **8. Statutory Officers comments (Chief Finance Officer, Procurement, Corporate Governance, and Equalities).**

### **8.1 Finance**

8.1.1 This report seeks the approval of contract award to Contractor B (named in the exempt part B of this report).

8.1.2 As stated above, the residual uncommitted Branch Libraries budget is £1.4m which is insufficient for the purposes of the Muswell Hill contract award. Also as stated above, the profile of the approved Branch Libraries Budget has the resources profiled in 2022/23. The decision to bring forward these resources is Cabinet's and will be taken in July when the draft outturn is due to be considered.

8.1.3 The recommendation is to temporarily fund the expenditure on the Muswell Hill Library project through the Asset Management of Council Buildings budget of £7m in 2023/24, with that budget being reimbursed when Cabinet considers the draft outturn in July. There is though unlikely to be any significant expenditure between now and the Cabinet report in July.

8.1.4 Refer to Part B exempt information 7.1.2

### **8.2 Procurement**

8.2.1 The recommendation to award to Contractor B (named in the exempt Part B of the report) is in accordance with Contract Standing Orders 9.04 and is supported by Strategic Procurement following a compliant competitive tendering process.

8.2.2 The tend process was carried out using the LCP DPS, following a compliant process, and receiving an excellent level of response from bidders, giving the Council a value for money solution.

### **8.3 Legal**

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

- 8.3.2 The contract which this report relates to has been procured under the London Construction Minor Works DPS – Principal Construction Category. This is provided for under Reg 34 of the Public Contracts Regulations 2015 and in the Council's CSOs (CSO 9.04).
- 8.3.3 The award of the contract will be a Key Decision and, as such, needs to comply with the Council's governance processes in respect of Key Decisions including publication in the Forward Plan.
- 8.3.4 It would normally fall to Cabinet to approve a contract which is over £500,000 in value. Under CSO 16.02 the Leader may take any such decision in between meetings of the Cabinet or allocate to the Cabinet Member with the relevant portfolio.
- 8.3.5 In consultation with the Cabinet Member to delegate any variations up to £499,999 in value to the Director of Culture, Strategy and Engagement
- 8.3.6 The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member for Communities and Civic Life from approving the recommendations in the report.

#### **8.4 Equality**

- 8.4.1 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 those 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 apply to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey treats socioeconomic status as a locally protected characteristic.

- 8.4.2 The proposed decision is to approve the award of a contract for delivery of works for the Branch Library Transformation Programme. The objective of the project is to ensure that the library interior is fit for future use. This includes ensuring accessibility for people with limited mobility. As such, the decision represents a measure to meet the needs of disabled people.
- 8.4.3 As an organisation carrying out a public function on behalf of a public authority, the contractor will be obliged to have due regard for the need to achieve the three aims of the public sector equality duty, noted above.

**9 Use of Appendices**

9.1 Appendix A – Part B

**10 Local Government (Access to Information) Act 1995**

10.1 List of background documents:

This report contains exempt and non-exempt information. Exempt information is under the following categories (identified in amended Schedule 12A of the Local Government Act 1972): Paragraph 3 - Information relating to financial or business affairs of any person (including the authority holding that information).



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

Document is exempt

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