

NOTICE OF MEETING

CABINET MEMBER SIGNING

Tuesday, 19th March, 2024, 11.00 am - George Meehan House, 294 High Road, London N22 8JZ (watch the live meeting [here](#))

Members: Councillor Sarah Williams

1. **FILMING AT MEETINGS**

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

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

2. **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

3. **URGENT BUSINESS**

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear. New items of Urgent Business will be dealt with under agenda item 7).

4. **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

5. DEPUTATION / PETITIONS / QUESTIONS

To consider any requests received in accordance with Part 4, Section B, paragraph 29 of the Council's constitution.

6. AWARD OF CONTRACT FOR THE PLANNED PREVENTATIVE MAINTENANCE, RESPONSIVE REPAIRS AND L8:2013 COMPLIANCE FOR WATER STORAGE AND DISTRIBUTION SYSTEMS (PAGES 1 - 8)

7. EXCLUSION OF THE PRESS AND PUBLIC

Item 8 is likely to be subject to a motion to exclude the press and public from the meeting 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); paras 3 and 5, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

8. EXEMPT - AWARD OF CONTRACT FOR THE PLANNED PREVENTATIVE MAINTENANCE, RESPONSIVE REPAIRS AND L8:2013 COMPLIANCE FOR WATER STORAGE AND DISTRIBUTION SYSTEMS. (PAGES 9 - 12)

Nazyer Choudhury
Tel – 020 8489 3321
Fax – 020 8881 5218
Email: nazyer.choudhury@haringey.gov.uk

Fiona Alderman
Head of Legal & Governance (Monitoring Officer)
George Meehan House, 294 High Road, Wood Green, N22 8JZ

Monday, 11 March 2024

Report for: Cabinet Member for Housing Services, Private Renters and Planning

Item number: 6

Title: Award of Contract for The Planned Preventative Maintenance, Responsive Repairs and L8:2013 Compliance for Water Storage and Distribution Systems.

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

Lead Officer: Scott Kay – Head of Residential Building Safety

Ward(s) affected: All

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

1. Describe the issue under consideration

- 1.1 This report seeks approval from the Cabinet member to award a contract for The Planned Preventative Maintenance, Responsive Repairs and L8:2013 Compliance for Water Storage and Distribution Systems to Tenderer A for the initial duration of five years, with the option to extend for 1 + 1 years, totalling a value of £3,150,000 subject to Cabinet member approval.

2. Cabinet Member Introduction

Not Applicable

3. Recommendations

It is recommended that the Cabinet Member for Housing Services, Private Renters and Planning approves the award of contract for The Planned Preventative Maintenance, Responsive Repairs and L8:2013 Compliance for Water Storage and Distribution Systems to Tenderer A for the initial duration of five years, with the option to extend for 1 + 1 years, at the value of approximately £450,000 per year, totalling a value of £3,150,000 with a proposed start date of 1st May 2024.

4. Reasons for decision

- 4.1 This contract will enable the council to deliver the Maintenance and Repairs of water storage systems including communal cold water storage tanks and communal water taps which includes planned preventative maintenance, repairs, and installations. This includes completing urgent and high-risk actions, relating to water supply and legionella risk to council residents, ensuring compliance with HSE Approved Code of Practice (ACOP) L8 & HSG274.

- 4.2 The responsive provision will ensure that equipment failure which could put residents at risk or loss of water will be responded to urgently and within required timescales. The work also allows for communal cold-water tank and associated pipework replacement or repairs.
- 4.3 The planned works will include testing and prevention of legionella contamination.
- 4.4 This is a call-off contract, in that there is no monthly or annual fee, and the contractor will only receive payment for works completed on instruction.

5. Alternative options considered

- 5.1 Do Nothing – This is not an option as it would increase the risks of loss of water supply to residents' properties, or risk of water contamination. The contamination of legionella could be dangerous or life threatening to our residents if not controlled and prevented.
- 5.2 Carry out the work through in-house resources - the council is unable to deliver these works in-house due to a lack of suitably trained and certified operatives. The council does not have enough operatives and the timescales required to recruit and train them would result in the same outcome as set in 5.1 above.
- 5.3 Use our existing contracts or contractors - The only suitable contractors currently delivering this service under contract expires in April 2024. The Council is unable to extend this contract further as all extensions have been utilised. We also need to ensure that our contracts provide value for money and reflect up to date regulatory requirements and current good practice.

6. Background information

- 6.1 As a landlord Haringey Council has statutory compliance responsibilities including both Water Hygiene Servicing and Maintenance requirements. Haringey Council have 383 sites with communal water equipment. This equipment needs to be maintained and monitored in line with HSE Approved Code of Practice (ACOP) L8 & HSG274. This contract inspects the water systems, undertakes required maintenance, and confirms compliance, or identifies remedial actions which are referred to the council. These actions are then delivered through the Water Servicing Works contract, to ensure safety is maintained in Council housing units.
- 6.2 The contract was procured via the London Construction Programme (LCP) Minor Works Dynamic Purchasing System (DPS). The 'Heating, gas appliances & installations miscellaneous' category on the DPS was chosen, as the scope of the category was suited to the procurement requirements and contains a wide range of potential bidders, capable of undertaking this work.
- 6.3 The rationale for an initial 5-year programme plus 2 x 1-year extension is that anything less than 5 years would not provide an attractive contract against which bidders may submit a tender. The 2 x 1-year extensions allow Haringey flexibility to review market conditions and or alternatives such as delivering works in house, in future.
- 6.4 On 28/11/2023, with the support of Strategic Procurement and Legal Services, tender documentation was issued to the 59 suppliers registered on the chosen category of the DPS.
- 6.5 The tender opportunity closed on 05/01/2024. Only 1 valid tender submission was received. The submission was reviewed by Strategic Procurement who then distributed

the documentation for review by officers for Price and Quality with Social Value being assessed via the Portal.

- 6.6 The Quality evaluation was completed by two Officers. Each Officer scored the tenderers Method Statement responses independently and sent their evaluations to the Procurement Officer to collate for the Moderation. The Moderation was hosted by the Procurement Officer who confirmed the final scores for each tenderer.
- 6.7 The Price evaluation was completed separately to the Quality evaluation. Due to having a single submission, the Officer compared the tendered rates to the previous contract and current market trends to determine if the price submission is value for money. The rates have increased slightly compared to previous contract rates in some areas but also reduced in others but overall are lower than would have been if the current contract rates were subject to inflation.
- 6.8 The Social Value evaluation was completed by the Social Value Portal Team, who provided their scores and feedback to the Procurement Officer, which were then incorporated into the final overall scores as set out below.
- 6.9 Pursuant to the Council's Contract Standing Orders CSOs 7.01.1(b), 9.07.1(d), and Regulation 34 of the Public Contracts Regulations 2015, tenderers were invited to Tender through the London Construction Programme, Dynamic Purchasing System, using the Heating, gas appliances & installations miscellaneous Category.

The final scores for tenderers are outlined in the table below. The submissions were evaluated on a 50% Quality / 10% Social Value / 40% Price basis.

Tenderer	Quality (%)	Social Value (%)	Price (%)	Total
Tenderer A	40.00	7.00	40.00	87.00

- 6.10 Although the procurement exercise received a single bid, Tenderer A has demonstrated excellent knowledge and experience in their Method Statement response, providing confidence that they have the technical experience and capability to carry out the Contract. In addition, the Price evaluation compares favourably to the rates in the current contract and market trends.
- 6.11 The works being undertaken are funded through a mix of Capital and Revenue expenditure. Several current budgets will be utilised and are in place for these works across the M&E programme. The M&E Capital budget will fund the major upgrade works. Costs are based on tendered schedule of rates (SORs) for the maintenance and repairs. Further budget and expenditure detail including 7-year profile is set out in the Exempt Report.
- 6.12 The contract performance will be monitored by the M&E Contracts and Compliance team. This includes monthly contract review meetings with Haringey Council and Tenderer A. Haringey Council will complete monthly post inspections both electronically on Service Connect and physical on site for assurance of good quality of work, value for money and full completion of assigned works.

Leasehold implications

- 6.13 Under the Council's standard right to buy lease, a proportionate part of costs incurred under this contract will be rechargeable to leaseholders. While the contract is for a period in excess of 12 months, the charge to any leaseholder in any year will not reach the threshold of £100 and no S20 consultation is required.

7. Contribution to 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

- 8.1.1 The implementation of this contract will ensure that our communal cold water supply and equipment are safe and in good working order. Having compliant and safe systems ensure they are working in an efficient manner .
- 8.1.2 Older and inefficient circuits can cause damage to components and lead to unnecessary failure or replacement of equipment that would otherwise have remained operational and effective. This will therefore reduce the waste and additional carbon emissions resulting from attending to and purchasing new unnecessary equipment and components.
- 8.1.3 All materials and components used in the programme will comply with current standards and regulations which include energy reduction and carbon efficiency requirements aligned to applicable British and European standards.
- 8.1.4 All of our contractors engaged in such service provision require and maintain modern efficient vehicles to ensure service delivery and commercial efficiency.

9 Statutory Officer Comments (Director of Finance (procurement), Assistant Director of Legal & Governance, Equalities)

9.1 Finance

- 9.1.1 This report recommends the award of a contract of total value £3.15m over a period of 5 years plus option of annual extension over two years. This brings the total years to seven years; equating to annual value of £0.45m per annum.
- 9.1.2 The contractor made the only valid tender submission. As indicated in section 6.10, the price submitted compares favourably to the rates in the current contract and market trends.
- 9.1.3 The total value of this contract can be contained within the 2024/25 planned maintenance and repairs budget and MTFS.
- 9.1.4 Further finance comments are contained in the exempt report.

9.2 Procurement

- 9.2.1 Strategic Procurement (SP) note that this report relates to the Appointment of a contract for the Planned Preventative Maintenance, Responsive repairs and L8:2013 Compliance for Water Storage and Distribution Systems for a period of Five Years, with the option to extend for 1+1 years.

- 9.2.2 SP note the recommendations in this report which are in line with Contract Standing Order clause 7.0.1. (b). Pursuant to CSO 9.04 and Regulation 34 of the Public Contracts Regulations 2015, tenderers were invited to Tender through the London Construction Programme, Dynamic Purchasing System, using the Heating, gas appliances & installations miscellaneous Category.
- 9.2.3 The tender was issued to 59 suppliers under the category and the Council received one compliant submission. The tender has been reviewed for quality and price.
- 9.2.4 SP note the recommendation within this report and see no reason not to award this Contract to Tenderer A for the value outlined in the Exempt part of the report.

9.3 Legal Comments

- 9.3.1 The Assistant Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report. The process described in the report is in line with the Council's Contract Standing Orders (CSOs) and Public Contracts Regulations 2015.
- 9.3.2 The Council has the power to alter, repair or improve its housing stock in accordance with section 9 of the Housing Act 1985. Further, under section 11 of the Landlord & Tenant Act 1985 the Council has repairing obligations in respect of properties which are occupied by its tenants and these obligations include to keep in repair and proper working order the installations in the homes for the supply of water, gas, electricity and sanitation, and the installations for space heating and heating water.
- 9.3.3 These works must also be undertaken because under the Health & Safety at Work Act 1974, and specifically Approved Code of Practice (ACOP) L8 -Prevention of Legionella Regulations, it is required that regular inspections of communal hot and cold-water systems are carried out to minimise the risk of the proliferation of Legionella bacteria and to carry out any associated remedial works. The contract will ensure that all communal hot and cold-water installations within the Council's housing properties comply with these regulations. The recommendation in this report are in accordance with these powers.
- 9.3.4 Pursuant to the Council's Contract Standing Orders CSOs 7.01.1(b), 9.07.1(d), and Regulation 34 of the Public Contracts Regulations 2015, tenderers were invited to Tender through the London Construction Programme, Dynamic Purchasing System, using the heating, gas appliances & installations miscellaneous Category. Cabinet is being asked to approve the award of the current contract to Bidder A, for the initial duration of five years, with the option to extend for 1 + 1 years, at the value of approximately £450,000 per year, totalling a value of £3,150,000 with a proposed start date of 1st May 2024. The proposed terms and conditions for the Repairs and Voids contract will be based on the JCT Measured Term Contract 2016 (with suitable amendments), which is a tried and tested contract widely used in the industry, for the delivery of repair and maintenance works and services.
- 9.3.5 The Council must consult residential leaseholders of the Council before entering into a qualifying long-term agreement ("QLTA") for the provision of services or works (s20 of the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003). A QLTA is an agreement which will last for a duration of more than 12 months. Consultation is not however required if costs incurred in any year would result in any leaseholder being recharged more than £100.
- 9.3.6 When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share

a protected characteristic and those who do not (the public sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public sector equality duty. This includes, where appropriate, completing an equality impact assessment as part of the procurement strategy, which is then considered as part of the procurement process.

9.3.7 Pursuant to CSO 9.7.01d, Cabinet has authority to approve the contract award recommended in this report. Pursuant to CSO 16.02 the Leader may allocate such decisions to the Cabinet Member with the relevant portfolio responsibilities. The Assistant Director of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in the report.

9.4 Equality

9.4.1 The council has a Public Sector Equality Duty (PSED) 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.

9.4.2 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.

9.4.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

9.4.4 The decision in question is regarding the award of a contract for Planned Preventative Maintenance, Responsive Repairs and L8:2013 Compliance for Water Storage and Distribution Systems.

9.4.5 This decision is not expected to have any impact on equalities in Haringey and is expected to have a neutral impact on those who share protected characteristics.

9.4.6 As an organisation carrying out a public function on behalf of a public body, the chosen 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 of the major works does not result in any preventable or disproportionate inequality.

10 Use of Appendices

None

11 Local Government (Access to Information) Act 1985

None

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

Document is exempt

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