



## NOTICE OF MEETING

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# Cabinet Procurement Committee

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TUESDAY, 28TH OCTOBER, 2008 at 18:30 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Councillors Adje (Chair), Bevan, Meehan and Santry

### AGENDA

1. **APOLOGIES FOR ABSENCE (IF ANY)**
2. **URGENT BUSINESS**

The Chair will consider the admission of any late items of urgent business. Late items will be considered under the agenda item where they appear. New items will be dealt with at item 16 below. New items of exempt business will be dealt with at item 25 below.

3. **DECLARATIONS OF INTEREST**

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest **and** if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct **and/or** if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

4. **MINUTES (PAGES 1 - 8)**

To confirm and sign the minutes of the meeting of the Procurement Committee held on 30 September 2008.

**5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS**

To consider any requests received in accordance with Standing Orders.

**6. SUPPORTING PEOPLE MENTAL HEALTH SERVICES CONTRACT (PAGES 9 - 28)**

(Report of the Director of Adult, Culture and Community Services): To seek agreement to award contracts for supporting people mental health services following a tendering exercise.

**7. BENEFITS AND LOCAL TAXATION BILL PRINTING CONTRACT (PAGES 29 - 36)**

(Report of the Director of Corporate Services): To seek approval to the contract award for Benefits and Local Taxation Bill Printing Services.

**8. DRUGS INTERVENTION PROGRAMME CONTRACT WAIVER (PAGES 37 - 42)**

(Report of the Assistant Chief Executive – Policy, Performance, Partnerships and Communication): To request a waiver of Contract Standing Order 6.04 (Requirement to Tender) in relation to the Drugs Interventions Programme for the period 1 April 2009 to 31 March 2010.

**9. BUILDING SCHOOLS FOR THE FUTURE - CORRECTION OF THE AWARD AMOUNT ON THE PRE-CONSTRUCTION AGREEMENT REPORT FOR PARK VIEW ACADEMY (PAGES 43 - 46)**

(Report of the Director of Children and Young People's Service): To seek approval to award a greater value contract sum to the BSF Constructor Partner than that in the pre-construction agreement for Park View Academe agreed on 12 June 2008.

**10. BUILDING SCHOOLS FOR THE FUTURE - PRE CONTRACT DEMOLITION WORKS AT GLADESMORE SCHOOL (PAGES 47 - 50)**

(Report of the Director of Children and Young People's Service): To inform the Committee of a contract variation for pre-contract demolition works at Gladesmore Community School approved by the Director of Children and Young People's Service in accordance with Contract Standing Order 13.03.

**11. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 PHASE WG8 - DEVONSHIRE HILL LANE N17 (PAGES 51 - 58)**

(Report of the Director of Urban Environment): To award the contract for Phase WG8 of the Wood Green Decent Homes programme for 2008/09.

**12. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 PHASE WG11- WEIR HALL ROAD N18 (PAGES 59 - 66)**

(Report of the Director of Urban Environment): To award the contract for Phase WG11 of the Wood Green Decent Homes programme for 2008/09.

**13. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG12 - WEIR HALL AVENUE N18 (PAGES 67 - 74)**

(Report of the Director of Urban Environment): To award the contract for Phase WG12 of the Wood Green Decent Homes programme for 2008/09.

**14. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG13 WEIR HALL AVENUE (FLATS) N18 (PAGES 75 - 84)**

(Report of the Director of Urban Environment): To award the contract for Phase WG13 of the Wood Green Decent Homes programme for 2008/09.

**15. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG14 - BARCLAY ROAD N18 (PAGES 85 - 92)**

(Report of the Director of Urban Environment): To award the contract for Phase WG14 of the Wood Green Decent Homes programme for 2008/09.

**16. NEW ITEMS OF URGENT BUSINESS**

To consider any items admitted at 2 above.

**17. 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 6 - 15 which appear earlier on this agenda.

**18. SUPPORTING PEOPLE MENTAL HEALTH SERVICES CONTRACT (PAGES 93 - 98)**

(Report of the Director of Adult, Culture and Community Services): To seek agreement to award contracts for supporting people mental health services following a tendering exercise.

**19. BENEFITS AND LOCAL TAXATION BILL PRINTING CONTRACT (PAGES 99 - 100)**

(Report of the Director of Corporate Services): To seek approval to the contract award for Benefits and Local Taxation Bill Printing Services.

**20. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG8 - DEVONSHIRE HILL LANE N17 (PAGES 101 - 102)**

(Report of the Director of Urban Environment): To award the contract for Phase WG8 of the Wood Green Decent Homes programme for 2008/09.

**21. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG11 - WEIR HALL ROAD (PAGES 103 - 104)**

(Report of the Director of Urban Environment): To award the contract for Phase WG11 of the Wood Green Decent Homes programme for 2008/09.

**22. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG12 - WEIR HALL AVENUE N18 (PAGES 105 - 106)**

(Report of the Director of Urban Environment): To award the contract for Phase WG12 of the Wood Green Decent Homes programme for 2008/09.

**23. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG13 - WEIR HALL AVENUE (FLATS) N18 (PAGES 107 - 108)**

(Report of the Director of Urban Environment): To award the contract for Phase WG13 of the Wood Green Decent Homes programme for 2008/09.

**24. WOOD GREEN DECENT HOMES PROGRAMME 2008/09 - PHASE WG14 - BARCLAY ROAD N18 (PAGES 109 - 110)**

(Report of the Director of Urban Environment): To award the contract for Phase WG14 of the Wood Green Decent Homes programme for 2008/09.

**25. NEW ITEMS OF EXEMPT URGENT BUSINESS**

To consider any items admitted at item 2 above.

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and Member Services  
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20 October 2008

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

Councillors Adje (Chair), \*Bevan, \*Meehan and \*Santry

\*Present

MINUTE NO.	SUBJECT/DECISION	ACTION BY
<b>PROC37.</b>	<p><b>APOLOGIES FOR ABSENCE</b>(Agenda Item 1)</p> <p>An apology for absence was submitted by the Chair. In Councillor Adje's absence Councillor Meehan took the Chair.</p> <p>(Councillor Meehan in the Chair)</p>	
<b>PROC38.</b>	<p><b>MINUTES</b>(Agenda Item 4)</p> <p><b>RESOLVED:</b></p> <p>That the minutes of the meeting held on 2 September 2008 be approved and signed.</p>	HLDMS
<b>PROC39.</b>	<p><b>BUILDING SCHOOLS FOR THE FUTURE EXTENDED TRIBAL GROUP CONTRACT</b> (Report of the Director of the Children and Young People's Service - Agenda Item 6)</p> <p>We received a verbal report on how the current Programme Support Office team would facilitate the handover of responsibilities to Council staff through a combination of group and one to one training sessions, on the job coaching and regular performance feedback. In addition, the Programme Management Office were in the process of documenting a low level reference guide to tools that might be used during transition and after existing staff had left the team.</p> <p>As Council staff took on the responsibility for a service, the handover of ownership of that service would be carried out in an incremental approach to reduce the risk of any significant decrease in service and to allow opportunity for the new owner to feel comfortable with the process and give them enough opportunity to have their work reviewed and to ask questions.</p> <p><b>RESOLVED:</b></p> <p>1. That the proposed extension of the existing contract with the Tribal Group for the provision of consultancy services by a total of £499,200 to be made up of two tranches to enable the provision of services to support for the BSF Programme to continue and to transfer skills to Council staff as follows be noted :</p> <ul style="list-style-type: none"> <li>• £328,200 for September to December 2008; and</li> <li>• £171,000 for January to March 2009</li> </ul>	DCYPS

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	<p>2. That of the total £499,200 extension enabling the Tribal Group consultancy services to be provided to March 2009, approval be granted to an initial sum of £328,200 to enable consultancy services to continue to be provided by the Group to 31 December 2008.</p> <p>3. That the Chief Executive and/or the Director of Corporate Resources in consultation with the Cabinet Member for Children and Young People be authorised to approve the further sum of £171,000 to Tribal Group consultancy services for the period 1 January to 31 March 2009 if required.</p>	<p>DCYPS</p> <p>DCYPS/ CE/DCS</p>
<p><b>PROC40.</b></p>	<p><b>IT SOFTWARE LICENCE RENEWAL AND MAINTENANCE FRAMEWORK AGREEMENT</b> (Report of the Director of Corporate Resources - Agenda Item 7)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p><b>RESOLVED:</b></p> <p>1. That, in accordance with Contract Standing Order 11.03, approval be granted to the establishment of a Council Framework Agreement for IT Software Licence Renewal and Maintenance.</p> <p>2. That the Framework Agreement be established for a period of three years with the option to extend for a further year based on satisfactory performance.</p> <p>3. That approval be granted the appointment of the service providers listed below to the Framework, on the basis that they submitted the most advantageous tenders that best suit the Councils' requirements –</p> <p>Trustmarque Solutions Ltd.; Civica Services Ltd.; and Netstore plc.</p>	<p>DCS</p> <p>DCS</p> <p>DCS</p>
<p><b>PROC41.</b></p>	<p><b>AWARD OF DESIGN, PRINT AND ASSOCIATED SERVICES FRAMEWORK AGREEMENT</b> (Report of the Assistant Chief Executive (Policy, Performance, Partnerships and Communications) - Agenda Item 8)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p>	

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	<p>Clarification was sought of how many of the service providers recommended for inclusion on the Agreement were based in Haringey and how many of them offered apprenticeship schemes. Officers present at the meeting were not able to answer the question and we asked that all Members of our Committee be provided with a written response.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That approval be granted to the establishment of a Council Framework Agreement for Design, Print and Associated Services, as allowed under the European Union Directive on public procurement (the Consolidated Directive), as implemented in the UK by the Public Contracts Regulations 2006, and in accordance with the Council's Contract Standing Orders.</li> <li>2. That the Framework Agreement be established for a term of three years with the option to extend for a further year based on satisfactory performance.</li> <li>3. That approval the appointment of the service providers listed below to the Framework, on the basis that they submitted the most advantageous tenders that best suit the Council's requirements –</li> </ol> <p><b>Printing Firms</b>  Accultih 76 Limited  Blackhammer Limited  CGI Europe Limited  Dashwood Print Limited  Drakeford Press  Financial Data Management Limited  Fraser Hamilton Associates  Integrated print Solutions  JB Print and Copy  PWPFS  Redlin Print Limited  Stoney Printing Services  The Maypole Press</p> <p><b>Design Agencies</b>  Acumen Design Consultancy  Allcot Limited  B3 Creative  Crescent Logde Design Limited  DC Group (UK) Limited  Engage Group Limited  Fever Design Limited  Fruition  Good Impressions  Haime and Butler Designers  Hunter Lodge Design Limited  N1 Creative Limited</p>	<p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p> <p>ACE-PPPC</p>
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**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	<p>New Brand Vision Nim Associates Oculus Design and Communications Perivan Limited Point 6 Design Limited Promotion Line Limited Radius Design Consultants Limited Rima Design Limited St Cross Creative Services Limited The Team Brand Communications Wisdom Cannell Limited Wonderberry UK Ltd</p>	
<p><b>PROC42.</b></p>	<p><b>DRUG INTERVENTIONS PROGRAMME CONTRACT EXTENSION: 2008 – 09</b> (Report of the Assistant Chief Executive (Policy, Performance, Partnerships and Communications) - Agenda Item 9)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the period covered by the extension now sought had already commenced and we asked that officers ensure that such an oversight should not be repeated. We were informed that if the extension now sought was approved until 31 March 2009 then the contract would be the subject of a competitive tendering process in the intervening period.</p> <p><b>RESOLVED:</b></p> <p>That approval be granted to the extension of the Drugs Intervention Programme contract with CRi for the 12 month period 1 April 2008 to 31 March 2009 in the sum of £1,102,194.</p>	<p>ACE- PPPC</p> <p>ACE- PPPC</p>
<p><b>PROC43.</b></p>	<p><b>DISABLED ADAPTATIONS FRAMEWORK AGREEMENT: AWARD OF CONTRACT</b> (Report of the Director of Adult, Culture and Community Services - Agenda Item 10)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p>It having been noted that works would be carried out to public sector clients and private sector clients under the Disabled Facilities Grant, clarification was sought of the position with regard to placing charges on private sector properties where disabled adaptations works had been carried out. We were informed that advice was being obtained on changes to the grant mechanism in relation to the powers and conditions pertaining to the imposition of charges and that a report would be brought back to Members in due course.</p>	



**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	<p><b>RESOLVED:</b></p> <p>That in accordance with Contract Standing Order 11.03, approval be granted to the establishment of a Framework Agreements for the provision of disabled adaptations works with the contractors identified below for a period of two years with the option to extend the framework agreement for a further two years on an annual basis subject to satisfactory performance of the companies -</p> <p>Rok; Effectable; and Mullaley</p>	DACCS
PROC44.	<p><b>MARKFIELD PARK LISTED BUILDINGS REFURBISHMENT</b> (Report of the Director of Adult, Culture and Community Services - Agenda Item 11)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p><b>RESOLVED:</b></p> <p>That, in accordance with Contract Standing Order 11.01, the contract for refurbishment works to the listed buildings in Markfield Park be awarded to T &amp; B (Contractors) Ltd. in the sum of £280,635.68 with a contract period of 15 weeks.</p>	DACCS
PROC45.	<p><b>MARKFIELD PARK PAVILION REFURBISHMENT</b> (Report of the Director of Adult, Culture and Community Services - Agenda Item 12)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that if the same contractor was appointed to undertake both the Listed Buildings Refurbishment and the Pavilion Refurbishment works then it would enable a saving to be made in the contract sums based on reduced costs for preliminaries.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That, in accordance with Contract Standing Order 11.01, the contract for the pavilion refurbishment works in Markfield Park be awarded to T &amp; B (Contractors) Ltd in the sum of £462,606.77 with a Contract Period of 22 weeks.</li> <li>2. That it be noted that subject to there being no changes to the design or specification the current assessment it was unlikely that</li> </ol>	DACCS

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	<p>there would be any increased costs during the course of the contract but that a 5% contingency allowance has been allowed within the tendered price from the tenderer for any unforeseen items.</p>	
<p><b>PROC46.</b></p>	<p><b>GEORGE LANSBURY &amp; ELIZABETH BLACKWELL HOUSE</b> (Report of the Director of Urban Environment - Agenda Item 13)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p>Reference was made to re-wiring work which had been carried out to the blocks in 1993 and we asked that officers supply Members of the Committee with details of the nature and scope of these works.</p> <p>In response to a question about the timing of the works, we were advised that it needed to be undertaken urgently and in advance of Decent Homes Programme works to these blocks. We indicated that in any future reports where work was not co-ordinated with the Decent Homes Programme an indication be given of the how long the works would otherwise have to wait and a reason for proceeding with them.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That in accordance with Contract Standing Order 11.01(a) approval be granted to the award of the contract for the upgrading of electrical installations and upgrading of the satellite television services in preparation for the digital conversion at George Lansbury House and Elizabeth Blackwell House to Raytell Electrical Services Ltd. in the sum of £1,255,195.49.</li> <li>2. That the total fees for the project of £148,929 be noted.</li> </ol>	<p>DUE</p>
<p><b>PROC47.</b></p>	<p><b>WINKFIELD ROAD, CEDAR HOUSE, DAPHNE HOUSE, TREDEGAR ROAD - REWIRING AND INTEGRATED RECEPTION SYSTEM</b> (Report of the Director of Urban Environment - Agenda Item 14)</p> <p>The Appendices to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>1. That, in accordance with Contract Standing Order 11.01(a), approval be granted to the award of the contract for the upgrading of electrical installations and upgrading of the satellite television services in preparation for the digital conversion at Winkfield Road, Cedar House, Daphne House and Tredegar Road to Purdy Contracts Ltd in the sum of £769,079 with a</li> </ol>	<p>DUE</p>

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE  
TUESDAY, 30 SEPTEMBER 2008**

	contract period of 28 weeks.	
	2. That the total fees for the project of £110,824 be noted.	

GEORGE MEEHAN  
In the Chair

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Agenda item:

**[No.]****Procurement Committee****On 28 October 2008**

Report Title: **Approval to award contracts for Supporting People Mental Health Services**

Forward Plan reference number (if applicable): **[add reference]**

Report of: **Director of Adults, Culture and Community Services**

Wards(s) affected: **All**

Report for: **Key**

**1. Purpose (That is, the decision required)**

- 1.1 To seek Committee agreement to award contracts for Supporting People Mental Health Services following a tendering exercise
- 1.2 The report sets out the background of the commissioning process and the tender exercise itself as well as the outcomes of the tender evaluations.

**2. Introduction by Cabinet Member (if necessary)**

- 2.1 It is evident that floating support and accommodation based support services for people with mental health issues play a vital role in enabling and sustaining the independence of service users in the borough.
- 2.2 The contracts offered will deliver more flexibility in the way such support is provided and will enable individuals to maintain good mental health, live independently and support access to benefits, education, training and employment.
- 2.3 The contracts will support the delivery of the emerging personalisation agenda, which gives residents far greater control over the resources used to provide care.
- 2.4 The council is committed to this ambitious agenda and is anxious to ensure that a key contribution is made in terms of the support services provided in mental health.
- 2.5 For these reason, I am happy with and support the approach detailed in this report, in order to ensure a quality flexible service with providers that offer quality and value for money

### 3. Recommendations

3.1 To award three contracts to deliver housing and community based support services (Supporting People funded) for residents with significant mental health needs in line with the findings and recommendations on award of contracts set out in section 13 and Appendix A (Exempt Information) of this report.

3.2 The contracts to be awarded for the period of 5 years, with the option of extension for a further 2 years. The contracts are due to start on the 1<sup>st</sup> November 2008.

Report Authorised by: **Mun Thong Phung, Director of Adult, Culture and Community Services**

Contact Officer:

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### 4. Director of Finance Comments

4.1 This report seeks agreement to award 3 contracts for Supporting People Mental Health Services following a successful tender exercise carried out in accordance with Contract Standing Orders.

4.2 The total value of the 3 contracts is approximately £3.3m based on the anticipated number of support hours per annum. The Supporting People Programme currently funds support for people with significant mental health needs totalling £4.2m. These contracts will replace this existing support and funding will transfer accordingly. The number of hours purchased from each supplier may vary, but the total value of the contracts must not exceed £4.2m.

4.3 It should be noted that indicative allocations of the Supporting People Welfare Grant allocation (within ABG) show that funding will reduce by 5% per annum for 2009/10 and 2010/11. Plans are in place to ensure that committed expenditure for the whole grant does not exceed the reduced grant.

4.4 These contracts are due to commence on 1<sup>st</sup> November 2008 for 5 years, with a possible extension to 7 years. There has been no indication for CLG regarding grant allocation beyond 2010/11. However these contracts allow for a reduction in service level in line with the available grant

**5. Head of Legal Services Comments**

5.1 See Appendix A.

**6. Head of Procurement Comments**

6.1 The Councils intention is to award three separate contracts across the borough (East, Central and West) and tenders were invited on this basis.

6.2 Each contract has been evaluated individually, with the majority of suppliers bidding for all three contracts.

6.3 These Supporting People Mental Health contracts are critical to the Well Being of residents who depend upon these services.

6.4 The Council therefore needs to base its contract award decisions on overall Best Value and having regard to ensuring consistent service delivery and effective risk management.

6.5 The contracts have therefore been allocated in descending order of size and to the three bidders that offered overall best value.

6.6 Also see Appendix A for further comments

**7. Local Government (Access to Information) Act 1985**

7.1 Supporting People Grant Directions 2008/09 (issued by CLG)

7.2 Supporting People Grant Conditions 2008/09 (issued by CLG)

7.3 Supporting People Five Year Strategy 2005 – 2010 (approved by Council Executive on 22 March 2005)

7.4 Haringey Supporting People Value for Money Policy (Approved by Haringey's Supporting People Partnership Board on 12 September 2006)

7.5 Health, Social and Quality of Life Needs in People with Mental Health Problems: Matching Housing Related Support to Need in Haringey (report commissioned by Haringey Supporting People, completed in 2005)

7.6 Procurement Committee Report 13 February 2007 – Supporting People Steady State Contracts

7.7 Please refer to Appendix A for exempt items

**8. Strategic Implications**

8.1 In 2006 the Government launched its key policy initiative to radically reform the way health and social care services are designed, developed and delivered to those that need them. Its ambitious agenda was set out in 'Our Health, Our Care, Our Say', which was then followed by the Government's proposed Commissioning Framework for Health and Well being that was launched in 2007.

8.2 Both documents pointed to a fundamental shift away from centrally commissioned services, where patients and users of services are offered limited choice and control, towards provision more specifically tailored to meet individual aspirations and needs. A key component in this shift is the strong

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emphasis on people needing support and care being directly in control of the resources used to design and purchase what they need.

8.3 Another key feature of these reforms is the shift away from the 'cost and volume' approach to commissioning and purchasing, where the emphasis is on the volume of services provided at the most economic price, towards determining the success of provision against the achievement of demonstrable quality outcomes. For example many existing contracts might emphasise an increase in the number of residents supported as a mark of success, whereas the Government's new emphasis is on whether services can demonstrate that they have achieved a tangible improvement in a person's quality of life, health and ability to participate fully in society.

8.4 To help strengthen this approach a broad partnership of Government Departments, including Health, Communities and Local Government and Work and Pensions and both statutory and non statutory agencies, including the National Health Service, Commission for Social Care Inspection and the Local Government Association, committed themselves to a long term strategy of giving people needing support and care direct control of the budgets and other resources used to provide their services. This commitment was expressed in 'Putting People First – A Shared Vision and Commitment to the Transformation of Adult Social Care'.

8.5 Much of the debate and proposed changes around this commitment has centred on users of services being given Individualised Budgets (IBs), where someone needing services would have a much greater control over the public funding used to purchase the support and care they need. However, it also extends to NHS Primary Care Trusts and Local Authorities coming up with more innovative approaches to the development of and access to services, which offer local residents greater flexibility and choice.

8.6 At the heart of these reforms is the Government's challenge to public bodies and the provider sector to develop services based on the more robust understanding of the long term need and demand for services and that can evidence real positive outcomes for individual users of services. This aim is expressed through the requirement on local NHS services, local authorities and their statutory and non statutory partners to develop a long term Joint Strategic Needs Assessment (JSNA) and to assess the success of public investment against Local Area Agreement Targets.

8.7 The Government is committed to supporting public bodies and local authorities in particular, in taking this agenda forward over the next three years and the Council is currently working up its plans in relation to personalisation and individual budgets.

8.8 It is within this context that the services and proposed contracts covered by the tender detailed in this report have been developed. The new services represent a significant departure in how the Council and its partners commission services for people with significant and enduring mental health



needs. They represent a shift away from support that simply maintains independence; to more targeted help that enables local residents achieve their life goals and aspirations. They also represent a stepping stone from bulk purchased services to services that are arranged by the service user based on their specific requirements and wants. They offer a useful platform to support personalisation and individual budgets. The new contracts will offer great flexibility through the provision of hourly purchasing and service providers being required to offer more specific skills to meet need e.g. a business advisor to help a service user set up their own business or social enterprise.

8.9 The proposed services will be required to deliver and evidence positive outcomes against at least three targets in Haringey's Local Area Agreement:

- NI 141 – number of vulnerable people achieving independent living
- NI 149 – number of adults in secondary mental health services in settled accommodation
- NI 156 – Number of Households in Temporary Accommodation

8.10 In addition the services success will also be monitored against a framework of nationally determined quality and outcome measures that aim to support improvements in independence, social mobility, social inclusion, economic well being, health and equalities. Against both these outcomes and LAA measures, the contracts will allow the Council to set annual targets that will be linked to financial and service delivery incentives.

8.11 A key consideration to the development of the proposed contracts and services was the results of a need survey jointly commissioned by the Council and Haringey NHS TPCT in 2005. This survey looked at both the met and unmet support needs of residents with significant mental health needs living in support housing in the Borough and those using intensive rehabilitative services. Overall the findings pointed to the need to provide more intensive support, with a greater level of involvement and intervention from services. Residents receiving lower support were found to be coping far less well than those receiving medium to high support. The findings also pointed to the need for more targeted and specialist interventions to address the following significant areas of unmet need:

- Over-representation of individuals from the following ethnic groups: Black British, Black African and Black Caribbean, with these groups representing 60% of people using supported housing services for people with mental health needs
- The majority had children under 18 but the majority either had limited or no access to their children
- The majority had no qualifications
- 80% of participants were unemployed
- Only 24% in low level support services identified their food and hygiene needs being met

- 43% admitted to some form of drug use and 20% had significant histories of drug and alcohol misuse
- A large number of residents reported serious physical problems, the most prevalent being obesity (29%), cardiovascular problems (15.4%), mobility (12%) and gastrointestinal problems (9.1%)

8.12 A key conclusion arising from the report findings was that the majority felt that they had little prospects in life; that not much was going on for them and that they were very lonely. The key themes for unmet need for each level of need were:

High	Day-time Activities Company Intimate Relationships	26.7% 20.0% 6.9%
Medium	Intimate Relationships Company Day-time Activities Child Care Food Money	34.6% 21.2% 17.3% 13.5% 9.6% 9.5%
Low	Company Intimate Relationships Child Care Daytime Activities Physical Health Sexual expression	31.3% 25.0% 18.6% 12.5% 12.5% 12.5%

8.13 These facts offered clear evidence of the need to provide a better and comprehensive range of community based packages of services and initiatives that are designed to provide improved choice and better outcomes.

8.14 The research confirmed assumptions that the majority of residents using and needing these services had active and chronic mental health conditions linked to challenging and complex needs. Given that the Borough has one of the highest populations of people with significant mental health conditions in London and a high level of admissions to acute wards, there is an evident need to provide well resourced specialist housing and community support services to residents living with poor mental health. This is why the Supporting People Partnership Board has prioritised funding for these services.

8.15 If the requirements and performance outcomes detailed above are achieved, then the new services are anticipated to significantly relieve the pressure on statutory community mental health services through improved

service delivery, throughputs and targeted improvements in resident's health and well being. The pressure on acute mental health services will be decreased through the requirement on new services to measurably prevent hospital admissions.

## **9. Financial Implications**

9.1 Haringey's Supporting People Partnership Board has already committed Haringey's SP programme to funding the services covered by this report over the next 5 to 7 years. The current spend on Supporting People funded support for people with significant mental health needs is £4.2 million per annum and this is the level of annual spend committed to the new services under this tender. It is a Government requirement that all key strategic and funding decision on Supporting People funded services are made through the Partnership Board with a voting membership comprising the Council, Haringey NHS TPCT and London Probation.

9.2 It should be noted that Haringey's Supporting People grant allocated by the Government, which currently stands at £20.6 million per annum, will be reduced by 5% per annum over the next two years. This will require a two year expenditure reduction amounting to £2.0 million. The programme has been very successful in achieving past significant Government grant reductions, through the effective applications of its value for money policies and tools and its robust approach to service review and performance monitoring.

9.3 The Council has also been successful in working effectively with statutory and non statutory partners in determining the strategic priorities for the Borough's SP programme and using this to determine where service reductions can be achieved, without affecting key services. These frameworks are being applied to achieve the further expenditure reductions needed. The Supporting People Partnership Board is already developing a long term funding plan for 2009 onwards, in consultation with all relevant statutory and non statutory partners and based on further more detailed examination of service performance and needs data. There is already evidence of the over supply of services in some sectors of the programme and action is already being taken to reduce capacity in these sectors to achieve the savings needed. However, for the reasons referred to in paragraphs 7.11 to 7.14 the SP Partnership Board has agreed to continue funding mental health services within the Supporting People programme at their current level for at least the next 5 years.

9.4 Therefore, the Council is in the financial position to award 5 year contracts with the option to extend for a further two years.

9.5 Five year contracts are being recommended to offer local residents stability in service delivery but with the aim built into the contract to move to Individual Budgets. This is partly driven by the fact that a key element of these contracts will be the delivery of intensively supported housing, where the resident's accommodation will be linked to the support service. Apart from not

wanting to disrupt these arrangements for people who have long term complex needs, potential providers may be required to invest capital in developing these projects making shorter term contract more risky and less attractive to the best providers. New systems are also required to deliver the support services in addition to considerable flexibility being built into the contract specification related to future development. Again this level of investment may be potentially very risky when linked to much shorter contract terms.

9.6 Overall this investment will be split between 3 contracts, which are geographically co-terminus with statutory community mental health services. This is designed to offer local residents seamless and joined up services. The actual amount spent on each contract will be pro rata according to the number of support hours purchased and delivered. The current proposed hours to be purchased are stated in the Table 1 below.

Table 1

	Number of Support Hours to be Purchased each year	Approximate Number of Support Hours per quarter
East	<b>60300</b>	<b>15075</b>
West	<b>34560</b>	<b>8640</b>
Central	<b>47040</b>	<b>11760</b>
	<b>141900</b>	<b>35475</b>

9.7 Based on Table 1 and the hourly rates submitted by the successful bidders (as proposed in appendix A), the proposed annual contract values for each contract are as follows – See Table 2 below:

Table 2

	Proposed Provider (as detailed in Appendix A)	Proposed Price Per Support Hour	Number of Support Hours to be Purchased each year	Proposed Minimum Annual Contract Price
East	<b>Bid B</b>	<b>£22.13</b>	<b>60300</b>	<b>£1,334,439</b>
Central	<b>Bid A</b>	<b>£24.10</b>	<b>47040</b>	<b>£1,113,664</b>
West	<b>Bid D</b>	<b>£24.93</b>	<b>34560</b>	<b>£831,580</b>
<b>Total</b>			<b>141900</b>	<b>£3,279,683</b>

9.8 Additional investment will be met from NHS TPCT and Health budgets where the support and care needs of residents using these services are substantial. The contracts allow for the spot purchase of additional support hours over an above those specified in Table 1. The contracts require that these additional hours are delivered by appropriately recruited, experienced and qualified sessional and bank staff and not through agency staff. However, the maximum upper Supporting People spend covering all three contracts will be limited to no more than £4.2 million per annum.

9.9 It should be noted that once the new contracts and services are up and running with the emphasis on achieving significant positive outcomes on preventing hospital admission, it is anticipated that by year 2 of their operation they will start relieving pressure on acute inpatient services. It should also be noted that as the focus of the new contracts is on offering intensive rehabilitative support, designed to enable residents with complex needs to become significantly more independent and involved in their communities, the services will allow step down for many residents in long term residential care. It is planned that this will release resources for investment in other community statutory and non statutory mental health services.

9.10 This dovetails with the plans of Haringey NHS TPCT and BEH Mental Health Trust to shift resources towards community based treatment and care. However, it should be noted that further discussions are needed with BEH Mental Health Trust on the implementation of these contracts and new services alongside it's plans to close the Finsbury Ward at St Ann's Hospital. These discussions will proceed with the new providers, once the award of contracts is concluded.

9.11 This tender evidently represents a major change in contracting and service arrangements reducing 13 contracts down to three and changing the emphasis and focus of what services deliver. This will affect both how current staffing arrangements are managed and the focus of what staff do, including the skills and aptitude required. There are also implications in terms of relationships and arrangements with landlords, as many existing providers offer both accommodation and support.

9.12 These issues are fully covered by the specification in terms of the provider's requirements and obligations both to address TUPE issues, relationship with existing landlords and other transitional arrangements.

9.13 It should be noted that the existing bridging contracts with existing providers will expire by the time the new contracts and services are up and running.

## **10. Legal Implications**

10.1 See Appendix A.

## **11. Equalities Implications**

11.1 Paragraph 8.11 of this report details the comprehensive needs assessment that was used to inform the development and commissioning of the services covered by this tender. This research extensively considered the ethnicity, cultural background, languages spoken, faith gender and sexuality of residents with mental health needs who require specialist housing and community support services. The research also considered the met and unmet needs identified by residents and the professionals working with them and the barriers that prevent residents with mental health needs from achieving improved health, economic and social outcomes.

11.2 The findings of the research are fully explored and catered for in the contract service specification. It is worth noting that in comparison to the demographic make up of Haringey there is currently an over-representation of service users of African and Caribbean origin. There are also more male than female service users. Amongst the many requirements in the specification designed to meet the requirements identified by the research, is that the services must provide support workers who can cover all the principle languages spoken in the Borough.

11.3 It should be noted that the tender evaluation placed considerable emphasis on providers being able to demonstrate and ability to innovative provide services to a diverse community.

## 12. Consultation

- 12.1 Residents using existing services, their Support Workers, providers and statutory partners were extensively consulted during 2006 and 2007 on what they would like the new services to do and how they should be delivered. Both Service Users and Providers were invited to a series of consultation sessions where they were given the opportunity to contribute directly to the development of proposed service specifications and also to tell us what they would like the new services to look like. The outcomes of these consultations formed the basis for new service specifications and contract requirements.
- 12.2 Haringey's Corporate Voluntary Sector Team provided extensive support to small providers wishing to engage in the tendering exercise. They were given information, intensive support and advice on forming consortia and partnerships to help them effectively respond to the tender. This framework was also used to assist the Council in developing its approach to the procurement so that it was in line with the requirements of Haringey's Compact and which would enable local providers to bid.
- 12.3 Existing forums were also used to keep both providers and other stakeholders informed of developments and progress.
- 12.4 Statutory stakeholders were consulted alongside providers and services users and it was as a result of these consultations that it was suggested that we have geographically divided contracts which would correspond with the geographical division of the Community Mental Health Teams. This arrangement was approved by the Supporting People Partnership Body.

## 13. Background

- 13.1 The Supporting People Programme is designed to offer specialist housing and community support services to a wide range of vulnerable residents. These services are designed to prevent homelessness, admission to institutions and to promote their social inclusion and well being. The Borough receives a central Government grant to fund these services, which is governed by a strict set of Government grant requirements, guidance and quality and performance frameworks. Haringey's Council has the statutory responsibility to manage the local programme, which includes contracting and performance management. The Council is also responsible for supporting the strategic commissioning function of Haringey's Supporting People Partnership Board (described in 9.1 above). Overall Haringey's SP programme provides 141 services, managed by over 80 providers supporting over 9,000 vulnerable households in Haringey. These services are currently worth just over £20 million per annum.

- 13.2 The services are funded from an SP grant allocated by the CLG in accordance with their distribution formula. In Haringey, mental health is funded by £4.2 million out of the total of £20 million allocated to LB Haringey. There are currently around 300 service users with mental health issues in receipt of services funded through the Supporting People Programme. Currently there are 23 services targeted at mental health service users in the programme, provided by 13 providers. The providers are a mixture of third sector and voluntary providers and private sector providers.
- 13.3 The original interim SP contracts were set up in accordance with Government requirements, covering all services that transferred into the SP programme in April 2003. Most services had previously been funded through a variety of public funding sources and had not been specifically commissioned by the Council. Under the same Government grant requirements all these services were reviewed according to nationally determined quality and performance frameworks. The reviews revealed that with the exception of perhaps two or three, most services represented poor value for money in terms of quality and meeting service users' needs. Two providers have already had their services decommissioned, due to quality concerns and the remaining services are covered by two year bridging contracts approved by the Procurement Committee in February 2007.
- 13.4 In 2005 the Council and NHS TPCT commissioned a Needs Mapping Study into the needs of people living with severe and enduring mental illness. Overall the study concluded that current provision does not meet service users' needs to a satisfactory level.
- 13.5 The new services are designed to support service users both in accommodation based projects, with staff on site 24 hours a day, and in their own homes, in form of floating support. Some of the existing shared accommodation units are currently being redeveloped into self contained flats or studios. The emphasis is on supporting residents in achieving their own defined goals and aspirations, while at the same time ensuring that they receive the highest quality support designed to maintain their independence and admission to hospital.
- 13.6 The new contracts will have built in flexibility, allowing the Council to purchase additional support hours but also to reduce the number of contracted hours purchased by up to 30%. This will allow the services to respond to the emergence of individual budgets and any increased demand caused by changes in inpatient mental health services. This will be of great benefit should there be any changes to inpatient service provision. In summary the specification aims are as follows:
- Meeting the needs of service users as highlighted in Needs Mapping Study



- Sustaining tenancy, preventing homelessness and admission to hospital
- Services that are able to demonstrably achieve good quality outcomes for local residents and which significantly contribute to Local Area Agreement and other targets of the Borough, with robust monitoring systems agreed with the Council to measure these
- Promotion of healthy lifestyles, social and civic involvement, improved education and employment prospects etc..
- Ability to deliver services to people with complex needs, including secondary issues such as drug & alcohol abuse, offending histories and without having to refer residents onto other services
- Provision of intensive rehabilitative services offering easy access to 24/7 intensive care and support and out of hours on call system for service users living in their own homes
- Services purchased based on the number of support hours actually delivered linked to the needs and specification of residents using services
- Measuring specific outputs such as number of referrals, caseload, successful move on, reasons for leaving service, etc,...
- Contracts linked with long term statutory Mental Health Care Teams but also able to flexibly deliver across borough as and when required and in response to the requirements specified by residents using these services
- Residents being able to more highly specify how their support is delivered, including being able to request the delivery of more specialist help e.g. targeted support to set up a business, learn an a musical instrument etc.
- Provision of highly experienced and skilled staff

A full copy of the specification is available on request by contacting Mathew Pelling – Commissioning Manager

13.7 The consultation process described in Section 11 informed the subsequent decision to offer up to three area based contracts covering all aspects of the specified service.

### ***Approach to Tendering***

13.8 In 2007 the Council's Supporting People Team gathered information from providers relating to existing properties in accommodation based services as well as workforce information for TUPE purposes, while the service specification was being further developed by analysing information from other local authorities.

13.9 Advertisements inviting expressions of interest were published in various publications at the beginning of July 2008. Due to the anticipated volume of interest the decision was taken to use a restricted process, where providers were required to submit Pre Qualification Questionnaires (PQQ) for evaluation and short-listing to be considered to be invited to tender.

13.10 By the closing date of 25 February 2008 in total 97 providers expressed interest, fifty completed pre-qualification questionnaires were received within the required timescale. The organisations that returned questionnaires ranged from small local providers to large national companies. Several indicated that should they be successfully short-listed to tender, the intended to set up a consortium to formulate a subsequent bid.

13.11 The PQQs received were evaluated by a team of specialist officers gathered from around the Council in compliance with Haringey's criteria, including: the organisation, ability to deliver, Quality, Environment/Sustainability, Financial Status, Organisational Legitimacy, Equal Opportunities and Health and Safety, with double weighting awarded in financial, quality and organisational legitimacy categories, as these are deemed to be the strongest indicators of robustness and sustainability of any company. A total of 17 companies and consortia passed the evaluation process and were considered to have the relevant skills and experience to provide the required level of service, these were subsequently invited to tender. Unsuccessful organisations received feedback on request. Those organisations that were invited to tender were again a mixture of national and local providers.

13.12 Seven companies (3 consortia and 4 individual organisations) submitted their tender bids by the deadline of 21 July 2008.

13.13 All seven bids were considered compliant and therefore eligible for consideration. Bids were evaluated, in compliance with Haringey's criteria by a Tender Evaluation Team made up as follows:

Table 3

Siobhan Harper, Gerry Atkinson, Mathew Pelling	Quality, Value for Money
Carol Engwell	Personnel/HR
Inno Amadi	Equal Opportunities
Dave Cope	Health and Safety
Ben Brown	Environment, Sustainability
Mathew Pelling, Nick Crago	Site Visits

13.14 All seven bidders were also invited for interviews and presentations. The evaluation panel consisted of following professionals:

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upportingPeople0.doc

Table 4

Mathew Pelling	Commissioning, Supporting People
Nick Crago	Supporting People
Siobhan Harper	Mental Health Commissioning
Gerry Atkinson	Mental Health Commissioning
Janice Woodruff	Mental Health Commissioning (PCT)
Norma Johnson	Clinical Nurse Lead, PCT
Dave Cope	Health and Safety
Emily Sumner	Service User
Judy Ania	Service User

13.15 The evaluation team and the interview panel assessed all tendered bids according to the same criteria, with particular emphasis on quality of service delivery, ability to provide and keep highly skilled staff and ability to cater for service users from minority groups. The proposed price was assessed as a part of Quality Evaluation using Supporting People's Value for Money tool, which automatically calculates hourly prices, staff to service users ratios as well as overheads within the overall contract price.

13.16 The five categories assessed carried following weight:

Quality	35%
Health and Safety	15%
Personnel	20%
Equal Opportunities	20%
Environment	10%

13.17 Providers A, B and D were awarded the highest total scores (Table 4).

#### **14. Conclusion**

14.1 Following all parts of evaluation (specialist, site visits and interviews), the bidders were awarded following scores:

Table 5

Bid A	690.53
Bid B	720.48
Bid C	499.8
Bid D	658.73
Bid E	652.93
Bid F	515.54
Bid G	504.9

14.2 Given careful consideration to the overall scores, the quality of bids and presentations/interviews it was determined that the following providers had reached the required quality and deliverability thresholds:

- Bid A
- Bid B
- Bid D

14.3 The detailed evaluations are covered by Appendix A attached to this report, which covers items excluded from publication.

14.4 Based on these evaluations the following awards of contract are recommended:

- East Contract – Bid B
- Central Contract – Bid A
- West Contract – Bid D

14.5 A recommended award of these contracts to three separate providers is based on three key factors considered by the Project Board that oversaw this tender.

14.6 The first is linked to the risk of one or more of these providers either significantly failing to deliver the services against the contract or going into liquidation. As these services are delivering critical specialist housing and support services to highly vulnerable adults with significant mental health needs, it would be highly risky having to manage their needs in the event that any one of these contracts had to be brought to a premature end and an alternative provider sought. The contract specification flexibly allows for the purchase of additional support hours and for all providers to work cross Borough. The proposed contract also requires potential providers to plan for the eventuality of an increase and decrease in capacity of up to 30%. These provisions allows the Council to act quickly in sourcing the support needed by residents, where any one of the contracts and services has to be brought to a premature end.

- 14.7 The second factor relates to resident and service user choice and the Government's emerging personalisation agenda. Having three contractors simply offers local residents a choice over which service provides their housing and support and this flexibility is reflected in the service specification.
- 14.8 The final factor relates to the fact that even though Bid B has the highest number of overall points and lowest hourly rate, there are relative strengths in all bids. For example one of the providers has a strong approach to the development of social enterprise and service development led by residents using services, while other bids have greater strengths in the delivery of services to residents with some specific complex needs e.g. residents whose offending history is linked to their mental health problem (forensic).
- 14.9 Overall when all three bids are put together they offer the Council and residents needing support a significant level of value added and offer the Council a much stronger provision of service.
- 14.10 Further concluding comments included in Appendix A

## **15. Use of Appendices / Tables / Photographs**

Appendix A – Recommendations on award of contracts and detailed evaluations - Exempt Information

Appendix B – Contract Monitoring Arrangements

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## **Appendix B - Contract Monitoring Arrangements**

1. The Quality of Supporting People Services are monitored in accordance with the Governments Quality Assessment Framework (QAF). The QAF covers the following areas of policy and practice:

1. Support Planning
2. Health and Safety
3. Managing Risk
4. Protection of Vulnerable Adults
5. Fair Access and Equal Opportunities
6. Complaints

In addition to the above six categories, the providers are also assessed on Value for Money and Performance Indicators and Outcomes.

2. The Framework includes a set of requirements against each of the above areas of practice that providers are expected to meet. Services are assessed and scored according to the following:

- A – Leading Practice
- B – Good Level of Quality
- C- Meets the Minimum Requirements
- D – Below Required Standards

3. Where a service is assessed as providing services that are below the required standard (level D), in any of the above areas, then providers are given an improvement plan together with timescales in order to remedy issues identified. Where a service has failed to make any improvements, notice is given and the provider is decommissioned in line with terms and conditions of their contract.

4. Haringey has uniquely developed a further area of assessment relating to Child Protection arrangements, which was developed jointly by the Supporting People Programme and the Council's Children's Services. This has been approved by Haringey's Local Safeguarding Children Board which is being rolled out to all Supporting People Providers.

5. In addition to QAF services are monitored every quarter against three services performance indicators (PIs) that focus on the availability of services, the level of service utilisation and support staffing levels. Information against these PIs are collected through a common excel workbook from all providers and the data is uploaded directly onto the Supporting People database (SPOCC). Both the workbook and the database are configured according to central government requirements.

Workbooks are also used to collect two key performance indicators (KPIs):

**KP1** – Percentage of service users who have been supported to establish and maintain independent living.

This indicator applies to services that are intended to offer support for more than two years. This could be both in accommodation based services, where a person requires support in order to prevent hospital admissions or being moved into residential care, or via floating support, where people maintain their own services.

**KP2** – Percentage of service users who moved in a planned way.

This indicator applies to services that offer short term support and which is intended to last less than two years. An example of a planned move is a service user moving from short term supported accommodation to their own home. An unplanned move may be an eviction or hospitalisation.

6. The Council undertakes a detailed analysis of both performance on a quarterly basis and reports based on this submitted to the Supporting People Partnership Board, which is chaired by the Council's Assistant Director (ACCS) for Strategic Commissioning and whose membership includes the Council's Deputy Director for Children Services and the Head of Safer Communities. It's membership also includes the Joint Head of Mental Health Commissioning and the NHS TPCT's Assistant Director for Strategy and Commissioning.
7. A programme of performance visits and monitoring will be agreed and implemented with new providers at the commencement of their contract.
8. Please refer to section 5 of the service specification for the specific performance requirements affecting the contracts and services covered by this tender.





Haringey Council

Procurement Committee

On 28<sup>th</sup> October 2008

REPORT

Report Title: **BLT Bill Printing Services**

Forward Plan reference number (if applicable): Item 3 on version 77

Report of: **Director of Corporate Resources**Wards(s) affected: **N/A**Report for: **Non-Key Decision****1. Purpose (That is, the decision required)**

- 1.1 To seek Member agreement to approve the contract award for BLT Bill Printing Services to the supplier named in paragraph 1.3 of Appendix 1.

**2. Introduction by Cabinet Member (if necessary)**

- 2.1 It is disappointing to note the lack of interest in this contract and further note the comments outlined in paragraphs 4, 5 and 6 of the report. I therefore reluctantly concur with the recommendations to enable the printing of BLT bills.

**3. Recommendations**

- 3.1 That Members agree, as allowed under Contract Standing Order (CSO) 11.03, to award the **BLT Bill Printing Services contract** to the supplier detailed in paragraph 1.3 of Appendix 1 of the Report on the basis that it submitted the most economically advantageous tender.
- 3.2 That the agreement be awarded for a period of two years with an option to extend for two further years on the basis detailed in the report.

Report Authorised by: **Julie Parker, Director of Corporate Resources**Signed: ..... *J. Parker* ..... 7/10/08.

Contact Officer: David Hatley, Acting Service Delivery Manager, telephone 020 8489 3235 email david.hatley@haringey.gov.uk

**4. Chief Financial Officer Comments**

- 4.1 The Chief Financial has been consulted over the contents of this report and would

like to highlight the following.

- 4.2 The proposed contract award appears to provide improved value to the council as the estimated annual costs will be approximately 8% less than current expenditure (£122k compared to £148k in 2007/08).
- 4.3 The risks highlighted in the report due to a limited pool of suppliers should be noted and the solution proposed in section 6.6 to improve the chance of increased competition in the future should be supported.

## **5. Head of Legal Services Comments**

- 5.1 Corporate Resources Directorate ("the Directorate") embarked on a restricted tender procedure for the provision of bill printing services for its Benefits and Local Taxation service.
- 5.2 This failed to attract sufficient competition so the Directorate made use of the OGC Buying Solutions Print Management Framework Agreement. This has been tendered in Europe and is therefore compliant with the Public Contracts Regulations 2006 ("the Regulations").
- 5.3 The Directorate made use of the mini-competition procedure in accordance with the Regulations and invited tenderers from the Framework to submit bids for the service.
- 5.4 The Directorate wishes to appoint the Contractor identified in the Appendix of this report.
- 5.5 The recommended Contractor will enter into a sub-contract with the Council's current supplier, DSI, for the provision of the service.
- 5.6 The Cabinet Procurement Committee has power to approve the Contract in accordance with Contract Standing Order 11.03.
- 5.7 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in the report.

## **6. Head of Procurement Comments**

- 6.1 This procurement exercise has clearly confirmed that Bill Printing is a specialist market and one that carries risks for both the Council and the Contractor.
- 6.2 The initial advert failed to attract sufficient competition, therefore use of the OGC Framework was considered and applied, which produced only a limited response but sufficient to demonstrate competition.
- 6.3 The Council is able to compare the expiring contract, with prices submitted from two

tenders (even though one was subsequently withdrawn).

- 6.4 The winning bidder is proposing to use the existing supplier as a sub-contractor in order to minimise bill processing risks and yet is able to bring efficiencies that offer cost savings of around 18%.
- 6.5 The Head of Procurement is therefore satisfied that the recommendations in this report will provide overall best value for the Council and that risk to service delivery have been adequately addressed.
- 6.6 The only other bidder withdrew late in the process because they felt the risks of taking on new processing to be significant and that they did not sufficiently understand related Council processes. It is suggested therefore that BLT/ICT should address this matter and require the new contractor to co-operate in producing a detailed process map and specification and for BLT/ICT to maintain its currency for when this contract comes up for renewal again. The availability of the document should hopefully attract stronger competition between bidders in the future.

## 7. Local Government (Access to Information) Act 1985

This report contains exempt and non-exempt information. Exempt information is contained in Appendix 1 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)

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

7.1 See Appendix 1 for exempt information.

## 8. Strategic Implications

- 8.1 This report describes the process to award the contract for Bill Printing Services for the Benefits and Local Taxation Unit for the Council. The agreement will run from Nov 08 for two years with the option to extend for a further two years only if the supplier is still providing good service and is affordable. If this is not the case or if we wish to test the market again at this point, we can choose to end the contract after two years and re-compete as appropriate. The contract value based on the estimated quantities provided by BLT and the supplier's quote is approximately £245,000 overall total for both years. As this is close to the threshold for Procurement Committee and as the actual value will depend on variable quantities, the recommendation has been brought to Members to approve, in case the actual spend exceeds £250,000. This contract will be funded through BLT's budget. BLT has engaged in this tender exercise and concurs with the award recommendation.
- 8.2 The use of a two year contract will bring about benefits through certainty of supply, cost and quality for this duration, with clauses in the contract intended to ensure satisfactory performance. A two year duration has been selected rather than three

years as there are other proposals being considered to achieve an increase in online billing and payment facilities as part of the Council's drive to be the greenest London Borough. This could mean that requirements may change significantly so it was considered that a review in two years' time would be most appropriate in the circumstances.

- 8.3 A robust contract with clearly stated processes and controls should ensure that bills are sent out in an accurate, timely and cost-effective way, maximising the likelihood of correct payment on time by the Borough's residents and businesses and minimising the risk of any challenge to the validity of the payment request which would delay the receipt of proper and due charges. Benefits should also be sent out in an accurate, timely and cost-effective way, providing a good service to residents in need which should have a positive impact on customer satisfaction of Council services.

## 9. Financial Implications

- 9.1 The anticipated budget for the work delivered by this tender over the two years of the contract is £245,000.
- 9.2 The contract will be paid for out of the BLT budget.
- 9.3 The contract cost includes the supply and storage of stationery by the supplier, as per our specification stated in the Invitation to Tender.
- 9.4 The rates quoted are per 1000 items. One of the suppliers has also quote a fixed monthly charge in addition to the 'per 1000 items' rates.
- 9.5 The estimated annual value of the new contract is comparable to the current value, even though this has not been increased for two years. The rate for the fixed monthly charge is reduced by approximately 18%.
- 9.6 Two bids were received. The unsuccessful bid, which has since been withdrawn, is approximately 35% higher than the recommended supplier's bid. The figures have been left in the Appendix for comparison purposes.

## 10. Legal Implications

- 10.1 See Head of Legal Services comments at paragraph 5.

## 11. Equalities Implications

- 11.1 In the Equality Public Duty Scheme adopted by the Council, the Council is committed to promoting equality through procurement.

- 11.2 The Council seeks to do this in three fundamental ways:

- i. **Equality of opportunity to tender for Council contracts.** The aim is to open up the supply chain so that all potential suppliers who are interested have the opportunity to tender through a process that is fair, transparent and accessible to all. (Equality Scheme, para 5.11 – 5.11.1)

In regard to the proposals in this report, the advert inviting an expression of interest was publicised in a range of outlets to attract as much range and diversity of potential suppliers as possible. Local Haringey journals were also used in order to attract potential local suppliers who might be interested.

The evaluation criteria and process were also made available to bidders. The highest performing tenders were interviewed and given the opportunity to present their proposals and answered questions on their submissions, and their performance evaluated against the same criteria and ratings. The requirements of accessibility, transparency and fairness are therefore satisfied in accordance with the Council's Equality Scheme in respect of procurement.

- ii. **Influencing (promoting equality with) the people we do business with.** The aim is to ensure that we continue to operate a tender process embedded with equalities criteria that are part of the Pre-Qualification Questionnaires (PQQ) and in contract performance monitoring. The PQQ was used in regard to this tender evaluation, thus complying with the Equality Scheme in respect of procurement.
- iii. **Taking account of equalities issues when drafting contact specifications.** The aim is to ensure that goods, services or works provided on behalf of the Council not only meet the fit-for-purpose and value-for-money criteria but also meet the needs of Haringey service users in all their diversity and reflect the Council's commitment to equal opportunity. We expect therefore that the eventual provider will supply training programmes that will have equalities considerations as essential components.

## 12. Consultation

12.1 Not required.

## 13. Background

- 13.1 The aim of the BLT Bill Printing contract is to deliver services that make a major contribution to some of Corporate Finance's key objectives of assisting in delivering projects to improve services and the Council's performance, maximising resources available to the Council, including cash flow and debt management and finally, delivering improvements in financial management across the Council.
- 13.2 It will do this by having robust specifications, timescales, processes and contract management in place with sound contractual conditions of the OGC Print Management framework agreement in place to fall back on if required. This should ensure that bills, reminders and final demands are issued correctly and on time to maximise the receipt of monies to the Council and that benefits correspondence

(and by implication, benefits payment) is issued correctly and on time to help improve services and the Council's performance in the opinion of benefit recipients.

- 13.3 The aim of the tender exercise is to identify quality bill printing services at a competitive price from reputable, competent suppliers to give BLT a reliable supplier with which to place its printing requirements. The approach is to agree set prices based on quantity for the defined types of bill and notice issued by the Council, whether regularly, ad-hoc or on an annual basis.
- 13.4 The contract will run for an initial period of two years, starting in November 2008. At the end of this period the Council may decide to exercise an option to continue the contract for a further two years. This decision will be taken on the basis of continued need and on the suppliers' performance and ability to maintain demonstration of value for money service provision.
- 13.5 In May 2008 adverts inviting expressions of interest were placed in the Official Journal of the EU (OJEU Bulletin), on the Haringey Website and in Muswell Hill Journal, the Hornsey & Crouch End Journal and the Tottenham, Wood Green & Edmonton Journal.
- 13.6 Two expressions of interest were received but only 1 completed pre-qualification questionnaire (PQQs) was returned, from the current supplier. As this was considered an unsatisfactory response in terms of achieving competition, it was decided in conjunction with BLT and Corporate Procurement to use the OGCbuyingsolutions Print Management Framework Agreement to run a mini-competition, under Lot 2, Print Framework Digital Printing. The OGC Framework does not include the current supplier but details of the supplier were made available to the framework suppliers and vice versa in case either side wanted the option of partnering to quote for the work.
- 13.7 The first stage of the mini-competition was to issue a Capability Assessment (CA) notice to all 19 suppliers in Lot 2. Of these, 7 assessed themselves as 'Capable', 3 assessed themselves as 'Not Capable' and the remaining 9 did not answer at all.
- 13.8 The second stage was to issue Invitation To Quote (ITQ) documentation to the 7 capable suppliers. Quotes were sought on the basis of the most economically advantageous tender and not simply the lowest tender. The return date was extended to allow bidders sufficient time to incorporate additional information issued to all in response to clarification questions raised by bidders.
- 13.9 On the return date of 14 August 2008, 2 suppliers provided quotes, 2 suppliers declined to quote and the remaining 3 did not respond. The suppliers are listed in Appendix 1. Both the suppliers who quoted chose to work with other suppliers who are not on the Framework Agreement to deliver the services. One supplier chose the Council's current provider. There is nothing in the OGC Framework Agreement that restricts the use of sub-contractors so these bids remain compliant.

13.10 The tenders were assessed by a panel of three members, one from BLT and two from IT Services, using the Council's agreed process and in compliance with Council Standing orders. The following evaluation criteria were used:

Data Transfer Batch Job Processing method statement	22%
All Other Processing method statement	22%
Change Control System method statement	22%
Provision of process email addresses	12%
Price	22%

Each of these criteria was judged on the following scale

- 0 – unacceptable
- 1 – below expectations
- 2 - approaching expectations
- 3 – meets most expectations
- 4 – meets all expectations
- 5 – exceeds most expectations

13.11 The marks (out of 500) were as shown in Appendix 1 along with details of the recommended successful supplier.

13.12 Circulation of this report for comment resulted in a query from Legal Services requesting clarification on the contractual arrangements for the 'partnering' agreements for each bidders. Clarification was sought from the bidders. The bidder which is partnering with the current supplier provided a draft agreement that is a replica of the agreement that was in place between Northgate Information Systems and the provider (which was the original contractor/sub-contractor arrangement for this requirement). The other bidder withdrew from the process at this point 'due to contractual issues'. On further questioning, this bidder explained that it felt that it (and its sub-contractor) did not have enough understanding of our current processes and any changes that it may need to make. Therefore, and because of what it perceived as a challenging implementation timescale, the bidder felt unable to take on the risk of possible failure and also did not want to impose the risk of unbilled revenue on to the Council.

1313 Although this leaves us with just one bidder at a very late stage of the process, a competitive procedure has been followed and other prices have been submitted in competition to enable us to carry out a genuine price and quality evaluation, so the recommendation remains valid.

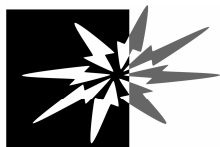
## 14. Conclusion

14.1 The report describes the process and results of the BLT Bill Printing tender. The supplier who has been recommended will provide quality, value-for-money services for a period of up to four years.

**15. Use of Appendices / Tables / Photographs**

15.1 Appendix 1 – Exempt Information





Haringey Council

Agenda item:

**[No.]****[Name of Meeting] Procurement 28<sup>th</sup> October 2008**Report Title: **Drug Interventions Programme Contract waiver, 2009 – 2010**

Forward Plan reference number (if applicable):

**Report of:** Sharon Kemp, Assistant Chief Executive, PPP&CWards(s) affected: **All**Report for: **Key decision****1. Purpose**

Request for Waiver of Contract Standing Order (CSO) 6.04 (requirement to tender) under CSO 7.0.3 (d) in relation to the Drug Interventions Programme for the period 1<sup>st</sup> April 2009 – 31<sup>st</sup> March 2010.

**2. Introduction by Executive Member**

Haringey Drug Interventions Programme is part of a national programme aimed at breaking the links between drug misuse and crime, by encouraging drug misusing offenders into appropriate treatment. The DIP is funded by a grant from the Home Office and works with some of the most vulnerable citizens of the borough. It is important that we make maximum use of this grant funding to continue the valuable work.

I fully support the recommendation to waive Contract Standing Order as outlined at paragraph 3.1 of this report.

**3. Recommendations**

That Members waive Contract Standing Order (CSO) 6.04 (requirement to tender) under CSO 7.0.3 (d) in relation to the Drug Interventions Programme for the period 1<sup>st</sup> April 2009 – 31<sup>st</sup> March 2010.

**Report Authorised by:** Sharon Kemp, Assistant Chief Executive, PPP&C

**Contact Officer:** Paulette Haughton, Drug Interventions Programme, Project Manager. X6953/6018 [paulette.haughton@haringey.gov.uk](mailto:paulette.haughton@haringey.gov.uk)

**4. Director of Finance Comments**

- 4.1 The Chief Financial Officer has been consulted on this waiver request and confirms that a DIP grant of £1.262m was allocated to Haringey for the financial year 2008/09 (See Appendix 1.)
- 4.2 Government funding for 2009/10 has yet to be confirmed although it is expected to be available. Current expectation is that it is likely to be set at 2008/09 levels with no inflationary increase. Clearly if funding is substantially reduced this will need to be factored into the award of contract from 1/4/09.

**5. Head of Legal Services Comments**

- 5.1 This report is seeking a waiver of the requirement under CSO 6.05 to tender contracts above 25k in value, on the basis of the ground set out in CSO 7.3(d), i.e. on the basis that a waiver of the requirement to tender is in the Council's overall interest.
- 5.2 The services under this contract are classified as 'residual services' under the Public Contracts Regulations 2006 so there is no requirement to tender the contract in the EU.
- 5.3 The report states that the original DIP contract for a 17-month period was awarded to the current service provider by the Procurement Committee on 26<sup>th</sup> June 2006, following a competitive tendering exercise, and that a 12-month extension of the original contract until 31st March 2009 was approved by the Procurement Committee on 30<sup>th</sup> September 2008.
- 5.4 A waiver of the CSO requirement to tender is now being sought to facilitate the award of a further 12-month contract to the existing service provider. The report states that the additional contract period will allow for the continued provision of the services under the contract pending the completion of the competitive tendering process to be undertaken in respect of the procurement of a replacement service provider.
- 5.5 CSOs 7.2(a)/ 7.3(d) empower Procurement Committee to grant a waiver of CSOs if satisfied, after considering a report by the appropriate officer, that the waiver is justified on the basis that it is in the Council's overall interest.
- 5.6 Should the request for a waiver be granted, the report states that a separate report recommending the award of the further contract to the current service provider will be submitted to Procurement Committee.
- 5.7 Procurement Committee has the power under CSO 11.3 to award the contract.
- 5.8 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendation in Paragraph 3 of this report provided Members are satisfied, based on the circumstances set out in this report that it is in the Council's overall interest to grant the waiver.

**6. Head of Procurement Comments**

5.1 The contract manager confirms that performance meets contract requirements and on this basis, the Head of Procurement is satisfied that the request to waive (CSO) 6.04 (requirement to tender) under CSO 7.0.3 (d) is in the Council's overall best interests as the DIP serves a statutory requirement and needs to provide a continuous service.

## **6 Local Government (Access to Information) Act 1985**

6.1 The following background papers were consulted in the preparation of this report:

- Procurement Committee Report – 20<sup>th</sup> June 2006
- Procurement Committee Report – 30<sup>th</sup> September 2008
- Contract specification and other contract documentation
- Tender and tender support documents returned by the five tenderers
- Evaluation assessments and other relevant papers and files

6.3 This report contains exempt and non-exempt information. Exempt information is contained in Part B 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 (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 DIP assesses Class A drug users and engages them in treatment thus feeding in to the LAA, specifically NI 30 and 40.

## **8 Financial Implications**

8.1 The cost of this contract will be met from the available central government funding.

## **9 Legal Implications**

9.1 See "Head of Legal Services comments" at paragraph five.

## **10 Equalities Implications**

10.1 This client group is among the most disadvantaged of Haringey's communities and includes a high proportion of BME young men who do not readily access drug treatment services. A relatively low proportion of women drug misusers access treatment services: the DIP works with the Drug and Alcohol Action Team (DAAT) to address these imbalances and to encourage as many drug misusing offenders as possible into treatment. All relevant equalities considerations were addressed during the tendering process. The Senior Equality and Diversity Officer was part of the tender evaluation process to ensure that equalities issues were robustly addressed and was satisfied that this was the case. The Equalities Team has been consulted in the preparation of this report and has no specific concerns regarding an extension of the contract.

## **11 Background**

11.1 Haringey DIP seeks to move drug-misusing offenders “out of crime and into treatment”. The service has been in operation since 2003 and is part of a national programme, underpinned by legislation. The DAAT partnership received a further 1-year grant from 1 April 2008 to 31 March 2009 with a commitment from Government for 2009/10 at the same or similar levels. See Appendix A.

11.2 In accordance with Members direction in April 2005, a procurement exercise was undertaken, starting in September 2005. There were 36 expressions of interest and 5 companies submitted formal bids. The Drug Interventions Programme contract was awarded to Crime Reduction Initiatives (CRI) at an Executive Procurement Committee on Monday 26 June 2006 for a period of 17 months with allowance for an extension of up to 12 months. The extension request was granted at a Procurement Committee on 30 September 2008.

11.3 This report is requesting a waiver of Contract Standing Order (CSO) 6.04 (requirement to tender). Should Members agree this request a subsequent request will be made to award the contract to the existing provider for a further 12 months, to 31<sup>st</sup> March 2010, during which time the contract will be put out to tender. The waiver is being requested as the timeline is now such it will be difficult for an effective tender process to be carried for a new contract to be in place by 1 April 2009. In addition, the existing contract will have been in place for 2 years and 5 months, and in the interests of continuing to improve the performance of the DIP the additional 12 months will allow for further consolidation of the work. The request is being made in line with (CSO) 6.04 (requirement to tender) under CSO 7.0.3 (d) as we believe that it is in the Council’s overall best interests as the DIP serves a statutory requirement and needs to provide a continuous service.

11.4 The service works with adults who are arrested on ‘trigger offences’ and who test positive for Class A drugs. The DIP assesses the treatment needs of these individuals, draws up a care plan and arranges the appropriate drug treatment and support services for them.

11.5 This client group is among the most disadvantaged of Haringey’s communities and includes a high proportion of BME young men who do not readily access drug treatment services. A relatively low proportion of women drug misusers access treatment services: the Drug and Alcohol Action Team (DAAT) commissions the DIP services to address these imbalances and to encourage as many drug misusing offenders as possible into treatment.

## **12 Summary and Conclusions**

12.1 The DIP contract is due for re-tendering during 2009/10, this report request a waiver of the requirement to tender, (with a view to requesting that the contract be awarded to the existing provider, CRI for a further 12 months, subject to funding.)

## 15. Appendix A



## Home Office

### GRANT FUNDING APPROVAL: IMPLEMENTATION OF THE DRUG INTERVENTIONS PROGRAMME REVISED MAIN GRANT 2008/09

1. I am writing to confirm that a grant of up to £1,262,194. is available to your Drug Action Team in 2008/09. The grant is to enable the implementation of the Drug Interventions Programme (DIP) as part of the local delivery of the new Drug Strategy, and must only be used to implement DIP.
2. The Home Office is providing a grant in 2008/09 that is 1.5% above the level you received in 2007/08. This will help absorb some inflationary costs, but no additional increases are planned for future years. 2009/10 budgets will not be set until later in 2008/09.
3. The system whereby individual DIP funding streams were merged into Revised DIP Main Grant (RMG) in 2006/07 will be maintained in 2008/09. This increase in flexibility has proven successful and has enabled DATs to embed and deliver DIP as a package rather than a number of distinct interventions.
4. However, in allocating the Revised DIP Main Grant, we expect certain key structures and capabilities will be in place. These are set out in the attached **Annex A** and aim to ensure delivery of the key Programme outcome – a reduction in drug-related offending. You will know which expectations apply to you based on your intensive status.
5. The grant is made subject to the terms and conditions detailed at **Annex B**. These should be signed by the responsible person in your finance department.
6. In order for funding to be released and for audit and management purposes, you must report how the partnership intends to spend this funding. Attached at **Annex C** is the template for setting out the spending profile for your 2008/09 Revised DIP Main Grant. This profile should be agreed by the Local Partnership, Government Office Drug Team Regional Manager and NTA Regional Manager.
7. Payments will be made based on the amounts indicated in this profile. Details of your nominated banker should be made on **Annex D**.
8. **Annexes B, C and D** must be returned to the Home Office by the **16 May 2008**.
9. We will make two payments to you in 2008/09. The first payment, subject to the receipt of Annexes B, C and D, will be made in June and will constitute Quarters 1 and 2. The second payment, for Quarters 3 and 4 will be made in December and only upon receipt of a completed 2007/08 Outturn Statement. This can be found at Annex E and must be signed off by the Chief Finance Officer.
10. Annex E – Outturn Statement for 2007/08 should be returned to the OBIU Business Support Team at the Home Office by the 30 May 2008. The details from this outturn will be used to calculate your Quarter 3/4 payment. As there was no carry-forward facility in 2007/08 underspends will be deducted from your 2008/09 grant. You will be notified by email of the amount of your Quarter 3/ 4 payment by the 30 June 2008.
11. An in-year outturn statement covering the first three quarters of the 2008/09 financial year will be required by the 31 January 2009. The template for this can be found at Annex F and should be returned to the OBIU Business Support Team at the Home Office. It does not need to be signed off by the Chief Finance Officer, but should be an accurate reflection of expenditure to

date.


12. You are also required to complete a final 2008/09 Outturn Statement by the 30 May 2009. The template for this can be found at Annex G, but will be sent again in the new financial year.
13. You will not be allowed to carry forward any funding from 2008/09 to 2009/10, so please commit and spend all funding available to you this year.
14. All Annexes must be returned via your Government Office Drug Team with a Regional Authorisation Form attached (Annex H). **The Government Office Drug Team should then forward the Annexes by the date specified to:**

Joanne Terry,  
PCSD / OBIU Business Support Unit  
4<sup>th</sup> Floor, Fry Building  
2 Marsham Street  
London, SW1P 4DF

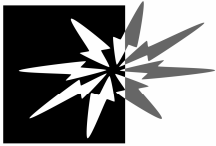
We will be accepting Annexes electronically on the basis that the full audit / authorising trail can be seen in the email. These should be sent to: [Joanne.Terry@homeoffice.gsi.gov.uk](mailto:Joanne.Terry@homeoffice.gsi.gov.uk) or to the PCSD Business Support general mailbox: [yyfma-PCSDBS@homeoffice.gsi.gov.uk](mailto:yyfma-PCSDBS@homeoffice.gsi.gov.uk).

15. If we do not receive completed accurate Annexes by the dates specified in this letter you will be in breach of the grant terms and conditions, and we will give consideration to reducing or withholding funds.
16. For quick reference a funding timetable can be found at Annex I.
17. Should you need clarification or any further information concerning this funding please contact Joanne Terry either by email: [Joanne.Terry@homeoffice.gsi.gov.uk](mailto:Joanne.Terry@homeoffice.gsi.gov.uk) or phone: 020 7035 4874.

Yours sincerely



**Peter Wheelhouse**  
Head of Offender Based Interventions Unit



Haringey Council

Agenda item:

**[No.]****Procurement Committee****On 28<sup>th</sup> October 2008**

Report Title: **Building Schools for the Future (BSF): Correction of the Award Amount on the Pre-construction Agreement Report for Park View Academy**

Forward Plan reference number: N/A

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

Wards(s) affected: **West Green**

Report for: **Non Key Decision**

**1. Purpose**

1.1 To seek Procurement Committee approval to award a greater value contract sum, to the BSF Constructor Partner (CP), than the sum in the pre-construction agreement report for Park View Academy, presented to Procurement Committee on the 12<sup>th</sup> June 2008.

**2. Introduction by Cabinet Member**

2.1 The project team recognised an error; made due to miscommunication. The team have introduced a new stage in the process which will prevent such an error occurring again.

**3. Recommendations**

3.1 The Procurement Committee agree to increase the award to the Constructor Partner for the Park View Academy School's pre-construction agreement, approved by Procurement Committee on the 12<sup>th</sup> June 2008.

**Report Author:** David Bray, BSF Procurement Support Manager

**Report Authorised by:**

Sharon Shoesmith  
Director  
The Children and Young People's Service

**Contact Officer:** David Williamson, Head of Secondary Innovations  
e-Mail: [David.williamson@haringey.gov.uk](mailto:David.williamson@haringey.gov.uk)  
Telephone: 020 8489 2939

#### **4. Chief Financial Officer Comments**

4.1 The Chief Financial Officer has been consulted on this report and has no further comments to make.

#### **5. Head of Legal Services Comments**

5.1 This report is seeking an amendment to the contract price in respect of a contract awarded by Procurement Committee on 12<sup>th</sup> June 2008, on the basis that the contract price presented to Procurement Committee at the meeting of 12<sup>th</sup> June 2008 was erroneous, the mistake being due a communication error.

5.2 Provided that applying the amended contract price, the outcome of the evaluation procedure followed in selecting the contractor would still remain the same, there are no legal reasons preventing Members from approving the recommendation in Paragraph 3 of this report.

#### **6. Head of Procurement Comments**

6.1 The Head of Procurement notes the identification of the error.

#### **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 categories:

- The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.
- Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.
- The identity of any person offering any particular tender for a contract for the supply of goods or services.





## **8. Background**

- 8.1 Park View Academy's report for the pre-construction agreement award, submitted to the Procurement Committee on the 12<sup>th</sup> June 2008, recommended Balfour Beatty Construction Ltd. Procurement Committee approved the recommendation with Balfour Beatty being awarded the pre-construction stage for a sum of £57,971.
- 8.2 Initial communication of the award, from the Cost Manager (Potter Raper Partnership) to the Project Manager (Mace), portrayed an amount that was an element of the full pre-construction amount. The PM inserted this amount in the Procurement Committee report.
- 8.4 Subsequently PRP sent an e-mail with a document that included the full pre-construction amount. The PM was not aware that the document contained information that differed from the initial communication.
- 8.5 Permission is sought from the Procurement Committee to increase the pre-construction award amount by £4,426.

## **9. Conclusion**

- 9.1 A communication error was identified as the factor behind the mistake. Explanation of the framework agreement and its parts has been disseminated by PRP. All relevant parties are aware of supporting document structure and the figure to be awarded to the successful contractor. As a contingency measure PRP will request sight of the Procurement Committee report during circulation and double check the amount of the award is correct.

## **10. Financial Implications**

- 10.1 The additional pre construction cost outlined in this report forms part of the overall project cash limited budget of £12,052,000. The pre-construction element of this project forms an integral part of the overall project budget, and therefore allows for the main contract to be let in due course.

## **11. Legal Implications**

- 11.1 Please refer to Paragraph 5.

## **12. Recommendation**

- 12.1 The Procurement Committee agree to increase the award to Balfour Beatty, for the Park View Academy School's pre-construction agreement by £4,426, from £57,971 to £62,397

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Agenda item:

**[No.]****Procurement Committee****28 October 2008**

Report Title: **Building Schools for the Future (BSF): Pre-Contract Demolition Works at Gladesmore Community School.**

Forward Plan reference number: N/A

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

Wards(s) affected: **Seven Sisters**

Report for: **Information**

### 1. Purpose

1.1 To inform the Procurement Committee of a Delegated Authority award for Preconstruction works at Gladesmore Community School.

### 2. Introduction by Cabinet Member

2.1 Extending the contract for enabling works will benefit the school by limiting the disturbance made by demolition works in term time and allow the whole project to complete earlier.

### 3. Recommendations

3.1 The Procurement Committee note the pre-contract demolition works at Gladesmore Community School.

**Report Author:** David Bray

**Report Authorised by:**

Sharon Shoesmith  
Director  
The Children and Young People's Service

**Contact Officer:** David Williamson, Head of Secondary Innovations  
e-Mail: [David.williamson@haringey.gov.uk](mailto:David.williamson@haringey.gov.uk)  
Telephone: 020 8489 2939

**4. Chief Financial Officer Comments**

- 4.1 The cost of awarding the pre-construction demolition works is budgeted for within the overall BSF Construction Cash Limited budget and, in addition can be achieved within the sum originally agreed for pre-construction works in June 2008. This is partly because the scope of the original works has reduced and partly because some cost reductions have been achieved.
- 4.2 Whilst it is anticipated that undertaking these works will result in a shorter construction completion date, estimated at up to 12 weeks, the financial effect cannot be clearly quantified as the final Agreed Maximum Price for this project, has yet to be agreed.

**5. Head of Legal Services Comments**

- 5.1 This report is informing Procurement Committee of a contract variation approved by the Director of Children and Young People's Service pursuant to Contract Standing Order (CSO) 13.3.
- 5.2 The original contract - the contract for enabling works (valued at £235k) - was awarded to Balfour Beatty by the Director of Children and Young People's Service on 14th July 2008 pursuant to CSO 11.2 which allows a Director to award contracts below £250k in value.
- 5.3 A need for demolition works to be undertaken in respect of some areas of the school was subsequently identified and a request for approval of a variation to the original contract with Balfour Beatty to include the demolition works valued at £162k was authorised by Director of Children and Young People's Service pursuant to CSO 13.3.
- 5.4. CSO 13.3 allows a Director to authorise such a variation to a contract where the Director considers that the circumstances require such authorisation, provided the variation is reported to the Procurement committee at the earliest opportunity, which the Director of Children and Young People's Service is now doing by way of this report.

**6. Head of Procurement Comments**

- 6.1 This work has been procured through the contractor who has been awarded the pre-construction agreement and who carried out the previous enabling works.
- 6.2 This work is now required to enhance the delivery of the overall programme. This demolition works would have been part of the overall Agreed Maximum Price but is being brought forward in a move intended to achieve greater certainty of the programme delivery date.
- 6.3 To enable this work to happen, this work has been signed off by delegated authority as an extension under 13.02 of the previous award and is now presented to Procurement Committee for information.

**7. Local Government (Access to Information) Act 1985**

## **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). The 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 Currently, the Gladesmore Community School Project is at the Pre-Construction Agreement stage. The Employer's Requirements are being priced and Contractors Proposals prepared by Balfour Beatty.
- 8.4 Various BSF enabling works have been completed at schools over the summer, including Gladesmore. These later works could not be completed with the previous Gladesmore enabling works package as scheme design development had not progressed sufficiently to be adequately scoped and priced.
- 8.5 Procurement Committee are advised of this latest award, an extension to the contract for enabling works. The extension value is under £250k (£162,354), if it was added to the previous enabling works (£234k) the total would have been over £250k (£396k).
- 8.6 Considering timescales the works were approved by the Delegated Authority of the Director of Children and Young People's Service on the 25<sup>th</sup> September 2008. This report is the consequential information report to the Procurement Committee.

## **9. Pre-Contract Works**

- 9.1 These works consist of the demolition of the existing gym, changing rooms and block J (community block) in advance of the main contract works.

## **10. Benefit**

- 10.1 Significantly reduces pressure on the programming of complicated phasing of the works, improving the construction completion date by up to 12 weeks.
- 10.2 Majority of the demolition will be undertaken during the school's October half term, significantly reducing disruption.
- 10.3 Dusty and dirty works will be completed whilst the school is largely vacated.
- 10.4 Health and safety risks are reduced as pupils are not present – a greater area can be hoarded off.
- 10.5 More efficient working than completing demolition over Christmas period.
- 10.6 Reduce risk of inclement weather delaying the demolition works.

## **11. Programme Implication**

- 11.1 Potentially, the overall construction programme can be completed 12 weeks earlier through significant phasing and decant advantages. The new link

corridor would be completed for summer 2009 reducing temporary transit routes.

- 11.2 Approval to complete these works was required by 25<sup>th</sup> September 2008 to enable procurement and Construction Design and Management lead-in periods to be met.

## **12. Financial Implications**

12.1 All works proposed in this report form part of the original scope envisaged for the BSF summer enabling works package reported to the BSF Board on 03/06/2008. Demolition work at Gladesmore School work could not be progressed in summer 2008, although tangible benefits including programme gain of a minimum of 12 weeks, operational and health and safety benefits have been identified if the work is completed in the October 2008 half-term. Demolition costs of £162,354 are included within the Gladesmore School project cash limited budget of £10.114m.

12.2 A series of works was identified in June 2008, totalling £1,036,500 for BSF enabling works to be underwritten from the Council's Financial Reserve in advance of BSF Final Business case (FBC) Approval. These works were presented to the BSF Programme Board on 03/06/2008 and approved by the Leader of the Council on 05/06/2008. The position re summer enabling works was updated at the BSF Programme Board on 05/08/2008, at which point it was expected that a total sum of £1,029,337 would be committed. Subsequent changes to the summer programme means that the lesser sum of £846,861 was actually committed on summer enabling works, leaving the residual sum of £189,639 from the original approval uncommitted at this time. In these circumstances, £162,354 is included in the Gladesmore School project cash limited budget, and this sum can be committed in advance of FBC approval by drawing on the remaining £189,639 underwritten from the Council's Finance Reserve.

12.3 It should be noted that the FBC is planned to be approved in mid November 2008, but if the FBC was not approved for any reason this will trigger deferral of funds to agreed projects in the 2009/10 C&YPS capital programme as presented in the BSF Programme Board report dated 03/06/2008.

## **13. Legal Implications**

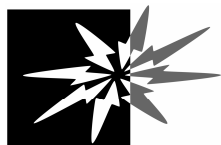
13.1 Please refer to Paragraph 5.

## **14. Equalities Implications**

14.1 The new build elements of the Gladesmore Community School project are being designed to be fully accessible to all levels of physical ability. As part of the vision for the campus, the facilities have the potential to be open to the local community.

## **15. Recommendation**

15.1 The Procurement Committee note the Pre-Contract demolition works at Gladesmore Community School for a sum of £162,354K.



**Haringey** Council

Agenda item:

**Procurement Committee**

**Date: 28<sup>th</sup> October 2008**

Report Title: **Decent Homes Works: WG8 Devonshire Hill Lane N17**

Forward Plan reference number : v77

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

Wards(s) affected: Outer Borough

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 WG8, 40 addresses at Devonshire Hill Lane, N.17. The works outlined in this report is scheduled to commence on 11th December 2008. As such, this report is seeking Procurement Committee approval to proceed to award the contract and commence with the works in this phase.

### **2. Introduction by Cabinet Member (if necessary)**

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 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 be noted.

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

Contact Officer: Pauline Hinds  
**Strategic Client Representative**

**Homes for Haringey, River Park House (6<sup>th</sup> Floor)**  
**225 High Road. London N22 4HQ**  
**Tel no: (020 8489 1151 .e.mail: pauline.hinds@homesforharingey.org**

#### **4. Chief Finance Officer Comments (updated by CFO)**

- 4.1 It should be noted that on 13<sup>th</sup> 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 Devonshire Hill Lane N17, 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. This scheme is included in the schedule for 2008-09. However, as some of the works are going to be completed in the next financial year funding for this element will be a first call against the Decent Homes allocation for 2009/10.
- 4.3 It should be noted that so far (excluding the reports on this agenda) 28 contracts have been approved by this committee; totalling some £30.5m. With the approval of the five contracts on this agenda, this will bring the total commitments to £34.0m. The extra costs above the currently approved budget is proposed to 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 40 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 13<sup>th</sup> 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 report states that there are no leasehold properties in this phase of the Decent Homes project therefore the statutory leaseholder consultation requirements do not apply.



5.7 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.

5.8 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 (updated by Corporate Procurement)**

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.
- 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 2

## **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 residents' meeting took place on the 8<sup>th</sup> October 2008. The Ward Members was invited to attend. A newsletter will be issued to residents following this meeting..
- 12.2 As there are no Leaseholders in this phase, leasehold consultation does not apply.

## **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 13<sup>th</sup> 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 30<sup>th</sup> 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	11th December 2008
Anticipated Contract completion	4 <sup>th</sup> March 2009
Contract duration	10 weeks
Contractor	para 2.2 Appendix A

**15. Property address location**

15.2 This report details the specific works required to the 40 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:

**General Needs Dwellings**

Property Address	No of units	Property Type	Floor level	No of Leaseholders
Devonshire Hill Lane	40	Houses	2 Storey	0

**16. Schedule of works**

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

#### **16.2 Proposed Roof works**

16.3 This project does not include replacement of the pitch roofs as they are in a fair condition. The life expectancy of the roofs is 10 years.

#### **16.4 Digital Satellite Provision**

16.5 This project does not include the provision of a IRS digital satellite system.

#### **16.6 Environmental Improvements**

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

#### **16.8 Sustainability**

16.9 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.

16.10 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.

16.11 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.

16.12 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.

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

#### **16.14 Conservation Areas**

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

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

#### **17. Leasehold Consultation**

17.1 This project does not include leaseholders.

## **18. Leasehold Implications**

18.1 There are no implications to leaseholders, because there are no leaseholder included in this project.

## **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 Bucknall
- Winston Reid Head of Tenancy Management – Homes for Haringey

## **20.0 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.

## **21.0 Conclusion**

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

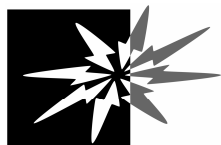
## **22.0 Use of Appendices/Tables/Photographs**

**Appendices** A Exempt information

B Decent Homes expenditure to date

## Decent Homes Expenditure to date

Area	Report Number	Agreed Maximum Price by work package	Start on Site	Finish on site
Hornsey	HOPH1	£ 1,562,501.00	08/09/2008	05/12/2008
Hornsey	HOPH2	£ 2,864,346.00	13/10/2008	06/03/2009
Hornsey	HOPH3	£ 598,967.13	02/06/2008	22/08/2008
Hornsey	HOPH4	£ 252,333.26	16/06/2008	04/08/2008
Hornsey	HOPH5	£ 242,652.04	18/08/2008	12/09/2008
North Tottenham	NT1	£ 1,063,712.39	19/05/2008	22/08/2008
North Tottenham	NT2	£ 369,121.73	23/06/2008	15/08/2008
North Tottenham	NT3	£ 1,237,224.22	07/07/2008	07/11/2008
North Tottenham	NT4	£ 941,314.91	09/06/2008	05/09/2008
North Tottenham	NT5	£ 1,203,761.28	21/07/2008	21/11/2008
North Tottenham	NT6	£ 834,402.46	15/09/2008	19/12/2008
South Tottenham	ST1	£ 648,274.23	31/03/2008	18/07/2008
South Tottenham	ST2	£ 1,220,885.05	02/06/2008	14/11/2008
South Tottenham	ST3	£ 830,501.14	02/06/2008	19/09/2008
South Tottenham	ST4	£ 2,402,166.68	16/06/2008	06/03/2009
South Tottenham	ST5	£ 1,380,645.06	30/06/2008	23/01/2009
South Tottenham	ST6	£ 627,875.90	30/06/2008	17/10/2008
South Tottenham	ST7	£ 2,048,608.79	04/08/2008	06/03/2009
South Tottenham	ST8	£ 1,382,707.77	06/10/2008	06/03/2009
Wood green	WG1	£ 2,517,554.10	19/05/2008	12/01/2009
Wood green	WG2	£ 220,959.70	27/05/2008	14/07/2008
Wood green	WG3	£ 466,558.48	04/08/2008	03/11/2008
Wood green	WG4	£ 359,973.69	04/08/2008	06/10/2008
Wood green	WG5	£ 322,255.86	08/09/2008	03/11/2008
		£ 25,599,302.87		



**Haringey** Council

Agenda item:

**Procurement Committee**

**Date: 28<sup>th</sup> October 2008**

Report Title: **Decent Homes Works: WG11 Weir Hall Road N18**

Forward Plan reference number : v77

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

Wards(s) affected: Outer Borough

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 WG11, 29 various addresses on Weir Hall Road, N.18. The works outlined in this report is scheduled to commence on 17<sup>th</sup> November 2008. As such, this report is seeking Procurement Committee approval to proceed to award the contract and commence 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 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 be noted.

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

Contact Officer: Pauline Hinds  
**Strategic Client Representative**  
**Homes for Haringey, River Park House (6<sup>th</sup> Floor)**  
**225 High Road. London N22 4HQ**

#### **4. Chief Finance Officer Comments.**

4.1 It should be noted that on 13<sup>th</sup> 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 Weir Hall Road N18, 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. This scheme is included in the schedule for 2008-09. However, as some of the works are going to be completed in the next financial year funding for this element will be a first call against the Decent Homes allocation for 2009/10.

4.3 It should be noted that so far (excluding the reports on this agenda) 28 contracts have been approved by this committee; totalling some £30.5m. With the approval of the five contracts on this agenda, this will bring the total commitments to £34.0m. The extra costs above the currently approved budget is proposed to 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 29 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 13<sup>th</sup> 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 report states that there are no leasehold properties in this phase of the Decent Homes project therefore the statutory leaseholder consultation requirements do not



apply.

5.7 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.

5.8 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
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- 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.
- 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 2

**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 residents' meeting was held on the 29<sup>th</sup> September 2008. The Ward Members was invited to attend. A newsletter was issued to residents following this meeting..
- 12.2 As there are no Leaseholders in this phase, leasehold consultation does not apply.

**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 13<sup>th</sup> 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 30<sup>th</sup> 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	17 <sup>th</sup> November 2008
Anticipated Contract completion	12 <sup>th</sup> January 2009
Contract duration	13 weeks
Contractor	para 2.2 Appendix A

**15. Property address location**

- 15.2 This report details the specific works required to the 29 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:

**General Needs Dwellings**

Property Address	No of units	Property Type	Floor level	No of Leaseholders
Weir Hall Road	29	Houses	2 Storey	0

**16. Schedule of works**

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

#### **16.2 Proposed Roof works**

16.3 This project does not include replacement of the pitch roofs as they are in a fair condition. The life expectancy of the roofs is 10 years.

#### **16.4 Digital Satellite Provision**

16.5 This project includes street properties only and as such does not include the provision of a IRS digital satellite system.

#### **16.6 Environmental Improvements**

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

#### **16.8 Sustainability**

16.9 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.

16.10 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.

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

16.12 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.

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

#### **16.14 Conservation Areas**

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

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

#### **17. Leasehold Consultation**

17.1 This project does not include any leasehold properties.

## **18. Leasehold Implications**

18.1 There are no implications to leaseholders, because there are no Leasehold properties included in this project.

## **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 Bucknall
- Winston Reid Head of Tenancy Management – Homes for Haringey

## **20.0 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.

## **21.0 Conclusion**

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

## **22.0 Use of Appendices/Tables/Photographs**

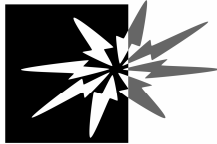
**Appendices** A Exempt information

B Decent Homes expenditure to date

## APPENDIX B

Decent Homes Expenditure to date

Area	Report Number	Agreed Maximum Price by work package	Start on Site	Finish on site
Hornsey	HOPH1	£ 1,562,501.00	08/09/2008	05/12/2008
Hornsey	HOPH2	£ 2,864,346.00	13/10/2008	06/03/2009
Hornsey	HOPH3	£ 598,967.13	02/06/2008	22/08/2008
Hornsey	HOPH4	£ 252,333.26	16/06/2008	04/08/2008
Hornsey	HOPH5	£ 242,652.04	18/08/2008	12/09/2008
North Tottenham	NT1	£ 1,063,712.39	19/05/2008	22/08/2008
North Tottenham	NT2	£ 369,121.73	23/06/2008	15/08/2008
North Tottenham	NT3	£ 1,237,224.22	07/07/2008	07/11/2008
North Tottenham	NT4	£ 941,314.91	09/06/2008	05/09/2008
North Tottenham	NT5	£ 1,203,761.28	21/07/2008	21/11/2008
North Tottenham	NT6	£ 834,402.46	15/09/2008	19/12/2008
South Tottenham	ST1	£ 648,274.23	31/03/2008	18/07/2008
South Tottenham	ST2	£ 1,220,885.05	02/06/2008	14/11/2008
South Tottenham	ST3	£ 830,501.14	02/06/2008	19/09/2008
South Tottenham	ST4	£ 2,402,166.68	16/06/2008	06/03/2009
South Tottenham	ST5	£ 1,380,645.06	30/06/2008	23/01/2009
South Tottenham	ST6	£ 627,875.90	30/06/2008	17/10/2008
South Tottenham	ST7	£ 2,048,608.79	04/08/2008	06/03/2009
South Tottenham	ST8	£ 1,382,707.77	06/10/2008	06/03/2009
Wood green	WG1	£ 2,517,554.10	19/05/2008	12/01/2009
Wood green	WG2	£ 220,959.70	27/05/2008	14/07/2008
Wood green	WG3	£ 466,558.48	04/08/2008	03/11/2008
Wood green	WG4	£ 359,973.69	04/08/2008	06/10/2008
Wood green	WG5	£ 322,255.86	08/09/2008	03/11/2008
Total		£ 25,599,302.87		



**Haringey** Council

Agenda item:

**(No.)**

**Procurement Committee**

**Date: 28<sup>th</sup> October 2008**

Report Title: **Decent Homes Works: WG12 Weir Hall Avenue (Houses) N18**

Forward Plan reference number :

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

Wards(s) affected: Outer Borough

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 21 addresses on Weir Hall Avenue, (Houses) N18. The works outlined in this report is scheduled to commence on 1<sup>st</sup> December 2008. As such, this report is seeking Procurement Committee approval to proceed to award the contract and commence with the works in this phase.

### **2. Introduction by Cabinet Member (if necessary)**

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 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 be noted.

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

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

#### **4. Chief Finance Officer Comments**

- 4.1 It should be noted that on 13<sup>th</sup> 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 Weir Hall Avenue N18, 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. This scheme is included in the schedule for 2008-09. However, as some of the works are going to be completed in the next financial year funding for this element will be a first call against the Decent Homes allocation for 2009/10.
- 4.3 It should be noted that so far (excluding the reports on this agenda) 28 contracts have been approved by this committee; totalling some £30.5m. With the approval of the five contracts on this agenda, this will bring the total commitments to £34.0m. The extra costs above the currently approved budget is proposed to 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 21 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 13<sup>th</sup> 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 The report states that there are no leasehold properties in this phase of the Decent Homes project therefore the statutory leaseholder consultation requirements do not apply.
- 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 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.
- 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 2

## **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 residents' meeting took place on 29th September 2008. The Ward Members was invited to attend. A newsletter will be issued to residents following this meeting..
- 12.2 As there are no Leaseholders in this phase, leasehold consultation does not apply.

## **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 13<sup>th</sup> 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 30<sup>th</sup> 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	1 <sup>st</sup> December 2008
Anticipated Contract completion	27 <sup>th</sup> March 2009
Contract duration	15 weeks
Contractor	para 2.2 Appendix A

**15. Property address location**

- 15.2 This report details the specific works required to the 21 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:

**General Needs Dwellings**

Property Address	No of units	Property Type	Floor level	No of Leaseholders
Weir Hall Avenue	21	Houses	2 Storey	0

**16. Schedule of works**

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

**16.2 Proposed Roof works**

16.3 This project does not include replacement of the pitch roofs as they are in a fair condition. The life expectancy of the roofs is 10 years.

**16.4 Digital Satellite Provision**

16.5 This project does not include the provision of a IRS digital satellite system.

**16.6 Environmental Improvements**

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

**16.8 Sustainability**

16.9 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.

16.10 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.

16.11 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.

16.12 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.

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

**16.14 Conservation Areas**

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

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

## **17. Leasehold Consultation**

17.1 This project does not include any leasehold properties.

## **18. Leasehold Implications**

18.1 There are no implications to leaseholders, because there are no leasehold properties included in this project.

## **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 Bucknall
- 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. Use of Appendices/Tables/Photographs**

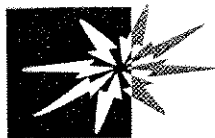
**Appendices** A Exempt information

B Decent Homes expenditure to date

## APPENDIX B

Decent Homes Expenditure to date

Area	Report Number	Agreed Maximum Price by work package	Start on Site	Finish on site
Hornsey	HOPH1	£ 1,562,501.00	08/09/2008	05/12/2008
Hornsey	HOPH2	£ 2,864,346.00	13/10/2008	06/03/2009
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Wood green	WG3	£ 466,558.48	04/08/2008	03/11/2008
Wood green	WG4	£ 359,973.69	04/08/2008	06/10/2008
Wood green	WG5	£ 322,255.86	08/09/2008	03/11/2008
		£ 25,599,302.87		



Haringey Council

Agenda item:

**Procurement Committee****Date: 28<sup>th</sup> October 2008**Report Title: **Decent Homes Works: WG13 Weir Hall Avenue (flats) N18**

Forward Plan reference number: v77

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

Wards(s) affected: Outer Borough

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 various addresses on Weir Hall Avenue (Flats) N.18. The works outlined in this report is scheduled to commence on 17<sup>th</sup> November 2008. As such, this report is seeking Procurement Committee approval to proceed to award the contract and commence 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..

**3.0 Recommendations**

3.1 To facilitate the delivery of the decent homes works Members of the Procurement Committee are requested to agree:

3.2. To an award-in-principle of 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 be noted.

3.3 That Members agree to delegate power to confirm award of the contract to the recommended contractor upon successful completion of the leaseholder consultation period to the Director of Urban Environment.

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

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

#### **4.0 Chief Finance Officer Comments.**

- 4.1 It should be noted that on 13<sup>th</sup> 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 WG13 Weir Hall Avenue (flats) N18, 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. This scheme is included in the schedule for 2008-09. However, as some of the works are going to be completed in the next financial year funding for this element will be a first call against the Decent Homes allocation for 2009/10.
- 4.3 It should be noted that so far (excluding the reports on this agenda) 28 contracts have been approved by this committee; totalling some £30.5m. With the approval of the five contracts on this agenda, this will bring the total commitments to £34.0m. The extra costs above the currently approved budget is proposed to 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 40 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 13<sup>th</sup> 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 process is currently being undertaken, and the 30-day consultation period is due to expire on 25<sup>th</sup> October 2008.
- 5.8 A decision-in-principle by Cabinet Procurement Committee to award the contract to which this report relates to the recommended contractor will not invalidate the statutory consultation process, provided that the Council does not execute any agreement or issue any works instructions and works do not commence before the statutory consultation period has expired and proper consideration is given to any further leaseholder observations received before the deadline of 25<sup>th</sup> October 2008.
- 5.9 The report is further recommending that Members delegate the power to confirm award of the contract to the recommended contractor upon successful completion of the leaseholder consultation period to the Director of Urban Environment.
- 5.10 The Cabinet Procurement Committee has the power under section 15(7) of the Local Government Act 2000 to delegate its powers to officers.
- 5.11 The Head of Legal Services confirms that, subject to the proviso set out in Paragraph 5.8 (above), there are no legal reasons preventing Members from approving the recommendation as to the award, as set out in Paragraph 3 of this report.

#### **6.0 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.

#### **7.0 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 151.
- 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 2008/2009 and 2009/2010 and details of spend to date are set out in Appendix 2.

## **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 29<sup>th</sup> September 2008. The Ward Members has been 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 18 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 13<sup>th</sup> 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 30<sup>th</sup> 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	17 <sup>th</sup> November 2009
Anticipated Contract completion	25 <sup>th</sup> February 2009
Contract duration	12 weeks
Contractor	para 2.2 Appendix A

**15. Property address location**

15.2 This report details the specific works required to the 40 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:

**General Needs Dwellings**

Property Address	No of units	Property Type	Floor level	No of Leaseholders
Weir Hall Avenue	40	Low Rise	2	11

## **16. Schedule of works**

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

### **16.2 Proposed Roof works**

16.3 This project does not include replacement of the pitch roofs as they are in a fair condition. The life expectancy of the roofs is 10 years.

### **16.4 Digital Satellite Provision**

16.5 At present there is no communal TV aerial provision serving these Properties. As such there is no system to upgrade.

### **16.7 Environmental Improvements**

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

### **16.9 Sustainability**

16.10 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.

16.11 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.

16.12 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.

16.13 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.

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

### **16.15 Conservation Areas**

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

16.17 For the purposes of this programme, the Planning department has confirmed that there are no conservations 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. 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 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 11 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 5 while the number outside the period is 6. 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 26<sup>th</sup> September 2008 to expire on 25<sup>th</sup> October 2008.
- 18.4 The notice gave a description of the proposed works and provided details for the costs of the works. The statutory consultation commenced 26<sup>th</sup> on September 2008.
- 18.5 The total amount estimated to be recovered from the 11 leaseholders is £20,748.74. This is broken down as follows:
1. Leaseholders within the 5 year Section 125 period total estimated recoverable charges £2,614.50.
  2. Leaseholders outside of the 5 year Section 125 period total estimated recoverable charges £18,134.24.
- 18.6 The charges to all 11 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 will commence on site until completion of the notice period or if there is an outstanding leasehold enquiry as a result of the notice.
- 18.8 Any observations received will be considered prior to work commencing on site.

## **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 Bucknall
- Winston Reid Head of Tenancy Management – Homes for Haringey

## **20.0 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.

## **21.0 Conclusion**

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

## **22.0 Use of Appendices/Tables/Photographs**

**Appendices** A Exempt information

B Decent Homes expenditure to date

## APPENDIX B

Decent Homes Expenditure to date

Area	Report Number	Agreed Maximum Price by work package	Start on Site	Finish on site
Hornsey	HOPH1	£ 1,562,501.00	08/09/2008	05/12/2008
Hornsey	HOPH2	£ 2,864,346.00	13/10/2008	06/03/2009
Hornsey	HOPH3	£ 598,967.13	02/06/2008	22/08/2008
Hornsey	HOPH4	£ 252,333.26	16/06/2008	04/08/2008
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Wood green	WG1	£ 2,517,554.10	19/05/2008	12/01/2009
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Wood green	WG3	£ 466,558.48	04/08/2008	03/11/2008
Wood green	WG4	£ 359,973.69	04/08/2008	06/10/2008
Wood green	WG5	£ 322,255.86	08/09/2008	03/11/2008
		£ 25,599,302.87		

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Haringey Council

Agenda item:

Display Text

<b>Procurement Committee</b>	<b>Date: 28<sup>th</sup> October 2008</b>
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Report Title: <b>Decent Homes Works: WG14 Barclay Road N18</b>		
Forward Plan reference number.		
Report of: <b>Niall Bolger, Director of Urban Environment</b>		
<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; padding: 5px;">Wards(s) affected: Outer Borough</td> <td style="width: 50%; padding: 5px;">Report for: <b>Key Decision</b></td> </tr> </table>	Wards(s) affected: Outer Borough	Report for: <b>Key Decision</b>
Wards(s) affected: Outer Borough	Report for: <b>Key Decision</b>	
<p><b>1. Purpose</b></p> <p>1.1 This reports sets out a detailed programme of works as it relates to the delivery of the Decent Homes Programme at Barclay Road, N18. The works outlined in this report is scheduled to commence on 8th December 2008. As such, this report is seeking Procurement Committee approval to proceed to award the contract and commence with the works in this phase.</p>		
<p><b>2. Introduction by Cabinet Member.</b></p> <p>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.</p>		
<p><b>3. Recommendations</b></p> <p>3.1 To facilitate the delivery of the decent homes works Members of the Procurement Committee are requested to agree:</p> <p>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 be noted.</p>		
Report Authorised by: <b>Niall Bolger, Director of Urban Environment</b>		
Contact Officer: Pauline Hinds <b>Strategic Client Representative</b> Homes for Haringey, River Park House (6 <sup>th</sup> Floor) 225 High Road. London N22 4HQ Tel no: (020 8489 1151 .e.mail: pauline.hinds@homesforharingey.org		

#### **4. Chief Finance Officer Comments.**

- 4.1 It should be noted that on 13<sup>th</sup> 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 Barclay Road N18, 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. This scheme is included in the schedule for 2008-09. However, as some of the works are going to be completed in the next financial year funding for this element will be a first call against the Decent Homes allocation for 2009/10.
- 4.3 It should be noted that so far (excluding the reports on this agenda) 28 contracts have been approved by this committee; totalling some £30.5m. With the approval of the five Contracts on this agenda, this will bring the total commitments to £34.0m. The extra costs above the currently approved budget is proposed to 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 63 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 13<sup>th</sup> 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 report states that there are no leasehold properties in this phase of the Decent Homes project therefore the statutory leaseholder consultation requirements do not apply.
- 5.7 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.
- 5.8 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 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.

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 2

## **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 residents' meeting took place on the 8<sup>th</sup> October 2008. The Ward Members was invited to attend. A newsletter will be issued to residents following this meeting..

12.2 As there are no Leaseholders in this phase, leasehold consultation does not apply.

## **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 13<sup>th</sup> 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 30<sup>th</sup> 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 8<sup>th</sup> December 2008  
 Anticipated Contract completion 27<sup>th</sup> February 2009  
 Contract duration 10 weeks  
 Contractor para 2.2 Appendix A

**15. Property address location**

- 15.2 This report details the specific works required to the 21 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:

**General Needs Dwellings**

Property Address	No of units	Property Type	Floor level	No of Leaseholders
Barclay Road	63	Houses	2 Storey	0

**16. Schedule of works**

- 16.1 The scope of improvements works included under this phase of the programme will include window and door renewal, boiler replacement, rewires, kitchen and bathroom refurbishment.

## **16.2 Proposed Roof works**

- 16.3 This project does not include replacement of the pitch roofs as they are in a fair condition. The life expectancy of the roofs is 10 years.

## **16.4 Digital Satellite Provision**

- 16.5 This project includes street properties only and as such does not include the provision of a IRS digital satellite system.

## **16.6 Environmental Improvements**

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

## **16.8 Sustainability**

- 16.9 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.

- 16.10 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.

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- 16.12 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.

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

## **16.14 Conservation Areas**

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

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

## **17. Leasehold Consultation**

- 17.1 This project does not include any leasehold properties.

## **18. Leasehold Implications**

- 18.1 There are no implications to leaseholders, because there are no Leasehold properties included in this project.

## **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
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## **20.0 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.

## **21.0 Conclusion**

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

## **22.0 Use of Appendices/Tables/Photographs**

- Appendices** A Exempt information  
B Decent Homes expenditure to date

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