

DECISION MAKING REPORT

Report for: Dan Hawthorn, Director of Housing, Regeneration and Planning

Title: Request to waive Contract Standing Order 8.03 as allowed under CSO 10.01.2 for appointment of architects

Report authorised by: Alan Benson, Head of Housing Strategy & Commissioning, Housing Regeneration & Planning

Lead Officer: Annie Gray, Housing Delivery Project Manager, Housing Regeneration & Planning

Ward(s) affected: Hornsey, Tottenham Green, Seven Sisters, Muswell Hill, Tottenham Hale, Highgate and White Hart Lane

Report for Key/Non Key Decision: Non Key Decisions

1. Describe the issue under consideration

- 1.1 This report seeks approval for a waiver to enable the Council to directly appoint the architecture firm KCA. KCA have previously worked on the following sites in Haringey under the instruction of Sanctuary: Jansons Road, Lealand road, Nightingale Lane, Ramsey Court, St Mary's Close, Stokely Court (Brooke road), Tudor Close, Wat Tyler House and White Hart Lane. These sites have now been taken back in-house for the Council to develop.

2. Recommendations

- 2.1. It is recommended that the Director of Housing, Regeneration & Planning approve the waiver of Contract Standing Order 08.03 and approve the implementation of Contract Standing Order 10.01.2.d to directly appoint KCA for the value of £153,177 to complete design work up to planning submission (RIBA Stage 3).

3. Reasons for decision

- 3.1. KCA have already started work on 10 sites, all of which have progressed to a pre-app stage. KCA have pre-existing knowledge of the sites and would be ready to start immediately. They will also be able to save the Council time by using their historic knowledge of the schemes to effectively and efficiently complete the design work to planning. In addition, appointing KCA will help save the Council money as they have only quoted to complete the remaining design work whereas other architects are more likely to charge large sums for transitional works.

4. Alternative options considered

- 4.1. A mini competition could take place, but this would be very time consuming from a procurement and project kick off perspective as most schemes would need to be reassessed and progressed from the beginning. Tendering out a new contract would cost the Council additional money and time; this option was therefore rejected.

5. Background information

- 5.1. On 13 November 2018 Cabinet (Item 11) agreed to bring a number of sites back in house for the Council to develop, which were previously being developed by Sanctuary. KCA architects were originally appointed by Sanctuary to undertake the design work for ten of these sites: Jansons Road, Lealand road, Nightingale Lane, Ramsey Court, St Mary's Close, Stokely Court (Brooke road), Tudor Close, Wat Tyler House and White Hart Lane.
- 5.2. KCA have started design works on the following projects, most of which have been taken up to a pre-app design stage. The below table sets out the project design stage, the amount of homes targeted for the site, cost of design work completed to date and the cost to complete the design work to planning.
- 5.3. The fee KCA have submitted to take the above schemes to planning submission is a direct translation from their Sanctuary appointment, which is a framework rate, 2.1% of the construction value of the schemes. This fee signifies value for money due to the in-depth knowledge KCA have of the project design and site limitations. This will be advantageous for the Council as this knowledge will help to expedite the programme to submit these schemes to planning in circa 2 months. It will not be possible to achieve these timescales from other suppliers.
- 5.4. In addition, the Council have had legal confirmation that it is able to utilise these existing commissions and KCA have agreed to provide the necessary warranties direct to the Council.
- 5.5. It is therefore recommended that the Council appoint KCA on these schemes for the value of £153,177 (inc. VAT) to complete the design work up to planning submission (RIBA Stage 3).

Original Appointment Grouping	Project Name	Total Value of Sanctuary Commission	Fees paid to date by Sanctuary	Design Stage	Homes	Outstanding appointment value (inc inflation since 2016)
Group 1	Jansons Road	£72,538	£34,442	Pre app	7	£12,522
	Lealand Road			Pre app	5	£11,460
	Nightingale Lane			Pre app	3	£3,737
	White Hart Lane			Feasibility	3	£9,063
	St Mary's Close			Pre app	2	£4,414
Group 2	Ramsey Court	£72,538	£28,700	Pre app	4	£9,581
	Stokely Court			Pre app	6	£19,007
	Tudor Close			Pre app	6	£18,818
Group 3	Wat Tyler House	£72,538	£12,825	Feasibility	17	£47,447
	Redlands Court			Pre app	8	£17,127
				Total	61	£153,177

6. Contribution to strategic outcomes

- 6.1. The recommendations in this report will support the delivery of the Housing Priority in the new Borough plan, which sets out in its first outcome that “We will work together to deliver the new homes Haringey needs, especially new affordable homes”. Within this outcome, the Borough Plan sets the aim to “Ensure that new developments provide affordable homes with the right mix of tenures to meet the wide range of needs across the borough, prioritising new social rented homes”.
- 6.2. In particular, the recommendations in this report are explicitly about the aim “to deliver 1,000 new council homes at council rents by 2022”. The proposals in this report contribute directly to the strategic outcomes on new housing supply, which are at the core of the aims of the Council, as expressed in the Borough Plan.

7. Statutory Officers comments

SSC

- 7.1. The SSC notes the request for a waiver of Contract Procedure Rules (CPR) clause 8.03 as allowed under CPR clause 10.01.2. We recommend that the Commissioner re-assess the supplier market before further contracts / extensions are offered under a “single sourced” arrangement to ensure the Council is obtaining “value for money” as it was stated rather than demonstrated that KCA would provide better value from a cost and time perspective rather than engaging an alternative provider. The SSC has no objection to the proposed waiver in accordance with CPR clause 10.01.2 on this occasion.

Finance

- 7.2. Approval is sought for the waiver of requirement to tender; and award contract to KCA.
- 7.3. KCA have already started works on the 10 sites under Sanctuary; hence have a pre-existing knowledge of the sites and would be ready to start immediately.
- 7.4. The total cost to complete the design work up to planning submission (RIBA Stage 3) is £153,177.
- 7.5. This cost has been factored into the pre- tender estimates of the cost to completion of the entire sites. There is provision in the new build programme budget for this cost.

Legal

- 7.6. Not required as per s22.2 of Haringey’s Procurement Code of Practice

Equalities

- 7.7. Not required as per s22.2 of Haringey’s Procurement Code of Practice.

8. Use of Appendices

n/a

9. Background Papers

- 9.1. Cabinet report 13th November 2018 – Item 11: Report on the progress of establishing a Wholly Owned Company for Housing development and various decisions required to facilitate the Council’s Housing delivery Programme.

<http://www.minutes.haringey.gov.uk/mgChooseDocPack.aspx?ID=8731>

10. Local Government (Access to Information) Act 1985
n/a