

Report for: Cabinet Member Signing

Title: Award of Contract for Internal Major works. (Tull)

Report authorised by: David Joyce, Director of Housing, Regeneration and Planning

Lead Officer: Kurtis Lee, Director of Asset Management, Homes for Haringey

Ward(s) affected: Alexandra, Enfield, Fortis Green, Bounds Green, Highgate, Hornsey, Muswell Hill, Noel Park, Northumberland Park, Tottenham Hale, West Green, White Hart Lane, Woodside

Report for Key/

Non Key Decision: Key decision

1 Describe the issue under consideration

- 1.1 This report requests the Cabinet Member's approval for the award of a contract to contractor A (identified in the exempt part of the report) for the sum of £5,606,833.33. This project will conduct internal improvement works to bring 947 dwellings up to the Decent Homes Standard.
- 1.2 The report requests the Cabinet Member's approval for the issue of a letter of intent to the preferred contractor. This is up to the value of, but not exceeding, £560,683.33 which represents 10% of the contract sum. This will enable design work and specialist surveys to be completed, whilst the contract is finalised. An additional contingency sum is also requested in the exempt part of the report.

2 Cabinet Member introduction

- 2.1 The proposed works to the dwellings in Alexandra, Enfield, Fortis Green, Bounds Green, Highgate, Hornsey, Muswell Hill, Noel Park, Northumberland Park, Tottenham Hale, West Green, White Hart Lane, and Woodside areas, will bring all homes up to the full Decent Homes Standard. The overall project will contribute towards achieving Haringey Council's objectives to increase the number of homes achieving the Decent Homes Standard across the borough. This will ensure all homes are safe and improve resident satisfaction.
- 2.2 This project contains properties that have been non decent since 2015-16. Homes for Haringey have made the commitment for these properties to be brought up to the Decent Homes Standard (the Haringey Standard) by March 2022.

3 Recommendations

- 3.1 This report request Cabinet Member approval the award of a contract to the preferred contractor C, identified in the exempt appendix A. This will be for

the renewal of kitchen, bathroom and internal electrics including smoke alarms where required.

- 3.2 The total sum of works will be £5,606,833.33 excluding fees.
- 3.3 For the Cabinet Member to approve the issue of a letter of intent for an amount up to, but not exceeding £560,683.33 that represents 10% of the contract sum.
- 3.4 For the Cabinet Member to approve the total project cost, including fees of £224,595 and client contingency sum as set out in the exempt report.
- 3.5 For the Cabinet Member to note that £45,000 of the total sum has already been spent on consultant design fee as part of the feasibility works.

4 Reasons for decision

- 4.1 A competitive tender was undertaken in conjunction with Haringey Council's Procurement team via the London Construction Programme Major Works Framework (LCP Framework) and processes. This will enable the essential internal works such as the renewal of kitchens, bathrooms, and internal electrics to progress.
- 4.2 The tender process was carried out in accordance with the framework requirements that was based on 40% price and 60% quality.
- 4.3 Based on the tender evaluation it is recommended that the tender is awarded to contractor C. The details of the tender evaluation are outlined in appendix A, the exempt part of this report.
- 4.4 Properties within this project include homes that have been non decent since 2015-16. The project will enable works to commence for properties to be brought up to the Decent Homes Standard.

5 Alternative options considered

- 5.1 Alternative routes for tender were considered. This included the option to either use third party industry frameworks or undertake a standalone compliant tender process to deliver the works. Homes for Haringey sought support and advice from Haringey Council's Strategic Procurement team and determined the LCP Framework as being the optimum route to the market. This was because it enabled the tender process to be completed quickly, with assured standards and would meet the social investment requirements of the Council as set out in LCP procurements.
- 5.2 The option of not undertaking this work was also considered. However, it would result in Homes for Haringey not achieving the agreed objectives within the Asset Management Strategy 2020-25 of achieving 100% of homes meeting the Decent Homes Standard by 2025. It would also result in increased repairs costs and potential resident dissatisfaction, due to under investment in their homes.

6 Background information

- 6.1 As the landlord, the Council has a statutory and legislative duty to maintain the housing stock to a good state of repair. During the programme, the properties will be surveyed and all necessary works undertaken to ensure the properties meet the Decent Homes Standard. The scope of works to these properties, will include new kitchens and bathrooms, which will be adapted for those with a disability if required and electrical upgrade works. Works will be assessed on a property by property basis and the renewal of components will be based on their age and condition to meet the criteria set out in the Haringey Standard.
- 6.2 Historically, internal works such as replacement kitchens and bathrooms were delivered using our internal repairs service (HRS). Due to number of properties requiring internal works, the decision was made to use a larger contractor in order to increase the proposed delivery numbers.
- 6.3 Homes for Haringey commissioned consultants Ridge and Partners LLP, as the multidisciplinary construction related consultant. The scheme under consideration will be designed, costed and project managed by Ridge in partnership with Homes for Haringey. Works included within this scope include aspects such as validation inspections, kitchen and bathroom designs and ensuring residents have undergone our Covid19 risk assessments.
- 6.4 The project details are as follows: -

Number of dwellings in the project	947 units
Anticipated start on site	November 2021
Anticipated completion	August 2022
Contractor	Details in appendix A (exempt report)

- 6.5 The breakdown of properties are as follows:

Internals Tull	Number of properties
ALEXANDRA	69
BOUNDS GREEN	85
Enfield	1
FORTIS GREEN	11
HIGHGATE	297
HORNSEY	30
MUSWELL HILL	45
NOEL PARK	60
NORTHUMBERLAND PARK	89
TOTTENHAM HALE	126
WEST GREEN	23
WHITE HART LANE	60
WOODSIDE	51
Grand Total	947

7 Consultation

- 7.1 Consultation with residents will take place to establish residents' choices and to identify any specific needs. A frequently asked questions (FAQ) sheet will be provided with a new HfH handbook to answer questions that may arise about the works. This will include them choosing the kitchen and bathroom finishes, informing them of timescales for work delivery and getting feedback throughout the process. Homes for Haringey will also provide a dedicated project team including a dedicated Resident Liaison Officer, Project Manager and contract management resources.
- 7.2 The follow up residents' newsletter will update residents about progress and inform them about the appointment and details of the contractor.
- 7.3 Homes for Haringey have devised a safe concept of working for internal works. This will include additional communication for residents including handbooks and safe working on site documentation. Homes for Haringey will also provide a dedicated project team to include a dedicated Resident Liaison Officer, Project Manager and Contract Management resources.

8 Leasehold implications

- 8.1 There are no leaseholders' properties included in this project.

9 Conservation areas

- 9.1 Some of the properties in this project are within conservation areas. However, because the works will be carried out within the internal areas of the dwellings, no conservation area conditions are applicable.

10 Contribution to strategic outcomes

- 10.1 This project will help to achieve the Borough Plan Outcome 3: 'We will work together to drive up the quality of housing for everyone'. This will include contributing to delivering the following objectives: -
- Improve the quality of Haringey's Council housing, including by ensuring that 100% of homes meet the Decent Homes Standard by 2025.
 - Improve residents' satisfaction with the service they receive from Homes for Haringey to be in the top quartile for London (78%) by 2022.
 - Ensure safety in housing of all tenures across the borough, responding to any new regulations as they emerge.
- 10.2 Outcome 3 which comes under the Borough Plan's Housing priority, for which the vision is for safe, stable, and affordable homes for everyone, whatever their circumstances.

Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal and Governance, Equalities

11 Finance

- 11.1 The total value of the contract is £5.83m and this includes a professional fee of £0.23m.
- 11.2 The named contractor was selected following a tender and evaluation process based on price (40%) and quality (60%).
- 11.3 This internal works programme is included in the existing stock budget approved by full council in February 2021.
- 11.4 The cost of this project, including professional fees, is projected to be spent as shown below:

Financial year	Works	Fees	Total
Up to 31/03/2021	£0.00m	£0.05m	£0.05m
2021/2022	£5.60m	£0.18m	£5.78m
Total	£5.60m	£0.23m	£5.83m

- 11.5 Consultants' design fees in the sum of £0.05m have been incurred and spent up to 31/03/21.
- 11.6 The expenditure of £0.05m in 2020/21 was met from the existing stock capital works programme 2020/21 budget.
- 11.7 The remaining projected expenditure of £5.78m is covered in the existing stock capital programme 2020/21-25 MTFS.
- 11.8 No contribution to the cost of the project is expected from leaseholders as no leasehold property is affected.

12 Procurement

- 12.1 Procurement endorses the recommendation contained within the report.
- 12.2 The procurement was conducted in line with the Council's Corporate Standing Orders and the Public Contract Regulations.
- 12.3 The contract referred to in the report has been procured under the London Construction Programme Major Works 2019 Framework (the "Framework").
- 12.4 The outcome of the process has delivered the most economically advantageous tender and delivers value for money for the Authority.

13 Legal

- 13.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 13.2 The contract referred to in the report has been procured under the London Construction Programme Major Works 2019 Framework (the "Framework")

- 13.2 The Framework has been established in accordance with the Public Contracts Regulations 2015.
- 13.3 Pursuant to Contract Standing Order 9.07.1(d) the Cabinet member has authority to approve the award of contracts valued at £500,000 or more.
- 13.4 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member from approving the recommendations in the report.

14 Equality

- 14.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:-
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
 - Advance equality of opportunity between people who share protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 14.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 14.3 The decision will primarily impact residents living in properties managed by Homes for Haringey, a significant number of whom share the protected characteristics. It is notable that BAME people and disabled people are overrepresented relative to the population of Haringey. It is noted that the scope of these works to properties will be adapted if required where residents have disabilities. It is also noted that engagement with residents will take place throughout the process.
- 14.4 Overall, in so far as this decision will support the Borough Plan objective to drive up the quality of housing for everyone this decision can be expected to have a positive equalities impact.
- 14.5 As a body carrying out a public function on behalf of a public authority, the contractor will be required to have due regard for the need to achieve the three aims of the Public Sector Equality Duty, noted above. Arrangements will be in place to monitor the performance of the contractor and ensure that any reasonably possible measures are taken to address any issues that may occur and may have a disproportionate negative impact on any groups who share the protected characteristics. It is also noted that the contractor will follow Covid-19 safe protocols and that this will be monitored by Homes for Haringey.

15 Use of appendices

15.1 Appendix A: Part A exempt information.

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

16.1 Asset Management Strategy 2020-25

<https://www.homesforharingey.org/repairs-and-maintenance/major-works>