

Title: Interim Accommodation Strategy Programme – Alexandra House & 48 Station Rd – Audio Visual Contract Award

Report authorised by: David Joyce, Director of Housing, Regen & Planning

Lead Officer: Andrew Meek, Head of Organisational Resilience

Ward affected: Noel Park, Wood Green

Report for key/non key decision: Key Decision

1. Describe the issue under consideration

- 1.1 Following the approval of the Station Road Refurbishment Works programme at Cabinet in November 2021 and the Contract award for Alexandra House and 48 Station Road refurbishment works at Cabinet Member Signing on 18 March 2022, to request approval for the award of a contract to carry out installation of Audio-Visual Equipment in the buildings to be refurbished.
- 1.2 To approve issuance of Letter of Intent.
- 1.3 The proposed budget is fully covered within the Station Road budget approved at Cabinet on 9 November 2021.

2. Recommendations

The Cabinet Member for Council House-Building, Placemaking, and Development is asked:

- 2.1 Pursuant to Contract Standing Order 9.07.1 (d) (All contracts valued at £500,000 (five hundred thousand pounds) or more at the time of award may only be awarded, assigned, or novated by the Cabinet), to approve the award of a contract to Supplier B for an estimated contract value of £786,013 (Seven hundred and eighty six thousand and thirteen pounds) for Audio-Visual equipment supply, installation and support in the Alexandra House and 48 Station Road buildings subject to the further provision recommended in paragraph 2.1 of the exempt report.
- 2.2 Pursuant to Contract Standing Order 9.07.3, to approve the issuance of a letter of intent for up to 10% of the contract value, totalling £78,600 (Seventy eight thousand, six hundred pounds).

3 Reasons for decision

- 3.1 The report “Station Road Refurbishment Works” approved at Cabinet on 9th November 2021 gave three reasons for the programme.
- 3.2 Firstly, to deliver office accommodation improvements, noting the poor standard of existing office accommodation, and the need for essential maintenance as well as interior redecoration.

- 3.3 Secondly, to enable the continued adoption of flexible working, so that officers can work in and for the borough. The plans will modernise Audio-Visual equipment, office layouts and furniture to provide a variety of work settings to enable greater cross-service collaboration and partnership working.
- 3.4 Thirdly, it supports short-term goals in the Accommodation Strategy, such as the release of 40 Cumberland Road to be repurposed as an Enterprise Hub. This aligns with the overall aim of relocating core office and civic functions to the refurbished Civic Centre in 2025, by ensuring the buildings the Council occupies in the interim are maintained in suitable condition.
- 3.5 The proposed contract enables the Council to meet these objectives and achieve value for money in the delivery of the new Audio-Visual equipment needed on refurbished floors.
- 3.6 The letter of intent is required to enable the preferred contractor to begin mobilisation at an early stage, thereby expediting delivery of the goods in advance of the formal contract being fully finalised. The rationale for a letter of intent is further detailed in the exempt part of the report.
- 3.7 See the additional reasons for the further provision recommended in paragraph 2.1 of this report set out in paragraph 3 of the exempt report.

4 Alternative options considered

4.1 Do Nothing

- 4.1.1 This option, which would involve not awarding a contract to deliver new Audio-Visual equipment, would leave staff and visitors without the digital tools to stay informed or those required to facilitate flexible meetings, is not recommended as the Council would fail to achieve the agreed accommodation objectives as set out in the November cabinet report.
- 4.1.2 This would mean the Council would be left without suitable office workspace for its staff, and significant operational difficulties in achieving plans for more flexible working.

4.2 Ad-Hoc Audio-Visual Rollouts

- 4.2.1 Pre-pandemic this was the approach adopted by the Council. However, having multiple installations, standards and support models often left technologies unused, or poorly maintained.
- 4.2.2 A piecemeal approach is not realistic or appropriate in a context where the Council is refurbishing its core offices. The Council needs to provide AV technology in approximately 40 meeting rooms, and a common approach will achieve economies of scale, as well as a better experience for building users, including Members, staff and visitors.

5 Background Information

5.1 Context

- 5.1.1 In the November 2021 cabinet report “Station Road Refurbishment Works” it was noted that the Covid-19 pandemic had had a major impact on how staff carried out their work. We noted that staff working much more frequently at home was expected to be a long-term trend, but at that time, staff were beginning to work more frequently in the office.

- 5.1.2 Although there was a need for staff to return to home working during the winter of 2021/22 due to a further Covid-19 wave, the trend of staff now returning to greater presence in the borough continues, but with the continued emphasis on working flexibly.
- 5.1.3 Considerable work has taken place to engage stakeholders across the organisation to gain a robust understanding of the required equipment to enable the buildings to reach their full potential. The common requirements have been gathered and form the basis of this tender.
- 5.1.4 The outcome of this engagement is a clear need for meeting room technology that facilitates in-person meetings, but with the facility for people to join remotely. This facilitates the participation of residents and partners in closer working with the council, remote attendance at Council meetings, as well as day-to-day flexible working of staff in and around the borough.
- 5.1.5 The Council has not invested in Audio-Visual equipment for a long period of time. Other than a handful of rooms furnished with new equipment during the pandemic, the existing offering is now end of life and not fit for purpose.
- 5.1.6 To facilitate collaboration and flexible working the programme is investing in new booths and enclosed pods, this contract will supply the screens for this furniture so it can be used to its full potential.
- 5.1.7 We continue to engage with the workforce, staff equalities networks and the trades unions, to ensure we understand staff concerns, and take full account of equalities issues through the delivery of the programme.
- 5.1.8 The November Cabinet report made provision for a total IT budget of £788K including a provisional sum for Audio Visual Equipment. Concept design works highlighted an estimated £700K-£750K would be required for the Audio-Visual requirements and estimated cost per item at concept level. The remainder of the budget was required to procure technical surveys, consultancy services and infrastructure items such as additional wireless networking hardware.
- 5.1.9 The Producer Price Index (PPI) for all manufactured products (GB7S) has seen a sharp and sustained rise by 15.7% in May 2022 on an annual basis and 11.6% between October 2021 and May 2022 (Source: Office of National Statistics).
- 5.1.10 Since November 2021, we have had to adapt some floor lay-outs to meet additional requirements and revise the needs for Audio-Visual equipment accordingly.
- 5.1.11 Budget provision for the initial expenditure against this contract was provided for in the Station Road Accommodation Programme budget approved at Cabinet on 9 November 2021. Further expenditure against this contract for other projects or initiatives will come forward with their own business cases for approval in accordance with the Council's scheme of delegation and budget approval.

5.2 Scope of works

The equipment being procured under the contract across both buildings will deliver the following:

- 5.2.1 Meeting rooms to be equipped for users will be able to connect to meetings using a simple Microsoft Teams interface, with integrated cameras microphones and loudspeakers appropriate to each room.
- 5.2.2 Closed collaboration spaces to be equipped for users will also be able to connect to meetings using a simple Microsoft Teams interface, with integrated cameras microphones and loudspeakers appropriate to each room. The configuration in these spaces will offer the ability for the furniture to be flexible to allow the spaces to be multi-function.
- 5.2.3 Digital presentation devices will be present in open collaboration spaces and meeting booths / pods to allow users to connect via a cable or wirelessly dependent on the need.
- 5.2.4 Dedicated digital signage screens to be located in reception areas to allow information to be shown for residents, while staff messaging will be shown on screens within high footfall circulation spaces. A backend system will control the content management and enable communications to instantly be updated.
- 5.2.5 Room booking panels will be installed to all bookable spaces, enabling the formalisation of room usage, and reducing any conflicting bookings. The panels allow instant confirmation as to whether a room is free or booked and the ability to book via the panel. The solution will be enabled with an integration to Microsoft 365 and a dedicated reporting tool.
- 5.2.6 The expectation is that some of the Audio-Visual equipment can be reused in the Civic Centre as it is refurbished or redeployed to satellite sites such as locality or library buildings. The redeployment of the equipment will be dependent on the future use of the existing Station Road buildings. It is worth noting that the life cycle of the hardware is estimated at 5 years.

5.3 Procurement approach

- 5.3.1 Staff engagement highlighted the digital requirements for the buildings and a set of AV space 'personas' were created to capture the diverse needs of our staff and service needs. The Specification was then developed, setting out the equipment requirement that best reflects user needs.
- 5.3.2 Tender documents were prepared including Method Statement quality questions and an Audio-Visual pricing schedule.
- 5.3.3 The requirement was sourced via the NEUPC Framework – New Audio-Visual Framework Agreement – Lot 9a. An invitation to providers on the framework to participate in a mini-tender for call-off of a contract from the framework was issued on 13 June 2022 for prospective suppliers as allowed under CSO 7.01(b).
- 5.3.4 The Council's electronic portal, Haringey Procurement and Contract System (HPCS) was used to upload and invite tenders for the provision of Audio-Visual equipment Supply, Installation and Support with submission due in the week commencing Monday 4 July 2022.

5.3.5 Three bids were received.

5.4 Evaluation criteria

5.4.1 When reviewing the contractors' tenders, the following scoring criteria were utilised to analyse the tender returns to ensure compliance with the Council's requirements: -

- 60% price criteria weighting, and
- 40% quality criteria weighting.

5.4.2 Quality evaluation

Officers from the Digital Services team and the Council's Accommodation Strategic Commissioner Specialist sat on the Quality panel to evaluate responses to the method statement questions. The following scoring criteria were utilised to analyse the tender returns to ensure compliance with the Council's requirements:

- Case Studies – 7.5%
- Pre-Staging & Proof of Concept – 7.5%
- Operational Support and Management of Services – 7.5%
- Deliveries and Installations – 7.5%
- Social Value – 10%

5.4.3 A moderation meeting was held by the Council's Quality panel and a representative from Strategic Procurement on 11th July 2022 to discuss the quality levels submitted to ensure Haringey received the correct standard and scores were agreed at the meeting.

5.5 Price evaluation

5.5.1 The Digital Services team commissioned an external independent Audio-Visual Consultant, who reviewed the prices submitted by the bidders for the preferred products in the Tender Pricing schedule.

The scores of the bidders were as follows:

Contractor	Price	Price weighted (60%)	Quality (40%)	Overall
A	£801,665.00	58.83%	30%	88.8%
B	£786,013.52	60%	30.5%	90.5%
C	£879,260.00	53.64%	17%	70.6%

5.5.2 The Audio-Visual Evaluation panel comprising of four members of the Digital Services team, the Council Accommodation Strategic Commissioner and an external independent Audio-Visual Consultant was setup.

5.5.3 The Audio-Visual Evaluation panel met on 11th July to review the results of the quality submission in conjunction with the pricing submission in order to finalise the scoring table.

5.6 Procurement outcome

5.6.1 Details of the evaluation of the tender returns are set out in the table below. The assessment concludes with a recommendation to award the Audio-Visual contract to Supplier B for the estimated value of £786,013.52.

Company	Price Weighting	Quality Score	Overall Score
Supplier A	58.83%	30.0%	88.8%
Supplier B	60%	30.5%	90.5%
Supplier C	53.64%	17.0%	70.6%

5.6.2 A detailed analysis of the tender returns was completed in the tender analysis report the outcome of which is summarised in this report.

5.7 Social Value

5.7.1 The Council is required to consider how commissioned and procured services improve the economic, social and environmental wellbeing of the people and communities within Haringey. Supplier B confirmed they aligned to several objectives within the Borough Plan and Equalities principles and that they can support the Council in delivery of social value through their commitments to sustainability and equality.

5.8 Overall Programme costs

5.8.1 The budget set out in the November 2021 Cabinet report includes costs for the main contractor, furniture, audio-visual equipment, logistical support for managing office moves and other items. The overall cost for the Programme remains within this budget.

5.8.2 From year 2 of the contract, there will be c£35k pa of revenue costs associated with the licencing and management of room equipment, room booking system and digital signage. This will be funded from within the existing Corporate Landlord budget, partially offset by savings from decommissioning the existing legacy room booking system – IR5.

5.8.3 A provisional sum has been budgeted for within the programme to cover 2nd and 3rd line support for all in-room equipment until April 2024. Beyond this point this support

package will be optional and a decision will need to be taken as to whether this level of third-party support is required beyond April 2024. No allowance has been made for this cost beyond this point at this time.

- 5.8.4 The organisation's adoption of the Audio-Visual systems will inform the understanding of any support models required beyond April 2024. Digital Services and FM Support will work closely with Supplier B to build the support model and to arrive at further contractual arrangements for this as necessary and, if need be, a new requirement will be included in the 2023/2024 Service Plan.

6 Contribution to Strategic Outcomes

6.1 Your Council – the way the Council works

Objective 19.7: Design smarter working environments to endorse modern and agile working

6.2 Statutory Officers comments (Chief Finance Officer, Procurement, Assistant Director of Corporate Governance, Equalities).

6.2.1 Finance -

Cabinet at its meeting of November 2021 agreed an overall budget for the accommodation strategy of £10.1m. To date, £7.5m has either been spent or committed, leaving a balance of uncommitted budget of £2.6m. The recommendation to award a contract to supplier B for the sum of £0.786m (excluding contingency as set out in the Part B report) can be contained within the uncommitted budget.

As noted in the report, a further decision will be taken in relation to the level of support from April 2024. At that time should it be decided that the support package is required this will need to be contained within existing resources.

6.2.2 Strategic Procurement – CSO 9.07.1 d) permits the Cabinet to award a contract with a value of greater than £500,000. CSO 16.02 allows the Leader to allocate any such decision whether urgent or not to the Cabinet member having relevant portfolio responsibilities to award a contract. A compliant procurement was undertaken in accordance with CSO 7.01 b) by selecting a contractor from a public sector framework. The recommendation to award this contract complies with the conditions of the framework. Strategic Procurement supports the recommendation of the report to award the contract

6.2.3 Legal / Head of Legal and Governance (Monitoring Officer) comments:

Legal Services has been consulted in the preparation of the report which is proposing the award of a contract by way of a call-off after a mini-competition from Lot 9A of the New Audio-Visual (NEUPC) Framework Agreement.

Pursuant to Contract Standing Order (CSO) 7.01(b) and 7.02 and Regulation 33 of the Public Contract Regulations 2015 the Council may award a contract called off under a framework established by another public sector body.

Strategic Procurement has advised that a compliant procurement process was undertaken following the framework conditions.

Pursuant to CSO 9.07.1(d), the award of a contract valued at £500,000 or more must normally be approved by Cabinet. However, under CSO 16.02 a Cabinet Member may make the award where this decision has been allocated to the Member by the Leader.

The Head of Legal and Governance is not aware of any legal reasons preventing the Cabinet Member from approving the recommendations in paragraph 2 of this report.

6.2.4 Equality

6.2.4.1 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

6.2.4.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

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

6.2.4.4 Following the approval of the Station Road Refurbishment Works Programme at Cabinet in November 2021, it is now proposed to award a contract to carry out Audio-Visual installation works at Alexandra House and 48 Station Road.

6.2.4.5 The Audio-Visual solution has been designed so that all displays are visible from all seated positions within a specific space. The audio quality will be enhanced with the equipment specifically designed for the room. Controls and interfaces to be installed at a height suitable to use when seated. Hearing loops will be available as required in spaces and installed permanently into reception areas.

6.2.4.6 The Audio-Visual solutions will be trialled for user experience during the initial on-site Proof of Concept installations. This will specifically assess the impact to individuals within the Disability and Illness Network.

6.2.4.7 The November Cabinet report relating to the substantive decision to proceed with these works detailed how equalities considerations have been noted in the development of the programme.

6.2.4.8 As an organisation carrying out a public function on behalf of a public body, Contractor A will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the major works does not result in any preventable or disproportionate inequality.

7 Use of Appendices

7.1 None

8 Local Government (Access to Information) Act 1995

8.1 List of background documents: none.

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