



## **Report for Cabinet Member Signing**

**Title:** Award of contract for Alexandra House and 48 Station Road Furniture purchasing

**Report authorised by:** David Joyce, Director Housing, Regeneration and 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 on 9 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 to award a contract for furniture supply.
- 1.2 To approve issuance of a Letter of Intent.
- 1.3. The proposed budget is fully covered within the Station Road budget approved at Cabinet on 9 November 2021.

### **2. Cabinet Member Introduction**

- 2.1 N/A

### **3. Recommendations**

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

- 3.1 Pursuant to Contract Standing Order 9.07.1 (d) and Contract Standing Order 16.02 to approve an award of contract to Wagstaff Bros Ltd (t/a Wagstaff Interiors Group) for the sum of £900,000 (Nine hundred thousand pounds) for furniture supply.
- 3.2 Pursuant to Contract Standing Order 9.07.1 (d) and Contract Standing Order 16.02, to approve the issuance of a letter of intent for up to 10% of the contract value, totalling £90,000 (Ninety thousand pounds).

### **4. Reasons for decision**

- 4.1 The report "Station Road Refurbishment Works" approved at Cabinet on 9 November 2021 gave three reasons for the programme.
- 4.2 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.
- 4.3 Secondly, to enable the continued adoption of flexible working, so that officers can work in and for the borough, whilst maintaining a good work-life balance through the adoption of flexible working. 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.

- 4.4 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.
- 4.5 The proposed contract enables the Council to meet these objectives and achieve value for money and delivery of the new furniture needed on refurbished floors.
- 4.6 The intention is to re-use the new furniture in the newly refurbished Civic Centre and/or other Council buildings.
- 4.7 The letter of intent is required to enable the preferred contractor to begin mobilisation at an early stage, thereby expediting delivery of the goods.
- 4.8 The proposed budget is fully covered within the Station Road budget approved at Cabinet on 9 November 2021.

## **5. Alternative options considered**

### **5.1 Do Nothing**

- 5.5.1 This option, which is not to appoint a new contractor to deliver new furniture and only re-use existing furniture, is not recommended as the Council would fail to achieve the agreed Accommodation objectives as set out in the November cabinet report.
- 5.5.2 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.

## **6. Background Information**

### **6.1 Context**

- 6.1.1 In the November cabinet report "Station Road Refurbishment Works" it was noted that the Covid-19 pandemic had a major impact on how staff carried out their work. We noted that staff working remotely more frequently was expected to be a long-term trend.
- 6.1.2 Now whilst staff are returning to the office more frequently, they are coming to the office with a purpose. The expectations are for them to serve the needs of our residents and to focus on business needs and operational effectiveness.
- 6.1.3 For these reasons, the overall strategy described in the report as "Working Flexibly" remains important, as does the need for flexibility in the way we work and where we work.
- 6.1.4 The Council has not invested in furniture for a long period of time. The existing stock is composed of a mix of range and colours. Many pieces, such as office task chairs and meeting chairs, are tired or damaged and need replacement. The stock of standard desks, storage cupboards, lockers and tables will be re-used and not replaced, unless need.
- 6.1.5 Using the Loan equipment policy a large amount of office task chairs have been lent to members of staff during the pandemic to enable them to work from home using

appropriate task chairs. Staff will continue working from home on a regular basis and will not return the equipment unless they leave the Council.

- 6.1.6 To facilitate collaboration and flexible working the programme is investing in new booths and enclosed pods.
- 6.1.7 The programme team has been engaging on an ongoing basis with the workforce, the trades unions and staff networks, to ensure we understand staff concerns, and take full account of equalities issues through the delivery of the programme.
- 6.1.8 The overall programme budget approved at the November 2021 Cabinet included a pre-tender estimate budget of £716,000 for the purchase, delivery and installation of furniture based on the requirements and estimated cost per item at that point in time.
- 6.1.9 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).
- 6.1.10 Since November 2021, we have had to adapt some floor lay-outs to meet additional requirements and revise the needs for furniture accordingly.
- 6.1.11 The proposed budget is fully covered within the Station Road budget approved at Cabinet on 9 November 2021.

## **6.2 Scope of works**

- 6.2.1 Our primary focus is to serve the residents of Haringey and whilst significant improvements have been made to remote working, responding to our new demands from residents in accessing our services digitally during the pandemic; we do need to ensure that our staff maintain the connection with the borough. This includes cross council working and opportunities for collaboration, both formerly and informally, which is facilitated through physically working together in a modern hybrid enabled office.
- 6.2.2 It is also important to ensure that we have flexibility in the offer we can make to staff, to ensure that their mental health and wellbeing is protected as we all adjust to new ways of working and living post the pandemic. The plans for our interim office usage, before moving to the Civic Centre, provide this flexibility and will help inform not only the designs of the Civic Centre, but the working practices, policies and procedures for the organisation to meet our residents and staffing needs.
- 6.2.3 Staff are spending increasing amounts of time in our offices, as the pandemic eases. For a significant number of staff who joined Haringey during the last 24 months, this is their first experience with our office accommodation. For staff working for almost all Council services, emerging from lockdown and pandemic ways of working is a crucial period of reconnection with the colleagues and partners, and an opportunity to adopt ways of working that will improve how we serve our residents.
- 6.2.4 The Council launched a Loan Equipment Policy during the pandemic enabling members of staff to borrow IT equipment and task chairs. As a result a large amount of the task chairs in good condition have been lent to members of staff and may not be returned until they leave the organisation. The existing stock doesn't

meet the requirements for Alexandra House and 48 Station Road. The policy terminated in May 2022.

- 6.2.5 The Council will be re-using mostly existing furniture located in River Park House, Alexandra House, 48 Station Road and 40 Cumberland Road, such as standard desks and benches, locker units, storage cabinets, meeting tables, break-out furniture, booths that are in good condition. Some meeting chairs and task chairs considered in good condition will be re-used as well.
- 6.2.6 The successful contractor will be required to provide the supply and provision of furniture, the coordination with furniture manufacturers and the planning, programming and organisation of furniture deliveries and installations to suit the wider programme.
- 6.2.7 The new furniture to be procured includes:
  - 6.2.7.1 Task chairs designed with comfort and ergonomics and that offer the majority of the adjustable features usually requested. Staff were invited to test over a 2-week period 3 task chairs and to vote for their preferred and second choice. The objective is to equip the floors with task chairs that meet the greatest range of occupational health needs.
  - 6.2.7.2 The replacement of damaged meeting chairs.
  - 6.2.7.3 Electric height adjustable desks to provide 6 to 8 pieces per floor to meet existing and future needs. Height adjustable desks allow a change of working posture that can avoid and relieve health problems such as back complaints.
  - 6.2.7.5 Individual open booths and enclosed pods of various capacity to enable collaboration and flexible working. An enclosed pod is similar to a meeting room with four walls and a roof, an access door and is equipped with lighting, air flow, furniture and AV for the 4-seat version. The three main advantages are that they can be moved, re-used and cost less than the creation of a new, fixed meeting room.
  - 6.2.7.5 Flip-top meeting tables and stackable meeting chairs to enable a multi-usage of the collaboration spaces and the ability to easily convert the set-up to run workshops, meetings, training, huddles etc. in the same space.
- 6.2.8 The expectation is to re-use the new furniture in the newly refurbished Civic Centre and/or other Council buildings. Only a limited number of pieces of furniture are purchased as part of this programme to enable collaboration, for example enclosed pods, booths or flip-top tables; to provide needed pieces, such as electric height adjustable desks; or to replace damaged or missing furniture, such as chairs. Enclosed pods can be considered as expensive pieces. Their advantage is that they can easily be relocated within a building or to another building to meet the needs, whilst building a new meeting room is far more expensive and is a fixed cost.
- 6.2.9 This programme is not replacing existing desks, storage cabinets or locker units. It is neither purchasing decorative pieces nor soft seating.

### **6.3 Procurement approach**

- 6.3.1 The furniture requirements were finalised after approval of the various floor lay-outs and engagement with staff.

- 6.3.2 Tender documents were prepared including Method Statement quality questions and a Furniture pricing schedule.
- 6.3.3 The requirement was issued through an invitation to tender on 6 May 2022 for prospective suppliers. These goods were tendered under an open tender competition.
- 6.3.4 The Council's electronic portal, Haringey Procurement and Contract System (HPCS) was used to upload and invite tenders for the provision of furniture with submission due on Friday 3 June 2022. An extension was granted to Monday 6 June midday due to the Jubilee bank holiday weekend. The tender consisted of a single stage process.

## **6.4 Evaluation criteria**

- 6.4.1 When reviewing the contractors tenders, the following scoring criteria was utilised to analyse the tender returns to ensure compliance with the Councils requirements: -
  - 60% price criteria weighting, and
  - 40% quality criteria weighting.

The following scoring criteria was utilised to analyse the Quality questions:

- Products – 30%
- Review and testing – 20%
- Deliveries and installations – 15%
- Aftercare and customer satisfaction – 15%
- Sustainability and recycling – 10%
- Social Value – 10%

## **6.5 Procurement outcome**

- 6.5.1 Details of the evaluation of the tender return are set out in the Part B of this report. The assessment concludes with a recommendation to award a furniture contract to Wagstaff Bros Ltd (t/a Wagstaff Interiors Group) to the value of £900,000.
- 6.5.2 A detailed analysis of the tender returns is provided within the tender analysis report and summarised in Part B.

## **6.6 Social Value**

- 6.6.1 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. One question in the Method Statement questionnaire asked the tenderers to provide one example of how social value will be embedded into the Contract and to demonstrate details of any project, proposed project or initiative that they support that adds social value to residents, communities or stakeholders.

6.6.2 Wagstaff Bros Ltd (t/a Wagstaff Interiors Group) have committed to contribute to the Borough Plan 2019-2023 through a series of initiatives detailed in Part B of the report.

## **6.7 Overall Programme costs**

6.7.1 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 furniture supply remains within this budget.

## **7. Contribution to Strategic Outcomes**

7.1 **Your Council** – the way the Council works

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

## **8. Statutory Officers comments (Chief Finance Officer, Strategic Procurement, Assistant Director of Corporate Governance, Equalities).**

### **8.1 Finance**

8.1.1 Cabinet at its meeting of November 2021 agreed an overall budget for the accommodation strategy of £10.1m. To date, £6,6M has either been spent or committed, leaving a balance of uncommitted budget of £3,5M. The recommendation to award a contract to Wagstaff Bros Ltd (t/a Wagstaff Interiors Group) for the sum of £900,000 can be contained within the uncommitted budget.

### **8.2 Strategic procurement**

8.2.1 An open tender procurement process, CSO 9.01.2 a) compliant with Public contract Regulations 2015 was undertaken. CSO 9.070.1d) permits contracts valued at £500,000 or more to be awarded by the Cabinet and under CSO 16.02 that decision may be allocated to the Cabinet Member with the relevant portfolio.

8.2.2 Strategic Procurement support the decision to award the contract.

### **8.3 Legal**

8.3.1 The Head of Legal and Governance has been consulted in the preparation of the report.

8.3.2 Pursuant to Contract Standing Order 9.07.1(d) and Contract Standing Order 16.02 the Cabinet Member having the relevant portfolio responsibilities may approve the recommendations in the report.

8.3.3 The Head of Legal and Governance sees no legal reasons preventing the Cabinet Member for Council House-Building, Placemaking, and Development from approving the recommendations in the report.

## **8.4 Equality**

- 8.4.1 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.
- 8.4.2 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.
- 8.4.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 8.4.4 In developing this programme due regard has been given to ensuring that the offices will be welcoming environments for all our staff and visitors, whether they have protected characteristics or not. Providing staff opportunities to work collaboratively with their colleagues regardless of whether they have protected characteristics enables the diversity of our workforce to be a source of ongoing strength, and to better reflect the population we serve.
- 8.4.5 There are specific issues for people with disabilities or health conditions, with regards to their working environment and provision of furniture and the ability to easily use or adjust the furniture. The programme team has been engaging on an ongoing basis with the workforce, the trades unions and staff networks - LGBTQ+ Network, Women's Network, Young Employees Network, Parents and Carers Network, EMBRACE Network, Disability and Illness Network and Social Mobility Network - to ensure we understand staff concerns and take into consideration the furniture needs of staff with disabilities or health conditions. Flexible working is also likely to benefit people with disability requirements. The proposals within this report take account of these needs and the associated statutory duties and good practice guidelines.
- 8.4.6 Wagstaff are also committed to providing Social Value as part of the contract, which will further our duties as part of the Equalities Act. Community wealth building will help provide training and employment opportunities, particularly for young people. As well as this, partnership working with a number of charities will help to transform disadvantaged communities and neighbourhoods, providing support to residents living in deprivation.

## **9. Use of Appendices**

- 9.1 Appendix 1 – Part B

## **10. Local Government (Access to Information) Act 1995**

- 10.1. List of background documents:



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 holding that information).