

**Report for:** Cabinet Member Signing – 30 December 2022

**Title:** Interim Accommodation Strategy Programme – Alexandra House and 48 Station Road – Variation to Construction Contract Award

**Report authorised by:** David Joyce, Director of Placemaking and Housing

**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 appointment of Alcema Ltd in April 2022 to undertake the refurbishment of 48 Station Road and Alexandra House, it is proposed to vary their contract to include for the refurbishment and upgrade of the three passenger lifts in Alexandra House, Station Road, Wood Green, London, N22 7TR, through novating Apex Lift & Escalators Engineers Ltd.

## **2. Cabinet Member Introduction**

- 2.1 Not applicable.

## **3. Recommendations**

The Cabinet Member for Council Housebuilding, Placemaking, and Development is recommended:

- 3.1 Pursuant to Contract Standing Orders 16.02 and 10.02.1(a), to approve a novation of contract to Alcema Ltd for the sum of £247,957 + VAT to undertake refurbishment and upgrade works to the three passenger lifts at Alexandra House, Station Road, Wood Green, London, N22 7TR. This would increase the budget from £4,031,847 to £4,279,804.

## **4. Reasons for decision**

- 4.1 The Council engaged a Lift Engineering consultant (Reliable Lifts Ltd) – who have previously carried out remedial works on the installation – to produce an independent specification for the works required to be undertaken on the lifts in Alexandra House.
- 4.2 This specification was quality checked by the Council's in-house lift engineering expert in the Corporate Landlord team – to ensure that it met our requirements for the proposed refurbishment.

- 4.3 The opportunity was then posted on the South-East Consortium Framework which allowed a direct award.
- 4.4 The first contractor noted on the SEC Framework was Apex Lift & Escalator Engineers Limited. Following review of the documentation, they returned a price which was compliant with the agreed baseline specification, and in compliance with procurement legislation and the Council's Contract Standing Orders. This was reviewed and subsequently supported by the Strategic Procurement team and appointed in February 2022.
- 4.5 Following discussions with the Council's CDM (Construction, Design & Management) advisor, it was agreed that – as the main contract refurbishment works would be taking place at the same time – the most suitable way of appointing Apex Lifts Ltd, would be novate them to Alcema Ltd. By doing this, there remains one point of responsibility in relation to Health & Safety under the CDM regulations relating to compliance on site.
- 4.6 The proposed cost to deliver the project has been reviewed for technical compliance and reflects the specification of the council's requirements.
- 4.7 The original cost included within the tender price was £229,240 + VAT. Following investigations and a detailed survey on site, a further £18,717 + VAT of work was identified as required in addition to the works outlined in the original brief prepared by the council. This was to install additional counterbalance weights, replacement floor indicators and new SIM cards to bring the lifts to current required safety standards. The total of these works is £247,957 + VAT (the total amount requested).

## **5 Alternative options considered**

- 5.1 The alternative would be for the Council not to vary Alcema Ltd's contract to commission Apex Lift & Escalator Engineers Limited to undertake the refurbishment and upgrade works which would place at risk the operation of the building – given the current condition of the lifts.
- 5.2 If the Council appointed Apex directly to comply with CDM regulations, we would have needed to have completed the main refurbishment contract first.
- 5.3 This option was originally investigated and considered but represented a further 12 weeks of work in the building by a separate subcontractor, with further disruption to building users. In turn, this would have resulted in additional contractor overhead costs which would not have been best value to the Council.

## **6 Background Information**

- 6.1 Cabinet approved a paper in November 2021 to proceed with the refurbishment of Alexandra House and 48 Station Road as part of the Council's Interim Accommodation Programme Works.
- 6.2 The November paper scheduled a number of proposed phases of works within the overall programme – which included both the main refurbishment contract and the refurbishment of the lifts in Alexandra House.

- 6.3 In March 2022, a subsequent paper was approved at a member signing and April 2022, the Main Contract Refurbishment was awarded to Alcema Ltd.
- 6.4 The refurbishment of the lifts in Alexandra House did not form part of this award to Alcema Ltd at this point in time, as the lift refurbishment contract was procured separately - in accordance with advice from the Council's Strategic Procurement team.
- 6.5 The cost of the works is included for in the overall budget approved by Cabinet in November 2021 for the Interim Accommodation Programme Works

## **7 Contribution to Strategic Outcomes**

- 7.1 This report contributes to the Borough Plan priority "Your Council" – Outcome 19 "Outcome 19: We will be an able, positive workforce with the skills needed to deliver for Haringey". The Delivery Priority this supports is "Design smarter working environments to endorse modern and agile working".

## **8 Statutory Officer Comments**

### **8.1 Finance**

The recommendation of the report is to increase the value of the contract with Alcema Ltd from £4,031,847 to £4,279,804. This increase is to accommodate the novation of the successful lift bidder, Apex Lift & Escalator Engineers Limited, to Alcema Ltd. The overall cost of the revised Alcema Ltd can be accommodated in the overall budget of the accommodation strategy.

### **8.2 Procurement**

- 8.2.1 The contract is below threshold, and therefore has no implication on the Public Contracts Regulation 2015.
- 8.2.2 The request to novate the contract for lift refurbishment from Apex Lift & Escalator Engineer Ltd to the Alcema is permitted under CSOs 16.02 and 10.03. The value of the contract will Alcema will increase by some 6% and will enable the lift refurbishment to take place simultaneously with the refurbishment of the building with the added benefit of the oversight of the main contractor who will be the single point of responsibility for health & safety, as well as the standard of the refurbishment.

### **8.3 Legal**

- 8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 8.3.2 The contract which this report relates to is below the Public Contracts Regulations 2015 (the "Regulations") threshold and is therefore not within the scope of Regulation 72 of the Regulations. Regulation 72 governs modifications of contracts within the scope of the Regulations.

8.3.3 Pursuant to Contract Standing Order 16.02 and Contract Standing Order 10.02.1(a) a Cabinet Member with the relevant portfolio responsibilities.

8.3.4 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Council Housebuilding, Placemaking, and Development from approving the recommendations in the report.

## **8.4 Equalities**

8.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to;

- a) Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- b) Advance equality of opportunity between people who share those protected characteristics and people who do not
- c) 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 In developing this programme, we have engaged with Unions and a number of staff representative groups. 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.

8.4.4 There are specific issues for people with disabilities, with regards to accessibility of buildings, the ability to easily use the facilities within buildings, and safety issues in relation to, for example, safe evacuation. While the works are being undertaken, lift access will still be provided to ensure that staff and residents have access to the Council's services. This will be achieved by phasing the delivery of the works to ensure that there is always a lift in service in Alexandra House. These works are to be clearly sign posted on site (with the support of Internal Communications) and all staff will be advised in advance of the works commencing. Where access is still required to the buildings whilst work is being carried out, alternative means of access are being provided which will be accessible to all building users. Essential services will be maintained at all times during the contract.

8.4.5 As an organisation carrying out a public function on behalf of a public body, the Apex Lift & Escalator Engineers Limited will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above.

## **9 Use of Appendices**

9.1 Not applicable.

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

10.1 Not applicable.