

Report for: Cabinet Member Signing

Title: Extension to Contract for Multi-Disciplinary Professional Services (project management, quantity surveying and principal designer), Housing Property Services

Report authorised by : David Joyce, Director of Placemaking & Housing

Lead Officer: David Sherrington, Programme Director, Broadwater Farm

Ward(s) affected: All

Report for Key/

Non Key Decision: Key decision

1. Describe the issue under consideration

- 1.1 To approve the extension of the existing contract of Ridge and Partners LLP for Multi-Disciplinary Professional Services to LB of Haringey for a period of two years from April 2023 to April 2025, exercising the option to extend as noted by Cabinet in February 2018.
- 1.2 To delegate further extensions to the Director of Housing and Placemaking, up to the original 5 years as noted in the February 2018 cabinet report.
- 1.3 To instruct legal services to draft and issue the deed of extension on behalf of the council.

2. Cabinet Member Introduction

N/A.

3. Recommendations

- 3.1 For the Cabinet Member for Housing Services, Private Renters and Planning to approve the extension of the Contract with Ridge and Partners LLP for Multi-Disciplinary Professional Services for a value of up to £5m and a period of 2 years, exercising the option to extend as noted by Cabinet in February 2018; and
- 3.2 To delegate authority to approve further extensions of the Contract to the Director of Housing and Placemaking, up to the original 5 years as noted in the February 2018 cabinet report.

4. Reasons for decision

- 4.1 In order to deliver the capital programme, Haringey Council require services (such as Project Management; Architecture; Building Surveying; Cost Consultancy; Mechanical, Electrical and Lift Engineering Design; CDM 2015

(advisory and Principal Designer); Civil and Structural Engineering) in addition to any internal resource. The existing arrangements for housing capital works have been in place since February 2018.

- 4.2 As we move towards delivering a new partnering construction contract, approved by cabinet in July 2022, the extension of this multi-disciplinary professional services contract offers continuity, flexibility and resource availability to the programme as it enters the next phase of delivery. It should also be noted there are ongoing projects that carry forward into future financial years.
- 4.3 The award supports the ongoing housing investment projects at Broadwater Farm, Tower Gardens estate, Love Lane estate, Turner Avenue, Firs House, Noel Park and Scattered street properties throughout the borough. The award supports planned works ahead of the new partnering contract in financial years 23/24 and 24/25.

5. Alternative options considered

- 5.1 An alternative option would be for Haringey Council to use various industry frameworks to deliver the capital programme. This option was discounted in the original procurement as Haringey require support to deliver capital works. These contracts often extend over one year which means the contract is classed as a long-term qualifying agreement. To be compliant with Section 20 legislation, long-term qualifying agreements must be consulted with leaseholders before they are established. As external frameworks are already established, it is impossible to consult leaseholders in a manner which complies with Section 20 legislation and a lack of compliance with this legislation could lead to a failure to recover costs from leaseholders.
- 5.2 A do nothing option would mean the service is not able to deliver capital works to the housing stock and the condition of the stock would deteriorate significantly.
- 5.3 Alongside this extension and the new partnering construction contract, the Council will increase internal resources as well as procure a new long-term multi-disciplinary contract which will cover key statutory aspects of project delivery such as the Principal Designer role under the 2015 CDM regulations, for financial year 24/25 and beyond.

6. Background information

- 6.1 In line with the approved Asset Management strategy and strategic plan to procure a partnering contract (see appendix), Haringey Council has a pipeline of upcoming capital investment works to it's housing stock.
- 6.2 On 19th July 2022, Cabinet approved a partnering contracts strategy to put in place an ambitious procurement plan for construction delivery covering 10 years with 4 long-term partnering contracts, covering distinct geographical areas. The new contract aims to deliver benefits to the capital housing build programme and deliver substantial benefits to residents through participation and social value. The extension of the current multi-disciplinary contract provides the

Council with flexibility to deliver professional services complimenting this new contracting arrangement. The partnering contract procurement is forecast to be complete by early 2024 with projects starting on site in financial year 24/25.

6.3 To support future capital investment projects to the councils housing stock, and the scope of improvements, Haringey Council will require the following services to be delivered:

- Project Management;
- Architecture;
- Building Surveying (including Contract Administration);
- Cost Consultancy (including Mechanical and Electrical QS);
- Mechanical, Electrical and Lift Engineering Design and Specification Writing;
- CDM 2015 (advisory and Principal Designer);
- Civil and Structural Engineering.
- Party Wall Surveying
- Clerk of Works
- Fire Risk Assessor

6.4 These services will be overseen by the asset management team within Housing Property Services. The extension of this contract is in line with the 2018 cabinet report. Since 2018, Ridge have been instructed on 80 projects with a total value of in excess of £60m and combined fee value of £11m, of which £9m has been spent to date. Ridge have delivered improvement and safety works to homes throughout the borough. This has included important work such as Noel Park pods and safety and improvement work to Broadwater farm estate.

6.5 The extension of the existing contract of Ridge and Partners LLP for Multi-Disciplinary Professional Services to LB of Haringey is for a period of up to 2 years from April 2023 to March 2025, exercising the option to extend as noted by Cabinet in February 2018 and provided for in the contract. The Finance system contract should be extended by a period of a further two years, until April 2027, to allow for live projects to be completed and final account payments made to the consultant up to 2 years after the expiry of the contract.

6.6. This extension has been calculated following a thorough review of existing commitments, projects spend and future workload. This included the 23/24 boroughwide capital programme, ongoing work to Noel Park pods, structural works boroughwide, works to Broadwater farm. The fee rates are as per the original tender, adjusted for inflation as per the original contract. This will be based on a percentage fee of the value of all the works undertaken in the year or period of the contract.

7. Contribution to strategic outcomes

7.1 Priority 1, Outcome 3, A safe, stable and affordable home for everyone, whatever their circumstance.

8. Statutory Officers comments

8.1 Finance

- 8.1.1. The value of the initial contract is £11m for a period of 5 years, which comes to an end in March 2023. This extension is estimated at up to £5m for a period of two years, and the basis of this is as stated in section 6.6
- 8.1.2 The actual fees payable will depend upon the size of the annual programme of works carried out and agreed rates. This will be based on a percentage fee of the value of all the works undertaken in the year or period of the contract.
- 8.1.3 The fees will be met from the major works capital programme budget and have been built into the recent budget/MTFS being presented to Cabinet in February 2023.

8.2 Procurement

- 8.2.1 The contract manager has confirmed that the contract allows for a 5 year extension without a commitment to any level of work.
- 8.2.2 He also confirmed performance had been good recently and that rates were lower than those being experienced in the marketplace.
- 8.2.3 On this basis we see no commercial reason why the contract should not be extended.

8.3 Legal

- 8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in drafting the report.
- 8.3.2 The extension of the Contract which this report relates to is provided for in the Contract and is in compliance with the rules on modification of contracts in Regulation 72 of the Public Contracts Regulations 2015.
- 8.3.3 Pursuant to Contract Standing Order 9.07.01(d) Cabinet has authority to approve the recommendations in the report.
- 8.3.4 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet from approving the recommendations in the report.

Equality

N/A

9. Use of Appendices

[Agenda item - Partnering Contracts Strategy for Housing Major Works | Haringey Council](#)

[13 Feb 2018 Cabinet report \(haringey.gov.uk\)](#)

10. **Local Government (Access to Information) Act 1985**
N/A