

Report for: Cabinet Member Signing

Title: Award of contract for voids works on recently acquired properties.

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Lead Officer: Jonathan Kirby, Assistant Director for Capital Projects and Property

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration.

- 1.1. This report seeks the Cabinet Member for Housing Services, Private Renters and Planning's approval to deliver Voids Works to the properties shown on the List at Appendix 1 to bring these properties up to the approved Specification shown at Appendix 2.
- 1.2. The Cabinet Member for Housing Services, Private Renters and Planning is asked in light of a formal procurement exercise to approve the appointment of contractor A (exempt - further details in exempt report), to deliver these Voids Works to the properties on the List shown at Appendix 1.

2. Cabinet Member Introduction

- 2.1 This Council remains committed to delivering the new era of Council homes that Haringey's communities need.
- 2.2 The List at Appendix 1 sets out the properties requiring Voids Works. These Works are necessary to ensure that the properties are immediately available for Letting.
- 2.3 The Specification at Appendix 2 identifies the Works required to each of the properties.

3. Recommendation

- 3.1. It is recommended that the Cabinet Member for Housing Services, Private Renters and Planning:
- 3.2 Approves pursuant to the Council's Contract Standing Orders (CSO) 9.07.01d, and CSP 16.02, the appointment of Bidder A (named in the exempt part of the report) to undertake building works as set out in Appendix 2 to the properties set out in Appendix 1 for a total contract sum as set out in the exempt part of this report and within a three month period following the start of Works.

4. Reasons for decisions

- 4.1. The Council requires the Works set out in Appendix 2 to be completed to all of its properties in order that they can be let.
- 4.2. Following a formal procurement process, a contractor has been identified to undertake these works.

5. Alternative options considered

- 5.1. It would be possible not to appoint a contractor to complete these Works. However, this option was rejected as it does not support the Council's commitment to deliver affordable Council Homes and would perpetuate the void letting situation that currently persists.
- 5.2. This contract was procured via a competitive tender through the LCP major works framework Lot 1.1B and HPCS for mini competition, using a standard, fixed price, JCT Contract with Contractor's design. This is the recommended route for a contract of this value. An alternative option would have been to do a direct appointment, but this option was rejected due to the estimated contract value of the scheme and to give opportunities for local small to medium size contractors to submit a tender.

6. Background information

- 6.1. The Council has recently acquired the properties shown on the attached List at Appendix 1. Each of these properties requires Voids Works to be completed in order that the properties reach the minimum approved standard for Lettings.
- 6.2. The Specification shown at Appendix 2 has been prepared in consultation with the Head of Acquisitions and Acquisitions Managers and the Haringey Repairs Service to ensure that each of the properties is refurbished to a standard that should enable the properties to require the minimum maintenance for a period of 10 years following completion of the Works.

The Build Contract

- 6.3. This report is seeking final approval of the JCT construction contract in order to enable the Voids Works to commence.
- 6.4. The selected contractor was asked to respond to a Quality Assessment based on a pre – approved lump sum price. They responded with their proposal on. Full tender analysis based on the cost consultants estimate has been provided in Appendix 2, which is exempt due to the commercially sensitive nature of this information.
- 6.5. Costs were evaluated independently by the Project Team to ensure value for money in line with current market trends. The Specification for the HCBS Voids, attached at Appendix 2, has been agreed in consultation with the Officers responsible for letting the properties and HRS which will have ultimate responsibility for their management and maintenance. The Specification is designed to ensure that the Voids Works undertaken as part of this Contract enable the properties to require minimum maintenance for a 10 year period and are therefore more extensive than the Voids Works that may be required for more conventional General Needs properties. For example all component parts including, but not limited, to boiler, kitchen units, bath, toilet and shower should be designed and fitted to last a minimum of ten years. New boilers for each property should be fitted unless instructed otherwise. Each property should be supplied with a new four ring-cooking appliance with grill and a new overhead extractor fan. These requirements exceed the minimum requirements for Voids Works generally for the reasons set out above and reflect the higher rents the Council is able to charge under the HCBS arrangement.

- 6.6. The contract is to be awarded on a fixed price basis. It includes Voids Works, site establishments, site enabling works, management costs and includes overheads and profits, and there is a defects and liability period of 12 months.

Procurement Process

- 6.21 The contract was tendered via the London Construction Programme - Minor Works Dynamic Purchasing System Lot 12 (General Multi-trade) using Adam Procure .

- 6.22 In total 76 suppliers registered under Lot 12 were invited to tender. Submissions were received by the tender deadline date on 17 July 2023.

Tender submissions were checked for compliance and completeness by the Strategic Procurement team on 18 July 2023. All seven Bids were found to be compliant and complete and were taken forward to evaluation.

- 6.23 The tenders were evaluated for Quality as set out in the ITT document.
- 6.24 Following the evaluation process, the total overall Quality scores calculated to provide the ranking of the bidders in accordance with the Most Economically Advantageous Tender (MEAT) and as outlined in the tender documents.

- 6.25 The information below summarise the overall tender scores achieved by each Bidder in line with the tender evaluation criteria as set out in the Invitation to Tender document.

Bidder A	1	61%
Bidder B	2	44%
Bidder C	3	41%
Bidder D	4	40%
Bidder E	5	39%
Bidder F	6	38%
Bidder G	7	34%

7 Contribution of Strategic Outcomes

- 7.1 The recommendations in this report will support the delivery of the Housing Priority in the new Borough Plan, which sets out in its first outcome that *“We will work together to deliver the new homes Haringey needs, especially new affordable homes”*. Within this outcome, the Borough Plan sets the aim to *“Ensure that new developments provide affordable homes with the right mix of tenures to meet the wide range of needs across the borough, prioritising new social rented homes”*.

- 7.2 The proposals in this report contribute directly to the strategic outcomes on new housing supply that are at the core of the aims of the Council as expressed in the Borough Plan.

8 Legal

- 8.1. The Council has a proprietary interest in all of the properties shown on the List at Appendix 1.
- 8.2 The Head of Legal and Governance (Monitoring Officer) has been consulted in the

preparation of the report. The Council has undertaken a procurement via the London Construction Programme - Minor Works Dynamic Purchasing System Lot 12 (General Multi-trade).

- 8.3 Pursuant to Contract Standing Orders (CSO) 9.07.1(d) and CSO 16.02 the Cabinet Member for Housing Services, Private Renters and Planning has authority to award contracts valued at £500,000 or more.
- 8.4 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Housing Services, Private Renters and Planning from approving the recommendations in the report.

9. Procurement

- 9.1.1 The recommendation to award the contract to Bidder A in accordance with CSO) 9.07.1(d) and CSO 16.02 is supported by Strategic Procurement following a compliant procurement conducted under Lot 12 of the London Construction Programme Minor Works Dynamic Purchasing System.
- 9.2 The overall proposal submitted by Bidder A is considered to be the most economically advantageous tender and as such, does offer significant value for money to the Council.

10 Finance

- 10.1 These works are improvement works. Hence the cost will be capitalised against the assets.
- 10.2 These costs can be contained within the existing home acquisition budget.
- 10.3 Further finance comments are in exempt report.

11 Equality

- 11.1 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 those protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 11.2 The three parts of the duty applies 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.
- 11.3 The proposed decision relates to the provision of Voids Works to the HCBS properties.
- 11.4 The decision will increase the supply of Council rented homes to local residents. This is likely to have a positive impact on individuals in temporary accommodation as well as those who are vulnerable to homelessness. Data

held by the council suggests that women, young people, and BAME communities are over-represented among those living in temporary accommodation. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBT+ and individuals with disabilities are known to be vulnerable to homelessness.

12 Use of appendices

Appendix 1 – Property List

Appendix 2 – Specification of Works

Appendix 3 – Exempt Report

13 Local Government (Access to Information) Act 1985

13.1 Appendix 3 is NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information).