

Report for: Cabinet Member Signing – 25 July 2024

Item number: 6

Title: Borough Wide Kitchen & Bathroom Modernisation & Associated Works (2024-2026)

Report authorised by: David Joyce, Director of Housing, Regeneration and Planning

Lead Officer: Christian Carlisle, Assistant Director of Asset Management
Christian.carlisle@haringey.gov.uk

Ward(s) affected: All Wards

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

1 Describe the issue under consideration

- 1.1 This report requests Cabinet Member approval for the award of a contract to Contractor 'D' to carry out internal modernisation works to circa 300 dwellings throughout the borough subject to validation surveys, with further addresses being added in the second year of the contract. This is a two-year Measured Term Contract (MTC) which will be for the maximum sum of £4.8m.
- 1.2 The report requests the Cabinet Member for Housing Services, Private Renters and Planning approval for the issue of a letter of intent to the preferred contractor. This will be for an amount up to £480,000 which represents 10% of the contract sum.
- 1.3 It is further recommended that the Cabinet Member approves the professional fees of £443,302 which represents 9.23545% of the contract sum, for the design and contract administration.

2 Recommendations

- 2.1 Pursuant to the council's contract Standing Order (CSO) 16.02, for the Cabinet Member for Housing Services, Private Renters and Planning to approve the award of a Measured Term Contract to the preferred contractor identified in exempt Appendix A for the renewal of kitchens, bathrooms and associated works to borough wide dwellings. This will be for the maximum sum of £4.8m for the period of 2 years, with the option of a time and value extension of one year.

- 2.2 For Cabinet Member for Housing Services, Private Renters and Planning to approve the issue of a letter of intent for an amount up to £480,000 that represents 10% of the contract sum.
- 2.3 For Cabinet Member for Housing Services, Private Renters and Planning to approve the professional fees of £443,302 that represents 9.23545% of the contract sum.
- 2.4 For Cabinet Member Housing Services, Private Renters and Planning to note the total project costs set out in the exempt part of the report.

3 Reasons for decision

- 3.1 One of the key objectives of the Housing Asset Management Strategy is to bring all of the Council’s Housing stock up to the Decent Homes Standard by 2028. The Decent Homes Standard is a minimum standard regulatory requirement for all social housing landlords and was established to ‘bring health benefits to tenants and reduce health inequalities’ (Decent Homes Guidance 2006). This work is key in helping the Council maintain a principal strategy, by providing modern facilities with the modernisation of kitchens and bathrooms for our residents.
- 3.2 Cabinet Member approval is required to award a Measured Term Contract (MTC) for internal modernisation works to circa 300 dwellings borough wide over a period of two years, with further addresses being added in the second year of the contract. The contract will enable essential internal works such as the renewal of kitchens, bathrooms and associated works to progress. This is following a tendering exercise via the Adam Procure Dynamic Purchasing System (DPS) under the Minor Work Category. The procurement process was fully overseen and managed by Haringey Council’s Procurement team. The contract will be carried out over two years with an option to extend for one further year.
- 3.3 The evaluation process was carried out in accordance with the Invitation to Tender requirements and was based on 60% price and 30% quality and 10% social value.
- 3.4 Based on the tender evaluation it is recommended that the tender is awarded to Contractor ‘D’. The details of the tender evaluation are outlined in appendix A, the exempt part of this report.

Contractor	Price 60%	Quality 30%	Social Value 10%	Total %	Rank
A	39.67%	16.80%	0.00%	56.47%	13
B	36.59%	22.00%	6.75%	65.34%	11
C	35.72%	24.00%	8.61%	68.33%	8

D	60.00%	20.70%	5.89%	86.59%	1
E	47.81%	15.30%	7.00%	70.11%	7
F	41.73%	18.00%	3.07%	62.80%	12
G	51.49%	23.40%	3.48%	78.37%	3
H	51.43%	18.60%	5.62%	75.65%	4
I	0.00%	Failed	4.58%	Failed	Failed
J	41.66%	20.70%	3.53%	65.89%	10
K	34.07%	15.90%	1.60%	51.57%	14
L	54.45%	18.00%	6.95%	79.40%	2
M	0.00%	Failed	0.00%	Failed	Failed
N	49.49%	18.60%	5.84%	73.93%	5
O	44.37%	18.60%	4.01%	66.98%	9
P	0.00%	Failed	0.00%	0.00%	Failed
Q	47.25%	18.90%	4.37%	70.52%	6

3.5 Properties within this scheme will include homes that have been identified as requiring modernisation of facilities due to old age, inadequate space or layout and, are subject to a detailed validation survey. The project will enable works to commence and contribute to properties being brought up to the Decent Homes Standard whilst also alleviating the pressure on repairs maintenance and servicing costs.

4 Alternative options considered

4.1 An alternative option would be the use on the London Construction Programme Major Works framework. However, Haringey Council's Strategic Procurement advised that the DPS Framework would offer greater competition and would be the optimum route to market. This considered aspects such as the speed of access to pre-approved contractors and focus on companies that concentrate their resources in the local area.

4.2 The option of not undertaking this work was also considered. However, it would result in Haringey not achieving the agreed objectives within the Asset Management Strategy 2023-28 of achieving 100% homes meeting the Decent Homes Standard by 2028. It would also result in increased repairs costs and potential resident dissatisfaction, due to under investment in the homes of our residents.

5 Background information

5.1 As the Landlord, the Council has a statutory and legislative duty to maintain the housing stock to a good state of repair. Prior to the programme, the properties will be surveyed to ensure that all necessary works are identified and undertaken to ensure the properties contribute to the Decent Homes Standard. The scope of works to these properties, where applicable will include internal refurbishment of kitchens, bathrooms (and where required

adaptations), mould & condensation treatment works, electrical upgrade works, boiler upgrade works, asbestos survey and where applicable removal works.

- 5.2 The scheme will also help to alleviate the pressure on the repairs service by renewing older kitchens and bathrooms in poor condition which would otherwise require ongoing repairs to maintain serviceability at the same time provide residents with updated and modern facilities.
- 5.3 Haringey Council commissioned consultants Ridge and Partners LLP, as the multidisciplinary construction related consultant to manage these works. The scheme under consideration will be designed, costed and project managed by Ridge in partnership with Haringey Council. Works included within this scope include aspects such as pre-surveys, validation inspections and monitoring of works, progress and programme.
- 5.4 The scheme will be funded from the Major Works Capital Programme budget.
- 5.5 The project details are as follows:-

Number of dwellings in the project	300 units subject to pre validation survey
Anticipated start on site	October 2024
Anticipated practical completion	November 2026
Contractor	Details in appendix A (exempt report)

6 Consultation

- 6.1 Consultation with residents will take place by newsletters. A newsletter was sent to residents in December 2023 and in January 2024 to inform them that consultants would be conducting validation surveys at the beginning of 2024 to determine if works were required. Further consultation will be carried out to confirm residents' choices for kitchen and bathroom finishes, along with information concerning timescales for work delivery and feedback. Dedicated Resident Liaison Officers will be provided by both the contractor and Haringey Council for the duration of the contract.
- 6.2 A follow up newsletter will provide an update on progress and will confirm the appointment and details of the successful contractor.

7 Leasehold Implications

- 7.1 There are no leaseholder properties included in this project.

8 Conservation Areas

8.1 Some of the properties in this project are within conservation areas. However, because the works will be carried out within the internal areas of the dwellings no conservation area conditions are applicable.

9 Contribution to the Corporate Delivery Plan 2023-2024 High level Strategic outcomes

9.1 This project will help to achieve the Borough Plan Outcome 3: 'We will work together to drive up the quality of housing for everyone'. This will include contributing to delivery the following objectives: -

- Ensuring the Council is compliant with the regulatory requirement to bring all council homes to the Decent Homes Standard by 2028
- Meeting all Building Safety and Compliance regulatory requirements to ensure the safety of residents living in council homes

9.2 Outcome 3 which comes under the Borough Plan's Housing priority for which the vision is for safe, stable and affordable homes for everyone, whatever their circumstances.

Statutory Officers comments (Chief Finance Officer, including Procurement), Assistant Director for Legal and Governance, Equalities).

10 Finance

10.1 The major works capital programme budget/MTFS was approved by Cabinet in March 2024. Within this budget is provision for internal works, which includes kitchen and bathroom works.

10.2 The maximum cost of the contract over a two-year period is £4.8m, excluding professional fees. This sum can be contained within the Major works capital programme budget/MTFS.

10.3 The project identified are for works on tenanted properties. Therefore, there is no cost recovery from leaseholders as there are no leasehold properties within this project.

10.4 Further finance comments are contained in the exempt report.

11 Procurement Comment

- 11.1 Strategic Procurement (SP) note that this procurement was tendered competitively via the London Construction Programme's (LCP's) Adam Procure Dynamic Purchasing System (DPS) under Minor Works Category. This procurement is in line with Contract Standing Order (CSO) 9.04.1(b), and Regulation 34 of the Public Contracts Regulations 2015.
- 11.2 Tender Responses were evaluated in accordance with the scoring criteria and methodology as detailed in the published Instructions to Tender document.
- 11.3 SP conclude that Contractor D demonstrate Value for Money to the Council and support the recommendation to award the Measured Term Contract for Internal Works in accordance with CSO 16.02.

12 Legal Comments

- 12.1 The Assistant Director for Legal and Governance has been consulted in drafting this report.
- 12.2 This procurement has been undertaken by a competitive tender through the London Construction Programme's (LCP) Adam Procure Dynamic Purchasing System (DPS) under Minor Works Category. This is compliant with Regulation 34 of the Public Contracts Regulation 2015 (PCR15) and this is a compliant route to market under PCR 15.
- 12.3 Pursuant to CSO 16.02 the Cabinet Member with the relevant portfolio has authority to approve the award of contract the recommendations in this report relate two.
- 12.4 The Assistant Director for Legal and Governance sees no legal reasons preventing the Cabinet Member for Housing Services, Private Renters and Planning from approving the recommendations in this report.

13 Equality

- 13.1 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.
- 13.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/fait, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 13.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 13.4 The decision will primarily impact residents living in properties owned by Haringey Council, a significant number of whom share the protected characteristics. It is notable that BAME people and disabled people are overrepresented in our council housing stock. It is noted that the scope of these works to properties will be adapted if required where residents have disabilities. Engagement with residents will take place to identify any specific needs.

- 13.5 Overall, in so far as this decision will support the Borough Plan objective to drive up the quality of housing for everyone this decision can be expected to have a positive equalities impact.
- 13.6 As a body carrying out a public function on behalf of a public authority, the contractor will be required to have due regard for the need to achieve the three aims of the Public Sector Equality Duty, noted above. Arrangements will be in place to monitor the performance of the contractor and ensure that any reasonable measures are taken to address any issues that may occur and may have a disproportionate negative impact on any groups who share the protected characteristics.

Use of Appendices

- 14 Appendix A: Part A exempt information.
- 14.1 **Local government (Access to information) Act 1985**
- 14.2 NOT FOR PUBLICATION by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of any particular person (including the authority holding the information).
- 15 Asset Management Strategy 2023-2028
[Housing Asset Management Strategy 5 December 2023 Cabinet Report FV.pdf \(haringey.gov.uk\)](#)