

Report for: Cabinet Member Signing – The Cabinet Member for Housing and Planning

Title: Kenneth Robbins House – Award of Contract for Major Refurbishment Programme

Report authorised by: Jonathan Kirby – Director of Placemaking & Housing.

Lead Officer: Christian Carlisle – Assistant Director of Asset Management

Ward(s) affected: Northumberland Park

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

1. Describe the issue under consideration.

- 1.1. In line with Contract Standing Order (CSO) 16.02, this report seeks approval from the Cabinet Member for Housing and Planning to award a contract for the major refurbishment programme at Kenneth Robbins House.
- 1.2. The works to Kenneth Robbins House includes the replacement of flat entrance doors, fire doors to communal stairwells, emergency lighting, replacement of windows to dwellings and communal areas, replacement of soil and vent pipes, renewal of lateral mains and other external and communal building fabric repairs and redecorations to include the application of fire rated coatings to all previously painted elements.

2. Cabinet Member Introduction

Not applicable.

3. Recommendations

That the Cabinet Member for Housing and Planning:

- 3.1. In line with Contract Standing Order (CSO) 16.02, approve the award of contract to Tenderer A (as set out in Appendix A), to a total value of £8,412,853.64.
- 3.2. Issue a Letter of Intent to the contractor for a value of no more than £100k. The Letter of Intent will enable the contractor to place an order with their supply chain to enable the programme to be met.

4. Reasons for decision

- 4.1. The works to Kenneth Robbins House have been identified following a RIBA Stage 1-3 Report produced by Ridge and Partners in 2020, and a range of surveys carried out over the past 3-5 years. The surveys were commissioned to assess the performance of the structural fabric, the building's compliance with current health and safety and fire regulations, the condition of services such as internal drainage and electrical components, and the general condition of decorations to the external and communal parts.
- 4.2. The surveys revealed that significant works are required to ensure the building complies with current fire safety and Building Regulations. The surveys also highlighted a need to address the ongoing leaks throughout the block, and suggested the renewal of the internal soil stacks and associated drainage connects. Other works were identified such as the replacement of windows, external fabric / structural repairs, electrical upgrade, and decorations to the external and communal parts.

5. Alternative options considered.

- 5.1. Do nothing is not an option as the surveys revealed essential works to ensure compliance with current fire safety and building regulations. The surveys also revealed significant works which will not only prolong the life of the building by replacing key elements but will also provide a safe and healthy environment for the residents.
- 5.2. The only option available to the Council is to combine the essential works under a single project, procure a suitable contractor and deliver in accordance with the outline budget and programme.

6. Background information

- 6.1. Kenneth Robbins House is a residential purpose-built 17 storey block on the Northumberland Park Estate in North Tottenham. There are 128 self-contained units, of which 64 are 1-bedroom and 64 are 2-bedroom apartments.
- 6.2. There are two community facilities located on the ground floor of the block. The Eric Allin Community Centre is located to the front of the block, and Project 2020 is accessed from the rear.
- 6.3. Haringey commissioned Ridge and Partners to prepare a RIBA Stage 1-3 Report to review, comment and make recommendations for major works to the block. The study referred to surveys carried out over the past 3-5 years such as FRA Type 4, drainage, structural and mechanical and electrical surveys.
- 6.4. The report concluded that major works are required to the block. In response to this, Haringey commissioned Baily Garner in September 2022 via the SEC (South East Consortium) Framework to act as multi-disciplinary consultants. The role of Baily Garner would be to provide Employer's Agent, Contract Administration, Cost Consultant and Principal Designer services for the delivery of the major works programme to Kenneth Robbins House. The fees charged for these services have been calculated based on the agreed percentages under the

terms of the SEC (South East Consortium) Framework. Details of the fees are shown in Appendix A.

- 6.5. To support Baily Garner in their commission and to assist in developing the scope of works for the major works programme, they were provided with the surveys and studies carried out by Ridge and Partners. It was agreed that Baily Garner would carry out further surveys such as commissioning a fire engineer, a mechanical and electrical consultant and carry out a detailed structural survey of the external concrete and masonry elements. The structural survey was designed to capture all matters related to structural fire safety, and to feed into the information required to ensure all external treatments comply with current fire safety regulations.
- 6.6. The scope of works was developed through consultation with internal and external stakeholders. Formal consultant was held with Building Safety, M&E, Safer Estate for cctv and security, ASB – Community Safety, Building Control and Planning, and external voluntary groups who use the community centre for offering services to the community.
- 6.7. The final scope of works was agreed November 2023 and distributed to key stakeholders for comment prior to tender documents being prepared to invite contractors to bid for the works. Prior to inviting contractors to bid, the Council fulfilled its obligations in line with the requirements of Section 20 of the Landlord and Tenants Act 1985 as detailed below.
- 6.8. The council's standard right to buy lease provides for a proportionate part of the costs of the major works programme to Kenneth Robbins House of which the flats form part to be recharged to leaseholders. There are 18 flats occupied by leaseholders affected by these works.
- 6.9. Leasehold consultation was undertaken and concluded in line with the requirements of Section 20 of the Landlord and Tenants Act 1985. An initial Notice of Intent was issued on 28 November 2022 to the leasehold flats affected, and no observations or nominations were received.
- 6.10. Notice of estimates were issued on 23 August 2024 to the leasehold flats affected. The period for providing observations in response expired on 25 September 2024.
- 6.11. The Council received one collective observation from 5 leaseholders. The observation has been responded to and the response is summarised in Appendix B.
- 6.12. The total amount rechargeable to leaseholders is estimated at £660,998.64, with an average leaseholder charge of £34,789.40.
- 6.13. The above figures reflect the restrictions placed upon the Council under Part 5 of the Building Safety Act 2022 ("the Act"). Part 5 of the Act contains a number of complex provisions which prevent or limit the Council's ability to recover service

charges from its leaseholders (“tenants”) where it undertakes works to remedy “**relevant defects**” in “**relevant buildings**”.

- 6.14. Following completion of the design process and the final scope of works being agreed, a specification of works and tender documents were written. The tender was published on the London Construction Programme (LCP) Dynamic Purchasing System (DPS) on 29 January 2024 by a Haringey Council Procurement Officer.
- 6.15. Completion of the specification and drafting of the contract documents was carried out with support from our Strategic Procurement partners - who also managed the tender process.
- 6.16. Tenders were invited on 29 January 2024 and based on 50% quality, 10% social value and 40% cost. The quality assessment included an evaluation of the bidders’ technical ability, experience of similar projects, approach to resident liaison, management of design and collaboration with the design team, programming, quality and risk management, cost and quality control, and the management of the process involved in securing Building Safety Regulator Approval for the project.
- 6.17. The quality assessment also had a series of due diligence questions relating to minimum turnover i.e., bidders need to show they have a turnover of no less than 1x2 the contract value, along with a minimum Delphi Score of 51 or higher. Bidders also need to provide evidence having adequate levels of insurance as set-out in the Invitation to Tender.
- 6.18. Tenders were received from 11 bidders on 08 April 2024. Baily Garner began analysis of the bids on 09 April 2024 and issued the final tender report – Rev C dated 11 June 2024.
- 6.19. The tender report included a detailed analysis of the financial bids of each contractor. This process was managed by Baily Garner with support from Haringey’s Commercial Manager.
- 6.20. The quality scores were evaluated with support from Baily Garner and Haringey’s Senior Project and Regeneration Managers. The moderation was managed by Haringey’s Strategic Procurement Officer and the final scores were sent to Baily Garner to incorporate into the tender report.
- 6.21. Baily Garner issued clarifications to all bidders during the tender analysis period. These covered matters such as bidders being asked to confirm their prelims and overheads and profits, and formalising other priced items.
- 6.22. Following final clarifications and the review of the quality and priced elements, the table below sets out the final rankings for the 11 bids received.

Tenderer	Tender Price	Cost (40%)	Quality (50%)	Social Value 10%)	Total Score
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A	£8,412,853.64	37.00	40.50	8.08	85.58
B	£8,451,449.78	36.72	37.50	8.41	82.63
C	£8,778,732.88	36.10	40.00	6.47	82.57
D	£9,172,332.74	34.66	35.50	8.50	78.66
E	£8,700,312.55	36.01	31.00	7.05	74.06
F	£7,799,956.77	38.08	32.50	6.87	77.45
G	£8,042,333.96	38.79	27.50	6.76	73.05
H	Non-Compliant Bid	-	-	-	-
I	Non-Compliant Bid	-	-	-	-
J	Non-Compliant Bid	-	-	-	-
K	Failed Credit Score	-	-	-	-

- 6.23. Bidders H-K either failed to achieve the minimum quality score of 3 for Experience, Health and Safety and Resident Engagement, or they may have failed to achieve the minimum Delphi credit score of 51. Therefore, they were withdrawn from the process.
- 6.24. Following completion of the tender exercise to procure a suitably qualified and experienced contractor to deliver the major works programme to Kenneth Robbins House, it is recommended that Tenderer A is awarded the contract in the sum of £8,412,853.64.
- 6.24.1 Tenderer A scored 8.08% out of 10% for social value. As part of the tender invitation, they were invited to set-out their delivery plan, targets for achieving social value, and their monitoring processes for ensuring their commitments and benefits to the project and wider community are met. Tenderer A's financial social value commitment is shown in Appendix A.
- 6.25. It should be noted that this is not the first attempt to secure a suitably qualified contractor to carry out the major works to Kenneth Robbins House. A previous procurement exercise managed by Strategic Procurement and Asset Management was commissioned via the LPC Framework – Lot 1.2 Pan London £5m-£10m category.
- 6.26. There are seven contractors on Lot 1.2, and all were invited to submit tenders for the works. Only 1 compliant bid was received, and the general quality of the other bids were considered less than what is expected for the value and complexity of the project. For this reason, it was agreed between the teams that the project should be procured as an open tender via the DPS (Dynamic Purchasing System). This approach was considered the best option, because the tender would reach a wider audience, and allow for a series of pre-qualification questions concentrated around turnover, health and safety and resident engagement. It was felt that this would ultimately result in more competitive and better-quality bids.
- 6.27. The success of this approach can be seen in the number of tender returns, and the effectiveness of the due diligence questions which enabled the team to disqualify bidders who could not demonstrate a clear ability to manage and deliver the works.
- 6.28. The projected spend profile is shown in the following table. The project will be funded from Asset Management's Capital Works Programme. Funding will

accommodate all works executed on the project and will extend over 3 financial years from 24/25 to 26/27 as shown in the table below.

Description	Year 1 (24/25) £'000	Year 2 (25/26) £'000	Year 3 (26/27) £'000
Kenneth Robbins Hse – Major Works Programme	£1700	£6502	£210.853

7. Contribution to strategic outcomes

- 7.1. This project will help to theme 5 of the Corporate Delivery Plan, A borough where everyone has a safe, sustainable, stable, and affordable home.

8. Carbon and Climate Change

- 8.1 Haringey Council made a commitment to be a Net Zero Carbon Borough by 2041. The Major Works Programme to Kenneth Robbins House will help to achieve this by firstly reviewing the scope of works with the appointed consultants to determine what measures can be incorporated into the programme that will assist the Borough in its aspirations for Net Zero Carbon by 2041.
- 8.2 The project team noted that the main element of work that will impact on reduced carbon is the replacement of windows including spandrel panels and doors to balconies and communal areas. These elements have been carefully selected to ensure they meet the minimum requirements as set-out in Approved Document L of the Building Regulations. Other elements such as lighting to communal and external areas have been selected to reduce energy consumption and extend the time-period between maintenance cycles.
- 8.3 As part of the invitation to tender, bidders were required demonstrate their commitment to achieving the Gold Standard for the Fleet Operator Recognition Scheme (FORS). The appointed contractor and their supply chain must show best practice in the management of their fleet in matters such as safety, efficiency, and environmental protection. This means that the works to Kenneth Robbins House will be managed by a company who considers the environmental impact of the works on the local community and takes measures to reduce carbon when operating vehicles and delivering the project.
- 8.4 Reducing the environmental impact and carbon consumption will include ensuring that materials are purchased locally where possible, to avoid long sustained journeys through London and the local areas. Employing local labour via the contractor's Social Value commitment will also contribute to the Council's Net Zero commitments, as this will provide local employment opportunities which in-turn will reduce the need for travel outside the Borough and thus help to reduce carbon consumption.
- 8.4 It is believed that the above measures will contribute to Haringey's commitment to be a Net Zero Carbon Borough by 2041.

9. Statutory Officer Comments (Director of Finance (procurement), Assistant Director of Legal and Governance, Equalities)

9.1 Finance

The report recommends award of contract of refurbishment over 3 financial years at a total contract sum of £8.413m

This project is included in Existing Stock Investment Programme budget approved by full council in March 2024.

The contract sum is projected to be spent as shown below.

Financial year	Total
2024/2025	£1.700m
2025/2026	£6.502m
2026/2027	£0.211m
Total	£8.413m

The expenditure of £1.700m in 2024/25 will be met from the existing stock capital works programme 2024/25 budget.

The remaining projected expenditure of £6.713m will be contained within the existing stock capital programme 2024/25-29 MTFS.

It is estimated that contribution to the cost of the project from leaseholders will be circa £0.661m.

Further finance comments are contained in the exempt report.

9.2 Procurement

Strategic Procurement (SP) note that this report relates to the approval to award a contract to Tenderer A to undertake major refurbishment work at Kenneth Robbins House.

SP note that a competitive tender was launched via the LCP's Minor Works DPS. The adopted procurement is in line with Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contract Regulations.

The Tenderers' bid submissions were evaluated in accordance with the scoring methodology contained within the published Invitation to tender document.

Bid evaluation was based on price and quality and the preferred bidder's submission demonstrates value for money.

SP support the recommendation to approve the award in accordance with CSO. 9.07.1 (d) and 16.02.

9.3 Assistant Director of Legal and Governance

- 9.3.1 The Assistant Director for Legal and Governance has been consulted in the preparation of this report.
- 9.3.2 Strategic Procurement has confirmed that the procurement was carried out through the LCP's Minor Works DPS and this is in line with the Council's Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contracts Regulations 2015.
- 9.3.3 Pursuant to the provisions of the Council's Contract Standing Order (CSO) 9.07.1(d) Cabinet has power to approve a contract with a value of £500.000 or more.
- 9.3.4 CSO 16.02 permits the Leader to allocate any decision reserved for Members to the Cabinet Member having the relevant portfolio responsibilities and as such the decision to allocate the decision in paragraph 3 of the report to Cabinet Member for Housing and Planning is in line with the provisions of the CSO.
- 9.3.5 The recommendation in paragraph 3.3 of the report is permitted under the Council's CSO 9.07.3 which allows the issuance of a Letter of Intent pending the issuance and execution of a formal contract where works, goods or services under a contract is required to commence prior to the issuance and execution of a formal contract.
- 9.3.6 The terms of the Council's standard right to buy lease permit recharge of a proportion of the cost of these works from leaseholders, subject to compliance with the consultation requirements set out in the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the statutory provisions").
- 9.3.7 Permissible recharges are limited by Part 5 and Schedule 8 of the Building Safety Act 2022 ("the Act") which came into force on 28 June 2022. The Act applies where the Council undertakes works to remedy "relevant defects" in "relevant buildings". Relevant defects are defects, arising from construction, conversion or remediation works carried out after 28 June 1992, that cause a risk to the safety of people in the building from spread of fire or collapse of the building or part of it. Stellar House is a relevant building.
- 9.3.8 Officers have identified such works and excluded their cost from the estimated leaseholder recharge – see 6.12 and 6.13 under "Leasehold Implications" above.
- 9.3.9 The statutory provisions set out a two-stage process for consultation with leaseholders, the first setting out the proposed works and inviting comments

thereon and nomination of a contractor from whom to seek an estimate, and the second, after obtaining estimates, setting out estimates and inviting comments; in each case the leaseholder is to be given a minimum of 30 days to respond. The Council must have regard to any comments made, and obtain an estimate from a nominated contractor if one (or more) is nominated.

9.3.10 Where the Council decides to award the contract to a contractor who did not submit the lowest estimate, it must within 21 days of entering into the contract serve a further notice on leaseholders stating its reasons for awarding the contract, and summarising any observations received at the second stage of consultation and its response to them.

9.3.11 Details of the Council's compliance with those provisions are set out in the body of this report under "Leasehold Implications". Legal Services have considered the form of the notices served and confirm that they comply with the statutory provisions. The decision maker must conscientiously take account of the observations made by leaseholders in making this decision.

9.3.12 The Assistant Director for Legal and Governance (Monitoring Officer) sees no legal reasons preventing the approval of the recommendations in the report.

9.1 Equality

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.

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.

Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The decision is regarding the award of a major works contract for the improvement and upgrade to Kenneth Robbins House. These works are essential to ensure our residential buildings adequately provide a suitable means of escape in the event of fire and separation between the dwellings and the communal areas, and have good modern facilities, and where facilities are not

being renewed, the existing services are in a good state of repair and meets current regulations and standards.

Data held by the council suggests that women, young people, disabled people and BAME people and naturally low-income people are over-represented among those living in council housing. These improvement works should there for be expected to have a positive impact on those that share the protected characteristics.

As an organisation carrying out a public function on behalf of a public body, the contractor will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the major works does not result in any preventable or disproportionate inequality.

10. Use of Appendices

10.1 Exempt Report – **Appendix A**

10.2 Leasehold Observations – **Appendix B**

11. Local Government (Access to Information) Act 1985

11.1 Exempt information will include commercially sensitive information for the successful bidder.