

**Report for:** Cabinet Member for Housing and Planning (Deputy Leader)

**Title:** Direct Award for Voids Works to HCBS and PSL Properties

**Report**

**Authorised by:** Jonathan Kirby – Director of Capital Projects and Property

**Lead Officer:** Jack Goulde, Head of Design Quality and Acquisitions

**Ward(s) affected:** All wards

**Report for Key/**

**Non Key Decision:** Key Decision

**1. Describe the issue under consideration**

- 1.1. This report seeks the Lead Member's approval to the award of a Voids Contract for a period not exceeding 18 months, to Contractor A to carry out Voids Works to HCBS and PSL properties in accordance with CSO 0.08. Financial details are contained in the Exempt Report.
- 1.2. Agrees a Total Scheme Cost details of which are in the Exempt Report.

**2. Recommendation**

- 2.1. It is recommended that the Cabinet Member for Housing and Planning (Deputy Leader): Agrees the award of a Voids Contract for a period not exceeding 18 months, to Contractor A to carry out Voids Works to Haringey Community Benefits Society (HCBS) and Private Sector Leased (PSL) properties to a maximum sum details of which are contained in the Exempt Report in line with the provisions of the Council's CSOs 7.02, 2.01(c) and 0.08.
- 2.2. Agrees a Total Scheme Cost details of which are contained in the Exempt Report.

**3. Reasons for decisions**

- 3.1. The Haringey Community Benefits Society (HCBS) has successfully acquired a significant number of properties in the past 12 months, and this acquisition programme is continuing. In addition, Haringey Council has a commitment to a number of Private Sector Leased (PSL) properties.
- 3.2. Each of the HCBS properties most recently acquired requires voids works to be undertaken in accordance with an agreed specification in order to return it to long – term lettable standard and each of the PSL properties being considered for this Contract requires works to be undertaken in accordance with a specification to be agreed with the private sector landlord to meet the Council's tenancy obligations.
- 3.3. A Direct Award from the LCP Framework MW24 Lot 2.2 is considered to be the most time and cost efficient method of procuring a contractor to undertake

these Works.

#### **4. Alternative options considered**

- 4.1. The primary alternative to the proposed contract would be not to undertake the Works and this has been rejected as it is vital that these properties are returned to long – term lettable standard as soon as possible in order to relieve pressures on temporary accommodation.
- 4.2. A secondary alternative would be for the council's inhouse team to deliver the additional works. However, as noted in 3.1, the council is forecasting a significant increase in the number of properties that require void works over the next two years. These voids will require rapid, specialist work to allow them to be let to Haringey residents. This is a time dependent priority given that, like most local authorities, Haringey is facing acute housing need from homeless households and a requirement to reduce the council spending on expensive private rented sector accommodation for residents who have presented as homeless. Additional capacity, through the required contract uplift, is therefore required to deliver these works in a timely manner.
- 4.3. Consequently, it has been concluded that existing council services would benefit from additional support from a short-term void works contract: to facilitate this aim.

#### **5. Background information**

- 5.1. Haringey Council has made delivering a new generation of genuinely affordable homes a key corporate priority. Since 2019 a total of more than 400 homes have been acquired for the HCBS to assist with the growing requirement to provide high quality accommodation to homeless households. In addition, Haringey Council and Homes for Haringey have been exploring options to increase the number of properties owned to provide temporary accommodation: currently the council is targeting the acquisition of 250 new properties per year.
- 5.2. The council is expecting that these two strategies, outlined in 1.1, will result in works to a large number of properties being completed enabling the council to bring them into use as accommodation for our residents.
- 5.3. By providing more properties in Haringey that the council can let rapidly to tenants, this contract will contribute towards reducing the borough's expenditure on other forms of expensive accommodation, including properties in the private rented sector which come at a significant financial cost. It will also allow more families to remain inside Haringey and maintain their local community connections in our borough.
- 5.4. The proposed contract for HCBS and PSL voids will deliver the positive corporate delivery plan outcomes highlighted in 7.

#### **6. Procurement Process**

- 6.1. The procurement process for this contract is a Direct Award from the London Construction programme MW24 Lot 2.2. Further details are contained in the

Exempt Report.

## **7. Contribution to the Corporate Delivery Plan (CDP) 2022-2024 high level**

### **Strategic Outcomes**

- 7.1. The uplift in the contract value will make a significant contribution to Haringey's strategic objectives and support the delivery of key themes within the CDP.
- 7.2. **Homes for the Future:** The contract uplift will ensure that:
- Properties within the remit of this contract will receive timely and efficient void improvement works that will ensure tenants are living in high quality and well-maintained accommodation.
  - As noted in 5.3, bringing more council run properties into use will contribute to the reduction in spending on costly private sector housing for homeless households as well as allowing tenants to remain part of the community in Haringey.
- 7.3. **Responding to the Climate Change Emergency:** Responding to the climate change emergency is a core part of this contract's requirements, including:
- As noted in 8.1-8.4, the contract contains specific requirements for the maintenance of high-quality technical infrastructure within the properties that are part of the remit of this contract. This includes provisions to enhance water consumption and energy efficiency.
- 7.4. **Placemaking and economy:** The contract includes an emphasis on creating new economic opportunities in the borough:
- The recommended contractors has committed to providing additional social value to Haringey by the use of apprenticeships and, where possible, by utilising local supply chain procurement of labour and materials.

## **8. Carbon and Climate Change**

- 8.1. The original cabinet member decision making paper outlines the significant carbon and climate change benefits from this contract, please see 1.1 for more details. This will include works to increase energy efficiency within the properties that will receive voids work.
- 8.2. The contract uplift will allow these significant benefits to be delivered to a high standard and in a timely fashion.

## **9. Statutory Officer Comments**

### **9.1. Legal**

- 9.1.1. The Director of Legal and Governance (Monitoring Officer) was consulted in the preparation of the report.
- 9.1.2. The report indicates and Strategic Procurement has confirmed that the

contract in the report was procured by way of direct award via the LCP Housing Framework MW24 Lot 2.2 and this is a compliant route to procure such a contract under Regulation 33 of the Public Contracts Regulations 2015 and the Council's Contract Standing Order (CSO) 7.02.

- 9.1.3. Pursuant to the provisions of the Council's CSO 2.05.1(c) Cabinet has authority to approve the award of a contract where the value of the contract is £500,000 or more and as such the recommendations in paragraph of the report is in line with the Council's CSO.
- 9.1.4. Further to paragraph 9.1.3 above and the Council's CSO 0.08, a decision reserved for Cabinet may be taken by a Cabinet Member with the agreement of the Leader and as such the recommendation seeking approval from the Cabinet Member for Housing and Planning (Deputy Leader) in paragraph 2 of the report is line with the Council's CSO so long as the Cabinet Member is taking the decision with the agreement of the Leader.
- 9.1.5. The Director of Legal and Governance (Monitoring Officer) see no legal reasons preventing the approval of the recommendations in the report

## 9.2. **Procurement**

- 9.2.1. Strategic Procurement (SP) notes that this report relates to the waiver of Contract Standing Order 12.02 in accordance with CSO 18.01.2 d. (i), (ii), 2.01 (c) and CSO 0.08 to award to bidder A in the exempt report for the Provision of Void Works to HCBS and PSL Properties as part of Haringey Repairs Service for the sum mentioned above.
- 9.2.2. The Contract will support with aftercare service in delivering its commitment to ensure that HRS can concentrate their resources on other, essential, Works and provide a support service to HRS at this time of exceptional demand and in order to ensure that the council meets its regulatory obligations to Tenants and the Regulator.
- 9.2.3. A Direct Award from the LCP Framework MW24 Lot 2.2 was considered to be the most time and cost-efficient method of procuring a contractor to undertake these Works. This procurement complies with Regulation 33 of PCR 2015.
- 9.2.4. SP supports the approval to waive Contract Standing Order 12.03 and award in accordance with CSO's 18.01.2(d)(i), (iii), 2.01 (c) and CSO 0.08.

## 9.3. **Finance**

- 9.3.1. The works on HRA properties leased to HCBS are improvement works. Hence the cost will be capitalised against the assets.
- 9.3.2. The cost of works on GF PSL properties will be expensed.
- 9.3.3. These costs can be contained within the existing home acquisition budget and voids/repairs budget for PSLs.
- 9.3.4. Further finance comments are in exempt report.

#### **9.4. Equality Impact Assessment**

- 9.4.1 The council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:
- 9.4.2 Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- 9.4.3 Advance equality of opportunity between people who share protected characteristics and people who do not
- 9.4.4 Foster good relations between people who share those characteristics and people who do not
- 9.4.5 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.
- 9.4.6 Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic.
- 9.4.7 Haringey Council treats socioeconomic status as a local protected characteristic.
- 9.4.8 There is no change to the equality implications as outlined in the original decision paper on this contract. This paper can be viewed [here](#).

#### **10. Use of appendices**

- 10.1 Appendix One – Exempt Report

#### **11. Local Government (Access to Information) Act 1985**

- 11.1. Appendix One 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).