

**REPORT TEMPLATE:  
PROCUREMENT COMMITTEE**

**HARINGEY COUNCIL**

Agenda item: **[No.]**

**Procurement Committee      On 21st March 2006**

**Award of contract:**

Report Title: 1-128 Kenneth Robbins House.  
Renewal of internal wastes, kitchens and bathrooms, electrical re-wiring, installation of an Integrated Reception System (IRS) and associated works .

**Report of: Director of Housing**

**Wards affected:** Northumberland Park

**Report for:** Non-Key Decision

**1.0 Purpose**

**1.1** To seek Members agreement to award the contract for the renewal of internal wastes, kitchens, bathrooms, electrical re-wiring, installation of an integrated reception system (IRS) and associated works.

**2.0 Introduction by Executive Member**

**2.1** I concur with the recommendations.

**3.0 Recommendations**

**3.1** That Members agree to award the contract for the above project, as allowed under Contract Standing Order (CSO) 11, in accordance with the recommendations in paragraph 11.1 of this report.

**Report Authorised by**

*Stephen Clarke*

Stephen Clarke Director of Housing

**Contact Officer:** Graham Clarke - Project Manager - Telephone: 0208 489 1160

**4.0 Executive Summary**

**4.1** See 1.1

## **5.0 Reasons for any change in policy or for new policy development)**

5.1 Not Applicable

## **6.0 Local Government (Access to Information) Act 1985**

6.1 List of background documents:

- JCT 1998 Intermediate Form of Building Contract
- Feasibility study by Dunlop Haywards. August 2004.
- Tender Report by Dunlop Haywards. September 2005
- Decent Homes Guidance February 2004

6.2 **Appendix A of this report is NOT FOR PUBLICATION as it contains exempt information.**

## **7.0 Background**

7.1 Over the last few years there has been an ongoing maintenance problem with the corroding copper waste pipes at Kenneth Robbins House, which has caused persistent leaks within the flats. This has led to serious water damage to ceilings, walls and adjacent surfaces. The works needed to remedy this problem is extensive and beyond the scope of the day-to-day maintenance team.

7.2 The original project brief was to replace all corroded pipe work to resolve the maintenance problem. However, following a detailed feasibility report produced by Dunlop Haywards in August 2004 and in order to bring the properties up to the Haringey Standard i.e. all works described in the Decent Homes guidance dated February 2004, it became necessary to include additional works. This involves the renewal of kitchens & bathrooms, rewiring including smoke detectors and extractor fans and overhauling the main extractor fans on the roof. In addition, as a result of the consultation process it was agreed that the opportunity will be taken to upgrade the communal TV aerial to an integrated reception system.

7.3 It should be noted however that works involving the leasehold flats would be confined to the renewal of internal waste branch pipe work, overhauling the existing mechanical extraction system serving the inner bathrooms and installation of IRS and associated works.

## **8.0 Budget**

8.1 This project will be funded from the Planned Maintenance Budget within the 2005/2006, 2006/2007, 2007/2008 Housing Capital Programmes.

## **9.0 Tenders**

9.1 Tenders were invited from five firms from the Approved List of Contractors.

- 9.2 Tenders were invited on the basis of a fixed price contract, for a period of 24 weeks.
- 9.3 All five contractors invited to tender submitted a tender.
- 9.4 The overall range of tenders, that is the difference between the highest and the lowest tenders submitted, was 45%.
- 9.5 All tenders are open for acceptance for a period of six months from 24<sup>th</sup> August 2005, the closing date for receipt of tenders. Therefore tenders should have been accepted by 24<sup>th</sup> February 2006. This date has, however, been extended by 3 months to 24<sup>th</sup> May 2006. The contractors who submitted the two lowest tenders have confirmed that they will stand by their price.
- 9.6 The lowest firm price tender received with a contract period of 24 weeks is recommended for acceptance.
- 9.7 Full details of the tendering exercise are laid out in Appendix A.

## 10.0 Consultation

- 10.1 Detailed consultation has been carried out on this project by a number of residents meetings, detailed newsletters and door to door consultation.
- 10.2 Following door to door consultation, access has been gained to 90 out of 128 flats, all of which have been fully surveyed prior to tender invitation. This compares favourably with similar schemes undertaken to date.
- 10.3 Visits to other Boroughs were arranged to see similar projects so lessons learnt could be incorporated into the design and the benefits passed on to the residents within this scheme.

## 11.0 Recommendations

- 11.1 That Members agree to award the contract for the above project as allowed for under contract standing orders (CSO) 11,1 based on the lowest price.

## 12.0 Equalities Implications

- 12.1 This improvement will benefit all occupants of the properties included in this scheme which includes disabled, elderly and people from ethnic minority groups and will improve their quality of life.
- 12.2 Tenants have been given a choice of kitchen layouts designed to suit their individual needs.

## 13 Health and Safety Implications

- 13.1 All contractors have been assessed as competent under the Construction Health

and Safety Assessment Scheme (CHAS), which is an industry-wide-body. They also comply with the requirements of the Council's Health and Safety policy.

**13.2** The construction Design and Management Regulations 1994 apply to this project and the contractors Construction Phase Health and Safety Plan will be checked and approved by the Planning Supervisor prior to the commencement of work on site.

#### **14.0 Sustainability Implications**

**14.1** The scheme has been carefully designed where possible to allow for minimising waste during the construction and the useful life of the products. This includes the installation of steel baths and PVC flooring.

**14.2** Although PVC floors are long lasting, PVC is not good for the environment.

**14.3** Part of the scheme includes for overhauling the existing mains water distribution system . This will consist of a new rising main complete with break tanks and booster pumps to allow showers to be used without loss of pressure.

**14.4** The contractor will be required to register and comply with the Considerate Constructors Scheme.

**14.5** Providing an integrated satellite reception system reduces the quantity of satellite dishes fixed to the property, resultant damage to the building fabric and gives lower income families access to increased TV viewing choice..

**14.6** The selected kitchen, Moores High Performance 2, has received the F.I.R.A Gold Award and Kite mark Certification with a life expectancy of twenty years.

**14.7** A detailed asbestos survey was carried out during the design phase of this project. This revealed 64 flats with access panels in the bathrooms containing asbestos. Any asbestos found within the flats will be removed in a controlled way and will be transported under controlled conditions to a registered site in strict accordance with current regulations and legislation. Air monitoring will be carried out in accordance with regulations to eliminate the risk of pollution from such sources for the continued use and maintenance of the building.

#### **15.0 Financial Implications**

**15.1** This scheme is estimated to cost £1,463,676, and projected to be phased as set out in paragraph 6.0 of Appendix A.

**15.2** Provision for the spend in 2005/2006 and 2006/2007 exists in the Planned Maintenance Budget within the Housing Capital Programmes for the respective years. The balance of the expenditure £36,592 is forecast to be spent in financial year 2007/2008; this will be a first call on the resources available in that year.

## **16.0 Comments of the Director of Finance**

**16.1** The Director of Finance has been consulted in detail and advises that provision for the spend in 2005/2006 and 2006/2007 exists in the Planned Maintenance budget within the Capital programmes for the respective years.

**16.2** The balance of the expenditure £36,592 is forecast to be spent in financial year 2007/2008, this will be a first call on the resources available in that year.

## **17.0 Comments of the head of Legal services**

**17.1** The estimated value of the proposed contract is below the threshold for tendering public works contracts in the EU under the Public Contracts Regulations 2006, currently £3,611.474.

**17.2** The Contract has been tendered in accordance with CSO 8.2(d) by inviting tenders from five firms on the Council's Approved List of Contractors. CSO 8.3 (d) provides that where an Approved List exists in respect of a subject matter, tenders shall be invited from capable contractors on the List having regard to the principles of best value.

**17.3** Leaseholder consultation has been carried out in compliance with the Landlord and Tenant Act 1985 and the Service Charge (Consultation Requirements) (England) Regulations 2003.

**17.4** This report recommends award of the contract to the firm which has submitted the lowest priced tender. Under CSO 11.1 tenders may be accepted on the basis of either the lowest price or the most economically advantageous tender.

**17.5** Because the estimated value of the contract is above £250,000, pursuant to CSO 11.3, the contract can only be awarded by Members.

**17.6** The Head of Legal Services confirms that there is no legal reason preventing Members from approving the recommendation set out in paragraph 3 of this report.

## **18.0 Comments of the head of Procurement**

**18.1** The contractors selected to tender for this project have been selected from the council's approved list of pre-qualified contractors and as such they are recognised to be capable and have the financial capacity to undertake this work as outlined above.

**18.2** The tender submissions have been evaluated on the basis of the lowest price submitted by the contractor which is acceptable and admissible under the Council's Contract Standing Orders.

- 18.3** A thorough breakdown of the work to be undertaken has been provided, thereby reducing the risk of increased cost due to previously unidentified work to be undertaken.
- 18.4** Consultation with leaseholders has also been undertaken in the appropriate manner, ensuring optimum recover of costs.
- 18.5** The Head of procurement supports the recommendation to Members to approve the award of contract to the contractor as named.

**19.0 Use of Appendices / Tables**

**19.1** Appendix A Tenders. Finance. Leaseholders Information.