



**Haringey** Council

<b>Report for:</b>	<b>Cabinet Procurement Committee - 17<sup>th</sup> November 2011</b>	<b>Item number</b>	
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<b>Title:</b>	<b>Munro Works Industrial Estate – Fire Reinstatement Works</b>
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<b>Report authorised by :</b>	<b>Director of Place and Sustainability</b>  Signed: <i>[Signature]</i> Date: 9/11/2011 <i>HEAD OF CORPORATE PROPERTY</i>
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<b>Lead Officer:</b>	<b>Babatunde Odusanya</b> <b>Position: Valuer</b> <b>Telephone: 0208 489 2177</b> <b>E-mail: <a href="mailto:babatunde.odusanya@haringey.gov.uk">babatunde.odusanya@haringey.gov.uk</a></b>
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<b>Ward(s) affected: Bounds Green</b>	<b>Report for: Key Decision</b>
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**1. Describe the issue under consideration**

- 1.1 To obtain the approval of Members to award the contract for fire reinstatement and improvement works to Units 1, 4, 5 and 6 Munro Works, Cline Road, Bounds Green, London N11.

**2. Cabinet Member Introduction**

- 2.1 The reinstatement and improvement works will support local business enterprise and contribute to Council income by bringing all four units back into a lettable condition.

### **3. Recommendation**

- 3.1 That Members agree to award the contract to the contractor identified in exempt Appendix A that has submitted the lowest tender.

### **4. Other options considered**

- 4.1 No procurement options have been considered as the Framework Agreement for Major Construction works is the most appropriate procurement route for this work.

### **5. Background information**

- 5.1 The properties under consideration (i.e. Units 1, 4, 5 and 6 Munro Works) form part of Munro Works Industrial Estate which comprises a total of six industrial buildings. Under the conditions of the leasehold agreement, under which the Council holds the premises, the Council is liable for the overall repair, maintenance and insurance of the estate. The Council is consequently contractually bound to put Units 1, 4, 5 and 6 into a good state of repair and maintenance.
- 5.2 Following a fire outbreak in 2005 that affected Unit 4, the Council consulted insurers and undertook a number of feasibility reports on condition and reinstatement options. Although the fire was in Unit 4, the inter-connecting nature of the subject four units has meant that all the units have not been lettable since the fire. The necessary roof works on Unit 4 will therefore impact on the adjoining units making roof replacement of all four units as part of this contract beneficial in both practical and economic terms.
- 5.3 The work to be undertaken comprises mainly roof replacement of all four units with reinstatement of fire damaged areas to a lettable condition.

#### **Procurement process**

- 5.4 The Framework Agreement for Major Building Construction Works Value Band A (£250,000 to £999,999) was established pursuant to EU procurement regulations. The Framework Agreement (Band A) consists of eight contractors all of whom were invited to submit tenders in a mini-competition under the Framework Agreement.
- 5.5 NPS London Ltd. were selected as project consultants and they prepared and sent out tender specifications to contractors for pricing.
- 5.6 Six contractors submitted tenders. The remaining two declined to tender following receipt of the tender documents.
- 5.7 The tenders were analysed by NPS London Ltd. using price as the sole assessment criteria.

5.8 All tenders were compliant with the tender specification and were for a fixed price with a contract period of 16 weeks.

5.9 The defects liability period is 12 months.

5.10 Details of the tenders received and the tender report prepared by NPS London Ltd are contained in exempt Appendix A.

## **6. Comments of the Chief Financial Officer and Financial Implications**

6.1 The cost of this contract can be contained within the monies approved for this scheme that form part of the 2011-12 capital budget.

## **7. Comments of the Head of Legal Services and Legal Implications**

7.1 Place and Sustainability Directorate (the Directorate) has confirmed that the Framework Agreement for Major Building construction Works Value Band A (the Framework Agreement) was procured in accordance with EU procurement legislation and is compliant with the Public contracts Regulations 2006 (the Regulations)

7.2 The economic operators on the Framework Agreement were invited to submit tenders under a mini-competition procedure, a process which is in accordance with the Regulations.

7.3 Because of the value of the proposed contract, the award of contract must be approved by the Procurement Committee in accordance with CSO 9.07.1(d).

7.4 The contract is also a Key Decision and is included in the Forward Plan in accordance with CSO 3.01 (d).

7.5 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

## **8. Equalities and Community Cohesion Comments**

An impact assessment is not required.

## **9. Head of Procurement Comments**

9.1 The project has been tendered using the major construction works framework agreement value band £250,000 to £999,999.

9.2 The project has been procured using lowest price basis and the results are evidenced in appendix A.

9.3 The project has demonstrated by use of the established framework agreement to be value for money.

10. Policy Implications (None)

**11. Use of Appendices**

(Appendix A contains exempt information).

**12 Local Government (Access to Information) Act 1985**

**12.1 Background papers:-**

Invitation to tender. (Other documents are exempt).

**12.2** This report contains exempt and non-exempt information. The exempt information is set out in Appendix A and is not for publication. The exempt information is under the following category (identified in amended schedule 12A of the Local Government Act 1972)

S. (3) Information relating to financial or business affairs of any particular person (including the authority holding that information).