

Haringey Council

APPENDIX A

REPORT TEMPLATE

Agenda item:

[No.]

Procurement Committee Meeting

On 25 March 2008

Report Title: **Bruce Grove Townscape Heritage Initiative, Phase 2 (Part A): Award of contract**

Forward Plan reference number (if applicable): **N/A**

Report of: **Karen Galey, Head of Economic Regeneration**

Wards(s) affected: **Bruce Grove / Tottenham Hale**

Report for: **Non-Key Decision**

1. Purpose

1.1 To seek Member agreement to award the contract for the second phase of the Heritage Lottery Fund – Townscape Heritage Initiative in Bruce Grove, (Nos. 527, 541, 543, 551 & 553) Tottenham High Road.

2. Introduction by Cabinet Member for Enterprise and Regeneration – Cllr. Amin

2.1 This project will directly assist with the Tottenham High Road Strategy and will help to preserve and enhance the conservation area. I support the recommendation of this report, particularly in light of the time constraints of the wider programme to take full advantage of the grant funding available.

3. 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 18 of this report.

3.2 That the contract be awarded for a period of 18 weeks.

Report Authorised by: **David Hennings, Assistant Director of Economic Regeneration**
(Include signature here)

Contact Officer: **Yvette Chin, Regeneration & Conservation Officer – Tel. 0208 489 4565**

4. Chief Financial Officer Comments

4.1 The Urban Environment Capital budget for 2007/08 includes a provision of £827k for the Bruce Grove THI scheme. Spend to date against this budget is £405k leaving a balance of £422k still to be committed. Balance of the £29k fees will be met from next years approved budget of £250k. The estimated cost of the contract for phase 2 works is £375k including an allowance for increased costs. This sum is within the budget provision available.

5. Head of Legal Services Comments

- 5.1 Pursuant to Regulation 19 of the Public Contracts Regulations, 2006 (“the Regulations”) which allows local authorities to enter into Framework Agreements with contractors, the Council has entered into Minor and Major Works Construction Framework Agreements with several contractors.
- 5.2 Under the Regulations, a contract for a specific project under a Framework Agreement may be awarded to the contractor who offers either the lowest price or the most economically advantageous tender in respect of that contract, as determined either (1) by application of the terms laid down in the Framework Agreement without reopening competition, or (2) by a mini-competition between all the contractors on the framework agreement who are capable of performing the Contract.
- 5.3 The Construction Procurement Group have confirmed that, applying the terms laid down in the Council’s Major Works Construction Framework Agreement without reopening competition, the most economically advantageous tender in relation to the proposed contract is that submitted by the contractor recommended in this report.
- 5.4 Because the contract value exceeds £250,000, the proposed award must be approved by the Procurement Committee in accordance with Contract Standing Order 11.3.
- 5.5 The re-tender has complied with all the above requirements and with the terms of the Framework Agreement in respect of call-off agreements.
- 5.6 The Head of Legal Services confirms that there is no legal reason preventing Members from approving the recommendation to award this contract to the Contractor named in Part B-B1(iii) of this report.

6. Head of Procurement Comments

- 6.1 The contractor for this project has been selected from one of the Construction Procurement Group’s framework agreements, as per their intended use.
- 6.2 Additionally, the contractor has been able to cost certainty for the work specified, after negotiations with the quality surveyor which reduces financial and budgetary risk.

6.3 In summary, this procurement has been appropriately undertaken and the Head of Procurement supports the recommendation made to Members to appoint the contractor as named at Appendix B and for the price detailed.

7. Local Government (Access to Information) Act 1985

7.1 List of background documents:

- Heritage Lottery Fund Agreement

7.2 See Part B for exempt information. *Constitution – Exempt information, Ground 7:* Information relating to the financial or business affairs of any particular person (other than the authority).

8. Background

- 8.1 This is the second phase of the Bruce Grove Townscape Heritage Initiative (THI) programme to refurbish groups of properties along Tottenham High Road and follows the aims of the High Road strategy adopted by the Council to regenerate this key area of Tottenham. The properties in this second phase of the project are Nos. 527, 541, 543, 551 & 553 (5 properties). The first phase of works was Windsor Parade (Nos. 538-554 Tottenham High Road – 9 properties), recently completed in September 2007.
- 8.2 Bruce Grove is part of a series of interlocking conservation areas along the High Road, and is a busy retail location with a mixture of Edwardian and Victorian properties. The buildings are mostly Victorian with unsympathetic alterations and modern shopfronts.
- 8.3 Tottenham High Road has been in decline in the past and continues to suffer from physical and environmental neglect. The poor visual quality of these properties reflects the area's low economic vitality, and the lack of suitable maintenance and repairs. It is an historic corridor with many important local buildings and has been of keen interest to English Heritage and Heritage Lottery Fund, the latter of whom have made funds available for this scheme.
- 8.4 The aim of the project is to help preserve and enhance the conservation area in Tottenham High Road by refurbishing the shopfronts, front and side elevations and roofs of properties Nos. 527, 541, 543, 551 & 553. Some of the specific work to be carried out will be to: repair, repoint and clean brickwork; repair sash windows; repair decorative stone parapets; replace UPVC windows with traditional timber sashes or repair existing sash windows; reinstate the 1st floor conservatory fenestration including decorative arches and stained glass; make good and redecorate end stub wall, pilasters and consoles; and provide new shop fronts, fascias, awnings and doors to flats.
- 8.5 The shop and building owners of the properties have been offered grants to make specialist conservation improvements to the shopfronts and building exteriors which will improve the urban fabric, pride in the area, passing trade and commercial returns for the property owners. Part of the grant agreement conditions will be that the shopfront is kept repaired and maintained in good condition.

- 8.6 The main outcome of the project will be to improve the physical condition and appearance of these properties to help to conserve the historic urban fabric of the area. To a larger extent, this will contribute to the physical and environmental improvements being made as part of a wider strategy to regenerate Bruce Grove.
- 8.7 The building improvements in this grant scheme and project must follow strict guidance set out by HLF as well as the sensitive application of conservation principles, specific to the architectural time period and historic fabric of the existing buildings.
- 8.8 Experienced conservation sub-contractors will be nominated to carry out the works using traditional conservation methods and practice.
- 8.9 Please note that Procurement Committee granted approval to award the contract for properties 537/539, 541, 543, 551 & 553 in July 2007. However, shortly after the approval the owner of 537/539 and 543 pulled out of the grant scheme because they would not agree to the legal conditions attached to the grant set by Heritage Lottery Fund. Property 543 later came back into the scheme again and new property 527 agreed to participate in the scheme with all design proposals agreed by Haringey's conservation design team and planning permission granted. Procurement Committee approval is again necessary because of the tender period lapsed, change in scope of work and increase in price of materials since the acceptance of the original tender.

9. Budget

- 9.1 The overall grants budget available for this second phase of Bruce Grove Townscape Heritage Initiative is £450,933.
- 9.2 The total project cost will be covered by private contribution (£38,000) from the traders/owners, Council funding (£130,000) and Heritage Lottery Funding (£282,933).
- 9.3 £450,933 is the maximum budget provision for this project. Of this there is £375,048 for the build contract (including £9,500 contingency) and approximately £75,885 for professional fees.

- 9.4 The cost breakdown of associated fees for the project are as follows:

Architect	£41,210
Conservation Planning Consultant	£22,566
Professional Valuation fees	£4,644
Legal, CPG, Planning fees	£7,465
 Total associated project fees:	 £75,885

10. Description of Procurement Process

The Construction Procurement Group (CPG) has implemented a number of Framework Agreements available for the call-off of contractors and consultants work. The process for the selection of contractors is outlined below.

10.1 Framework Agreement Methodology

10.1.1 This project falls under the **£250,000 to £999,999 band** in the Framework Agreement. There are 10 contractors within this band.

10.2 Section of Contractor

10.2.1 The project panel met on the **28.03.07**. The panel was made up of Graham Lee, Yvette Chin of LBH Economic Regeneration and Jey Jeyakumar and Laura Nash LBH CPG.

10.2.2 The contractor was selected based on six criteria: Experience of refurbishment work, shopfront renewal, conservation work, listed buildings work, cost and working in tenanted properties.

10.2.3 CPG have developed a rigorous selection process for the selection of contractors. This process has been agreed by audit. The selection process includes such factors as financial status, ranking on original framework agreement and the clients criteria.

10.2.4 A meeting was held on **12.04.07** with the contractor to discuss the project and determine their ability to undertake the works.

10.3 Tender

10.3.1 The contractor was briefed on the project on **12.04.07**, and provided with a set of tender documents representing the scheme. Following the initial tender and an evaluation of that tender, two of the original properties included in the Contract had to be withdrawn, since the owners of those properties decided not to participate.

Following lengthy negotiations, one of the property-owners re-joined, and another property was added in to the Contract (No. 527).

Because the original tender period had lapsed, and the scope of the work had changed, it was decided that a new tender was required. Accordingly, adjusted tender documents were issued to the contractor.

10.3.2 The price submitted by contractor and contract period – this information is exempt, please see Part B-B1(i).

10.3.3 The defects liability period is **6 months**.

10.3.4 The tender is open for acceptance for a period of 4 months, i.e. until 11.06.08.

10.4 Programme

The programme for the works has been examined and is found to be satisfactory and gives a clear critical path. The anticipated contract period for the works is 18 weeks.

10.5 Tender Summary & Conclusion

10.5.1 The AMP of the tender of contractor and recommended financial provisions to be made is exempt information. Please see Part B-B1(ii).

11 **Key Benefits and Risks**

11.1 **Benefits:** Physical, economic and social regeneration along Tottenham High Road; enhancing and preserving the historic buildings on Tottenham High Road.

11.2 **Risks:** Discovering unforeseen building conditions; need to complete programme of works before the HLF deadline of June 2010.

12 **Health and Safety Implications**

12.1 Council officers and the project's consultants will monitor all stages of the project to ensure that all health and safety risks have been assessed and appropriate control measures identified and implemented.

13 **Sustainability Implications**

13.1 As this is a conservation project, the work carried out will be refurbishing existing elements of the building as opposed to replacing them, which demonstrates good sustainable practice, economically and environmentally since it extends the life of these valuable buildings.

13.1 In terms of delivering economic aspects of sustainability, this project will improve the visual outlook of these commercial properties, with the benefit of improved commercial return.

14 **Financial Implications**

14.1 This project forms part of Economic Regeneration's financial plan this year and funds expended will be recuperated from the grants and individual contributions.

14.2 In order to claim the full available amount of HLF grant the building works must be completed and the costs defrayed by June 2010. If this is not achieved, the Council may be required to fund the outstanding works in full.

15 **Equalities Implications**

15.1 This project has been developed in line with the Council's statutory requirements in relation to the Disability Discrimination Act 1995 (DDA).

15.2 There are no specific equal opportunities implications arising from this report. However, any efforts to regenerate Tottenham must recognise the diversity and ethnicity of the area. Many of these businesses are set up and run by people from ethnic minority communities and therefore they will benefit from the assumed commercial benefits associated with such a scheme.

16 **Consultation**

16.1 Property owners were consulted on the scheme before, during and after the grant application stages, with regard to their participation and throughout the design process.

17 Conclusion

- 17.1 This report seeks the approval of Procurement Committee for the award of the contract to the contractor named in Part B-B1 (iii) for the price named in Part B-B1 (iii).
- 17.2 This project will refurbish the buildings at 527, 541, 543, 551 & 553 Tottenham High Road and is part of a wider Tottenham High Road strategy which is aimed at revitalising this key area of Tottenham.





18 Recommendations

- 18.1 That Members agree to award the contract for building contract services to the contractor named in Part B-B1(iii) in the sum named in Part B-B1 (iii) under the CPG Framework Agreement.

19 Use of Appendices / Tables / Photographs

- 19.1 Summary of works – THI Groups 2 & 3
- 19.2 Part B of this report contains exempt information.

19.1 Summary of Works – Project Descriptions: Bruce Grove THI Groups 2 & 3

BUILDING NO.	TYPE OF WORK	CURRENT AND PROPOSED END USE
527(Formerly of Group 1) Secret Nails 	<ul style="list-style-type: none"> • New windows • Repoint and clean brickwork • Re-instatement of original features • Installation of new shopfront • New shutter and awning • Restoration of loggia at first floor level. 	<p>CURRENT USE: Ground Floor: Nail Salon Upper: Residential</p> <p>PROPOSED USE: Ground Floor: Same Upper: Same</p>
541 (Group 2) Peppers & Spice 	<ul style="list-style-type: none"> • New windows • Repoint and clean brickwork • Re-instatement of original features • Installation of new shopfront • New shutter and awning • Restoration of loggia at first floor level. 	<p>CURRENT: Ground Level - Restaurant Upper - Residential</p> <p>PROPOSED USE: Ground Level - Same Upper - same</p>
543 (Group 2) Bairstow Eves 	<ul style="list-style-type: none"> • New windows, • Repoint and clean brickwork • Re-instatement of original features, • Installation of new shopfront, • New shutter and awning, • Restoration of loggia at first floor level. 	<p>CURRENT: Ground Level Use – Bairstow Eves Estate Agents; Upper – Estates Agents</p> <p>PROPOSED USE: Ground Level: Same Upper: Same</p>
551 (Group 3) 	<ul style="list-style-type: none"> • New windows, • Repoint and clean brickwork • Re-instate original features, • Installation of new shopfront, • New shutter and awning. 	<p>CURRENT: Ground Level-vacant from 1st Aug was retail Upper – vacant from 1st August was B1 offices and residential</p> <p>PROPOSED USE: Ground Level B1 offices Upper – B1 offices</p>

553 (Group 3)
Hansa Wines



- New windows,
- Repoint and clean brickwork
- Re-instate original features,
- Installation of new shopfront,
- New shutter and awning.

CURRENT:

Ground Level - Retail
Upper- Residential

PROPOSED USE:

Ground Level- same
Upper- same