

Notice of Non-key Executive Decision

Subject Heading:	2017/2018 Beehive Court Phase 2 Pre-tender report
Cabinet Member:	Councillor Damian White – Deputy Leader of the Council, Lead Member, for Housing.
SLT Lead:	Steve Moore – Director of Neighbourhoods
Report Author and Contact Details:	Mark Howard, Programme Delivery Manager, Housing Services Email: mark.howard@havering.gov.uk Tel: 01708 434704
Policy Context:	This Executive Decision is required to authorise the procurement for the remodelling of block 1-17 Beehive Court and alteration and improvement works to the whole of the scheme under the Housing Regeneration Programme Sheltered Housing Scheme.
Financial Summary:	The anticipated contract value is £1,095,765 and is fully funded from HRA Capital Programme.
Relevant OSC:	Towns and Communities OSC
Is this decision exempt from being called-in?	Yes – it is a non-key decision by a member of staff

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Programme Delivery Manager in Housing Services is authorised to start a procurement process to identify a contractor to perform the following works at Beehive Court, Harold Wood:

Remodelling works comprising:-

- Re modelling on the ground floor six bedsits to into four one-bedroomed flats.
- Re modelling on the 1st floor eight bedsits into five one-bedroomed flats.
- Creation of an accessible WC on the ground floor.
- The alteration of the existing two bedroomed flat to a staff toilet, communications room and store.
- Creation of a guest room on the ground floor.
- Creation of multipurpose room on the first floor.
- Installation of a new lift to block 1-17

Improvement works comprising:-

- Improvements to the communal lounge.
- Conversion of external steps to ramps.
- Improvements to external stairs.
- Repairs to external balconies.
- Extending the existing carpark and creation of additional mobility car park bays.
- Redecoration of internal communal walls.
- Improvements and redecoration of communal lounge
- Replacement of existing communal carpets
- The installation of an additional lift within the remainder of the scheme.

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AUTHORITY UNDER WHICH DECISION IS MADE

Powers of Members of the Corporate Management Team under Part 3 Paragraph 3.3 of the Council's Constitution Contract powers

(a) To approve commencement of a tendering process for all contracts above a total contract value of £156,000.'

STATEMENT OF THE REASONS FOR THE DECISION

Background

Beehive Court is a sheltered housing complex with 47 units. Block 1-17 had originally fourteen bedsits, 7 per floor, two 1 bedroom flats, one to each floor and one 2 bedroom flat on the first floor.

The fourteen bedsits are regarded as long term voids the longest being void since 2002 and currently have lost £480,000.

In 2016 two ground floor bedsits were converted into one 1 bedroom flat as a pilot leaving five bedsits remaining on the ground floor and one 1 bedroom flat.

Following the success of the pilot it is now proposed that the remaining bedsits will be remodelled into four 1 bedroom flats on the ground floor making a total of five 1 bedroom flats.

In addition on the ground floor a new staff office, guest room and a communication room will be created.

On the first floor the seven bedsits will be converted into four one bedroom flats with the existing 1 bedroom flats will make five one bedroom flats.

The existing two bed flat will converted into a 1 bedroom flat and a multi purpose room for the residents.

The units will be re-modelled in line with the 2016 London Plan and the Housing Supplementary Planning Guidance (SPG), current Building Regulations, Regulatory Reform (fire safety) order 2005

Planning and Building Regulation approval has been obtained for the in remodelling works detailed above.

Two single wheel chair passenger lift has been designed and costed within the works. One lift will be for block 1-17 and is subject to a separate submitted planning application.

The second wheel chair passenger lift for the scheme has yet to be submitted to the Planning Authority.

The improvement works are in line with the regeneration of schemes to create Community Hubs which are locations where people from the wider community meet to take part in events and activities.

The materials used will be industry standard for this type of work complying with current fire standards, tests, codes and Building regulations.

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Procurement proposals

The proposed contract will have an approximate total value of **£1,095,765**. As such, this procurement falls below the threshold for works procurements which have to be conducted in accordance with European legal requirements and the Public Contracts Regulations 2015. The procurement process will however be in accordance with the Council's Contracts Procedure Rules.

It is proposed to run a mini tender where 7 or 8 Contractors all from Construction Line have been invited to tender and all have stated they are willing to tender in an E auction.

The contract opportunity does not have to be advertised.

There will be three evaluators; two members of the Programme Delivery team and a member of ATP architects. The moderator will be a member of the Corporate Procurement team.

The evaluation will be on 70% price 30% quality.

The proposed project timetable is as follows:

Invite tenders	Monday 11 th September 2017
Tender period	Monday 11 th September 2017 to Friday 13 th October 2017
Receive and evaluate tenders	16 th October 2017 to Thursday 19 th October 2017
Run EAuction	Friday 20 th October 2017
Submit Key Decision	Wednesday 11 th November 2017
Contract Award	Thursday 30 th November 2017
Notify bidders of outcome of tender	Thursday 14 th December 2017
Issue JCT contract documents to successful contractor	Friday 22 nd December 2017
Mobilisation period	Tuesday 2 nd January 2018

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Notify HSE asbestos bearing materials	Monday 4 th December 2017
Start of works	Monday 8 th January 2018
Completion of works	Friday 31 st August 2018

Proposed form of contract

The proposed Form of Contract is the standard JCT Intermediate form of Contract (2016 Edition)

Procurement and project risks

The Contract will be monitored throughout the duration of the works by the Programme Delivery Project Surveyor.

Minimum standards for sub-contractors will be introduced by the Council in order to improve the quality of the supply chain and the key service and quality requirements will be emphasised in the invitation to tender documents and closely monitored throughout the duration of the contract.

Added social value

Contractors will be instructed as part of the tender to provide two coffee afternoons during the contract duration and to provide light food and a quiz for the residents

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OTHER OPTIONS CONSIDERED AND REJECTED

To procure the work through a framework – Rejected on the grounds that as the building work is straight forwards we feel that better value can be achieved through competitive tenders.

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PRE-DECISION CONSULTATION

Key Council stakeholders have been consulted on the installation programme in order to maximise good working relations, achieve effective compliance with the Councils standing orders and achieve value for money.

Proposals for procurement for the project have been presented to the Checkpoint Board and recommendations arising from that meeting have been incorporated into the procurement process.

There are no Leaseholders on this scheme but all residents will be consulted prior to the works.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Mark Howard

Designation: Programme Delivery Manager

Signature:



Date: 7th September 2017

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

This report is seeking to update Beehive Court the and the units will be re-modelled in line with the 2016 London Plan and the Housing Supplementary Planning Guidance (SPG), current Building Regulations, Regulatory Reform (fire safety) order 2005. Planning and Building Regulation approval has been obtained for the remodelling works detailed in the report.

The total cost of the works contract will be **£1,095,765**. This procurement falls below the threshold for works procurements which has to be conducted in accordance with European legal requirements and the Public Contracts Regulations 2015. However the EU treaty principles will apply to this procurement and the Council shall treat economic operators equally and without discrimination and shall act in a transparent and proportionate manner.

The procurement process will however be in accordance with the Council's Contracts Procedure Rules. The proposed Form of Contract is the standard JCT Intermediate form of Contract (2016 Edition) and contractors will be asked to bid through Constructionline and adhere to the timetable set. Work will be completed by

Jabeen Story
Procurement Lawyer
oneSource

6th November 2018.

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Financial check

The successful contractor will be subject to an Experian check prior to award being made.

Contract

JCT Intermediate form of Contract (2016 Edition)

Inflation

There will be no uplift of the contracted rates for inflation

Costs

The total project cost is expected to be **£1,095,765** made up as follows:

Remodelling works	£ 655,000
New lift and shaft block 1-17	£ 95,000
General upgrades including additional car parking	£ 205,000
Additional lift to provide access to the remainder of the scheme	£ 95,000
Professional fees Architect up to tender	£ 8,900
Planning and Building control fees	£ 4,950
Estimated total works	£1,063,850
Post tender architectural fees for supervision, and CDM at 2.5% of the estimated total works	£ 26,596
Mechanical engineers fees at 0.5% of the estimated total works	£ 5,319
Total Estimated project cost	£1,095,765

This will be fully funded from Project Code - A2643 Task 1.0

John Price
Business Partner
06/09/2017

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

Cheryl Graham – Strategic HR Business Partner (Interim)

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EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The procurement process will be carried out in accordance with the Council's Contract Procurement Rules. The proposed contractor will be expected to comply with the Council's policies with regards to the promotion of equality and diversity in service delivery and employment practice.

The Council will seek to ensure that socio-economic status will not dictate health and safety outcomes for occupants of new and existing homes

Vernal Scott
Corporate Diversity Advisor
Corporate Safety and Development
30/08/2017

BACKGROUND PAPERS

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed 

SLT Member title: Director of Neighbourhoods

Name: Steve Moore

Date: 07/09/2017

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 8/9/17

Signed 