

Notice of Non-key Executive Decision

Subject Heading:	Replacement roofing coverings 1 year programme 2020/21
Cabinet Member:	Councillor Joshua Chapman Lead Member, for Housing.
SLT Lead:	Patrick Odling-Smee
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 start of the procurement of a 1 Year programme for the replacement of Roof Coverings, upgrading insulation and associated roofline works to pitched and flat roofs as set out in the Councils Contract Procedure Rules.
Financial summary:	The estimated contract value is £1,355,000, which will be funded from the Housing Revenue Account Capital Programme, Projects Code A2847 Task 4.0
Relevant OSC:	Overview and Scrutiny Board
Is this decision exempt from being called-in?	YES
Is this a Key Decision?	No

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

Communities making Havering	<input type="checkbox"/>
Places making Havering	X
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Place an X in the [] as appropriate

Part A – Report seeking decision

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DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Programme Delivery Manager in Housing Services is authorised to start a procurement process in order to source a suitably competent contractor to undertake a one-year replacement of roofs coverings, upgrading insulation and associated roofline works.

AUTHORITY UNDER WHICH DECISION IS MADE

3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

General powers

(a) To take any steps necessary for proper management and administration of allocated portfolios.

(b) To exercise all the powers delegated to them personally and those powers delegated to Second Tier Managers and other staff members in their directorate where circumstances require and so far as legally permissible. Exercise of such powers should be recorded where appropriate. Where possible, a SLT member should give notice to a relevant staff member that he or she intends to exercise a specified power that is delegated to that staff member.

Contract powers

- a) To approve commencement of a tendering process for all contracts above a total contract value £500,000.
- b) (b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.
- c) (c) To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of the constitution.'

STATEMENT OF THE REASONS FOR THE DECISION

1. Housing Services have identified via our Asset Management System, 140 number of dwellings in need of replacement roof coverings, upgrading thermal insulation and roofline works to pitched and flat roofs.
 - a. This programme has identified houses only.
 - b. It is anticipated that works will commence on site in October 2020 however, this is subject to approval of this report and Covid 19 regulations.
2. The works will reduce the need for responsive repair works to their homes and increase the useable life of the Council's Housing Stock. In turn, this should increase the potential for a longer period of rental income from those homes.
3. The works will improve the welfare of the Council's residents, reduce the need for responsive repair works to their homes additionally this will assist in reducing heat loss and potentially bring about a reduction in fuel poverty (keeping in warmth & reduce heating cost during winter seasons) and also improve sound proofing particularly to aircraft noise.
4. All works will comply with current Building & Fire Safety Regulations.
5. There are no Leaseholders in this programme.
6. The procurement process will be conducted as a restricted tender on Capital ESourcing Procurement Portal in accordance with the Council's Contract Procedure Rules.
7. Seven Contractors have been selected to tender via the Capital ESourcing procurement portal.
8. All of the selected contractors are registered on Constructionline.
9. The procurement process will be in accordance with the Council's Contracts Procedure Rules.
10. Tender evaluation will be carried out by two surveyors within the Programme Delivery Team.

The Programme Delivery Project Surveyor Philip Sharp and one other member of the programme delivery team, will individually score the submission for each quality question. The score allocated to each quality question will then be moderated to identify a final score by a member of the Council's procurement team.

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All quality questions will be weighted according to their relative importance in the performance of the works. The weightings are specified by each question. We will ask for one overall fixed price for the works.

Moderation will be carried out by a member of the Corporate Procurement team.

11. Financial checks will be undertaken prior to advertising the contract to ensure the proposed bidders are financially viable for this project.
12. The quality/price threshold is will be 70% Price 30% quality.
13. The total pre-tender estimate for the works is £1,355,000.
14. Performance of the contract will be managed and monitored throughout the project by the Programme Delivery Project Surveyor and the Clerk of Works.
15. The proposed Form of Contract is the standard JCT Intermediate Form of Contract (2016 Edition) with council amendments.
16. The Contract will be monitored throughout the duration of the works by the Programme Delivery Project Surveyor. Quality 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.
17. The contractor will be required to provide additional social value aimed at increasing job and training opportunities, and improving the local supply chain.
18. 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 closely monitored throughout the duration of the contract.
19. Sustainability of materials will be built into the specifications by ensuring the manufacturers comply with BES 6001 "Responsible Sourcing of Construction Products", to prove that their products have been made with constituent materials that have been responsibly sourced. Contractors will be required via a KPI to achieve 50% recycling of roofing materials.

STATEMENT OF THE REASONS FOR THE DECISION (Cont'd)

20. PROCUREMENT TIMETABLE

This procurement is intended to follow the time-line below:

Stage	Date(s)and time(s)
Issue Invitation to Tender	23rd June 2020
Contractor Clarification questions	23rd June to 22 nd July 2020
LBH Response to Clarification questions	23rd June to 22 nd July 2020
Submission of Tenders	22 nd July 2020
Evaluation of Tenders	22 nd July 2020 to 27 th July 2020
Checkpoint 2 approval	7 th August 2020
ED approval 2	1st October 2020
Notification of result of evaluation	1st October 2020
Expected date of award of Contract(s)	1st October 2020
Standstill period	05th October 2020 to 16th October 2020
Add to Contract Register	05th October 2020 to 16th October 2020
TUPE Consultation period (if applicable)	N/a
Place award notice in official Journal of European Union (OJEU)	N/a
Contract commencement (Mobilisation)	October 2020
Initial Contract completion date	April 2021
Contract completion date – (if extension(s) exercised)	N/a

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OTHER OPTIONS CONSIDERED AND REJECTED

To procure the work through a framework – Rejected because as the work is straight forwards we feel that better value will be achieved through competitive tenders.

PRE-DECISION CONSULTATION

This request was raised on I-Decision 7th April Feb 2020 and has since been issued out to all business partners by our Programme Office team.

No Section 20 Stage 1 Notices are required on this programme.

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

Name: Philip Sharp

Designation: For and behalf of the Programme Delivery Manager



Signature:

Date:29/5/2020

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The SLT member is asked to approve the procurement strategy set out within the body of the report for a Works contract, to start a procurement process in order to source a suitably competent contractor to undertake a one-year replacement of roofs coverings, upgrading insulation and associated roofline works for an estimated value of £1,355,000 to commence on or around 19th October 2020. The proposed form of contract to be the JCT Measured Term Contract 2016 with the Council's supplemental amendments or any suitable Contract.

1. The proposed contract value is below the EU threshold for Works contracts and accordingly, the Council is not under an obligation to publish a Contract Notice in the OJEU under the Public Contract Regulations 2015, however, the procurement must comply with the EU Treaty principles of equal treatment, non-discrimination and transparency as well as the Council's Contract Procedure Rules (CPR).
2. The Housing Revenue Account (HRA) specifically accounts for spending and income relating to the management and maintenance of council-owned housing stock. The services procured under this contract will cover various properties all located within the London Borough of Havering owned or managed through the HRA as set out in the section 74 of the Local Government and Housing Act 1989.
3. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do (subject to restrictions within the Act), together with the power under section 111 of the Local Government Act 1972 to do anything ancillary to or which facilitates any of its functions. The contract may be procured in accordance with these powers and the Council.
4. The Client will be using Construction line which provides a list of Works suppliers for contracts below EU threshold (CPR13), the Council will draw up their select tender list from Organisations who have been included on Construction line (CPR 13.2). For procurements valued over £500,000 up to the EU threshold a minimum of seven organisations will be selected and invited to tender (13.3).
5. With the assistance of the Procurement unit the client will undertake a tender process using the restricted procedure, Contract Procedural Rule ('CPR') 2.1 states all procurements exceeding £25,000 will be processed through the Council's selected e-tendering suite for the life of the contract and the Checkpoint procedure must be undertaken for works contract in excess of £500,000.
6. CPR 18.2 state that the award of the contract shall be based on the most economically advantageous tender assessed from the point of view of the contracting authority as identified in CPR18.3 and tenders will be evaluated

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against pre-determined best price-quality ratio of 70% cost and 30% quality weighting.(CPR18.4).

7. The Council's Contract Rule 3 provides that a contract may only be awarded if the expenditure has been included in approved revenue or capital estimates or has been otherwise approved by, or on behalf of the Council. The body of this report confirm the relevant financial implications arising from the Council's award of the contract.
8. The SLT Member will be aware of the Public Sector Equality Duty (PSED) set out in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the council must have due regard to the need to: eliminate discrimination, harassment, victimisation or other prohibited conduct, advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it; foster good relations between person who share a relevant protected characteristic and those who do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
9. Housing Services seek to procure these services in accordance with the Council's responsibilities as a landlord as well as Health and Safety legislation and Building Regulations.
10. The procurement process followed by the Council has already been set out in the body of this report. CPR10.6 states for procurements with an estimated value between £100,000 and the EU threshold, and for restricted procedure procurements with an estimated value above the EU threshold, the minimum number of organisations who may be invited to tender is five.
11. Upon award, the contract will incorporate the JCT Intermediate Form of Contract (2016 Edition) with council amendments, the contract will be sealed in accordance with rule 17.1 of the Havering Contract Procedure Rules.
12. The Legal and Governance officers are available to assist the client department in finalising the terms and conditions of the proposed contract between the parties once the approval of the preferred bidder has been authorised following the procurement exercise.

Cleared 08/6/2020

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FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval to commence the procurement process and does not contain any financial implications at this moment in time.. It is anticipated that the contract will cost in the region of £1,355,000, which will be funded from HRA Capital Programme, Projects Code A2847 Task 4.0. This figure will be confirmed and the contract awarded via a separate Executive Decision.

Cleared 29/5/2020

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.

TUPE (Transfer of Undertakings (Protection of Employment) Regulations) will not apply, as there will be no transferring staff.

Cleared 5th May 2020

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

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

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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

Cleared 5th May 2020

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

Name: Patrick Odling-Smee

Cabinet Portfolio held:

CMT Member title:

Head of Service title:

Other manager title:

Date: 12 June 2020

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____