

## Notice of KEY Executive Decision

This Executive Decision Report is part exempt and Appendix 1 is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to financial or business affairs of companies and the Council, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

<b>Subject Heading:</b>	<b>Window Replacement and Ancillary Works at Dryden &amp; Kipling Towers, Heaton Avenue, Harold Hill Romford</b>
<b>Cabinet Member:</b>	Councillor Joshua Chapman.
<b>SLT Lead:</b>	Patrick Odling-Smee - Director of Housing
<b>Report Author and contact details:</b>	Ade Oshinmi, Capital Projects Delivery Surveyor, Housing Services <a href="mailto:Ade.Oshinmi@havering.gov.uk">Ade Oshinmi@havering.gov.uk</a> 01708 434323
<b>Policy context:</b>	This executive decision is required to provide permission to award a contract to Durkan Ltd to undertake the window replacement and Ancillary works at Dryden & Kipling towers under the 2019/2020 HRA Capital Programme.
<b>Financial summary:</b>	The cost submitted by Durkan Ltd subject to approval for the whole works is £1,910,181.90.  To be funded from the Housing Revenue Account Capital Programme (Projects Code A2847 task 6.0 Windows and Doors, A2847 task 18.0 Communal Windows and A3586 task 1.0 Contingency for Fire and Compliance Work).

**Key Executive Decision**

<b>Reason decision is Key</b>	It is a key decision as expenditure will exceed £500,000
<b>Date notice given of intended decision:</b>	16 <sup>th</sup> March 2020.
<b>Relevant OSC:</b>	Places
<b>Is it an urgent decision?</b>	Yes
<b>Is this decision exempt from being called-in?</b>	<b>No</b>

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

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

***Place an X in the [] as appropriate***

## **Part A – Report seeking decision**

### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

Permission to award a new contract to the main contractor Durkan Ltd for a contract for window replacement and ancillary works at Kipling and Dryden Towers in the sum of £1,910,181.90

### **AUTHORITY UNDER WHICH DECISION IS MADE**

Paragraph 3.3 of the London Borough of Havering Constitution (Powers of Members of the Senior Leadership Team) '(Contract powers) authorising members of the SLT 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.

### **STATEMENT OF THE REASONS FOR THE DECISION**

#### **1. Background**

- Kipling and Dryden Towers are high rise purpose built blocks with 4 x two bedroom flats to each floor. There are 14 floors in total served by 2 lifts (odd and even) and a staircase for every floor. There are 114 flats in total.
- The original Crittal windows were 1<sup>st</sup> generation powder coated aluminium windows. The existing windows and balcony doors to these properties are designed with no thermal break. They house 20mm double glazed units with rubber seals and bubble gaskets, fittings are held in place by rivets, however historical repairs have been completed by using screws to secure fittings back which have corroded over time. No sub-frame means they are secured directly into the facing brickwork.
- Further Inspections by Havering surveyors have also highlighted a number of other 'wear and tear' issues and other repairs (such as worn window screws and hinges, missing restrictors and handles etc.) which have to be resolved in order to prolong the life of these windows.

#### **2. Decision leading to proposed works**

- Following recent incidents where windows were reported falling from a height within Dryden & Kipling towers, and complaints from residents about the conditions of the blocks, the decision was taken to inspect & repair all windows and to ensure there are no defects that may result in incidents like this happening again.
- Rather than spending money on maintenance repairs to extend the life of the current windows for a short period, it was decided it will be more cost effective to bring forward the next full window renewal.
- In addition to addressing the health and safety, and maintenance concerns, new windows will:

## **Key Executive Decision**

- Increase thermal and sound insulation levels to the blocks.
  - The new tilt and turn windows also give residents the opportunity to clean their windows internally.
- Subsequent surveys support the following ancillary work being carried out at the same time as window renewal, utilising the same access arrangements:
  - Asphalt repairs on the balconies
  - repairs of bird netting
  - brick and concrete repairs
  - external decorations
  - Replace existing communal permanent open ventilations (POV)

### **3. Material Choice**

- It was proposed to renew the existing aluminium windows with PVC-u tilt and turn windows, which provides better value based upon lifecycle costing, and which delivers better thermal efficiency.
4. Planning approval for the windows (**APPLICATION P1804.19**) was issued on **27th March 2020**. This decision will enable the Council to achieve value for money, and further enhance the quality of life for our residents giving back full access and enjoyment of their properties.

### **5. Tender Process**

- London Borough of Havering invited seven main building Contractors were invited from Constructionline via mini-tender competition. Among the seven tenderers, only four were able to price. Breyer withdraw due to workload commitment; Engie regeneration and Wates Living failure to tender.
  - The tenders were sent out on 14<sup>th</sup> February 2020 with an original return date on 9<sup>th</sup> March 2020, but due to continuing tender queries and lack of clarity in certain part of the tender document. The specifications were revised to include additional information on 9.0 Bird netting; Communal Window Louvres, and British standards on Concrete, Brickwork repairs has also been added. The return tender date was extended to 20<sup>th</sup> March 2020.
  - The tender returns were uploaded onto CapitalESourcing portal for evaluation. The commercial and quality submissions were evaluated by two members of the Housing Services team and the scores moderated by a member of the Procurement team.
6. The analyses of price and quality scores are set out in an accompanied appendix 1 of this report.
7. Checkpoint 2 Procurement has been put before the Council's Checkpoint panel on 30th July 2020, and as of 26<sup>th</sup> August 2020, we have only received one response (Phil Harris) with no comment. We are now waiting on procurement to get the document approved. An unsigned final copy of ED2 has been issued been sent to Democratic services.
8. **Proposed Contract:** The form of contract shall be the JCT Intermediate Contract 2016 version. There will be no uplift of the contracted rates for inflation.
- ### **9. Project Risks**
- Ongoing pandemic (COVID 19) and unforeseen circumstance could have serious impact on the start date and outcome of the project.

## **Key Executive Decision**

- The project is very much reliant on an off-site fabrication of new windows and delivery process which would sit outside of the Councils direct controls, however this new developing situation will be factored into any contract award going forward.
- The area is being considered for regeneration, but has no timescale.

### **10. Social Values**

- Successful contractor is encouraged to use local supplier chains and recruitment of local staff within Havering in connection with this project.

### **11. Recommendations**

- In order to start this promised work on site as soon as possible; the recommendation was to specify PVC-u windows, through procured mini tender with bidders selected from Constructionline.
- The winning contractor would be a general building contractor with responsibility for procuring the windows to our specification, and co-ordinating the window renewal with the ancillary works.
- Site mobilisation and access scaffolding can therefore be erected, and ancillary works commenced on site whilst the windows are in manufacture.
- Successful contractor is encouraged to use local supplier chains and Staff recruitment from within Havering in connection with this project.

## **OTHER OPTIONS CONSIDERED AND REJECTED**

To package this scheme with other new window replacement projects – **Rejected** – on the grounds that other schemes are at different stages of procurement and would delay tendering. Expenditure on this scheme is been funded from the HRA Capital Programme.

To procure this work through open competition – **Rejected** – on the grounds that the project is above the threshold for Works under the Public Contracts Regulations 2015 and so would require a lengthy procurement process through the Official Journal of the European Union, which would not meet the tight timeframe set for the project.

## **PRE-DECISION CONSULTATION**

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

- Planning permission has been granted
- Building Regulation notices will be applied and strictly adhered to.
- Fire Safety Regulations will be applied and strictly adhered to.
- All affected residents will be consulted regarding the impact of the works. Two stage s.20 Consultation will be carried out in accordance with s.151 of the Common hold and Leasehold Reform Act 2002.

**Key Executive Decision**

Proposals for procurement of a building contractor for the window replacement and Ancillary works at Dryden and Kipling Towers have been presented to the Checkpoint panel and recommendations arising from that meeting have been incorporated into the procurement process.

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

Name: Ade Oshinmi

Designation: Capital Projects Surveyor

Signature:



Date: 30/07/2020

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

This report seeks approval for the award a contract to **DURKAN LTD** to undertake Window replacement & Ancillary Works to Dryden towers as stated in PART A of this report for a value is £1,910,181.90 and therefore such value is below the EU's public procurement threshold for works, (£4,551,413). The scheme is fully funded from the HRA Capital Programme.

There is also the requirement that the procurement complies with the Council's Contract Procedure Rules. Here there appears to be a fully compliant procurement in line with the Council's Contract Procedure Rules thus satisfying requirements in respect of this procurement.

The proposed form of Contract is the standard JCT Intermediate Contract (2016 Edition). This is an industry form of standard contract and will adequately protect the Council's interest

Due to the value, the JCT contracts along with any contractor warranties will need to be sealed. Such Contracts should be sent to Legal Services for review and sealing.

All necessary planning permissions have been obtained.

### **FINANCIAL IMPLICATIONS AND RISKS**

#### **Contract**

The award of this contract will help the Council to keep the stock in good order; clearly, failure to keep the housing stock in serviceable condition could lead to further financial liabilities being incurred.

#### **Inflation**

There will be no uplift of the contracted rates for inflation

#### **Financial Stability**

As required by the Councils Contract Procurement Rules a financial check has been carried out on the proposed contractor Durkan and the company is classed as Very Low Risk

#### **Budget**

The contract cost of £1,910,181.90 will be funded from A2847 task 6.0 Windows and Doors, A2847 task 18.0 Communal Windows and A3586 task 1.0 Contingency for Fire and Compliance Work.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS**

## **Key Executive Decision**

### **(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.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The procurement process has been carried out in accordance with the Council's Contract Procurement Rules. The proposed contractor is expected to comply with the Council's policies with regards to the promotion of equality and diversity in service delivery to the community, in relations with colleagues and in employment practices.

It is anticipated that the Council's window & ancillary works will benefit residents.

The procurement process has been carried out in accordance with the Council's Contract Procurement Rules. The selected contractor will be required to comply with relevant Equality & Diversity laws, accessibility standards and Health & Safety regulations.

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

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, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, sexual orientation.

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.



**Key Executive Decision**

**HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

**See separate EqHIA checklist**

**BACKGROUND PAPERS**

**None**

**Key Executive Decision**

**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**

SLT Member title: Director of Housing

Head of Service title

Other manager title:

Date:

**Lodging this notice**

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

**For use by Committee Administration**

This notice was lodged with me on

Signed \_\_\_\_\_