

**Notice of KEY Executive Decision containing exempt information**

<b>Subject Heading:</b>	5 Year Windows and Doors Renewal Programme
<b>Cabinet Member:</b>	Councillor Joshua Chapman – Lead Member for Housing
<b>SLT Lead:</b>	Patrick Odling-Smee – Director of Housing Services
<b>Report Author and contact details:</b>	Mark Arch – Programme Delivery Projects Surveyor Tel: 01708 434700 Email: Mark.Arch@havering.gov.uk
<b>Policy context:</b>	Supports the outcomes within the London Borough of Havering's Corporate plan.  <u>Places.</u>  Making sure that our neighbourhoods are a great place to live by investing in them and keeping them clean, green and safe.
<b>Financial summary:</b>	The total cost of the contract is £8,250,000.00, over a 5 year period and will be funded from Housing Revenue Account Capital Programme, Project Codes: C38740 (entrance doors) and C38700 (windows)Task 2.0
<b>Reason decision is Key</b>	Expenditure being £8,250,000.00
<b>Date notice given of intended decision:</b>	10 <sup>th</sup> May 2021
<b>Exempt information &amp; Grounds</b>	Appendix 1 – by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**Key Executive Decision – Part Exempt Report**

<b>Relevant OSC:</b>	Towns and Communities Scrutiny Board
<b>Is it an urgent decision?</b>	No
<b>Is this decision exempt from being called-in?</b>	No

**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"/>

## Part A – Report seeking decision

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

Subject to satisfactory completion of the statutory consultation process under Section 20 of the Landlord and Tenant Act 1985, to award a contract for a Windows and Doors Renewal Programme to Engie Regeneration Limited for a period of 3 years with 2 optional 1 year extensions at an estimated maximum cost (over a 5 year period) of £8,250,000.00 commencing in August 2021.

To delegate authority to the Director of Housing Services to approve both permitted extensions of the contract subject to the considerations set out in this report.

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

Part 3 (Responsibility for Functions), Paragraph 2 and Paragraph 2.5 (h) of the Council's Constitution as follows:

The following Functions may be delegated to individual Cabinet members by the Leader:

To award contracts, agree extensions of contract terms and awards/extensions of Consortia contracts of a value above £5,000,000 and less than £10,000,000 and contracts where external funding is guaranteed and there is no longer term financial commitment to the Council.

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

1. Housing Services have identified via our Asset Management System a number of dwellings within the Council's Housing stock that require window or door refurbishments throughout the Borough.
2. The works will improve the welfare of the Council's residents, 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 tender results report provides detailed analysis of the quantitative data (cost) and qualitative data (quality) provided by all the Bidders and provides detailed data on all the selection criteria.
4. Procurement was through a restricted competition following an OJEU notice in October 2020. Twenty seven organisations expressed an interest and twelve completed SQ's were returned by the deadline.
5. Nine organisations were invited to tender and all nine returned tenders.
6. The quality/price threshold was 70% Price 30% quality and tender prices were evaluated on a basket of items typically expected in a year.

## **Key Executive Decision – Part Exempt Report**

7. The budget given for the works is £8,250,000.00 and the duration of the contract will be three years with options to extend it by two further periods of 1 year each, subject to satisfactory performance.
8. Performance of the contract will be managed and monitored throughout by the Programme Delivery Project Surveyor and the Clerk of Works
9. It is anticipated that works will commence in August 2021.
10. Engie Regeneration Limited was the highest scoring bidder and it is recommended that it is awarded the contract. Details of the scores achieved by each bid are set out in Exempt Appendix 1.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

1. Officers have considered tendering for renewal of windows and doors as stand-alone projects each financial year.
2. However, due to the time this process takes, this would delay delivery of works over the financial year. In addition tendering this way, could mean a number of different contractors delivering the works within the borough.
3. Procure through an existing framework – Rejected on the grounds that as the contract includes communal windows and doors, S20 leasehold consultation is required
4. Do Nothing – Rejected on the grounds that the Council has a duty to maintain its homes in a habitable condition

### **PRE-DECISION CONSULTATION**

This request was raised on i-Decision 10<sup>th</sup> May 2021 and has since been issued out to all business partners by our Programme Office team.

Checkpoint Panel approved the intended procurement on 4th June 2020 and approved the intended contract award on 20<sup>th</sup> April 2021

These are works to Council-owned tenanted and leased residential properties and the requirements of Section 20 of the Landlord and Tenant Act 1985 as amended by S151 of the Commonhold and Leasehold Reform Act 2002 apply.

**Key Executive Decision – Part Exempt Report**

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

Name: Mark Howard

Designation: Programme Delivery Manager

Signature:

A handwritten signature in black ink, appearing to read 'Mark Howard', written in a cursive style.

Date: 21 June 2021

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

### **LEGAL IMPLICATIONS AND RISKS**

1. The Council has power to procure the contracts under the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.
2. The Council is a housing authority and has power to procure and enter into the contracts under s111 Local Government Act 1972 as the contracts will facilitate the Council to implement the discharge of this function.
3. The Council is a contracting authority for the purposes of the Public Contracts Regulations 2015 (PCR 2015). The value of the contract exceeds the PCR 2015 threshold for Works of £4,733,252. Procurement of the contract is therefore caught by the full regime of the PCR 2015. Officers have confirmed that procurement of the contract was in compliance with the requirements of the PCR 2015.
4. The works are qualifying works for the purpose of Section 151 of the Commonhold and Leasehold Reform Act 2002 and the Council must carry out a statutory consultation process with its leasehold tenants prior to awarding the contract (previously consultation under Landlord and Tenant Act 1985, section 20) The contract should not be awarded unless and until the relevant stages of the consultation process have been satisfactorily completed.

### **FINANCIAL IMPLICATIONS AND RISKS**

The total cost of the contract is £8,250,000.00, over a 5 year period and will be funded from the Housing Revenue Account Capital Programme, Project Codes: C38740 (entrance doors) and C38700 (windows)Task 2.0

#### **Cost Avoidance**

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.

#### **Financial Stability**

As required by the Councils Contract Procedure Rules a financial check has been carried out on the proposed contractor and they are classed as Below Average Risk.

**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.

**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 Council's policies with regards to the promotion of equality and diversity in service delivery and employment practice.

See Appendix 2 for the Equality and Health Impact Assessment

**BACKGROUND PAPERS**

**None**

**APPENDICIES**

**Appendix 1 Tender Results and Recommendations**

**Exempt**

**Appendix 2 Equality and Health Impact Assessment**

Key Executive Decision – Part Exempt Report

**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

*Delete as applicable*

Proposal NOT agreed because

**Details of decision maker**

Signed



Name: **Councillor Joshua Chapman**

Cabinet Portfolio held: **Lead Member for Housing**

CMT Member title:

Head of Service title

Other manager title:

Date: **22 July 2021**

**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 \_\_\_\_\_



**Key Executive Decision – Part Exempt Report**