

## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Novation of Build Therm Services' contract with Havering to BTS Property Solutions Ltd
<b>Decision Maker:</b>	Garry Knights
<b>Cabinet Member:</b>	Councillor Paul McGeary - Lead Member for Housing
<b>SLT Lead:</b>	Patrick Odling-Smee
<b>Report Author and contact details:</b>	James Johnson Senior Project Manager 01708 432144   m 07773 585731 e <a href="mailto:James.Johnson@havering.gov.uk">James.Johnson@havering.gov.uk</a>
<b>Policy context:</b>	Supports the outcomes within the London Borough of Havering's Corporate plan.  Places.  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>	No financial implications
<b>Relevant OSC:</b>	Places
<b>Is this decision exempt from being called-in?</b>	Yes, this is exempt, it is a Non Key decision by a member of staff.

## Non-key Executive Decision

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

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

Approval to novate the construction contract with Build Therm Services Ltd to its sister company, BTS Property Solutions Ltd. The contract is a five year term contract that commenced in early 2021. The contract was made between Build Therm Services Ltd and the London Borough of Havering using a JCT Measured Term Contract form. The purpose of the contract was to engage a contractor to undertake estate improvement works.

### **Non-key Executive Decision**

The directors of Build Therm Services Ltd wish to move this contract over to their sister company, BTS Property Solutions Ltd for administrative reasons.

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

Part 3 Responsibility for Functions

Part 3 Functions delegated to staff

Para 3.4 Powers of Second Tier Managers

General Powers

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

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

This decision is required in response to a request from the contractor. They are reorganising their company structure and want this contract to be with the most appropriate company within their group for the type of work involved. Build Therm Services have a good working relationship with the London Borough of Havering and it is therefore considered appropriate to assist them.

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

The only alternative is to refuse the request from Build Therm Services to novate the contract. This would be at no detriment to Havering. However, it is felt inappropriate to refuse to allow this novation without a substantive reason for refusal.

#### **PRE-DECISION CONSULTATION**

Consultation is not considered necessary or appropriate.

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

Name: James Johnson

Designation: Senior Project Manager

Signature: *J R Johnson*

Date: 24-03-2023

**Non-key Executive Decision**

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

**LEGAL IMPLICATIONS AND RISKS**

The Council has an existing contract with Build Therm Services Limited, which has asked the Council to agree to a novation of the contract to BTS Property Solutions Limited. Build Therm Services Limited and BTS Property Solutions Limited are sister companies in the same group of companies. The novation is a modification of a contract during its term as a consequence of a corporate restructuring, which is allowed by regulation 72(d)(ii) of the Public Contracts Regulations 2015. Therefore, the Council can agree to the novation.

**FINANCIAL IMPLICATIONS AND RISKS**

There are no financial implications in connection with this decision.

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

There are no human resources implications in connection with this decision.

**EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

There are no equalities and social inclusion implications in connection with this decision.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

There are no environmental and climate change implications in connection with this decision.

**BACKGROUND PAPERS**

None

**APPENDICIES**

None

**Non-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

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 27/03/23

**Lodging this notice**

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_