



**Havering**  
LONDON BOROUGH

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	Consultant services contract in connection with 7-year redecoration programme
<b>Decision Maker:</b>	Patrick Odling-Smee
<b>Cabinet Member:</b>	Councillor Paul McGeary - Lead Member for Housing
<b>SLT Lead:</b>	Patrick Odling-Smee <a href="mailto:Patrick.Odling-Smee@havering.gov.uk">Patrick.Odling-Smee@havering.gov.uk</a> Director of Housing Services
<b>Report Author and contact details:</b>	James Johnson, Senior Project Manager, Housing Services Email: <a href="mailto:james.johnson@havering.gov.uk">james.johnson@havering.gov.uk</a> <b>Tel: 01708 432144</b>
<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 estimated contract value is £20,000 per annum (option to extend for 6 years) total - £140,000.
<b>Relevant OSC:</b>	Places

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<b>Is this decision exempt from being called-in?</b>	Yes – it is a non-key decision by a member of staff
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**The subject matter of this report deals with the following Council Objectives**

~~People - Things that matter for residents~~\_\_\_\_\_

Place - A great place to live, work and enjoy

~~Resources - A well run Council that delivers for People and Place.~~

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To agree to procure a services contract via the Matrix Managed Marketplace Framework, of an estimated value of £140,000 (£20,000 per annum), for a consultancy to project manage the 7 year external and communal parts redecoration contract. The services contract will be for a term of 1 year initially, with the option to extend for 6 years.

### AUTHORITY UNDER WHICH DECISION IS MADE

#### 3.4 Powers of Second Tier Managers

##### Contract Powers

(a) To approve commencement of a tendering process for, and to award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

### STATEMENT OF THE REASONS FOR THE DECISION

Housing Services previously identified via the Asset Management System, the need for redecoration of external and communal parts of the council's housing stock. The Works contract referred above as the 7 year external and communal parts redecoration contract, has been tendered and having reviewed the time required to manage the contract, it is felt that in the first year at least, it will require considerable management time to ensure the contractor mobilises effectively and beds in well.

Works of this nature, undertaken through a long-term contract are particularly labour-intensive to manage, particularly in the first year when the learning curve is steep. The appointed consultancy will provide the basic services of oversight and project management, reporting to the Housing Services Project Manager who will retain overall responsibility for managing the programme, budget and stakeholder communications. Procuring this resource from a reputable consultancy will help ensure that the peak in workload is managed, that the project runs smoothly and the contract runs in accordance with the correct procedures. Note that the requirement for a project manager/administrator was not tendered as part of the initial Works contract (the 7 year redecoration contract), as the project management expertise required does not fall within the relevant scope.

The Council is procuring this resource through the Matrix Managed Marketplace framework, Council's approved procurement for consultancy contracts whereby the evaluation criteria for quality will be 30 % and 70% for price. By procuring this consultancy contract through this particular framework, the Council will ensure that best value for money is considered and met when assessing the bids and awarding

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the contract to the successful provider. The award of the contract will be based on the most economically advantageous tender assessed from the Council's point of view. This framework has been recommended and approved by the Head of the services and the Head of Procurement. Procuring this consultancy contract, will help ensure that the London Borough of Havering delivers a reliable service working to a consistent standard.

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

The option to do nothing was rejected, due to obligation to maintain homes to the lettable standard.

The option to deliver project management in-house, was also rejected as the workload in the first year of the contract will be too labour intensive which may result in poor performance in year one. This presents a particular risk when the contract has a further six years to run after the first one. If this is resourced internally, it is expected to have an adverse effect on the ability of the Project Management team to deliver other projects well and respond to issues as they arise.

The option to recruit upon a fixed term contract, is felt that this option lacks flexibility particularly, if performance is poor. The use of a consultancy will mean that personnel can be changed more easily in the event of poor performance.

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

This request was raised on I-Decision 03/04/2023.

Business partners have been consulted and their comments are incorporated into this report.

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

Name: James Johnson

Designation: Senior Project Manager

Signature:



Date: 26/05/2023

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has power to procure the contract under s111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can 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.

The contract value is estimated at £140,000. The proposed contract value is below the applicable Public Procurement threshold for contracts for services £213,477 stipulated in the Public Contracts Regulations 2015 as amended ("PCR"). Procurement of the contract is not caught by the full PCR regime but must comply with the PCR general principles of transparency, equality of treatment, non-discrimination and proportionality. The contract is being procured via the Matrix Managed Marketplace framework, which is PCR compliant. Therefore, the general principles are therefore met.

Procurement of the contract must comply with the Council's Contract Procedure Rules ("CPR") 17.5, which permits procurement of a consultancy contract via the approved framework and the contract is to be procured in accordance with that policy. Procurement of this contract should also comply with CPR 20.4.

Officer confirms this procurement route has been approved by the Head of Services and Head of Procurement.

For the reason set above, the Council may procure the contract subject to the successful tendering and award of the 7-year redecoration contract.

### FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval to procure and appoint a consultancy. It is anticipated that the services will cost £20,000 for one year at current prices (£140,000 over 7 years), which will be funded from HRA resources, Project Code: C38700 Task 6.0.

### 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.

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### **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.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The consultant will be expected to oversee and enforce the contractor's contractual obligations with regard to environmental impact.

### **BACKGROUND PAPERS**

None

### **APPENDICES**

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: 26/05/23

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