

## Notice of Non-key Executive Decision

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| <b>Subject Heading:</b>                                | Clerk of Works Services - Supported Housing Development: Mowbrays Close and Mawney Close       |
| <b>Decision Maker:</b>                                 | Ian Saxby – Assistant Director of Housing, Property and Assets                                 |
| <b>Cabinet Member:</b>                                 | Councillor Paul McGeary - Lead Member for Housing  |
| <b>SLT Lead:</b>                                       | Barbara Nicholls – Strategic Director of People<br>Neil Stubbings- Strategic Director of Place |
| <b>Report Author and contact details:</b>              | Robert Ditsell - Project Manager<br>01708 434000<br>Robert.ditsell@havering.gov.uk             |
| <b>Policy context:</b>                                 | People - Things that matter for residents  |
| <b>Financial summary:</b>                              | The estimated contract value of this service will be between £30,000 - £40,000                 |
| <b>Relevant Overview &amp; Scrutiny Sub Committee:</b> | Place OSC  |
| <b>Is this decision exempt from being called-in?</b>   | The decision will be exempt from call in as it is a Non key Decision                           |

**Non-key Executive Decision**

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

People - Things that matter for residents X

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

This report is seeking approval from the Assistant Director of Housing, Property and Assets to go out to tender to procure a contract for Clerk of Work services for two development schemes as itemised below for a period of approximately 12 to 18 months at an estimated value of £40,000

Supported Living Service for Adults with Disabilities

Mowbrays Close, Romford

Semi-Independent Scheme for Young People Leaving Care

Mawney Close, Romford

### AUTHORITY UNDER WHICH DECISION IS MADE

#### 3.4 Powers of Second Tier Managers

##### General powers

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

##### 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

There is a requirement in Housing for Planned Works to have Clerk of Work provisions in place to oversee the on-site delivery of 2 x London Borough of Havering development Projects, as itemised below, ensuring that all works are undertaken as specified in the Building Contract, and in accordance with statutory and regulatory requirements to achieve high quality schemes.

We will procure these works via a request for quotation process, calling upon credible and experienced contractors in this area of work and that have experience with working with London Borough of Havering previously.

The tender process will be fully compliant with London Borough of Havering's Contract

### Non-key Executive Decision

#### Procedure Rules (CPRs)

Agreement has been previously provided to award contracts for said development schemes under a previous Key Executive Decision agreed by Barbara Nichols on 3rd August 2023 for the following sites:

Supported Living Service for Adults with Disabilities

Mowbrays Close, Romford

Semi-Independent Scheme for Young People Leaving Care

Mawney Close, Romford

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

- To not procure for Clerk of Work services. This option was rejected as this is a requirement to ensure Quality Control.
- To utilise in house Clerk of Work services. This option was rejected as capacity in current resources will not be sufficient for these Projects.
- To appoint Clerk of Work services with current consultant working on the Project. This option was also rejected as it is unable to ensure value for money and would fall above contract procedure rules threshold.

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

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

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

Name: Robert Ditsell

Designation: Project Manager

Signature:



Date: 23<sup>rd</sup> November 2023

## Part B - Assessment of implications and risks

### 1.1 Legal Implications

The Council has the power to procure a contract for these services under Section 111 of the Local Government Act 1972, which allows 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 Section 1 power are engaged by this decision.

The proposed procurement value of approximately £40,000 will be below the applicable public procurement threshold for services contracts for the purposes of the Public Contracts Regulations 2015 (PCR 2015) of £213,477 and the contract is not caught by the full regime of the regulation. The procurement must comply with the Council's Contract Procedure Rules (CPR). The proposed request for quotation procedure is compliant with CPR

For the reasons set out above, the Council may commence the procurement process.

### FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval to commence the procurement process for the clerks of works service to support the Mowbrays and Mawneys supported Housing Development. It is a requirement to have a clerks of work services to ensure quality control.

The estimated cost of the service is £30,000-£40,000. This will be fully funded from the capital programme that has been earmarked for this project. The estimated cost of the Clerks of Works Service were included in the overall project costs which were agreed in a separate decision paper. The cost of works service is included with the contingency and on costs.

The total costs of the projects are as per below:

C28160 – P3 – Mowbrays

|                          |                 |
|--------------------------|-----------------|
| Tender Build cost        | £2,156,143.00   |
| Contingency and on-costs | <u>£379,339</u> |
| Total                    | £2,535,482      |

### Non-key Executive Decision

|                          |                 |
|--------------------------|-----------------|
| Less grant request       | <u>£720,000</u> |
| C28150 – P4 – Mawneys    |                 |
| Tender Build cost        | £2,630,634.22   |
| Contingency and on-costs | £719,008        |
| Total                    | £3,349,642.22   |
| Less grant request       | <u>960,000</u>  |

The overall capital budget that was available to cover the above costs was £4.23m, the estimated costs as per above are £5.88m, this leaves a shortfall of £1.65m. The Supported Housing team have applied to the GLA for grant funding of £1,68m for this project. If this bid is successful, there is sufficient funding to cover the total cost of the project. LBH are chasing for a decision.

Should GLA grant funding not be awarded it has been confirmed that sufficient alternative funding is available by way of Right to Buy receipts, which can be used to cover the shortfall.

Assuming that the costs come in as per the above schedule and additional funding is received from either the GLA grant or from Right to buy receipts, there is sufficient funding to cover the costs of the clerks of works.

A further pre-contract executive decision will seek approval to enter into contract once the tender price has been established.

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

The recommendation made in this report does 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;

### Non-key Executive Decision

(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.

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

As we currently do not know who the end users will be, we have not completed a privacy impact assessment as this decision is seeking permission to go out to tender to procure a contractor for construction. The end users and associated provisions for those will be managed by the customer, the Joint Commissioning Unit.

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

Procurement of Clerk of Work services would have no negative or positive impact on Environmental Impacts or Climate Change.

### **BACKGROUND PAPERS**

None.

### **APPENDICES**

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: Ian Saxby

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

**Lodging this notice**

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

**For use by Committee Administration**

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

Signed \_\_\_\_\_