

## Notice of Non Key Executive Decision

<b>Subject Heading:</b>	62 Sevenoaks close – HMO Conversion
<b>Decision Maker:</b>	Strategic Director of Place – Neil Stubbings
<b>Cabinet Member:</b>	Paul McGeary, Lead Member For Housing
<b>SLT Lead:</b>	Neil Stubbing’s, Strategic Director Of Place
<b>Report Author and contact details:</b>	James Wallis, Project Manager, Property Services Email: James.wallis2@havering.gov.uk Tel: 01708 433468
<b>Policy context:</b>	Supports the People Theme - Place - A great place to live, work and enjoy.
<b>Financial summary:</b>	The estimated contract value is circa £55,000.00 which will be funded from the HRA Capital Programme. Budget C30630 Task 186
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	Place
<b>Is this decision exempt from being called-in?</b>	<i>The decision will be exempt from call in as it is a Non key Decision</i>

**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                      | X |
| Resources - A well run Council that delivers for People and Place. |   |

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

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

For the reasons set out in this report, the Strategic Director of Place is recommended to:

- a. agree in respect of this procurement to waive the Contract Procedure Rules to change the MEAT criteria to 100% price
- b. authorise the commencement of a procurement process in order to source a suitably competent contractor to carry out a refurbishment and conversion works to use the property as a supported HMO following a successful planning application in March 2024 at the cost of circa £55,000.

The property was purchased on the open market in January 2024 as part of a Buy back scheme by Havering's supported housing team in response to the increase in housing requirements within the Borough.

The estimated commencement date is 01/07/2024 and expected to be completed by end of August 2024.

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

#### **Part 3 of the Council's Constitution**

#### **3.3.3 Scheme – Powers common to all Strategic Directors**

##### **1. General**

- 1.1. To take any steps necessary for proper management and administration of allocated portfolios.

##### **4. Contracts**

- 4.1 To approve commencement of a tendering process for all contracts below a total contract value £1,000,000.

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

1. Due to the increased Housing needs within Havering, the project delivery team, on behalf of the Havering's Supported Housing Team are seeking approval to proceed to tender for the refurbishment and conversion of this property for sole use as a HMO. We seek approval to proceed with Request for Quotations (RFQ) and procure a contractor to carry out these works.

2. The Contract will be procured via the Fusion Procurement RFQ Portal by inviting 3 contractors to Quote for the works with an estimate project cost of £55,000. The Contract will be awarded to the lowest Price Quotation, using 100% price criterion for MEAT. It is proposed that the JCT Minor Works contract is used.

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3.All works will comply with current Building Regulations approval, applications of which have already been submitted and the Contractor will be required to provide additional social value aimed at improving the local supply chain.

4.Performance of the contract will be managed and monitored throughout the project by the Programme Delivery Project Surveyor and the Clerk of Works.

5.Minimum standards for sub-contractors will be introduced by the Council in order to improve the quality of the supply chain and the key service and quality requirements will be closely monitored throughout the duration of the contract by the Councils Clerk of Works.

6.The Council considers that the procurement achieves best value in a competitive market by procuring in accordance with the Council's Contract Procedure Rules.

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

#### **Option 1: Do Nothing**

Do nothing was ruled out as the property is currently uninhabitable, meaning Havering would lose income if the works are not delivered.

#### **Option 2: Procure through a Framework**

Rejected on the grounds that value for money will be achieved through a restricted competition, inviting 3 tenderers who are on Construction Line and that the use of a framework for a low value procurement is unnecessarily cumbersome.

Therefore, both options were considered and rejected.

### **PRE-DECISION CONSULTATION**

No formal consultation is required for the recommendations contained in this report.

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

Name: James Wallis

Designation: Project Manager

Signature: *James Wallis*

Date: 20<sup>th</sup> May 2024

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally 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.
2. Additionally, under section 111 of the Local Government Act 1972 the Council can do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The contract may be procured in accordance with these powers.
3. The proposed contract value is below the procurement threshold for works contracts under the Public Contracts Regulations 2015 (PCR) and accordingly the procurement of the contract are not caught by the full PCR regime. Whilst the award do not fall to be considered under the full PCR regime, when considering to procure for these works, the Council must comply with Havering Council's Contract Procedure rules (CPR).
4. The CPR require that all works Contracts with a value between £25,000.00 and £99,999.00 be procured by either undertaking a tender process or obtaining three quotations. The Council's Contract Procedure Rules (CPR) require contracts to be awarded on the basis of 70/30 price/quality evaluation. (CPR 18.4). CPR 18.5 sets out exceptions to CPR 18.4 however none apply. A waiver to CPR 18.4 will therefore be required if the contract is to be awarded based solely on price where it is in the best interests of the Council. This legal route followed to procure this contract conforms with the CPR.
5. For the reasons set out above and subject to a waiver being granted as set out at paragraph 4 above, the Council may commence the procurement process.

### FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval to commence the procurement process and does not contain any financial implications. It is anticipated that the work will cost in the region of £55,000, which will be funded from HRA Capital Programme, C30630 Task 186. This figure will be confirmed and the contract awarded via a separate Executive Decision.

### 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**

None

**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

~~Proposal NOT agreed because~~

**Details of decision maker**

Signed



Neil Stubbings  
Strategic Director of Place

Date: 13<sup>th</sup> June 2024

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