

Notice of Non-Key Executive Decision

Subject Heading:	Contract award for 2 Leamington Road Loft conversion and refurbishment.
Decision Maker:	Paul Walker, Director of Housing & Property.
Cabinet Member:	Paul McGeary, Lead Member for Housing.
SLT Lead:	Neil Stubbings, Strategic Director of Place.
Report Author and contact details:	James Wallis - Project Manager James.wallis2@havering.gov.uk 07714648301
Policy context:	Supports the People Theme - Place - A great place to live, work and enjoy.
Financial summary:	The value of the contract is £122,987.00, which will be funded from the Housing Revenue Account, Capital Programme.
Relevant OSC:	Places.
Is this decision exempt from being called-in?	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

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

For the reasons detailed in this report the Director of Housing & Property is recommended to agree to:

1. Award a works contract of £122,987 to Ongar Building Services Ltd to complete the loft conversion and full property refurbishment of No.2 Leamington Road following the successful RFQ exercise completed via Havering's secure online Tendering system "Fusion". 10. The works are due to commence in October 2024 and will be completed within 12 weeks from the commencement date.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

Scheme 3.3.3 - Powers common to all Strategic Directors

1. General

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

4. Contracts

4.2 To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3

Delegation to Paul Walker dated 3 April 2024.

STATEMENT OF THE REASONS FOR THE DECISION

1. Following conversion proposals between Havering's Housing and Void property teams, the proposal is to convert this currently empty Council owned Property from a small single storey bedsit bungalow into a larger two storey one-bedroom house by installing a loft conversion to create an additional level to the property. Bedsits are increasingly difficult to let due to the size and open plan living or sleeping area. The conversion will increase the habitable space allowing more housing or re-housing possibilities and provide an increase in rent and asset value. We will also be increasing the energy performance of the property in line with government requirements.
2. Planning permission has been legally obtained to complete this project and full building regulations approval has also been passed on the detailed Plans and specification used within the RFQ.
3. Following ED1 approval to seek quotations via Havering's secure Fusion Portal, three contractors were invited to quote (RFQ) for the works with a pre-tender estimate of £85,000. Although the Quotes received were slightly higher than our pre tender estimate, we have broken down and evaluated all the costs and feel

Non-key Executive Decision

that the lowest quote does offer Havering good value for money based on the extensive work involved in the full refurbishment.

4. Contractors were selected from Construction-line for the RFQ process which was issued on the 24th June 2024 and three tenders were received by the deadline of 19th July 2024.
5. All returned RFQ documents were reviewed and checked for mathematical errors and irregularities in the rates. All 3 Contractor returns were compliant.
6. Ongar Building services provided the most value for money and economically advantageous quotation of £122,987 which includes £11,325 of Provisional and Contingency Sums to cover any possible unforeseen works. Ongar Building services LTD are an experienced contractor that have previously delivered some large improvement projects on behalf of Havering and their service and performance has been very good.
7. All works will comply with current Building Regulations approval, applications for which have already been submitted and will result in a Local authority inspector signing each stage of the work off and a Building control compliance certificate being provided on completion. Party wall notices have also been served on the neighbouring properties to protect Havering from any potential claims of damage.
8. 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.
9. Performance of the contract will be managed and monitored throughout the project by the Programme Delivery Project Surveyor and a Clerk of Works to ensure quality is achieved.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1: Do Nothing

Do nothing was not considered as an option as the Bedsit bungalow remains a difficult property to let and the demands on Housing are such that more suitable/larger properties are now required.

Option 2: Procure through a Framework

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

Option 3: Redevelop

Demolish the bungalow and rebuild a new larger family home - Ruled out on costs as it is considerable cheaper to convert the existing property with the proposed loft conversion.

Non-key Executive Decision

PRE-DECISION CONSULTATION

No formal consultation is required with respect to the recommendations in this report.

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

Name: James Wallis

Designation: Project Manager

Signature: *j. wallis*

Date; 08-08-2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. The Council is required to ensure compliance with a range of regulatory matters in relation to its housing stock. Further, the Council has statutory requirements to undertake repairs and maintain its Housing Revenue Account (HRA) housing stock under the Landlord and Tenant Act 1985, Housing Act 2004 and the Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994.
2. 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.
3. 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.
4. The proposed contract value is below the threshold for works contracts under the Public Contracts Regulations 2015 (PCR) and accordingly, the contract is not caught by the full PCR regime. Although the contract is not caught by the full PCR regime, when considering the procurement for these works, the Council must comply with Havering Council's Contract Procedure rules (CPR).
5. The Council's Contract Procedure Rules (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. This route was followed to procure this contract and conforms with the CPR.
6. For the reasons set out above, the Council may direct award the contract to Ongar Building Services Ltd.

FINANCIAL IMPLICATIONS AND RISKS

The total cost of the contract is £122,987.00. This will be funded from the Housing Revenue Account Capital Programme - Project Code C38750 Stock alignment

The contract will be awarded and managed via a JCT minor works contract 2016.

Financial Stability

A financial check has been carried out on Ongar Building Services Limited company no. 5153358 using Experian credit check and they were considered Very Low Risk.

Non-key Executive Decision

**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;

(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.

Due to the small value of this contract, no social value will be included however these works will improve the quality of life and wellbeing for the family in respect of stress, socio-economics and health determinants.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None

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



Paul Walker
Interim Director of Housing & Property

Date: 04/09/2024

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 _____