

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	62 Sevenoaks close – HMO Conversion.
<b>Decision Maker:</b>	Paul Walker, Director of Housing & Property.
<b>Cabinet Member:</b>	Paul McGeary, Lead Member for Housing & Property.
<b>ELT Lead:</b>	Neil Stubbings, Strategic Director of Place.
<b>Report Author and contact details:</b>	James Wallis - Project manager <a href="mailto:James.wallis2@havering.gov.uk">James.wallis2@havering.gov.uk</a> 07714648301
<b>Policy context:</b>	Supports the People Theme - Place - A great place to live, work and enjoy.
<b>Financial summary:</b>	The value of the contract is £83,223.35, which will be funded from the Housing Revenue Account, Capital Programme.
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	Places.
<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 - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

## 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 £83,223 to Harrich Builders to complete the HMO conversion of No.62 Sevenoaks close following the successful RFQ exercise completed via Havering's secure online Tendering system "Fusion".
2. The works are due to commence in November 2024 and will be completed within 8 weeks from the commencement date.

### AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

Part 3.3 Scheme of Delegations – Functions delegated to officers

Scheme 3.3.3 Powers common to all Strategic Directors

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.

### STATEMENT OF THE REASONS FOR THE DECISION

1. Due to the increased Housing needs within Havering the supported Housing team have purchased this property as part of a Buy back scheme with the intention to use it as a supported Housing unit. The project delivery team, on behalf of the Havering's Supported Housing Team are seeking approval to award the contract for the HMO conversion / refurbishment of no.62 Sevenoaks close for sole use as a HMO.
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, four contractors were invited to quote (RFQ) for the works with a pre-tender estimate of £85,000. The award is based on 100% price
4. Contractors were selected from Construction line via the RFQ process which was issued on the 1st July 2024 and four tenders were received by the deadline of 2nd August 2024.
5. All returned RFQ documents were reviewed and checked for mathematical errors and irregularities in the rates. It is confirmed that all four contractor returns were compliant.

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6. Harrich Builders provided the most economically advantageous and value for money quotation of £83,223.35 which includes a £5000 contingency Sum to cover any possible unforeseen works. Harrich Builders currently hold a Silver membership on Construction line, Membership No. 144244
7. All works will comply with current Building Regulations approval, applications of 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 certificated 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 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 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: 14-08-2024

## 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 contract is not caught by the full PCR regime. However, when considering, the Council must comply with Havering Council's Contract Procedure rules (CPR).
4. 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 legal route was followed to procure this contract and conforms with the CPR subject to obtaining a waiver on the MEAT criterion used.
5. For the reasons set out above, the Council may award the contract to Harrich Builders.

### FINANCIAL IMPLICATIONS AND RISKS

The total cost of the contract is £83,233.35. This will be funded from the Housing Revenue Account Capital Programme.

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

#### Financial Stability

A financial check has been carried out on Harrich Builders, company no. 0149 7067 using Experian credit check and they were considered very low Risk.

### 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.

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### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

This contract is for works to an empty property that will be complete within a 12-week delivery program, the only possible impact will be noise and dust to neighbouring properties to which we will control with agreed working times and by managing safe ways of working through project management.

Where possible the changes to the property would aim to take regard of the Councils 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.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this isn't required

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not equalities and social inclusion implications and risks associated with this decision.

### **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

**Details of decision maker**

Signed

A handwritten signature in black ink that reads "P Walker". The "P" is large and stylized, with the "Walker" written in a cursive script below it.

Paul Walker  
Interim Director of Housing & Property

Date: 19<sup>th</sup> September 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 \_\_\_\_\_