

## Notice of KEY Executive Decision containing Exempt Information

This Executive Decision Report is part exempt and Appendix A and C *are* not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to information relating to the financial or business affairs of any particular person (including the authority holding that information), and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

<b>Subject Heading:</b>	Building Safety Works – Residential High-Rise Buildings
<b>Decision Maker:</b>	Neil Stubbings - Strategic Director of Place
<b>Cabinet Member:</b>	Councillor 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, Housing Services <a href="mailto:James.wallis2@havering.gov.uk">James.wallis2@havering.gov.uk</a> 07714648301
<b>Policy context:</b>	This report presents recommendations to undertake essential fire safety works to nine of the Council's high-rise buildings to ensure their continued safety and the safety of our residents.
<b>Financial summary:</b>	This report seeks authority to award a JCT 2024 Pre-Contract Services Agreement (PCSA), which is the first stage of a two-stage tender process, the

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	<p>second stage being the works contract. The PCSA value is £840k.</p> <p>The works contract is anticipated to be £10m at present. The exact works contract value will be finalised at the conclusion of the PCSA period.</p>
<b>Reason decision is Key</b>	<p>Key on the grounds that this report involves</p> <p>(a) Expenditure or saving (including anticipated income) of £500,000 or more</p>
<b>Date notice given of intended decision:</b>	20 October 2025
<b>Relevant Overview &amp; Scrutiny Committee:</b>	Places
<b>Is it an urgent decision?</b>	No.
<b>Is this decision exempt from being called-in?</b>	No.

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

People - Supporting our residents to stay safe and well	X
Place - A great place to live, work and enjoy	X
Resources - Enabling a resident-focused and resilient Council	

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

<b>DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION</b>
<p>The Strategic Director of Place in consultation with the Strategic Director for Resources and the Director of Legal &amp; Governance are requested to approve:</p> <ol style="list-style-type: none"><li data-bbox="240 450 1497 763">1) Award of JCT 2024 PCSA to Higgins Partnerships 1961 PLC for £840,000.  The PCSA services are to develop the final design solutions and undertake further investigation to reduce uncertainty with how the works are to be undertaken. On completion of the PCSA services, the contractor will submit a confirmed contract sum for the works. Further approval will then be sought to award the works with the contractor being engaged through a JCT 2024 Design and Build Contract.</li><li data-bbox="240 763 1497 864">2) Increase the value of the contract for construction consultancy services with Calfordseaden by the sum of £280,000 (total value now £570,000).</li></ol>

<b>AUTHORITY UNDER WHICH DECISION IS MADE</b>
<p>A Cabinet Decision on 9<sup>th</sup> April 2025 was agreed with the following delegation: Delegate the approval of the award of the Pre-Construction Services Agreement (Stage 1) and the works contract (Stage 2) with a total indicative value of £13.4 million to the Strategic Director of Place, acting in consultation with the Strategic Director of Resources and the Deputy Director of Legal &amp; Governance.</p> <p>Scheme 3.3.3 - Powers common to all Strategic Directors</p> <ol style="list-style-type: none"><li data-bbox="240 1330 1497 1442">1. General 1.1. To take any steps necessary for proper management and administration of allocated portfolios.</li><li data-bbox="240 1442 1497 1666">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. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions).</li></ol>

<b>STATEMENT OF THE REASONS FOR THE DECISION</b>
<ol style="list-style-type: none"><li data-bbox="240 1830 1497 1986">1. Since the implementation of the Building Safety Act 2022 and the introduction of the new Building Safety Regulator (BSR) on 1st October 2023, the Council has had a legal duty to register each of its high-rise (18m+) residential buildings (known as higher-risk buildings or HRBs) and compile a Building Safety Case for</li></ol>

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each of them. The project that is subject of this report concerns all the Council's 1960s HRBs, except Highfield Towers, nine in total.

2. The reports that were commissioned for the Building Safety Cases identified a need for some works. The works comprise a mixture of repairs, replacements of historically installed components and improvements at each HRB.
3. Whilst the current building regulations do not apply retrospectively to existing buildings, the works that have been proposed will ensure that fire safety standards in the Council's HRBs are as close to current building regulations standards as possible.
4. The scope of works includes the following:
  - Replacement of non-compliant spandrel / window infill panels
  - New installations of automatic opening vents (AOVs) to fire escape stairwells and lobby landing areas
  - Removal of vertical ventilation shunt ducts where they breach fire compartmentation
  - Installation of new ventilation systems to replace removed systems
  - Fire stopping between flats
  - Installation of new LD1 fire/smoke alarms to flats
  - Installation of new sprinkler systems with secondary backup power supplies.
5. It is essential that the Council deliver these works within the proposed timescales in order to act as a responsible landlord and demonstrate compliance. Failure to do so could result in fines and charges being brought against the Council for non-compliance.

The Blocks included are:

- Blk 1-53 Elizabeth House
  - Blk 1-53 Mountbatten House
  - Blk 1-53 Victoria House
  - Blk 1-53 Edinburgh House
  - Blk 1-48 Uphaving House
  - Blk 1-52 Parkview House
  - Blk 1-48 Overstrand House
  - Blk 1-57 Kipling Towers
  - Blk 1-57 Dryden Towers.
6. Following on from Cabinet approval to proceed with the procurement process on 9<sup>th</sup> April 2025, a two-stage tender exercise was undertaken to source a suitably experienced contractor for the works using Lot 1 of the Fusion 21 Refurbishment, Construction, New Build and Modular Buildings Framework. The thirteen framework contractors were informed of the tender in advance of the release. Four contractors responded immediately to confirm that they did not have capacity to provide a tender, leaving nine that were interested.

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7. Havering Council's tender documents were released on 7<sup>th</sup> July 2025 to the framework contractors on the Fusion 21 tendering platform. All tenderers were offered [and took up] site visits during the tender period to allow each contractor to be fully informed about the scope of works and get an understanding of the sites.
8. Seven compliant tender returns were received on 12<sup>th</sup> September 2025. The two contractors who did not submit a tender were contacted for feedback, but both have failed to respond.
9. The evaluation of the tenders was based on a 60% Quality, 10% Social Value and 30% Price split, as previously approved by Cabinet and in accordance with the Fusion 21 framework rules.
10. The Council's specialist construction consultancy, Calfordseaden, undertook a thorough Price evaluation. (exempt Appendix A.)
11. The Price and Quality/Social Value scores were combined to provide an overall score. The highest scoring tender was that of Higgins Partnerships 1961 PLC.
12. Approval is now sought to award the PCSA contract for the sum of £840,000 to Higgins Partnerships 1961 PLC.
13. After the PCSA contract has concluded, the final designs and provisional costs for the works will be fixed and agreed. A second ED report will then be prepared to request approval to award stage 2, the works contract via a JCT 2024 Design and Build contract.
14. Social Value with a value of 1% of the works value will be delivered by the contractor. The Social Value measures are required to contribute to the community and will include initiatives such as local employment opportunities, skills development, and other community benefits.
15. This report also seeks to increase the Value of the Council's contract with Calfordseaden for multi-disciplinary construction services on the project over RIBA stages 2-6 delivery of these works. The contract was awarded via call off from the CHIC framework based on an estimated construction contract value of £5 million. The CHIC framework fee structure is based on fee bands and the original fee of 290k was based on the £1-£5 million fee band with provision for adjustment if once tendered the actual construction costs fell in a higher band. As the now-tendered actual construction costs are within the £5-£10 million bracket, the Calfordseaden fee adjusted in line with the CHIC financial band fee is uplifted by a further £280k. Approval is sought for the increased cost.
16. Please see Appendix B - ED approval for Calfordseaden original appointment and Appendix C – Exempt – Calfordseaden Fee Calculation.

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

1. The option of doing nothing was rejected because the Council has a legal duty to undertake the fire safety work identified to each HRB within reasonable timescales.
2. A direct award was considered but rejected on the grounds that in order to demonstrate Value for money and reduce project risk, the assessment of Quality and Price is essential. Due to the complexity of the works, the need to find contractors who can demonstrate experience and knowledge in fire safety works and be commercially aware of the requirements is essential under the Building Safety Act.

### **PRE-DECISION CONSULTATION**

1. Initial consultation was issued – No contractor recommendations were received – so we proceeded with the Fusion 21 Framework as approved in ED1.
2. Leaseholders will be consulted in accordance with the Section 20 process, and this will enable the Council to recover leasehold contributions for the new fire safety improvements. They include, fire alarm installations and a new sprinkler system in accordance with the terms of the leases.

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

Name: James wallis

Designation: Project manager, Planned works team – Housing Services

Signature: *J. Wallis*

Date: 04-12-2025

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

1. The Council has power under s111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.
2. The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. The recommendations sought within this report are in accordance with these powers.

#### **JCT PCSA Contract**

3. The Fusion21 framework is a Public Contracts Regulations 2015 (PCR) compliant framework. As a local authority, the Council is entitled to call-off from this framework. The total PCSA value of the contract is £840,000 and actual works Value estimated at 10 million, which is above the relevant threshold for works. Call off from the Fusion 21 framework will be compliant with the procurement legislation to the extent it complies with the Fusion 21 call off rules. As set out in this report, the mandated Fusion 21 process has been followed.

#### **Consultancy Contract**

4. The Council's contract with Calfordseaden for consultancy services contains an uplift clause which bites if the value of the associated construction contract moves into a higher CHIC defined price bracket. As set out in this report, this has happened, and the consultancy contract price has therefore increased. The uplift is provided for within the terms of the contract and is permissible for the purposes of the procurement legislation.
5. For the reasons set out above, the Council may award the PCSA contract and uplift the price of the consultancy contract.

### **Financial implications and risks**

1. Previously on the 9th of April 2025, Cabinet approved a decision to commence a procurement for Pre-Construction Services Agreement (Stage 1) and Works (Stage 2) in relation to building safety works affecting 10 residential blocks under the Housing Revenue Account (HRA). This was via the Fusion 21 Framework. The indicative contract value at that initial stage was £13.4m alongside the Council's project and consultancy costs giving a total estimate for the programme of £14.3m.
2. Highfield Towers, one of the residential blocks identified, has since been removed from scope of this programme as it was more logical to align this work with other works planned for that block. Therefore, the adjusted value at the previous cabinet date would be approximately £12.1m for this procurement.

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3. This report is seeking approval to award the first stage PCSA Contract to Higgins Partnerships 1961 PLC for the value of £840,000. Once the programme has reached a sufficient level of understanding in relation to the design of the works, then stage 2 will be ready to proceed. However, at this point, the total estimated contractor value across both contracts is £9.918m including provisional allowances. This is materially lower than the original pre-tender estimate of 12.1m although there were bidders who came in over this value. Nonetheless, it should be noted that as some costs are provisional and further associated works could be identified through the design process, the contract's value still could rise.
4. Once the PCSA contract has concluded, the final designs and provisional costs will be fixed and agreed, a second Executive Decision approval will be requested to award "The works" via stage 2 - JCT 2024 Design and Build contract.
5. The associated capital costs of the project are outlined below along with the contractor costs of £9.9m this decision relates to:

<b>Building Safety Works</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Design & Build procurement	600	5,000	4,300	9,900
Consultancy	120	260	200	580
Project Team (internal)	197	200	203	600
<b>Project Overview</b>	<b>917</b>	<b>5,460</b>	<b>4,703</b>	<b>11,080</b>

The HRA Capital Programme was approved by Full Council in March 2025 for which this programme is included within. Due to the timing of the decisions, design and procurement there may be a requirement to re-profile the allocations at the next budget planning cycle early next year.

6. As with schemes of this nature, there is a risk of cost increase, for which the project has set aside an appropriate contingency. The consultant and project team will mitigate this risk by having the contractor design the solutions. The financing of the project is expected to be from a mixture of HRA Major Repairs Reserve, HRA Borrowing and Leaseholder contributions (within regulatory remit).
7. The project's impact on the HRA revenue budget is likely to require increased compliance budget due to the rise in new components (e.g. Fire Alarms needing to be tested and sprinkler systems). It is anticipated that remedial works will be minimal initially before slowly rising year on year after completion. Budgetary changes will be reflected in the relevant future budget setting cycle.

## Leaseholders

8. There are 115 Leaseholders within the 9 residential blocks accounting for almost 25% of the properties. It is therefore important that the funding of the block is fairly attributed between the landlord and its leaseholders.



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9. Leaseholders are expected to contribute to the project funding where appropriate. The authority will adhere to the Building Safety Act 2022 in relation to what is and isn't applicable to pass on (e.g. new fire safety improvements like a new sprinkler system). It will therefore be important that the project clearly separates these components to aid the S20 process and settlement of the final accounts. Once the final design is confirmed and the provisional pricing elements have been finalised then the affected leaseholders will be advised of the actual costs of the programme and their expected contribution.

### **Programme External Consultant**

10. This report also seeks approval to increase the value of an existing CHIC contract for Calfordseaden multi-disciplinary services who are supporting Havering with the delivery of this programme. The increase is £280,000 to £580,000 as this project has been progressed and developed further, it was apparent that a larger scope of works was required doubling the value to over £10m.

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

1. The recommendations outlined in this report do not present any identifiable HR risks or implications that would impact the Council or its workforce. The proposed actions are designed to be implemented within existing frameworks and do not foresee any adverse effects on human resources or operational practices.

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

1. 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 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) The need to foster good relations between those who have protected characteristics and those who do not.
2. Note: Protected characteristics include age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity, and gender reassignment.

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3. The Council is committed to all the above in the provision, procurement, and commissioning of its services, and the employment of its workforce. Additionally, the Council is dedicated to enhancing the quality of life and wellbeing for all Havering residents with regard to socio-economic and health determinants.
4. An EqHIA (Equality and Health Impact Assessment) has been completed as part of this decision; The Council seeks to ensure equality, inclusion, and dignity for all.
5. Please refer to Appendix D – EqHIA assessment

### **HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

1. Havering Council is committed to protecting and promoting the health and wellbeing of residents, in line with its duties under the Health and Social Care Act 2012.
2. There are no direct health and wellbeing implications arising from the decision award a PCSA to Higgins Partnerships to facilitate further investigation and costing of essential safety works for high-rise residential buildings in the borough.
3. Awarding the PCSA is essential to ensure that progress can be made towards the delivery of required works, which are essential to ensure residents are able to live safely and comfortably in their homes, which supports / promotes good health and wellbeing.
4. A Resident engagement plan has been developed as part of the contract to ensure effective communication throughout the delivery of these works, allowing residents to share the experiences and feedback easily knowing that Havering are on hand to listen and support.
5. This contract will support the aims and delivery of the Housing Asset Management Strategy by ensuring that the Council provides the right homes for our residents, which are affordable, safe and of high quality, provide good communities in which to live and work, whilst meeting the challenges of zero carbon and building safety across the estates

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

1. Environmental and Climate Change implications of delivery of the contract will be assessed through the contract award as part of the quality evaluation process; tenderers will be evaluated upon their proposals to reduce the environmental impact and carbon footprint of how the work is delivered, such as local supply chains, electric vehicles, waste reduction and recycling and so on.

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2. Sustainability of materials will be built into the specifications by ensuring the manufacturers comply with BES 6001 “Responsible Sourcing of Construction Products”, to prove that their products have been made with constituent materials that have been responsibly sourced.

### **BACKGROUND PAPERS**

None.

### **APPENDICES**

Appendix A – Exempt – Tender report.  
Appendix B - ED approval for Calfordseaden original appointment  
Appendix C – Exempt – Calfordseaden Fee Calculation.  
Appendix D – EqHIA assessment

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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

*Delete as applicable*

Proposal NOT agreed because

#### **Details of decision maker**

Signed

Name:

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 \_\_\_\_\_