

## Notice of KEY Executive Decision

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| <b>Subject Heading:</b>                            | 9 Bretttons Cottages, Rainham, Essex<br>RM13 7LL – Redevelopment of existing<br>HRA property / Land   |
| <b>Decision Maker:</b>                             | Neil Stubbings, Strategic Director of<br>Place  |
| <b>Cabinet Member:</b>                             | Paul McGeary, Lead Member for Housing   |
| <b>ELT Lead:</b>                                   | Neil Stubbings, Strategic Director of<br>Place  |
| <b>Report Author and contact<br/>details:</b>      | James Wallis, Project Manager, Property<br>Services<br>Email: James.wallis2@havering.gov.uk<br>Tel: 07714648301   |
| <b>Policy context:</b>                             | Supports the Place Theme - A great<br>place to live, work and enjoy.  |
| <b>Financial summary:</b>                          | The contract value is £506,000, which will<br>be funded from the 2026/27 HRA Capital<br>Works Budget. This is likely to be<br>financed through borrowing. |
| <b>Reason decision is Key</b>                      | Yes, as expenditure or saving (including<br>anticipated income) of £500,000 or more   |
| <b>Date notice given of<br/>intended decision:</b> | 28-08-2025  |

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| <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

Place - A great place to live, work and enjoy    X

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 Strategic Director of Place is recommended to agree to:

Approve the award of a JCT Minor Works contract to Tradeline Solutions Limited; company No.07320851 for the value of £506,000 to construct a new 5-bedroom family home for General Needs Housing stock.

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

Part 3 of the Council's Constitution

3.3 Scheme of Delegation – 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. The proposal is to redevelop 9 Bretttons Cottages, Upper Rainham Road, Romford Essex, RM13 7LL ("the Property"). The property was a detached 3-bedroom residential dwelling but has recently been demolished due to structural instability. The property was previously used for general needs housing but remained empty for a long period due to the structural concerns making it uninhabitable. In June 2024, an assessment was carried out to explore a full refurbishment of the property to bring it back into use; unfortunately, the property required in excess of £120,000 of investment which was deemed financially unviable. Given that the land on which the property is situated is much larger than the dwelling itself, it was considered ideal for redevelopment, and this approach was approved by Havering's senior management team. Planning approval to build a new sustainable 5-bedroom family home has since been approved; this includes new environmental technologies such as solar panels, air source heat pump, mechanical heat recovering and ventilation. There is also no gas, a high level of insulation, water saving toilets/taps, and an electric car charging point. The new property will achieve a minimum of EPC rating of B and potentially an A depending on the final test results.
2. The Specification has a robust suite of design information including written specifications for a design that meets statutory requirements and Havering's own standards; this allows us to deliver the project on time and within budget.
3. Performance of the contract will be managed and monitored throughout the project by the Programme Delivery Project Surveyor and the Clerk of Works to ensure the contractor complies fully with the specification, health and safety requirements and any

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other requirements of the contract. Havering's Building Control will also approve the construction process.

4. Following a Non-Key ED approval on 21-01-2025, the procurement process was carried out as a restricted tender through the Fusion Procurement Portal, in accordance with the Contract Procedure Rules. Our pre tender estimate was £455k including VAT. Unfortunately, the prices received were higher than our pre tender estimate causing the contract value to exceed the £500k threshold.
5. A procurement process has been carried out via Havering's secure online Fusion Portal by inviting 6 contractors to tender for the works. 5 bids were received and one declined advising that they did not have the required resources.
6. The tender responses were evaluated and moderated. The contract awarded is based on a 70/30 price/ quality ratio. It is proposed that the JCT Minor Works Contract 2016 is used.
7. All selected contractors were required to be registered on Construction-line, a widely recognised register for pre-qualified contractors and consultants in the UK construction industry. Construction-line provides a vetted database of contractors, ensuring that all bidders meet industry standards and possess the necessary qualifications and credentials to undertake the work.
8. Tradeline Solutions Ltd were evaluated as the highest-scoring bidder, and it is recommended that they be awarded the contract. The scores achieved by each bidder are detailed as follows.

| Overall Total Score     | Calculation     | Technical 30% | Calculation    | Cost 70% | Total out of 100% | Rankings |
|-------------------------|-----------------|---------------|----------------|----------|-------------------|----------|
| Bidder B                | 73.33/ 100 * 30 | 22.00         | 92.50/ 100 *70 | 64.75    | 86.75             | 3rd      |
| Bidder C                | 73.33/ 100 * 30 | 22.00         | 87.08/ 100 *70 | 60.96    | 82.96             | 4th      |
| Tradeline Solutions Ltd | 86.67/100 * 30  | 26.00         | 100/ 100 *70   | 70.00    | 96.00             | 1st      |
| Bidder A                | 93.33/100 * 30  | 28.00         | 95.20/ 100 *70 | 66.64    | 94.64             | 2nd      |
| Bidder D                | 60/100 * 30     | 18.00         | 67.91/ 100 *70 | 47.54    | 65.54             | 5th      |

## **OTHER OPTIONS CONSIDERED AND REJECTED**

### **Option 1:** Repair and refurbish the existing building

There was an option to repair the building but this option was rejected as it not financially viable as the costs for repairs and to improve the property EPC rating would substantially exceed the value of the asset. A new dwelling would provide a much-needed larger family home, be more energy efficient and have a much higher asset value on completion.

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

Rejected on the grounds that value for money will be achieved through a restricted competitive tender and that the use of a framework for a low value procurement is unnecessarily cumbersome and reduces the amount of control over the tendering process.

**Option 3:** Sell the existing property and land and use the funds to purchase another property on the open market. This was rejected because there is a huge demand on housing and a

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shortage of larger family homes. There are limited 5-bedroom houses on the open market to purchase and these would all need to be refurbished to our lettable standard.

**PRE-DECISION CONSULTATION**

Statutory consultation not required.

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

Name: James Wallis

Designation: Project Manager – Housing Services

Signature: *J. Wallis*

Date:28-01-2026

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

### **LEGAL IMPLICATIONS AND RISKS**

1. The Council has statutory requirements to undertake repairs and maintain its 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 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 arrangements now sought are in accordance with these powers.
3. The Council is a contracting authority for the purpose of the Procurement Act 2023 (PA 2023). The total contract value is £506,000. The value of the procured contract is below the works threshold for the purposes of the PA 2023 of £5,372,609 (inclusive of VAT) and accordingly, does not fall within the full rigours of the Act. However, the procurement must still comply with the Council Contract Procedure Rules (CPR), which requires the Council to use Construction-line to invite at least 5 organisations to tender. As set out in the body of the report, officers have complied with the CPR.
4. For the reasons set above, the Council may award the contract to Tradeline Solutions Limited

### **FINANCIAL IMPLICATIONS AND RISKS**

1. This report is seeking permission to award the contract for the construction of a new five-bedroom family home using a JCT Minor Works Contract 2016 to Tradeline Solutions Limited. The project is to be funded from the existing HRA Capital Programme with an allocation of £506,000 to be spent in financial year 2026/27. The work is expected to take approximately seven months with officer time allocated in bringing the asset to fruition.
2. The capital budget is already in place and is expected to be financed by HRA Borrowing. RtB receipts could be applied but these are earmarked first for Regeneration and Acquisitions.
3. 9 Bretton's Cottages was structurally unstable and required substantial capital investment to bring it back to a lettable standard, the decision was taken by Havering's senior management team to redevelop the site to provide a much-needed larger family home. Due to the structural instability, demolition costs and site hoarding have been incurred previously at £22,000.
4. Once completed, the property is estimated to be worth in the region of £800,000 to just over £1,000,000 at market value. Internally, the land currently is estimated at £300,000. The authority only has two other 5-bedroom properties in the area and there is high demand for this size of property. Planning Permission has been sought and approved in March 2025 ahead of the contract procurement process. The social rental value is anticipated to be £228 per week.
5. The property is expected to be rented rather than sold due to the high demand on the housing register. A cost benefit analysis has been completed considering factors such

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as increased rental income, future property values, investment required and future renovations. This analysis confirms that the HRA would benefit from this proposal. In addition, improved home efficiency will mean lower energy costs for the tenants.

6. This project has potential to indirectly reduce pressures within the authority's Temporary Accommodation (TA) budget by relocating larger families into the converted stock, which would have both social and economic benefits. The potential cost avoidance value is estimated at approximately £6,000 per annum which would benefit the General Fund where TA resides.

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

1. There are no HR implications and no incumbent contractor and as such, there are no TUPE implications.

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

1. Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its functions. This includes outsourcing services by awarding a contract to an outside body, to have "due regard" to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
2. "Due regard" is the regard that is appropriate in all the circumstances. The weight to be attached to each need is a matter for the Council. As long as the Council is properly aware of the effects and has taken them into account, the duty is discharged.
3. The awarding of this contract will enable the Council to improve its housing stock to a high standard and increase the quality of housing available. Tenants with protected characteristics are over-represented in social housing so this new contract will have a positive impact on their well-being.

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

1. Good quality housing is essential to ensure residents are able to safely and comfortably use their homes promoting good health and wellbeing.
2. Poor quality housing can have serious negative impacts on individual's health and wellbeing and a significant negative impact on communities.
3. The Council is responsible for improving and protecting health and wellbeing of local residents under the Health and Social Care Act 2012.

These contracts will support the aims and delivery of the Housing Asset Management Strategy ensuring that the Council provide 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 have been assessed through contract award as part of the quality evaluation process; tenderers have been 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.
2. Sustainability is central to Tradeline Solutions Ltd' operations, and this project will align with Havering's carbon reduction goals. Increased insulation will improve thermal performance of the new dwelling, reducing heating costs and carbon emissions. The removal of gas and the installation of an air source heat pump in conjunction with mechanical heat recovery and ventilation systems will reduce the property's carbon footprint. Recyclable materials will be diverted from landfill and repurposed for community initiatives, such as using reclaimed timber in local workshops. Scaffolding will meet BS EN 12811-1:2003 safety and efficiency standards, minimising disruption to residents.
3. Materials will be selected for their durability and environmental credentials, following British standards. These practices will ensure the project contributes significantly to the sustainability goals of the borough, proving Tradeline's' commitment to environmental responsibility.

### **BACKGROUND PAPERS**

None

### **APPENDICES**

N/A

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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 \_\_\_\_\_