

Notice of Non-Key Executive Decision

Subject Heading:	Contract award for Multiple Single Storey extensions
Decision Maker:	Paul Walker, Interim Director of Housing & Property
Cabinet Member:	TBC Lead Member for Regeneration
SLT Lead:	Neil Stubbings, Strategic Director of Place
Report Author and contact details:	Husnain Mazhar, Quantity Surveyor, Property Services Email: Husnain.mazhar@havering.gov.uk Tel: 07966303701
Policy context:	Asset Management Strategy. HRA Business Plan & Capital Programme.
Financial summary:	The maximum value of the contract is £381,000 which will be funded from the Housing Revenue Account, Capital Programme.
Relevant Overview & Scrutiny Sub Committee:	Place OSSC.

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Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision.
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The subject matter of this report deals with the following Council Objectives

~~People – Things that matter for residents~~

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

1. Award a works contract valued at up to £381,000 to Beacon Support Services (Europe) LLP for the delivery of multiple single storey rear or side extensions and associated works across various Council properties. The contract award follows the successful completion of a Request for Quotation (RFQ) procurement exercise.

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. 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.)

The above powers are the subject of a sub-delegation from the Strategic Director of Place to the Interim Director of Housing and Property, as notified to the Monitoring Officer on 3 April 2024.

STATEMENT OF THE REASONS FOR THE DECISION

1. This project involves the procurement of a JCT Measured Term Contract to deliver five single storey extensions across existing general needs housing stock within the London Borough of Havering (LBH). The works are proposed in response to the increasing demand for larger, more suitable family homes for residents with disabilities and limited mobility issues. The contract supported by Havering's Housing Choice and Applications Manager and Occupational therapy team. The conversions will increase the habitable space and level access facilities within five properties, creating additional housing and re-housing opportunities for vulnerable families. The conversions will also increase rental income and enhance the overall asset value of the Council's housing stock. The works will further improve the energy performance of the properties, supporting the Council's commitment to meeting government net zero carbon targets.
2. A generic tender specification was prepared to procure this contract, covering all areas of works and potential requirements that may need to be priced across a

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range of property types. Once a property is allocated for conversion, the relevant agreed rates will be applied to the specific scope of works for that property. Planning approval will be secured under permitted development, with a Certificate of Lawfulness obtained for each conversion, alongside full Building Regulations approval confirming the detailed scope of works prior to commencement on site.

3. In line with LBH Procurement Guidelines, quotations were requested via the Council's FUSION procurement portal, with five contractors invited to submit bids. All contractors were provided with a five-week period to prepare and submit their quotations and complete all required documentation in compliance with the RFQ. Three quotations were received within the allocated timescale, one was returned late and was disqualified for this, the final contractor was contacted and advised Havering that they were too busy to provide a return despite originally confirming they wanted to be part of the tender.
4. The successful contractor was selected following an evaluation based on both quality and price, using the agreed weighting criteria of 70 percent price, 20 percent quality and 10 percent social value.
5. The RFQ was issued as a closed request due to the specialist nature of the works. The contractors invited to quote are experienced providers with proven expertise in this field and have previously delivered building works of a similar nature. All returned RFQ submissions were reviewed and checked for completeness, including verification of any mathematical errors and the identification of any irregularities within the submitted rates. On review, Beacon's costs were in line with our expectations and did not appear tactically low, Contractor B and C was noticeably expensive for specific elements of the building hence their Value over the five extensions is substantially higher.
6. Beacon Support Services (Europe) LLP submitted the quotation that offers the best value for money, with a total value of £351,000, and a further £30,000 in contingency sums is requested to be added to allow for any unforeseen works totalling £381,000 for approval. Beacon Support Services is an experienced contractor which have been recommended to Havering by another London Borough for consistently good services, including planned capital investment works, roof replacement and property refurbishments. The scores for the procurement exercise carried are set out below:

Overall Total Score	Tender Price	Technical 30%	Cost 70%	Total out of 100%	Rankings
Beacon Support services	£351,150.00	20.00	70.00	90.00	1st
Contractor B	£460,355.55	18.00	53.39	71.39	3rd
Contractor C	£411,625.00	25.00	59.72	84.72	2nd

7. All works will comply with current Building Regulations, and the required applications will be submitted prior to commencement of the works. The works will be inspected at the relevant stages by the Local Authority Building Control inspector, with each stage signed off accordingly and a Building Control

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completion certificate issued upon completion of the works. Party wall notices will be served to ensure neighbouring properties are protected against the works.

8. Minimum standards for sub-contractors will be introduced by the Council to ensure the quality of the supply chain, and key service and quality requirements will be closely monitored throughout the duration of the contract by the Council's Clerk of Works.
9. Performance of the contract will be managed and monitored throughout the project by the Programme Delivery Project Surveyor, alongside the Council's Clerk of Works, to ensure that the required quality standards are achieved.
10. The RFQ was evaluated based on a weighting of 70 percent price, 20% Quality and 10% Social Value. Beacon Support Services (Europe) LLP achieved the highest overall score. This approach ensures that the successful quotation represents the best value for money for Havering Council.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1: Do Nothing

Do nothing - Ruled out as the demands on housing are as such that more suitable or larger properties are now required to meet demand.

Option 2: Procure through a Framework

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

Option 3 – Purchase new larger Homes

Ruled out on costs, as it is considerably cheaper and faster to convert the existing properties with the proposed extensions.

PRE-DECISION CONSULTATION

None.

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

Name: James Wallis

Designation: Project manager

Signature: *J. Wallis*

Date: 20/04/2026

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. The Council is the owner of the properties, and it has responsibility as the landlord. The Council is making a decision to make a contract to carry out extensions and associated works to the properties to comply with its responsibilities.
2. The Council has the power to make the contract through section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions or through its general power of competence under section 1 of the Localism Act 2011 to do anything that individuals generally may do, subject to certain limitations. None of the limitations apply to this decision.
3. The proposed contract value of £381 150 is below the applicable procurement threshold for works contracts in the Procurement Act 2023 (PA) of £5 193 000 and therefore the procurement process is not subject to the full PA regime. However, the procurement process has been undertaken in accordance with the Council's Contract Procedure Rules.
4. For the reasons set out above, the Council may award the contract.

FINANCIAL IMPLICATIONS AND RISKS

1. This report is seeking a contract award for two years via the JCT Minor Works Contract 2016 to Beacon Support Services (Europe) LLP. The maximum value of the contract will be £381,000 and will be funded through the existing Housing Revenue Account Capital Programme (Stock Alignment Programme).
2. Once a property has been selected for an extension, detailed drawings will be prepared and issued to the contractor, which will price the works in accordance with the agreed rates submitted as part of the RFQ. The proposed price will then be reviewed and assessed by the Council's project team and, subject to approval, a works order will be issued to the contractor.
3. The project intends to make improvements to 5 existing vacant Social Housing properties within the Housing Revenue Account (HRA) by extending the current footprint creating additional ground floor living space whilst making the property more energy efficient. The properties will be selected as and when suitable void stock arises, but they will need to meet certain criteria.
4. A cost benefit analysis has been completed considering factors such as increased rental income, future property values, investment required, future renovations and more. This analysis confirms an expected value for money return for the HRA. In addition, improved home efficiency will mean lower energy costs for the tenants.

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5. This project has potential to indirectly reduce pressures within the authority's Temporary Accommodation budget by relocating families with disabilities into the converted stock, which would have both social and economic benefits.

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

1. 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.
2. TUPE (Transfer of Undertakings (Protection of Employment) Regulations) will not apply as there will be no transferring staff.

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 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.
2. Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.
3. 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.
4. 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.
5. The Council has considered the Public Sector Equality Duty under the Equality Act 2010. While a full Equality and Health Impact Assessment (EHIA) is not required, the project is expected to have a positive impact by increasing the availability of larger family homes, helping to alleviate overcrowding and improve wellbeing. The procurement process will ensure that contractors adhere to the Council's equality and diversity policies, and social value outcomes will be monitored throughout the contract.

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ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None.

BACKGROUND PAPERS

None.

APPENDICES

None.

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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

Details of decision maker

Signed



Paul Walker
Interim Director of Housing & Property

Date: 29th May 2026

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 _____