

## MUNICIPAL YEAR 2019/2020 REPORT NO.

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

### PORTFOLIO DECISION OF:

Cabinet Member for Housing

### REPORT OF:

Executive Director Place

**Agenda – Part: 1**

**KD Num: 4922**

### **Subject:**

Post Tender – Decent Homes Contract for Bathroom Refurbishments – North Lot

**Wards: All**

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## 1. EXECUTIVE SUMMARY

**1.1** This project was identified as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.

**1.2** The project is included in the 30-year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD 4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.

**1.3** This report proposes to award the Decent Homes Bathrooms North Refurbishment Contract.

## 2. RECOMMENDATIONS

**2.1** That approval be given to award the Bathrooms North Refurbishment Contract.

**2.2** See part 2 for details

### **3. BACKGROUND**

**3.1** The Asset Management plan has identified the need for a substantial programme of internal refurbishments to ensure Council's stock maintains the 'Decent Homes' standard.

**3.2** This project is made up of approximately 200 properties based predominantly in the North of the Borough. The properties have been following stock condition surveys which identified the element being due for replacement.

**3.3** The scope of works includes bathroom refurbishments and associated building works.

**3.4** The project does not include works to leasehold properties.

**3.5** See part 2 for details.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

**4.1** LBE has a statutory duty to maintain our properties to meet the defined Decent Homes standard. This contract will ensure compliance with that statutory duty.

### **5. REASONS FOR RECOMMENDATIONS**

**5.1** This scheme forms part of the Council's on-going programme to maintain its housing stock and fulfil its landlord obligations.

**5.2** The contract term is for seven months and it is proposed that all works are complete by 31<sup>st</sup> May 2020.

**5.3** See Part 2 for details

### **6. COMMENTS FROM OTHER DEPARTMENTS**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

**6.2.1** The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. Under section 20 of the Landlord and Tenant Act 1985, the Council as landlord has the ability

to recharge leaseholders for major works via service charges, provided that there has been appropriate consultation pursuant to the Service Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council further has power under Section 111 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. Additionally, the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do, provided it is not prohibited by legislation and subject to Public Law principles.

**6.2.2** Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government Act 1999.

**6.2.3** The Council must comply with its Contract Procedure Rules (CPR).

**6.2.4** The contract value is under the OJEU threshold for Works, and whilst the Public Contract Regulations 2015 do not apply to this procurement, the Contract must nevertheless be awarded in compliance with TFEU principles of equality, transparency, proportionality, non-discrimination and mutual recognition.

**6.2.5** Any resultant legal contracts or ancillary documentation required in association with this matter must be in a form approved in writing in advance of contract start date and service commencement by Legal Services on behalf of the Director of Law and Governance Services. As the Contract value is over £250,000 it will require sealing on behalf of the Council. It is anticipated that the form of contract will be an Industry standard JCT Measured Term Building Contract 2016.

**6.2.6** As the Contract value is under £1 million sufficient security from the contractor should be considered to manage risk. Evidence of the form of security required or why no security was required must be stored and retained on the E-Tendering Portal for audit purposes – CPR 1.18

**6.2.7** The contract value is over £250,000 so the Key Decision process should be followed.

*Provided by LJS on 22.08.2019 based on a Report circulated on 19.08.2019*

### **6.3 Property Implications**

No corporate property implications noted by Property Services.

### **6.4 Procurement Implications**

- 6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN416766).
- 6.4.2 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 18<sup>th</sup> September 2019.*

**6.5 Performance Implications**

Project specific performance measures (KPIs) will be incorporated into the contract to track progress, satisfaction, quality and financial performance. These will be monitored at monthly progress meetings.

**7. KEY RISKS**

The main risks to consider when awarding the contract are:

Risk	Mitigating action	Residual risk High / Medium or Low
Compliance with Public Contracts Regulations 2015	Contract procured via London Tenders Portal	Low
Challenge by any other bidders	Tender evaluation has been carried out fairly and correctly	Low
Supplier performance	Clearly defined key performance indicators (KPI's) have been incorporated into the contract.  Adequate contract management and administration will be	Low

	applied and contract monitoring meetings take place at regular intervals.	
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## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **8.1 Good homes in well-connected neighbourhoods**

The programme will improve the quality of existing homes and therefore positively impact on the quality of life for our residents.

### **8.2 Sustain strong and healthy communities**

Improving the existing homes where people desire to live will help to create and maintain strong sustainable communities.

### **8.3 Build our local economy to create a thriving place**

Ensuring residents are able to fully participate in activities within their neighbourhood.

## **9. EQUALITIES IMPACT IMPLICATIONS**

**9.1** These works have been identified on the basis of the condition of the stock in line with the Decent Homes Standard and are therefore not available to all residents in our properties. It is therefore not deemed necessary to carry out an equality impact assessment/analysis at this time.

**9.2** We will work closely with individual tenants throughout the project to ensure all relevant individual circumstances are considered during the works.

**9.3** Any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

**9.4** Individual requirements will be addressed prior to starting on site to identify any adaptation work or specific needs that may be required by residents.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

**10.1** The works will benefit circa. 200 properties which will be made decent and others will be prevented from becoming non-decent. The performance of the contractor is measured by the implementation of Key Performance Indicators compiled on a monthly basis. These are scored by the Contract Administrator.

**11. HEALTH AND SAFETY IMPLICATIONS**

- 11.1** The contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

**12. HR IMPLICATIONS**

None.

**13. PUBLIC HEALTH IMPLICATIONS**

- 13.1** The work will contribute to the health and well-being of the residents by improving their living environment and encouraging clean and healthy lifestyles. It will reduce the cost of their yearly maintenance charges.