

**MUNICIPAL YEAR 2019/2020 REPORT NO.**

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**OPERATIONAL DECISION OF:**  
**Sarah Cary**  
Executive Director – Place

<b>Agenda – Part: 1</b>	<b>KD Num: 4922</b>
<b>Subject: Bathroom Pod installation and refurbishment works, Brimsdown Estate. Various properties at Brimsdown Avenue and Croft Avenue EN3</b>	
<b>Wards: Enfield Highway</b>	

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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 (KD 4830) 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 the direct award of a contract through the Procurement Hub Framework, to complete the installation of bathroom pods commenced by another principal contractor, Lakehouse Contracts Ltd. who; subsequently went into administration.

**2.1 RECOMMENDATIONS**

That approval be given to direct award of the bathroom pod and refurbishment works installation.

### **3. BACKGROUND**

- 3.1 Brimsdown Pods renewal is a bathroom Pod replacement project which was identified through the Councils asset data as poorly performing stock with high levels of repairs. The project involves the renewal of pre-fabricated bathrooms Pods and all associated construction works.
- 3.2 The original contract for the supply of 60 pods and refurbishment works was let to Principal Contractor 'Lakehouse Contracts Ltd.' in October 2017. This contractor subsequently went into administration in January 2019 with works uncompleted on site.
- 3.3 In the interim period, locally based contractors have been used to make the site safe and weather tight where building operations were left uncompleted. These works are currently ongoing and can only be considered temporary in nature until the main contract is let.
- 3.4 It is proposed to award a contract by direct call off via a recognised framework to Allenbuild Ltd. as they were part of the Lakehouse supply chain and are familiar with the detailed requirements of the project, which time critical. This method accelerates the procurement process. The main contractor also shares the same company group as the pod supplier, assisting an early delivery on site.

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

- 4.1 Consideration was given to the procurement of the works through a competitive tender process.
- 4.2 In terms of procurement options there were two main routes for consideration:
- i. Use of a suitable consortia framework agreement, with appointment via direct award
  - ii. Unilateral tendering of a bespoke contract utilising either the open or restricted process
- 4.3 Using a framework can save time and money, while still delivering a service specified to local requirements. Contractors are assessed for suitability prior to joining the framework and have signed up to pre-agreed terms and conditions. Standard documentation is also provided as well as support from the framework itself.
- 4.4 Frameworks provide a direct award option which enables Clients to enter into contract with Suppliers using the most expedient route to

market available, whilst remaining compliant with the Public Contract Regulations 2015.

- 4.5 Tendering a contract allows clients to create bespoke documentation designed to fit its requirements. This approach also opens the opportunity to tender to a wider group of bidders.
- 4.6 However, as the project is time critical; a direct call off via a recognised Framework; is recommended.

## **5. REASONS FOR RECOMMENDATIONS**

It is important that works commence at the earliest opportunity due to the residents being left with incomplete works. Term contractors have carried out emergency repairs and health and safety works. However, most residents are left with the original deteriorating pods and incomplete refurbishment works

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

### **6.1 Financial Implications**

See part 2 report.

### **6.2 Legal Implications**

- 6.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The matters outlined in this report are incidental to the functions of the Council's departments and are intended to help ensure an effective service.
- 6.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation.
- 6.2.3 The Council's Constitution, the Contract Procedure Rules ("CPR's") permit the Council to procure services from an existing legally compliant framework if the framework terms permit such and the framework is accessible by the Council.
- 6.2.4 The Council's Corporate Procurement Service should conduct due diligence on the use of the Framework and must be satisfied the Council may procure these services in accordance with the Framework

Agreement. The Call Off must be undertaken strictly in accordance with the terms of the Framework

- 6.2.5 The Council must comply with its obligations relating to obtaining best value under the Local Government (Best Value Principles) Act 1999.
- 6.2.6 As the Call Off Contract's value is over £250,000 this is a Key Decision and the Key Decision procedure should be followed.
- 6.2.7 The Call Off Contract will need to be sealed on behalf of the Council.

### **6.3 Procurement Implications**

- 6.3.1 Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).
- 6.3.2 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.3.3 Due diligence and approval of the Procurement Hub Framework Agreement has been undertaken by the Procurement & Commissioning Hub prior to any procurement.
- 6.3.6 Any call-off from a Framework must be carried out in line with the relevant framework process and via the E-Tendering Portal, with all documentation retained.
- 6.3.7 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.3.8 The procurement and award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of the executed contract must be undertaken on the London Tenders Portal including future management of the contract.
- 6.3.9 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

### **6.4 Property Implications**

There are no property implications in connection with this report.

## 7 KEY RISKS

Risk	Mitigating action	Residual risk High / Medium or Low
Necessary procurement skills for the project	<p>Consultants are providing specialist contract administration and procurement support services</p> <p>The Council's Project Manager has significant procurement experience.</p>	Low
Supplier has necessary skills and qualifications	The proposed Contractor has been fully reviewed by the consultant and is a specialist in pod delivery	Low
Compliance with Public Contracts Regulations 2015	Contract procured via established framework with support from the framework providers who ensure compliance with the framework rules and Public Contract Regulations 2015	Low
Contractual issues	The Councils requirements are built into the contract and bespoke tender documentation	Med
Supplier performance	<p>Clearly defined key performance indicators (KPI's) have been incorporated into the contract.</p> <p>Adequate contract management and administration will be applied and contract monitoring meetings take place at regular intervals.</p>	Low

	Retention clauses have been incorporated into the contract, together with a performance bond	
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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 can fully participate in activities within their neighbourhood.

## 9 EQUALITIES IMPACT IMPLICATIONS

9.1 These works have been identified based on 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

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

**11 HEALTH AND SAFETY IMPLICATIONS**

Work is notifiable under CDM and appropriate appointments will be made.

**12 PUBLIC HEALTH IMPLICATIONS**

The work will contribute towards reducing heating bills, sustaining tenancies, reducing fuel poverty and improving the environment for the residents.

