



## **PUBLICATION OF DECISION LIST NUMBER 24/20-21**

### **MUNICIPAL YEAR 2020/21**

Date Published: 10 November 2020

This document lists the Decisions that have been taken by the Council, which require publication in accordance with the Local Government Act 2000. The list covers Key, Non-Key, Council and Urgent Decisions. The list specifies those decisions, which are eligible for call-in and the date by which they must be called-in.

A valid request for call-in is one which is submitted (on the form provided) to the Governance and Scrutiny Team in writing within 5 working days of the date of publication of the decision by at least 7 Members of the Council.

Additional copies of the call-in request form are available from the Governance and Scrutiny Team.

If you have any queries or wish to obtain further report information or information on a decision, please refer to:

– Claire Johnson (ext.1154)

*Phone 020 8132 then extension number indicated*

**INDEX OF PUBLISHED DECISIONS – 10 November 2020**

<b>List Ref</b>	<b>Decision Made by</b>	<b>Date Decision came/ comes into effect</b>	<b>Part 1 or 2</b>	<b>Subject/Title of Report</b>	<b>Category of Decision</b>	<b>Affected Wards</b>	<b>Eligible for Call-In &amp; Date Decision must be called in by (If Applicable)</b>	<b>Page No.</b>
1/24/20-21	Executive Director Place	Wednesday 18 November 2020	Part 1 & 2 (para 3)	Contract Award – Kitchen, bathroom & electrical works upgrade contract(s)	KD 5129	All	Yes Tuesday 17 November 2020	1-2
<b>DECISIONS</b>								
For additional copies or further details please contact Claire Johnson (020 8132 1154), Governance and Scrutiny Team.								

**LIST REFERENCE: 1/24/20-21**

<b>SUBJECT TITLE OF THE REPORT:</b>							
<b>CONTRACT AWARD- KITCHEN BATHROOM &amp; ELECTRICAL WORKS UPGRADE CONTRACT (S)</b>							
<b>Part 1 or 2 (relevant exempt Paragraph)</b>	<b>Wards affected by decision</b>	<b>Decision taken by</b>	<b>Date Decision comes into effect</b>	<b>Interest declared in respect of the Decision</b>	<b>Category of decision (i.e. Key, Non-Key, Council, Urgent)</b>	<b>Contact Details</b>	<b>Eligible for Call-in &amp; Date to be called in by</b>
Part 1 & 2 (para3)	All	Executive Director Place	Wednesday 18 November 2020	None	Non-Key	Sarah Stevenson Jones <a href="mailto:sarah@enfield.gov.uk">sarah@enfield.gov.uk</a> Tel No:- 020 8078 2802	Yes Tuesday 17 November 2020
<b>DECISION</b>							
<p><b>AGREED</b> subject to no call in being received:</p> <ol style="list-style-type: none"> <li>1 To approve to award two, three-year contracts, for kitchen, bathroom and electrical upgrade works, in two separate lots, with properties split by geographical area, in furtherance of the Councils duty as a landlord to meet the Decent Homes standard.</li> <li>2. That the contracts are awarded to Lura Constructions Limited – for works to housing stock in South of the Borough and Pilon Limited for works to the housing stock in the North (including a small number of out of borough properties in Hertfordshire).</li> <li>3. See Part 2 recommendations</li> </ol>							
<b>ALTERNATIVE OPTIONS CONSIDERED</b>							
<p>Consideration was given to several alternative options to deliver the works that can be summarised as follows:</p> <ol style="list-style-type: none"> <li>A. A single contract covering the whole borough of a long duration i.e. 5 years or more</li> <li>B. Several separate contracts dedicated to each component (this could be 3 or more contractual arrangements)</li> <li>C. 2 geographically based contracts covering all components</li> </ol> <p>Option C was selected based upon the following:</p> <p><u>Option A – Single Long-Term Contract</u></p> <p>This approach is commonly used within the sector and does have benefits in terms of management input i.e. a single relationship to manage. However, the key factors that led to its rejection were:</p> <ul style="list-style-type: none"> <li>• Failure or poor performance is systemic and provides a major risk for the Council</li> <li>• Only Major Contractors have the capacity to tender for these works and therefore competition is limited</li> <li>• The potential involvement of Small/Medium Enterprises (SMEs) is limited to working for the Main Contractor</li> <li>• The Contract would probably exceed the OJEU threshold and would therefore require an OJEU Compliant approach which takes longer and is less cost effective than a sub-OJEU procurement.</li> </ul>							

### Option B- multiple component-based contracts

This approach is not commonly used within the sector but has been adopted by the Council for the 2019/20 programme. The primary benefit of this approach is that it allows multiple small contractors to deliver with consequent competitive benefits and the use of SMEs. However, the key factors that led to its rejection were:

- Management of numerous contractors is inefficient in resource terms
- Small Contractors are unable to manage the works effectively and have limited skills regarding resident liaison and consultation
- The component-based approach can mean that residents have 3 separate Contractors within their homes

### Option C - 2 geographically based contracts covering all components

Officers considered that this option provides the optimum solution, it was selected because:

- Having 2 contractors reduces the impact of failure or poor performance
- The Council's management team and structure is ideally suited to this scale of Contract
- The size of the contract would enable smaller SMEs to tender
- The Council's experience in working with SMEs to deliver this type of work has been mixed but the experience gained would enable them to identify high performing contractors
- The Contracts would not exceed the OJEU threshold and procurement timescales would therefore be reduced.

### **REASONS FOR RECOMMENDATIONS**

1. The Better Council Homes programme includes targeted investment in Council housing. The agreed programme includes planned internal refurbishment works to ensure the Council complies with the Decent Homes standard.
2. The procurement plan for the 20/21 capital programme was approved at the Procurement and Commissioning Hub on Tuesday 24<sup>th</sup> September 2019, noting that all such procurement activity would be carried out in accordance with the Council's procurement rules (CPRs) to ensure the programme delivers value for money and achieves the quality standards expected for residents.
3. The Council has undertaken a competitive tender exercise and is recommending award of the two highest ranked bidders following evaluation.
4. The decision to award two separate contracts by geographical area, has been taken to ensure the Council mitigates risks around possible future labour shortages (CV19) and supply chain performance

### **BACKGROUND**

Please note that a copy of the Part 1 report is available on the Council's democracy pages. As the part 2 appendix contains exempt information, they will not be available to press and public.