
REPORT FOR: CABINET

Date of Meeting:	9 th January 2020
Subject:	2020-2021 Renewal of roofs at Pinner Grove Estate
Key Decision:	Yes
Responsible Officer:	Nick Powell, Divisional Director of Housing Services
Portfolio Holder:	Councillor Philip O'Dell, Portfolio Holder for Housing
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	Pinner South
Enclosures:	None

Section 1 – Summary and Recommendations

1.1 This report asks Cabinet for authority to go to the market and procure a contractor for roof renewals and rainwater goods at Pinner Grove Estate. We anticipate letting a 30 week programme as part of the 2020/21 Housing Capital Programme. We are also seeking authority to award the contract following the outcome of the tendering process.

Recommendations:

1.2 Cabinet is requested to:

1. Give authority to officers to undertake a procurement process for a contractor to deliver a complete roof renewal programme to improve the thermal efficiency, weather protection safety and security of Harrow Council housing stock and residents. This will be funded from HRA capital budgets in financial year 2020-21.
2. Delegate authority to the Corporate Director Community following consultation with the Portfolio Holder for Housing, together with the Director of Finance to enter into the procurement and implementation of the contract to the value specified within the capital programme.

Reason: (For recommendations)

Due to the value of the project detailed above being estimated to exceed the key decision schedule, we require Cabinet authorisation to comply with the Council's Contract Procedure Rules.

Section 2 – Report

- 2.0 The roofing works at Pinner Grove Estate have become urgent, and works will need to be carried out as repairs are no longer economically viable. The proposed works are essential to weatherproof the building and are of the upmost importance to the health and safety and of our residents. In addition the works will see an improvement of housing standards in terms of safety, security and thermally efficient homes. This will fully comply with the Council vision of Building A Better Harrow.
- 2.1 Cabinet approval is required to begin the process of procuring contractors for all projects with an estimated value in excess of £500k.
- 2.2 Cabinet is asked to delegate authority to award and to arrange the execution of a contract or contracts with the successful tenderer(s) to the Corporate Director of Community in consultation with the Portfolio Holder for Housing, together with the Director of Finance because of the timescales for this procurement exercise, to enable a phased start to the works.

3.0 Options considered

- 3.1 The procurement options considered were as follows:

a. Open tender and award to one provider

Engage in an open tender which in this instance would allow for wider competition. This would be subject to Section 20 of the Commonhold and Leasehold Reform Act 2002 (“Section 20 consultation”) and will allow us to recover a proportion of the costs from leaseholders.

b. Setting up a framework

This would be a time consuming process and we would also need to build in formal statutory consultation with our Leaseholders for use of any external framework. Given the nature and duration of the works this is something the Council would like to avoid due to associated costs.

c) Exploration of other frameworks from neighbouring authorities

Again as the service will be provided to a number of Leaseholders we would need to build in formal statutory consultation with them into the tender process and this is not supported by drawing down from external/internal frameworks. In this instance, we would be unlikely to save money. Also if we call off from a framework, we will still have to consult with the leasehold body across Harrow.

d) Do nothing

This is not an option as failure to deliver the programme will compromise the thermal efficiency, integrity of roof elements, and deterioration of block safety if upgrades are neglected by the Council.

In conclusion from the options considered above Option A is preferred as the open tender will invite competitive prices, provide a quicker route to market (especially as there is an urgent need to carry out the compliance works) and enable the recovery of a proportion of costs from the leaseholders under statutory Section 20 consultations. This is the recommended option.

4.0 Background

- 4.1 The roofs at Pinner Grove Estate have reached the end of their service life. Water ingress has damaged the structural decking of the roofs and there is a complete lack of insulation within the roof structure.
- 4.2 The works are essential to make the building weather proof as the current copper roofs are in poor condition. The scope of the works is to renew the copper roofs (with a more thermally/ cost efficient solution) and insulate the roof structure, renewal of all rainwater goods, and renewal of soffits/fascia/repair and also any associated roof repairs. We will be working closely with our planning colleagues to retain the appearance of the copper roofs.

The result of these works mean:

- a. The life span of the roofs will increase (approx. 50 years).
- b. The building will be weatherproofed
- c. The thermal efficiency of the building will be greatly improved.
- d. It will produce savings for the Council in terms of response repairs
- e. It will improve the health and safety of residents
- f. It will enhance the aesthetics of the neighbourhood.

- 4.3 In addition to the above, we will be meeting current building regulations in terms of thermal efficiency, as well as reducing the carbon footprint and warmer roofs may also result in a reduction of resident's energy bills. We will also be looking to achieve a U-value (thermal transmittance measure, value) of 0.14.

5.0 Why a change is needed

- 5.1 It is no longer cost effective to repair the roofs at Pinner Grove Estate. Any renewal works to these roofs will have a positive impact (reduced repairs) on response repairs budget. The change is also needed to weather proof the building resulting in a better quality of life for the residents in terms of health and safety.
- 5.2 A condition / options appraisal report has confirmed the roofs are rapidly approaching end of life and that action should be taken to rectify as soon as possible.
- 5.3 A review has been undertaken to consider the opportunities for developing additional council housing on this estate, including the potential for complete redevelopment as well as airspace and infill development. The complete redevelopment option is not considered worth pursuing for a number of reasons but the infill option is being taken forward. It has now been agreed the roof renewal works should be taken forward due to the urgent nature of the repair.

6.0 Implications of the Recommendation

- 6.1 The implication of the recommendation is that we can proceed with the required work process to complete the roofing project at Pinner Grove Estate.

7.0 Resources, costs

- 7.1 The tender will be going out as an open tender and the opportunity will also be shared with an approved list of contractors. The expected external resources required for this project will be CDM Consultants, Principal Contractor and sub-contractors. The costs associated with the project will be determined by the winning tender. This will be based on both monetary and quality and social value

8.0 Staffing/workforce

- 8.1 The in-house staff to manage the works will be the Project Manager who will be managing all the stages in the project cycle to ensure a quality product is delivered. The Clerk of Works will be supervising the site works, and liaising with the Project Manager to resolve any issues that should occur.

9.0 Ward Councillors' comments

- 9.1 The roofs at Pinner Grove Estate need imminent replacement. This will be discussed with the Portfolio Holder for Housing, Cllr Philip O'Dell and relevant information will be sent to the specific Ward Councillors thereafter.
Any statutory consultation required will take place as required (i.e. S20/ Leaseholder consultation, Residents open day).

10.0 - Performance Issues

- 10.1 The new contractor will be managed effectively from mobilisation, and performance statistics will be reviewed on a monthly basis and monitored through a combination of regular site visits, and formal KPI meetings. This will ensure that any concerns raised can be rectified promptly.
- 10.2 In addition to the above, any future reactive maintenance after the initial defects liability period will be incorporated in an on-going maintenance programme. We will be seeking to initiate a 25-30 year warranty from any potential tenderers and will highlight this requirement in the specification and associated tender documents.
- 10.3 In addition we intend to form monthly project groups, inviting residents and members to support the management and monitoring of the schemes throughout their implementation.

11.0 - Environmental Implications

- 11.1 It is the intention that the delivery of any contract will contribute to the Council's objectives around social, economic and environmental sustainability. We want to do all we can to ensure that any winning contractor will support Harrow's economy by buying locally wherever practical and maximise opportunities for local people in employment and training, recycling waste and disposing of waste materials. The project will ensure that tenderers provide detailed information about their contribution to the environment and sustainability. We also require bidders to sign up to the Considerate Contractor Scheme.
- 11.2 Specific requirements on social, economic and environmental matters will vary according to the value and duration of each contract and are detailed in the appendices.

12.0 Data Protection Implications

- 12.1 All personal data required to progress the project will fulfil the criteria as set in the GDPR.

13.0 - Risk Management Implications

Risk included on Directorate risk register? **Yes**

Separate risk register in place? **Yes**

13.1 The table below identifies the high level risks associated with this contract, and the controls in place to mitigate them.

Additionally, a risk register specific for this procurement will be started from the outset of the process and will be maintained and reviewed by all relevant staff regularly.

Risk	Risk Control
Project is subject to Planning Permission approvals	The existing material on the roofs is copper and alternative effective solutions are being researched as part of the specification. It would not be cost effective to install like for like. Seek salvage value for existing roofs, whilst working proactively with colleagues on planning to ensure we are installing a solution that will be cost effective and comply to the requirement of current building regulations.
Contractors unable to fulfil the requirements of the contract e.g. poor performance, Leading to the need to terminate the contract.	The Council will use back up arrangements within the contract. All references will be checked for similar type of works before being allowed to go on approved list of contractors.
Does not achieve competitiveness and value for Money.	The tender will be assessed on a Price and Quality basis. The price payable to the contractor will be calculated by reference to the rates and prices set out in the Contractor's pricing schedule.
Communication of the works to all parties including resident and hindering development coming forward. Failure to deliver / impact of poor operating practice detrimental to reputation.	Effective communication strategy to mitigate concerns about performance and ensure deliverability is not impeded. Positive campaign adopted by the Council and administration. Only contractors that can satisfy obligations are appointed.
The hazards associated with roofwork and its implication for residents, visitors	Ensure that all risks are considered and included in the construction phase plan to be assessed by the principal designer and make certain that the hazards are removed or reduced. Ensure there are RAMS for sub-tasks.

and bystanders	Contractor is to ensure that all sub-contractor are competent (knowledge, skill, experience). Ensure that the Contractor has the necessary insurance to indemnify the risks involved.
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Note: Risk implications must be signed off by Corporate Director.

14.0 - Procurement Implications

14.1 The value of this procurement is below the OJEU threshold for Works and therefore not subject to the Public Contract Regulations 2015 (PCRs). The procurement route will be an open procedure. All tender documentation pertaining to the procurement of contractors will be published via the London Tenders Portal.

15.0 -Legal Implications

15.1 The value of this procurement is below the financial threshold requiring a tender procedure that complies with the Public Contracts Regulations 2015 so there is no requirement to advertise in OJEU or to follow one of the prescribed procedures.

15.2 The procurement will also comply with the Council's Contract Procedure Rules, which requires the Council to conduct a competitive tender process.

15.3 The Council also has a statutory duty under Section 20 of the Commonhold and Leasehold Reform Act 2002 to undertake a two stage consultation with leaseholders whose homes will be included on the programme and who will subsequently be charged a proportion of the costs incurred. Stage 1 Consultation will take place as soon as Cabinet approval is granted.

The form of contract used will be the JCT Intermediate Building Contract and Legal services will ensure that the contract is properly executed.

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16.0 Financial Implications

16.1 The project will be funded from the 2020/21 HRA Capital Programme appearing elsewhere on this agenda. This will be funded from HRA resources

and there will be no impact on General Fund.

16.2 As budgets for 2020-21 will not be approved by Council until 27th February 2020, final clearance to enter into contract, will be granted through delegated authority once the appropriate budgets have been approved and made available.

16.3 Assuming no contract expenditure will be incurred clearance granted to seek quotations for works and commence Section 20 consultation process.

17.0 Equalities implications / Public Sector Equality Duty

17.1 The procurement exercise is designed to deliver existing policies and strategies maintaining the current level of equality in service provision. The project will be very clear on the equalities related duties on contractors, given the wide range of needs of our customers.

17.2 An initial Equality Impact Assessment has been prepared for the delivery of the overall Housing Capital Programme. This identified no need for a full assessment at this stage because it did not identify any potential for unlawful conduct or disproportionate impact. All opportunities to address diversity, particularly vulnerability for all tenants and leaseholders will be addressed through the contract specification and ensure residents receive the same service regardless of, but taking into account specific needs. We will address these in our tendering documents and processes. The assessment will be updated as the project moves forward.

18.0 - Council Priorities

18.1 Below we have identified how the decision sought will deliver on some of the Council's priorities:-

Building a Better Harrow

Specifications for all contracts will ensure that the successful contractor is equipped to provide a high level of customer service to all our residents. In addition every effort will be made to ensure that local businesses are encouraged to submit tenders and that added social value to support communities will be a part of the evaluation process.

Supporting Those Most in Need

Projects on the Housing Capital Programme are provided to some of the Council's tenants and leaseholders –many of whom are vulnerable. All are targeted to improve the quality of the housing stock and the environment in which our tenants live.

Delivering a Strong local Economy for All

The London Borough of Harrow recognises the importance of employing local people to provide local labour, and also key opportunities for apprenticeship schemes.

Section 3 - Statutory Officer Clearance

Name: Tasleem Kazmi	<input type="checkbox"/>	on behalf of the * Chief Financial Officer
Date: 02/12/2019		

Name: Sarah Inverary	<input type="checkbox"/>	On behalf of * Monitoring Officer
Date: 17/12/2019		

Name: Lisa Taylor	<input type="checkbox"/>	on behalf of the * Head of Procurement Nimesh Mehta
Date: 13/12/2019		

Name: Paul Walker	<input checked="" type="checkbox"/>	Corporate Director
Date: 17/12/19		

MANDATORY	
Ward Councillors notified:	YES - will be consulted through future consultation
EqIA carried out:	YES An overarching EQIA

EqIA cleared by:	was undertaken for the programme and was cleared previously.
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Section 4 - Contact Details and Background Papers

Contact:

Andrew Champion,
Head of Asset Management
0208 424 1339
Andrew.Campion@harrow.gov.uk

Background Papers: None

Call-In Waived by the Chair of Overview and Scrutiny Committee	NO
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