

	Officer Key Decision
	Report from the Corporate Director of Resident Services
	Lead Cabinet Member – Cabinet Member for Housing, Homelessness and Renters Security (Cllr Knight)
AUTHORITY TO AWARD CONTRACT FOR CONSULTANCY SERVICES FOR REFURBISHMENT OF GRANVILLE HOMES	

Wards Affected:	Kilburn
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 & Appendix 2 are exempt as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
List of Appendices:	Two Appendix 1: List of Tenderers (exempt) Appendix 2: Evaluation Grid (exempt)
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Name: Giuseppe Coia Job Title: Major Works and Refurbishments Manager 07776 665790 Email: Giuseppe.coia@Brent.gov.uk

Purpose of the Report

- 1.1 This report concerns procuring consultancy services for refurbishment of Granville New Homes. The properties have inherent water penetration issues and poor fire protection. They therefore require extensive remediation in order that they can continue to provide accommodation for 110 Council tenants. As these are extensive refurbishments, Council requires services of an external consultant to write the specification for

refurbishment to take place. This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering a contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That the Corporate Director of Resident Services in consultation with the Lead Member for Housing, Homelessness and Renters Security:

- 2.1 Approves the award of the contract for Consultancy Services for Refurbishment of Granville Homes to Michael Dyson Associates Ltd to provide multi-disciplinary services including design and specification, procurement support and Contract Administration services during the envisaged 2-year period of Main Works for the sum of £1,709,372.61 excluding VAT. The overall term of the services is expected to be 3 years.

3.0 Contribution to Borough Plan Priorities & Strategic Context

- 3.1 This contract contributes to the Borough Plan and other strategic policies as follows:
- 3.2 A Cleaner, Greener Future – the technical design will include specifications that are sustainably sourced. There will be high levels of energy efficiency in the properties that will lead to reduced fuel usage and bills for residents.
- 3.3 Thriving Communities – the technical consultant will provide support to the local community in terms of computer equipment.
- 3.4 A Healthier Brent – the works will eradicate the issues of water penetration and dampness within the properties.
- 3.5 Climate & Ecological Emergency Strategy – the design and resultant works will contribute to the Council achieving its climate emergency targets.
- 3.6 The council requires the provision of Consultancy Services for refurbishment of Granville Homes. Council officers have undertaken a procurement exercise and identified a contractor providing the most economically advantageous offer in accordance with relevant evaluation criteria and therefore recommend award of a contract for Consultancy Services for Refurbishment of Granville Homes (the “Contract”).

4.0 Background

The Tender Process

- 4.1 The Contract will be called off from the Fusion 21 Consultancy Framework: Lot 1: Programme, Project Management & Multi-Disciplinary (the "Framework"), using the form of award and standard call off terms and conditions prescribed under the Framework with minor amendments.
- 4.2 A further competition exercise was carried out using the Framework in accordance with its rules.
- 4.3 In compliance with the Framework further competition guidance, the evaluation of tenders was on the basis of the evaluation criteria detailed in Appendix 2.

Evaluation process

- 4.4 The tender evaluation was carried out by a panel of officers from Housing Property Services.
- 4.5 All tenders had to be submitted electronically no later than 25th March 2023. Tenders were opened on 25th March 2023 and one (1) valid tender was received. Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 4.6 The panel met on 13th July 2023 and each submission was marked by the whole panel against the award criteria.
- 4.7 The names of the tenderers are contained in Appendix 1 (exempt). The scores received by the tenderers are included in Appendix 2. It will be noted that Contractor A was the highest scoring tenderer. Officers therefore recommend the award of the Contract to Contractor A, namely Michael Dyson Associates Ltd.
- 4.8 The Contract will commence on 1 October 2023 for a period of 3 years. The value of the service to be delivered by the contract is £1,675,855.50 with a framework management fee of 2% being £33,517.11 resulting in total contract value of £1,709,372.61. excluding VAT.
- 4.9 On the 14 November 2022, Cabinet approved the tender for the technical consultant for approximately £753, 204. The value of the intended contract is now £1,709,372.61. This is due to the value in the Cabinet report being underestimated. The services to be procured relate to complex fire safety and serious building defects. Officers have not procured this type of service previously. In addition, the market costs for fire safety related works have significantly increased due to the additional requirements of the Building Safety Act 2022. The percentage fees based on estimated £20M of works is 8.5% and this is not unreasonable considering the wide scope of services that are included, and the complex nature of the design and the works.

5.0 Stakeholder and ward member consultation and engagement

- 5.1 The Lead Member for Housing, Homelessness and Renters Security has been consulted.

6.0 Financial Considerations

- 6.1 The cost of the technical consultancy contract is estimated at £1.71m over three years, giving an annual cost of £0.57m and will be jointly funded between Housing Revenue Account (HRA) and I4B, proportionate to share of dwellings held in Granville New Homes, consisting of 85/25 split respectively.
- 6.2 The share of consultancy cost to the HRA is estimated at £1.32m net and will be funded from provisions set aside for refurbishment.
- 6.3 The share of consultancy cost to I4B is estimated at £0.47m gross (includes VAT) and will be funded from provisions set aside for refurbishment.

7.0 Legal Considerations

- 7.1 The £1,709,372.61 value of the Contract over its lifetime is in excess of the Public Contracts Regulations 2015 (the "PCR 2015") threshold for Services and the award of the Contract is therefore governed by the PCR 2015.
- 7.2 Officers recommend the use of a framework to procure the Contract. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework agreement need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework agreement and utilising the terms and conditions set out in the framework agreement.
- 7.3 The Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Corporate Director or Director and provided that the Corporate Director, Governance has advised that participation in the framework is legally permissible. The Corporate Director, Governance has confirmed that participation in the Framework is legally permissible.
- 7.4 Cabinet on the 14 November 2022 delegated authority to the Corporate Director of Resident Services in consultation with the Lead Member for Housing, Homelessness and Renters Security to award the Contract. In addition to the Cabinet decision, under the Council's own Standing

Orders, the Corporate Director has delegated power to award Medium Value Contracts in accordance with paragraph 9.5 of Part 3 of the Constitution.

- 7.5 As the procurement of the Contract is from a framework, there is no requirement for the Council to observe a 10-day standstill period under the PCR 2015
- 7.6 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 7.7 Social Value was considered and had 10% weighting as evaluation criteria. The successful supplier offered the following Social Value commitments:
- Work experience opportunities
 - Apprenticeship
 - Sustainable job for people with disabilities
 - Financial Value of Investment towards schools

8.0 Equality, Diversity & Inclusion (EDI) Considerations

- 8.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 8.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

8.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

8.5 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

9.0 Climate Change and Environmental Considerations

9.1 The refurbishment of the property will include highly energy efficient roofing, cladding and window materials and components. This will support the Council's Climate Emergency Strategy.

10.0 Human Resources/Property Considerations

10.1 There are no implications for Council staff.

11.0 Communication Considerations

11.1 A comprehensive engagement and consultation plan will be developed and implemented in relation to the residents in the affected properties, and other stakeholders.

Report sign off:

Peter Gadsdon
Corporate Director of Resident Services