

## London Borough of Hammersmith and Fulham Record of Officer Decision

**The call-in has expired and this decision can be implemented.**

- ❖ Draft Decision List published on: 1 July 2022
- ❖ Confirmed Decision List published on: 6 July 2022

1. **TITLE: Procurement Strategy for construction of a new community centre at Linacre Court W6**

2. **DECISION MADE BY:** Strategic Director of the Economy Department

3. **DECISION:**

1. That the Strategic Director of Economy, in consultation with the Cabinet Member for Housing, approves the procurement strategy proposing a limited competitive tendering procedure to source a supplier for the construction of a new community hall at Linacre Court W6. The project budget is £327,000 and estimated contract period will be 40 weeks.
2. That the Strategic Director of Economy approves a virement of £31,000 from the uncommitted Compliance Concrete/Structural works Contingency so that the procurement costs of £327,000 can be fully funded from the relevant project budget within the HRA Asset Management Compliance Strategy and Capital Programme.

4. **REASON FOR DECISION:**

The decision above is required to proceed with a tender process to appoint the contractor to carry out the works.

5. **ALTERNATIVE OPTIONS CONSIDERED:**

**Option1 – Do Nothing:** The existing facility is not fit for purpose and therefore doing nothing is not an option.

**Option 2 – Use existing South East Consortium framework:** This was the original preferred option using the SEC's New Build Framework as it offered a quicker route to pre-selected suppliers already assessed as suitable for social housing providers. However, on seeking initial expressions of interest only two of the eight suppliers on the framework responded with confirmation of their interest. Officers considered this was an insufficient pool and there was no guarantee that even two bids would be received.

**Option 3 – Carry out an open tender:** This option has been pursued unsuccessfully. A tender opportunity was published on capitalesourcing on

9<sup>th</sup> January with a return date of 3<sup>rd</sup> March, allowing six weeks for suppliers to submit a bid. Although 27 suppliers viewed the opportunity only one bid was received which was more than double the estimate. The appointed consultants, John Rowan and Partners, reviewed the pricing document and concluded that there were no significant arithmetical errors. JRP stood by their pre-tender estimate.

**Option 4 – Carry out a limited tender:** This is now the preferred option. It is proposed to invite bids from a minimum of six suppliers, including the unsuccessful bidder at the last tender. The aim is to create a true competition, ideally more than three tenders received. Officers propose to approach suppliers from the following sources:

6. **CONFLICTS OF INTEREST DECLARED AND DISPENSATIONS GRANTED:**

None

<b>Date of Decision</b>
30 June 2022