

## **LONDON BOROUGH OF HAMMERSMITH & FULHAM**

**Report to:** Sukvinder Kalsi, Executive Director, Finance and Corporate Services, in consultation with Councillor Frances Umeh, Cabinet Member for Housing and Homelessness

**Date:** 05/11/2025

**Subject:** Contract Award for Roof Replacement to 1-32 Joanna House W6 and 9-67 Muscal House

**Report author:** Vince Conway, Senior Programme Manager, Capital Delivery

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### **SUMMARY**

This report seeks approval to award a contract for the replacement of roof coverings to two high-rise blocks, 1-32 Joanna House, an eight-storey mansion block situated on the Queen Caroline estate, and 9-67 Muscal House, a twelve-storey tower block forming part of the Field Road estate (also known as the Margravine estate).

A roof replacement programme was included in the Procurement Strategy approved by December 2022 Cabinet, which identified necessary investment during the period 2023/24-2025/26.

In accordance with the approved procurement strategy, the contract has been procured via a mini competition using South East Consortium's (SEC) Internal and External Works Framework (the "Framework"), which is compliant with the competition requirements set out in London Borough of Hammersmith and Fulham Council's (the "Council") Contract Standing Orders (CSOs).

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### **RECOMMENDATIONS**

1. Appendices 1-6 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. That the Executive Director of Finance and Corporate Services, in consultation with the Cabinet Member for Housing and Homelessness:
  - Approves a contract award to the Preferred Supplier, identified in Appendix 1 (the "Preferred Supplier"). That being the one who was evaluated as providing the Most Economically Advantageous Tender (MEAT), via the Framework, to undertake roof replacement works to 1-32 Joanna House and 9-67 Muscal House for the Contract Award Value included in Appendix 1 (the "Contract Award Value"). The project is expected to start on site during February 2026 with an estimated completion in November 2026.
  - Approves the contingency sum detailed in Appendix 6 to deal with any unforeseen works that may arise during the delivery of the project.

- Notes that the formal award of the contracts will not be made until completion of consultation with affected leaseholders under Section 20 of the Landlord and Tenant Act 1985.

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**Wards Affected:** Hammersmith Broadway, Fulham Reach

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<b>Our Values</b>	<b>Summary of how this report aligns to the H&amp;F Corporate Plan and the H&amp;F Values</b>
Building shared prosperity	The proposed works will improve and maintain the standard of Council homes, thus supporting the Council in its strategic function as a social housing landlord of providing the opportunity of a decent home to its residents. Housing is a prime influence on quality of life, life expectancy, opportunities for work, education, leisure, etc. It is critical to economic development, educational achievement, public health, and community cohesion.
Creating a compassionate and inclusive council	Investment in social housing enables the Council to fulfil its landlord function and provide good-quality homes to local people that are safe, secure, and genuinely affordable.
Doing things with local residents, not to them	Residents have been consulted during the preparation of the scheme, and this will continue through to progression to site, and final delivery. The consultation will continue post-award to include site set-up arrangements and further information on the delivery stage.
Being ruthlessly financially efficient	The project has been competitively procured and will be awarded on the basis of MEAT. There will be robust contract management and a strong site presence to ensure quality standards and value for money.
Taking pride in H&F	The evaluation criteria has required suppliers to give details of their approach to energy consumption, use of sustainable materials, transport plan, site waste management, and noise pollution.
Rising to the challenge of the climate and ecological emergency	The works will improve the insulation of the roof covering to current standards providing specific energy improvements to the top-floor flats in each block.

## **Financial Impact**

The works will cross financial years 2025/26 and 2026/27. The works are considered to be wholly capital in nature. As part of the Q3 2024/25 Capital Programme Monitor, Cabinet approved a budget on major refurbishment works across 2025/26 and 2026/27, which is sufficient to cover the proposed cost of works in this report. Any subsequent budget variations will be subject to Cabinet approval as part of the quarterly capital monitor reporting process.

Further details relevant to the financial impact and/or undertaken to provide financial assurance are included Appendix 2.

*Implications completed by: Anjeli Chadha, Principal Accountant – Housing Capital, 1<sup>st</sup> August 2025*

*Verified by: James Newman, AD Finance, 10 September 2025*

## **Legal Implications**

The contract has been procured via a mini competition South East Consortium's (SEC) Internal and External Works Framework, which is compliant with the competition requirements set out in the Council's CSOs and Procurement Law.

*Joginder Bola, Senior Solicitor (Contracts & Procurement), 18<sup>th</sup> July 2025*

## **Procurement Comments**

Based on the details provided in this report, CSO 19.4. at Section D – High Value Contracts – Over the Services Threshold of the Council's CSOs has been complied with.

The Procurement and Commercial team have reviewed the moderated evaluation scores and assured the weighted scores are correct in line with the methodology published in the procurement document suite for this project.

The Framework used has been subject to full diligence checks by the Procurement and Commercial team, which did not identify any issues of concern, and is therefore compliant for use by the Council in procuring this requirement.

The Procurement and Commercial team have confirmed all Conflict of Interest and Confidentiality Undertaking Declarations have been completed.

The contract must be added to the capitalEourcing eProcurement portal, to ensure it is published on the Council's Contract Register in line with the legislated transparency obligations, and all applicable legal notices must be published within their legislated deadlines.

A Contract Award Notice must be published to Contracts Finder, to satisfy the requirements of the Public Contracts Regulations 2015 for contracts equal to and

over £30,000 (including VAT). This must be completed using the Council's capitalEsourcing eProcurement portal.

A named contract manager must be allocated to the contract on the Council's capitalEsourcing eProcurement portal.

*Kiera May, Category Specialist – Procurement and Commercial, 24<sup>th</sup> July 2025*

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## Background Papers Used in Preparing This Report

Procurement Strategy for Major Refurbishment Projects Forming Part of the Housing Capital Programme

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## DETAILED ANALYSIS

### Procurement Approach

1. The procurement process has been undertaken in accordance with the Procurement Strategy included at Annex 1, agreed by Cabinet on 5 December 2022, and CSO 18 and 19 of the Council's CSOs, which defined the process to be followed would be the use of the Framework.
2. Expressions of interest were sought from the 14 (fourteen) suppliers on the Framework with 5 (five) asking to be included in the procurement process. A mini competition was published on the Council's capitalEsourcing eProcurement system on Monday, 10 March 2025 with a closing date of Friday, 2 May 2025.
3. The quality (including added value), and price weightings applicable to this procurement process are set out below, and were identified as being appropriate, to a model designed to drive a greater influence over the quality (including added value) of the contract, during the contract term.

Criteria	Weighting	
Quality, including Added Value (60%)	Quality	Added Value
	50%	10%
Price (40%)	40%	
Total (100%)	100%	

4. The following were used as part of this procurement:
  - a. Minimum pass rates.

### Conflicts of Interest

5. All officers and decision makers have been required to complete a Conflict of Interest Declaration form to record any actual, potential, and/or perceived

conflicts, along with appropriate mitigations (as appropriate), on the Conflicts Assessment.

6. Approval of this Contract Award by the Strategic Leadership Team (SLT) member and elected member (as applicable) constitutes their declaration that they do not have any actual, potential, and/or perceived conflicts, relevant to this procurement, except where a specific Conflict of Interest Declaration form has been completed and provided, advising differently.
7. All members of the Evaluation Panel were required to complete and sign a Conflict of Interest and Confidentiality Undertaking Declaration. A completed and signed copy of this form was returned by all members of the Evaluation Panel, ahead of them reviewing Potential Supplier responses.

### **Procurement Outcome**

8. Procurement responses were received from 2 (two) Potential Supplier(s), of which all were compliant.
9. The Procurement Responses were checked to determine they were complainant of the rules of the procurement process.
10. The Potential Suppliers demonstrated minimum capacity and capabilities, as set out in the Minimum Standards Questionnaire (MSQ), and that their commercial offer was not abnormally low. Further details relevant to the procurement outcome are included in Appendix 3.
11. Following evaluation and moderation of all compliant Procurement Responses received, moderated weighted scores were confirmed. Detail of these is included in the Moderation Matrix, included at the annexes of this report.
12. The Preferred Supplier's procurement response has been objectively assessed as providing the Most Economically Advantageous Tender (MEAT) in providing this requirement.
13. Breakdown of moderated scores against all assessment criteria for the Preferred Suppliers and unsuccessful suppliers is included in Appendix 4.

### **People Based Considerations**

14. The Transfer of Undertakings (Protection of Employment) Regulation 2006 (UKSI 2006/246) (TUPE) is not applicable to this contract.

### **Risk Assessment and Proposed Mitigations**

15. The table below includes the key risks and proposed mitigations identified as being relevant to the contract award.

Identified Risk	Proposed Mitigations
1. Additional repairs identified or prolongation costs arising from delays beyond contractor's control	Additional costs to be verified by multi-disciplinary consultant and funding to be allocated from contingency sum (refer to Appendix 6 for financial details).

### Mobilisation Timetable

16. The table below provides an estimated timetable of the competition process through to contact commencing.

Action	Date
17. SLT and Cabinet Member Sign-Off (Award)	Tuesday, 14 October 2025
18. Contract Engrossment	Friday, 19 December 2025
19. Contract Award Notice Published	Monday, 5 January 2026
20. Contract Signed	Monday, 2 February 2026
21. Mobilisation and Implementation Period	Friday, 6 February 2026
22. Contract Start Date	Monday, 16 February 2026
23. Contract End Date	Friday, 27 November 2026

### Contract Management

24. The Head of Capital Delivery will manage the relationship with the multi-disciplinary consultants, who will have the role of contract administrator for the works contracts and will be responsible for issuing all instructions, variations, notices etc. to the Preferred Supplier. The multi-disciplinary consultants will also provide Quantity Surveyor services such as cashflow forecasts, valuation of works, issue of interim contractor payments, and preparation of the final account.
25. The Council directly employs Project Managers to oversee the consultants and project-specific technical inspectors to monitor progress and quality of works on site.
26. A suite of Key Performance Indicators (KPIs) is included in the contract documents and will be used to monitor, measure and report on the performance of the preferred supplier.

## **Conclusion**

27. Following conclusion of the procurement process, it is recommended that the contract is awarded to the Preferred Supplier, who achieved the highest score, following comprehensive and objective assessment and moderation of all compliant Procurement Responses received, by the Evaluation Panel.

## **Equality and Inclusion Implications**

28. An Equalities Impact Assessment (EIA) is included at Appendix 7. The assessment identifies short-term negative impacts on access and egress for residents who are older, Disabled, pregnant, or have young children due to scaffolding and construction works. These impacts will be mitigated through supplier-led access strategies and ongoing resident engagement.
29. The works will improve the thermal efficiency and weathertightness of the building, particularly benefiting residents in top-floor flats who would be most directly affected by existing roof issues.
30. No disproportionate impacts were identified for other protected groups. Inclusive communication and engagement strategies will be maintained throughout the project. Resident satisfaction surveys post-works will be disaggregated by protected characteristics to inform future capital delivery projects.

*Verified by: Yvonne Okiyo, Strategic Lead for Equity, Diversity, and Inclusion (EDI),  
1<sup>st</sup> September 2025*

## **Risk Management Implications**

31. In addition to the risk defined above, there is a financial risk that the improvements will incur additional cost due to inaccurate estimates, inflation, scope creep or poor delivery from the suppliers. This risk must be reduced. It is recommended that a robust project management and governance structure is established that should include change control, financial review, quality assurance, delivery management and regular review cycles.
32. There is an environmental risk that the works have a wider impact that is foreseen. This risk must be reduced. It is recommended that regular reviews of any potential damage to properties is assessed. Note that any impact could in turn lead to reputational damage to the Council.
33. There is an operational and tied environmental risk that the works do not, on completion, deliver the expected improvements. This risk must be accepted. It is noted that there is a detailed sign-off process for all works which includes a 12 month defects period in which any immediate issues are addressed, and for the longer term a 20-year insurance-backed guarantee.

*Jules Binney, Risk and Assurance Manager, 2<sup>nd</sup> October 2025*

## **Climate and Ecological Emergency Implications**

34. The proposed works are specific to the roof covering and so will directly affect the energy performance of the nine top-floor flats, four in Joanna House and five in Muscal House. The completed works will comply with Part L of the current Building Regulations, covering energy efficiency requirements. The effective thickness of insulation is sufficient to meet the target U-value of 0.16W/m<sup>2</sup>K. The U-value is a measure of how well a building component retains heat, a lower value meaning the building element is better insulated and retains heat more effectively.
35. The Climate team is currently exploring innovative solutions to put solar panels on blocks of flats in a way that passes the saving to the residents, rather than the traditional approach that just connects the solar to the landlord's supply. Joanna House will be considered as one of the sites for this pilot, depending on timeline and technical suitability.
36. The evaluation of this procurement included a sustainability criterion which required suppliers to provide details of their environmental management plan and how they will monitor and manage energy consumption and carbon emissions on the contract.

*Verified by: Meghan Kingsley-Walsh, Heat Decarbonisation Lead, 25<sup>th</sup> July 2025*

## **Local Economy and Social Value Implications**

37. It is a requirement that all contracts awarded by the Council with a value above £100,000 provide social value commitments that are additional to the core services required under the contract.
38. The evaluation of social value should account for a weighting of 10% of the overall score from a procurement strategy agreed by the Contracts Assurance Board (CAB) prior to Saturday, 1 April 2023.
39. The Procurement Strategy was agreed on Monday, 5 December 2022 and Social Value accounted for 10% of the overall score of the bids which equates to 17% of the Quality criteria.
40. The preferred supplier proposed a social value offer which includes local supply chain spend, support for community health and wellbeing interventions and support for green spaces and ecosystems.
41. Social Value Portal is the Council's monitoring platform for Social Value delivery. It is recommended that the commissioning officer works closely with Legal Services and the Social Value Officer to ensure that use of the platform for delivery and monitoring is written into the contract, especially as the platform



was not used for the evaluation stage of this procurement due to when this process was initially undertaken.

42. It is recommended that the commissioner works with the Legal Service to ensure appropriate social value clauses are included in the contract so that the council can enforce its right to financial remedies if social value commitments are not delivered.

*Harry Buck, Social Value Officer (Procurement), 21<sup>st</sup> July 2025*

## **Digital Services and Information Management Implications**

43. **IT Implications:** No direct IT implications are considered to arise from this report as it seeks approval to award a contract for the replacement of roof coverings for two high-rise blocks. Should this not be the case, for example, by requiring new systems to be procured or existing systems to be modified, Digital services should be consulted.
44. **Information Management Implications:** The contents of this proposal do not refer to any personal data being held therefore there are no implications under the requirements of the UK General Data Protection Regulations (UK GDPR).

*Vincen Arivannoor, Strategic Relationship Manager Digital Services, 1<sup>st</sup> September 2025*

## **Consultation**

45. There has been ongoing consultation with residents to explain the nature and scope of the works, programme, and broad timescales. Residents will receive further correspondence prior to work starting on site, updating them regarding the programme, the scope of works and the level of support in place for residents from officers within the Capital Delivery Team.
46. There is a total of 24 (twenty-four) leaseholders across the 2 (two) blocks and they have been notified in accordance with statutory consultation legislation. Notices of intent were sent out on Tuesday, 24 September 2024 and expired on Tuesday, 29 October 2024. The Notices of Estimate will be issued following formal approval of this report with a 35-day consultation period. The contract will not be issued until expiry of the Section 20 notice period and the satisfactory conclusion of any observations received.
47. The total estimated charges to leaseholders based on the recommended contract sum plus contingency and internal management fees is shown in Appendix 5.
48. The Council offers a range of repayment options to leaseholders with extended interest free periods for those facing higher bills.

## **LIST OF APPENDICES**

Appendix 1 (Exempt) – Contract Award Details  
Appendix 2 (Exempt) – Further Financial Assurance  
Appendix 3 (Exempt) – Procurement Outcome  
Appendix 4 (Exempt) – Moderated Assessment Scores  
Appendix 5 (Exempt) – Details of Estimated Leaseholder Recharges  
Appendix 6 (Exempt) – Risk Register Contingency Amounts  
Appendix 7 – Equality Impact Assessment (EIA)

Annex 1 – Procurement Strategy  
Annex 2 – Procurement Timetable  
Annex 3 (Exempt) – Social Value Portal (SVP) Assessment Summary (Added Value)