



London Borough of Hammersmith & Fulham

CABINET MEMBER'S DECISION

NOVEMBER 2014

HOUSING ESTATE IMPROVEMENT PROJECTS -TENDER

Report of the Cabinet Member for Housing

Open Report

Classification - For Decision

Key Decision: No

Wards Affected: (All Wards);

Accountable Executive Director: Melbourne Barratt

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AUTHORISED BY:

The Cabinet Member has signed tis report.

DATE: 17 November 2014.....

1. EXECUTIVE SUMMARY

- 1.1. A capital budget is allocated annually to fund resident led improvement schemes to the communal areas of property managed by the Housing and Regeneration Department. Groundwork London has historically worked with the council to deliver the improvement projects approved by representatives of the Housing Area Forums through the 'Housing Estate Improvement Panel'.
- 1.2. Groundwork London collaborates with the Council on a number of initiatives across departments. The agreement originally put in place to manage HRD's resident led improvement budget has lapsed and it is now necessary to put a new formal agreement or contract in place, through a tender process. The budget allocated for 14/15 is £220k, of which approximately £200k is allocated for capital improvement schemes with the remaining £20k available to fund the current arrangement with Groundwork.

2. RECOMMENDATIONS

- 2.1. That approval be given to contract a suitably qualified and experienced organisation to provide a 'landscaping and architectural' service for a 5 year term commencing in April 2015.
- 2.2. That the successful contractor be expected to provide added value through sourcing additional funding to supplement HRD's annual budget for the improvement projects to mirror the existing arrangement with Groundwork.
- 2.3. To note that the contract will be a term contract, reviewed annually with no guarantee that a budget will be available for any given year with fees payable to the contractor in the range of £15-25k per annum (to be funded from the overall budget envelope of £220k from which any programme of capital schemes are also payable).

3. REASONS FOR DECISION

- 3.1. This recommendation allows officers to test the market and ensure that Value for Money is achieved in delivery of the individual improvement projects.
- 3.2. Annual review of the term contract enables the Council to react to budget constraints and reprioritise funding if necessary.

4. INTRODUCTION AND BACKGROUND

- 4.1. H&RD has delivered an annual programme of improvement works to housing estates in partnership with Groundwork London (GWL) for around 12 years. The improvement works have been sponsored and approved by a panel of resident representatives elected by the area housing forums. In recent years, this panel has been chaired by the Cabinet Member for Housing.
- 4.2. Groundwork is a national charity that works with communities across the UK supporting them to create better places, live and work in a greener, more sustainable way and to improve their economic prospects.
- 4.3. LBHF's allocation of capital funding specifically to deliver resident led improvement projects is a positive example of resident engagement and involvement. The budget is intended to ensure that residents have access to funding for 'desirable' non-essential works that improve the communal areas of their homes that would not normally be carried out on day to day maintenance or a planned maintenance programme.

- 4.4. Typical projects completed include installation of playgrounds, soft landscaping schemes, food growing projects, development of 'community use' spaces on estates or sheltered housing schemes.
- 4.5. Groundwork have carried out a holistic 'project management' role as well as managing the landscaping and architectural service, and dealt with resident consultation, sourcing third party funding, procurement of contractors, supervision of the works etc. within their fees. A new contract will continue to include all these work areas.

5. PROPOSAL AND ISSUES

- 5.1. To carry out a tender exercise using the Open Procedure, made available through the CapitalSourcing system, to provide a 'landscaping and architectural' service for a 5 year term commencing no later than April 2015 to ensure the budget for 2015/16 can be allocated and projects completed during the financial year.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The contract will be competitively tendered, and bids reviewed to assess whether they offer value for money and improve the quality of our services provided.
- 6.2. As this is not a statutory service, and the scope of works covers a range of specialisms, this expertise has always been sourced outside of the organisation. It is essential to the continued running of this scheme that we engage industry experts that will provide the range of services and skills necessary from a single source.
- 6.3. The current purchasing arrangement with Groundwork has expired and it is necessary to formalise a new agreement or contract through a competitive tender process.

7. CONSULTATION

- 7.1. Resident representatives who participate in the existing improvement panel will be consulted on the tender award, and their feedback sought during the tendering process.
- 7.2. The work completed under this programme impacts on various services. Views of officers across the council where this impact occurs will have opportunity to review the contract documentation and their comments considered – this would include HRD's property service and housing management teams, and the Council's Flood Risk Manager, and biodiversity lead .
- 7.3. This tender does not require statutory consultation with the community, unions or staff.

7.4. The works are not subject to leaseholder s20 consultation.

8. EQUALITY IMPLICATIONS

8.1. There are no impacts on the public sector equality duty as a result of the recommendations in this report.

8.2. I have reviewed this document and am in agreement that there are no equality impacts in respect of this proposal.

David Bennett. Head of Change Delivery (Acting). Innovation and Change Management Division. Finance and Corporate Services.

9. LEGAL IMPLICATIONS

9.1. The procurement of the contract for the provision of landscaping and architectural service should be procured in accordance with the Council's Contract Standing Orders and the Public Contracts Regulations 2006, if applicable. Legal Services will be available to assist with the procurement exercise.

9.2. Implications completed by: Kar-Yee Chan, Solicitor (Contracts) Bi-borough Legal Services, 020 8753 2772

10. FINANCIAL AND RESOURCES IMPLICATIONS

10.1. The 2014/15 approved capital budget allocated for resident-led Housing Estate Improvement Projects is £220k. This is inclusive of fees of approximately 10% (c£20k) to the Council's 'landscaping and architectural' service contractor, currently Groundwork. The budget is held on cost centre MEI001, project code CHRA02200.

10.2. This budget is assumed to be ongoing in future years for financial planning purposes within the Decent Neighbourhoods programme, though is subject to annual review and is normally approved via the Council's annual budget setting regime.

10.3. A further report will follow recommending the appointment of the preferred contractor and confirming the cost of the contract. This further report will have considered the financial standing and performance of the preferred contractor, and will also ensure that adequate budgetary provision has been made for any contract recommended to be approved.

10.4. As part of any future contract management arrangements, finance officers will review the nature of the spend for each proposed scheme in advance, in order to ensure that capital funding is utilised in accordance with financial regulations.

10.5. Implications verified/completed by: Danny Rochford, Head of Finance, 020 8753 4023.

11. RISK MANAGEMENT

11.1. The Housing and Regeneration department manage risk using the Council's agreed Tri-borough approach. The scheme contributes positively to the management of public needs and expectations risk and the procurement of the service to the management of strategic risk number 2, market testing, as recorded on the councils risk register.

11.2. Implications completed by Michael Sloniowski Bi-borough Risk Manager ext 2587.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

12.1. The procurement of the contract for the provision of landscaping and architectural service should be procured in accordance with the Council's Contract Standing Orders and the Public Contracts Regulations 2006 if applicable using the CapitalEsourcing portal.

12.2. The Corporate Procurement team will be available to assist with the procurement exercise.

12.3. Implications verified/completed by: (Robert Hillman, Procurement Consultant, x1538)

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None.		