



## CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT

11 February 2019

<b>Title</b>	Contract Award for Delivery and Installation of Office Furniture for the new Council Offices at Colindale
<b>Report of</b>	Chief Executive (Head of Paid Service) in consultation with Policy & Resources Committee Chairman (Leader of the Council)
<b>Wards</b>	All
<b>Status</b>	Public with exempt report
<b>Enclosures</b>	None
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### Summary

This report seeks authorisation to enter into a contract with Wagstaff Interiors Group, to provide the delivery and installation of furniture for the new Council Offices located at Colindale.

The Council are constructing a new office building consisting of 90,000 sq. ft. over eight floors, which will be the main office base for most staff currently located at North London Business Park and Barnet House. This contract will provide the delivery and installation of the furniture required for the building including desks, office chairs, soft furnishing, office storage and meeting room furniture.

The final contract price will depend on both reuse of existing furniture and exact quantities of furniture ordered.

### Decisions

1. To approve the award of contract to Wagstaff Interiors Group to supply, deliver and install furniture at the new Council office building in Colindale following a procurement exercise using the Crown Commercial Framework.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Council is constructing a new office building in Colindale consisting of 90,000 sq. ft. over eight floors. This will be the main office base for most staff currently located at North London Business Park and Barnet House.
- 1.2 This new office aims to support new flexible ways of working and as such functional, attractive and flexible furniture is required. This report summarises the procurement process that was undertaken to appoint a supplier.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 A procurement exercise was undertaken between November – December 2018 using the Crown Commercial Framework - Supply, Delivery and Installation of Furniture and Associated Services – RM3812 Agreement (Framework Agreement). This is a national framework with 6 reputable suppliers included, including the supplier used by the Council as part of its 2015 office fit-out. The detailed outcome of this procurement exercise is included within the accompanying exempt report. An indicative list of furniture required was used for companies to quote against, however it was noted that the final order list would depend on a furniture reuse strategy being signed off by the Council and any subsequent changes to the office floorplans.
- 2.2 Five of the six companies on the Framework Agreement submitted a tender. Based on the evaluation criteria for the procurement exercise and following a moderation panel, the successful bidder is Wagstaff Interiors Group. This decision confirms the award of the furniture contract for the Colindale offices to this supplier.
- 2.3 An allocation for purchase of furniture was previously included as part of the Colindale Office Full Business Case approved by the Assets, Regeneration and Growth Committee in July 2016 (Appendix A). This included a capital budget of £50.3m over 50 years – including capital build costs, compensation for land, fit out and furniture borrowing, to be funded through borrowing.
- 2.4 £1m was previously allocated for expenditure on furniture based on previous estimates for the list of furniture required, to be incurred against the total £50.3m capital budget. The total indicative cost of the contract is £684,746.20. The Council conducted a competitive tender via the Framework Agreement and is therefore confident that the outcome represents good value for money. The final contract price may vary based on both reuse of existing furniture and changes to exact quantities of furniture as floorplans are finalised ahead of the staff move.
- 2.5 New furniture for the office at Colindale will include functional and flexible office furniture to support new ways of working in addition to appropriate furniture for residents visiting different services operating from the Colindale office building including Housing Options, Family Friendly Hub and Planning Reception.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 The option to use a subcontractor of the construction company working on the office build was considered but disregarded as it did not represent value for money. An open competitive tender was disregarded given the presence of a national framework which could be utilised more efficiently. Of the other five bidders on the Framework Agreement, one did not bid and the remaining four did not score as highly as Wagstaff Interiors Group.

- 3.2 Existing furniture from North London Business Park and Barnet House is currently being considered for reuse however there are not enough items of furniture in satisfactory condition to fit out the new office building.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 The TW3 Programme team in CSG Corporate Programmes will lead engagement with Wagstaff Interiors Group.
- 4.2 An exercise is currently taking place to confirm which existing pieces of furniture will be reused at the new building. Concurrently, the list of required furniture is being finalised with all delivery units and partners who will be accommodated at the new Colindale office. Once finalised a furniture order will be placed with Wagstaff Interiors Group.
- 4.3 The list of required furniture is being finalised with all delivery units and partners who will be accommodated in the new Colindale office. This will include: standard workstations (smaller than the current provision); workstations for those with specialist requirements; task chairs; and alternative furniture appropriate to the new ways of working. Concurrently, an exercise is taking place to confirm which existing pieces of furniture will be reused at the new building.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.1.1 The contract award aligns with the Council's 2015-20 Corporate Plan which is based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place where services are delivered efficiently to get value for money for the tax payer. The new office at Colindale will contribute to regeneration within the local area.

##### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 The procurement via the Framework Agreement was conducted in accordance with Barnet's procurement policies.
- 5.2.2 £1m was previously allocated for expenditure on furniture based on previous estimates for the list of furniture required, to be incurred against the total £50.3m capital budget. The total indicative cost of the contract is £684,746.20. The Council conducted a competitive tender off the Framework Agreement and is therefore confident that the outcome represents good value for money. The final contract price may vary based on both reuse of existing furniture and changes to exact quantities of furniture as floorplans are finalised ahead of the staff move.
- 5.2.3 The Council conducted a competitive tender off the Framework Agreement amongst the six listed suppliers on a Most Economically Advantageous Tender (MEAT) basis. The Council's evaluation criteria was weighted 30% quality and 70% price, with seven technical method statement questions assessing the contractors responses in respect to: lead in period; relevant project experience; guarantees and after sales etc. Price was assessed against an indicative list of products as an outline specification (e.g. chairs, desks, meeting room furniture, storage).
- 5.2.4 Of the six suppliers on the framework, five submitted bids. These were evaluated by officers and

subsequently moderated in accordance with the criteria stated in 5.2.3. The result of this exercise determined that Wagstaff Interiors Group provided a submission that best addressed MEAT.

### **5.3 Social Value**

- 5.3.1 The procurement was carried out in accordance with the Public Services (Social Value Act) 2012.
- 5.3.2 Any existing furniture that is not moved to Colindale will be disposed of in a socially responsible way. The Council will consider local groups and organisations who can make use of furniture in good condition and recycle or responsibly dispose of remaining items.

### **5.4 Legal and Constitutional References**

- 5.4.1 This report is in line with the authorisation process as required by the Council's Contract Procurement Rules (CPRs)
- 5.4.2 The Framework Agreement was tendered in compliance with the Public Contract Regulations 2015 (PCR) and the Council is named as a body that can utilise and call-off the Framework Agreement.
- 5.4.3 In accordance with the Council's Contract Procedure Rules (CPRs) relating to rule 5 (Procurement Method), the council seeks to rely on rule 5.4. in relation to use of Framework Agreements.
- 5.4.4 The procurement documentation was produced in conjunction with the Council's procurement team (provided by Capita CSG). The Call-Off Terms and Conditions were reviewed by HB Public Law. The mini-competition procedure undertaken under the Framework Agreement was in line with the Framework Agreement and in accordance with the Council's Contract Procedural Rules as contained in the Council's Constitution.
- 5.4.5 This procurement was included within the Annual Procurement Forward Plan 2018-2019, approved by Policy and Resources Committee on 5 December 2017.
- 5.4.6 Given that the financial commitment is within the current budget allocation for these services, the appropriate authorisation route is via Officer Delegated Power's Report by the appropriate chief officer with delegated authority in Consultation with the theme Committee Chairman.

### **5.5 Risk Management**

- 5.5.1 Risk relating to this procurement were identified and monitored through the wider TW3 programme, in accordance with the Council's risk management framework, and informed the procurement exercise.
- 5.5.2 It is not considered that the procurement is likely to raise significant levels of public concern.

### **5.6 Equalities and Diversity**

- 5.6.1 There are no equalities implications arising directly from the decision set out in this report. As part of the TW3 programme, an Equalities Impact Assessment has been undertaken in relation to the move of staff to the new office from their existing locations (North London Business Park and Barnet House).

## 5.7 Corporate Parenting

5.7.1 N/A

## 5.8 Consultation and Engagement

5.8.1 A formal consultation is not required in relation to this procurement.

## 5.8 Insight

5.8.1 N/A

## 6. BACKGROUND PAPERS

6.1 Accommodations Options Review Final Business Case: Report to Assets, Regeneration and Growth Committee on 11 July 2016:

<https://barnet.moderngov.co.uk/documents/b27874/SUPPLEMENTARY%20AGENDA%20ITEM%2015%20ACCOMMODATION%20OFFICE%20OPTIONS%20REVIEW%20-%20FINAL%20BUSINESS%20CASE%20FBC%20PUBLIC.pdf?T=9>

6.2 Annual Procurement Forward Plan (APFP) 2018/2019: Report to Policy and Resources committee on 5 December 2017

<https://barnet.moderngov.co.uk/documents/s43785/Annual%20Procurement%20Forward%20Plan%20APFP%2020182019.pdf>

Chief Officer:

Decision maker having taken into account the views of the Chairman

Signed



Date

11 February 2019