

	<h2>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT</h2>
<p style="text-align: right;">Title</p>	<p>Awarding of contract for fit out works to site in Capitol Way, to provide print room facilities and storage.</p>
<p style="text-align: right;">Report of</p>	<p>Deputy Chief Executive</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>N/A</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Chris Smith, Head of Estates, Chris.Smith@barnet.gov.uk Megan Hallett, Project Manager, Megan.hallett@capita.co.uk</p>

Summary

This report seeks approval to accept the quotation from SW Bruce Ltd and to instruct them to undertake fit out works to an existing unit leased by the Council at Capitol Way in Colindale.

The Council are relocating most staff currently located at North London Business Park and Barnet House to a new office building in Colindale. The print room facilities cannot be accommodated within this office building but instead will be located at alternative site in the Colindale area. This contract will provide the fit out works to create a print room facility and storage for Services moving to Colindale.

Decisions

1. To approve acceptance of quotation and instruct SW Bruce Ltd to undertake fit-out works to the unit at Capitol Way in Colindale, to provide a print room and storage facilities for the Council.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council is constructing a new office building in Colindale which will be the main office base for most staff currently located at North London Business Park and Barnet House but print services will not be accommodated within the new building.
- 1.2 The Council has leased a unit in Capitol Way to accommodate the printroom. The unit is located within a 5-min drive of the new office accommodation and will enable the Council to deliver current print services in close proximity to the new Colindale Office. The unit has greater floor area than needed by the print facilities, so it also provides an opportunity for storage currently located at North London Business Park to be relocated to Capitol Way, for access by members of staff based at the Colindale Offices
- 1.3 The Capitol Way unit is currently vacant and requires fit-out works to provide facilities suitable for the printroom and storage. This report summaries the procurement process that was undertaken to appoint a contractor for the fit-out works and seeks approval to accept the quotation and to instruct the chosen supplier to undertake the fit-out works.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council has conducted a mini-competition under the Term Maintenance Contract and received a bid of acceptable quality. The works cost can be accommodated within the existing budget and the recommended contractor can meet the requested programme.
- 2.2 Fit out works need to be completed to allow the printroom facilities and stored materials to be moved from North London Business Park and located closer to the new Colindale office. Relocation will also enable the Council to meet its obligations in terms of vacating NLBP in accordance with the terms of the existing lease.
- 2.3 This report is recommending appointment of SW Bruce to undertake the fit-out works and the report decision will confirm the award of the fit out to this supplier.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 If this contract is not awarded as per the recommendation either the fit out works will not proceed or an alternative contractor needs to be found.
- 3.2 Not undertaking the works is not an option, as the facility is needed to allow the printroom to relocate from North London Business Park to Colindale.
- 3.3 Alternative procurement options have been considered. Procuring in combination with some post-completion works at the Colindale Office was considered for economies of scale but not pursued due to issues with programme alignment. Procuring via open competitive

tender was disregarded given the presence of existing frameworks / term contracts which could be utilised more efficiently, given project timescales.

- 3.4 Procuring via an alternative framework agreement to the Term Maintenance Contract was tried, but the only submission received was deemed non-compliant.

4. POST DECISION IMPLEMENTATION

- 4.1 Following approval to award this contract an award letter will be issued to the contractor by the Procurement Team.
- 4.2 As the works will be undertaken via the Term Maintenance Contract, the Terms and Conditions have already been reviewed by Legal and the works can proceed via a purchase order against the existing contract.
- 4.3 Once the purchase order has been raised engagement will start with the contractor regarding pre-start activities, early orders and any outstanding decisions to enable works to commence on site as soon as possible.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The project started under the Council's 2015-20 Corporate Plan which included a core principle to make sure Barnet is a place where services are delivered efficiently to get value for money for the tax payer. Relocating the printroom close to the Colindale Office will support this.
- 5.1.2 The Council has just agreed a new five-year Corporate Plan, Barnet 2024, with new outcomes: a pleasant, well maintained borough that is protected and invested in, residents living happy, healthy, independent lives, and safe and strong communities where people get along well. The project will support the Council's approach to Barnet 2024, in particular by managing finances and contracts robustly as part of the efficient and effective council approach.

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

- 5.2.1 The value of the works contract is £212,777.68 plus VAT. This figure covers all contractor activities and can be contained within the overall project budget, when taking into consideration construction costs, PM and technical team fees, IT costs, legal and statutory fees, relocation costs and a contingency sum. This is funded from the Implementation of Localities Strategy budget which has a total budget of £750k and currently covers Printroom relocation and Housing Options plus some work on Family Friendly Hubs.
- 5.2.2 The term maintenance contract provides for changes to be instructed if necessary during the contract. The nature of construction works means that changes may be required as works progress, with associated costs, resulting in reductions or increases in the contract

value. The project team includes a cost consultant who will be able to provide assessment and appropriate scrutiny of cost where an event occurs. Any changes would be subject to appropriate project governance and adequate contingency funding remaining in the approved project budget.

- 5.2.3 Procurement for construction services was conducted in accordance with LB Barnet's procurement policies and undertaken via a mini competition under the Term Maintenance Contract (TMC) Lot 7 (General Building Suppliers). Both firms within Lot 7 were sent an Invitation to Quote (ITQ), with award criteria were selected as 70% price and 30% quality, in line with the requirements of the TMC and to ensure a value for money solution. The quality element was assessed via responses in respect to: programme, managing sub-contractors, communications, health & safety, personnel/organisation and risk management.
- 5.2.4 Both firms within Lot 7 expressed an interest in bidding but one later declined to bid so only one bid was received, from SW Bruce. This was evaluated by officers and deemed to be a compliant submission to an acceptable quality standard, so this bid is recommended for acceptance. Whilst only a single bid was received, the initial appointment of contractors to the TMC was via a competitive selection process, so competition was achieved in the initial tender process for the contract against which these works are now being called off.
- 5.2.5 The current printroom staff will relocate from NLBP to the new location. No staffing issues have been identified or are envisaged.
- 5.2.6 IT works are being managed separately via Capita IT and contractors appointed by them. The system at Capitol Way will link to the Council IT network, with both wireless and hard-wired connections, allowing print services to be provided as per existing arrangements at NLBP.
- 5.2.7 The Capitol Way property is leased by the Council and the necessary landlord approval has been sought for these works via a Licence to Alter. Applications have also been made for the necessary planning and building control consents.
- 5.2.8 The landlord asked that sustainability issues are considered as part of the design, and the fit out includes items such as LED lamps and PIR controlled lights for energy efficiency, as well as timeclocks to control water boilers and heaters, and air-conditioning with refrigerant classified as of relatively low GWP (global warming potential).

5.3 **Social Value**

- 5.3.1 The procurement was carried out in accordance with the Public Services (Social Value Act) 2012.

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). The Council's Constitution, Article 10 – Decision Making, Table B sets the authorisation delegated powers thresholds, and delegates power to an Approved Officer. Given that the financial commitment is between £181,302 - £500k, and

within the current budget allocation the appropriate authorisation route is via Full Delegated Powers Report, signed by the appropriate chief officer with delegated authority in consultation with the relevant committee chair.

- 5.4.2 Under Council Schemes of Delegation, acceptance of quotations between £181,302 - £500k, is delegated to the Deputy Chief Executive, who in accordance with the scheme of delegation has responsibility for client management of the Estates function. This decision is being made in compliance with these provisions.
- 5.4.3 The Term Maintenance Contract was tendered in compliance with The Public Contract Regulations 2015 (PCRs) and the Council is able to call off under this contract.
- 5.4.4 In accordance with the Council's Contract Procedure Rules (CPRs) relating to rule 6 (Single Tender Action), the council seeks to rely on Rule 6.2. The Commercial Director has been consulted as required.
- 5.4.5 The procurement documentation was produced in conjunction with the Council's Procurement Team (provided by Capita CSG). The Call-Off Terms and Conditions were previously reviewed by HB Public Law. The mini-competition procedure was undertaken via the Term Maintenance Contract (TMC) in line with the TMC and in accordance with the Council's Contract Procedure Rules as contained in the Council's Constitution.
- 5.4.6 The £750k budget for 'Implementation of Localities Strategy' falls under the remit of Policy and Resources Committee, was included as part of the Capital Programme reported to Policy and Resources Committee on 23 February 2017 and approved by Full Council on 7 March 2017. This procurement was included within the Annual Procurement Forward Plan 2018-2019, approved by Policy and Resources Committee on 5 December 2017.

5.5 Risk Management

- 5.5.1 Risk relating to this procurement and the wider project are identified and monitored through the project risk register, maintained by the Corporate Programmes Team. Risks are monitored by the Project Team and the risk register updated as required. Any significant risks will be reported to TW3 Place Workstream and TW3 Programme, in accordance with the Council's risk management framework.
- 5.5.2 It is not considered that the procurement is likely to raise significant levels of public concern.
- 5.5.3 If works are not carried out to fit out Capitol Way for the printroom, there is a significant risk that the Council will not be able to meet its obligations to vacate NLBP under the terms of the existing lease.

5.6 Equality and Diversity

- 5.6.1 There are no equality implications arising directly from the decision set out in this report and the awarding of this contract does not compromise the Council in meeting its statutory Equality Act duties.

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.

5.8.2 No parties other than the Council and the landlord are directly affected by the proposed decision.

5.8.3 Engagement has taken place with the service to define and confirm requirements and with the landlord in relation to the proposed works.

5.8 **Insight**

5.8.1 N/A

6. **BACKGROUND PAPERS**

6.1 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>

7. DECISION TAKER'S STATEMENT

- 7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

8. OFFICERS DECISION

To approve acceptance of quotation and to instruct SW Bruce Ltd to undertake fit-out works to the unit at Capitol Way in Colindale, to provide a print room and storage facilities for the Council.

Chairman of the Policy & Resources Committee
Has been consulted

Date: 21.3.19

Deputy Chief Executive Officer
Signed

Date: 21.03.19