

Subject:
ELEVATE PARTNERING CONTRACT

Status:
FOR PUBLICATION

Report to:
THE CABINET

Date:
7TH JUNE 2006

Report of:
HEAD OF LEGAL AND DEMOCRATIC SERVICES

Portfolio Holder: CABINET MEMBER FOR REGENERATION

Key Decision: NO/**YES** (Please highlight)

Forward Plan General Exception Special Urgency "X" In
Relevant Box

1. PURPOSE OF REPORT

- 1.1 To report on the procedural requirements of phase commencement under the partnering contract entered into with Craig Hambling Limited on 10th April 2006 for the Elevate group repair and face-lifting works 2006-2010.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report are linked to and support the following corporate priorities:
- Delivering Regeneration across the Borough (Economy) through delivering significant improvement to the physical fabric of a key gateway to one of the Valley's principal towns.
 - Elevate – Through continuing the Council's records as a partner in the Elevate Programme that delivers results.
 - Delivering the District Vision – Through improving housing conditions and the physical environment.

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- Should the proposals for execution of the Form of Commencement Agreement required under the PPC2000 Partnering Contract not be

approved, there will be a significant delay in the commencement of each phase. It is anticipated that a number of the schemes will have an agreed maximum price of over £100,000 which will therefore be considered as a Key Decision requiring authority from Cabinet. Taking each phase through the Cabinet process would be detrimental to the Schedule of works and scheme programme.

- Any delay could result in a proportion of funding being transferred to another East Lancashire local authority resulting in fewer properties benefiting from the scheme.

4. BACKGROUND AND OPTIONS

- 4.1 Elevate has been working with the five East Lancashire Local Authorities to facilitate a co-ordinate approach to the Private Sector Housing Group Repair and Face lifting work. On 29th March 2006 the Cabinet approved the appointment of Craig Hambling Limited as partnering contractor for the period 2006-2010. Cabinet further waived the Contract Procedure Rules which could not be complied with due to the nature of the partnering contract concerned. Funding through Elevate is anticipated to be in the region of £4 million pounds over the next two years with a small contribution from the Private Sector Housing Renewal capital programme.
- 4.2 On 10th April 2006 the Council entered into the partnering contract (PPC2000) with Craig Hambling Limited and phase pricing commenced. Under the terms of the PPC2000 each phase will be authorized through the execution of a Form of Commencement Agreement, signed by both parties.
- 4.3 Phase 4 Works, 2-12 Hindle Street (evens) and 181-187 Newchurch Road (odds), Stacksteads, has now been formulated and a Form of Agreement is required to enable the works to be commenced. The maximum agreed price for this phase is to be £100,055.73 and as such falls into the category of a Key Decision requiring Cabinet approval.
- 4.4 It would be beneficial to the project to have the contractor remain on site, completing each phase simultaneously. Delegation of the signing of the Agreements, which would otherwise be classed as a Key Decision, to the Head of Legal and Democratic Services in consultation with the Lead member would facilitate the smooth running of the project.

5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

- 5.1 There are no budget implications for the Council from this report. Elevate and the face-lifting work in question is funded by ODPM's (now DCLG - Department for Communities and Local Government) Housing Market Renewal programme.

6. COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

- 6.1 The European procurement regime has been met and the Contract procedure rules under paragraph 19.1(v) have been waived. The last report presented to

Committee did not give authority to enter into the Commencement agreements. The Head of Legal and Democratic Services will be required to execute each Form of Commencement Agreement as and when required. Cabinet may wish delegate the execution of all future agreements to the Head of Legal and Democratic Services in consultation with the Lead member .

7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

7.1 There are no Human Resource implications arising from this report

8. CONCLUSION

8.1 It will be likely that a number of phases within the Elevate group repair and facelifting project will have an agreed maximum price over the £100,000 threshold and will therefore fall into the category of a Key Decision. The Form of Commencement Agreement for Phase 4 as detailed above requires execution. The recommendation has been proposed to enable the Head of Legal and Democratic Services to sign the agreement for and on behalf of the Council and to sign all future Forms of Commencement Agreements to ensure a timely and prompt start for the scheduled works to be carried out without the necessity to submit further reports to Cabinet.

9. RECOMMENDATION(S)

9.1 That the Head of Legal and Democratic Services be authorised to sign the Form of Commencement Agreement for Phase 4 of the Group Repair and Face lifting works.

9.2 That the Head of Legal and Democratic Services be authorised to sign all future Forms of Commencement Agreements in consultation with the Lead member.

9.3 That reports to Cabinet be made as and when a scheduled phase is identified and priced prior to the signing of the Form of Commencement agreement where possible to ensure that Cabinet is fully appraised of the current situation.

10. CONSULTATION CARRIED OUT

10.1 Phil Hollows – Renewals Initiative Manager

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Background Papers	
Document	Place of Inspection
PREVIOUS REPORT TO CABINET DATED 29 TH MARCH 2006	FUTURES PARK ROOM 220

