

Request for Evidence under Rule 9 of the Inquiry Rules 2006

WITNESS STATEMENT FROM:

JOHN SKIVINGTON

LHC GROUP DIRECTOR

LHC

2 VINE STREET

UXBRIDGE

UB8 1QE.

Authorised to make this statement on behalf of LHC.

General

1. Please give details of your role and your responsibilities at LHC.

1.1 LHC Group Director responsible for the day-to-day management of LHC.

2. Please set out when LHC was established and how it derives its authority to conduct its business.

2.1 LHC was established on 9<sup>th</sup> June 1966 as a consortium of local authorities and its authority today is derived from Section 101(5) of the Local Government Act 1972, as applied by Section 9EB of the Local Government Act 2000 and Part 4 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 by the Executives of each of the Councils.

The lead authority of LHC is the London Borough of Hillingdon.

Please see attached LHC Constitution (JS/1: ).

3. Please set out what the purpose of LHC is and how it conducts its business.

3.1 The purpose of LHC is to establish framework agreements in accordance with UK public procurement rules and regulations for use by local authorities and other public sector bodies.



4. In relation to the period preceding 2012:

a. Please give details of the services offered by LHC, in particular in relation to social housing;

4.1 LHC establish framework agreements for use by social landlords. We provide support to local authorities in the use of the framework agreement and facilitate the relationship between the local authority as the client and the LHC appointed company as the supplier.

b. Please explain how Local Authorities became members of LHC and what the effect of being a member is;

4.2 There are two types of LHC members:

4.2.1 Constituent Members form the governance body of LHC through appointment of Elected Members to the LHC Joint Committee. The application to become a Constituent Member of LHC must be approved at a Cabinet Meeting of the local authority. The Joint Committee acts as a strategic forum for LHC, providing direction to the operations of LHC. Each Constituent Member is eligible to receive a share of LHC's annual surpluses.

4.2.2 Associate Members may apply to become LHC members at any time through the completion of an application form. Each Associate Member is eligible to receive a share of LHC's annual surpluses.

c. Please set out LHC's relationship with the Royal Borough of Kensington and Chelsea; and

4.3 The Royal Borough of Kensington and Chelsea TMO Limited became an Associate Member of LHC on 25<sup>th</sup> October 2010 .Please see attached letter (JS/2: ).

d. Please give details of the procurement process(es) that LHC offered.

4.4 Under the LHC C5 Framework Agreement for External Doors LHC offered the local authority the opportunity to engage with the companies appointed to the framework with the prospect of entering in to a contract with one or more of them.

#### **Framework agreements – appointed companies**

5. In relation to the period preceding 2012:

a. Please give details of the framework agreements that LHC provided in relation to entrance doorsets;



5.1 Between 1<sup>st</sup> January 2008 and 31<sup>st</sup> December 2011 LHC provided the LHC C5 Framework Agreement for External Doorsets to which it appointed three companies to offer a range of external door products. Please see attached LHC C5 Framework Guide C5CO1 (JS/3: ).

b. Please explain the advantages for procuring a door through a framework agreement with LHC;

5.2 The advantage for local authorities is that they themselves do not have to conduct a full tender in accordance with the UK procurement rules and regulations. Through a “call-off process” they have direct access to a shortlist of approved companies with whom they can enter into contract.

c. Please give details of how a supplier became an LHC appointed company;

5.3 LHC publishes a tender on the open market inviting companies to submit bids to become an appointed company to the framework. LHC evaluates the bids and appoints the successful companies to the framework.

d. Please give details of checks carried out by LHC to ensure that any testing or accreditation relied upon by an appointed company were up-to-date and related to the products to be supplied;

5.4 At the time of the tender submission LHC will request that bidders submit specific accreditation and will check the accreditation to ensure that it conforms to the relevant standards specified. Once appointed it is the responsibility of the appointed company to inform LHC of any significant product or specification changes. When using the framework at the “call-off process” it is the client’s responsibility to check that the product offered by their selected supplier is fit for purpose.

e. Please give details of research carried out by LHC into FD30 and FD30S doors supplied by its appointed companies;

5.5 In developing the product specification of the framework agreement LHC will review the latest relevant International, European and British Regulations and Standards and refer specifically to those (or the most recent edition) which are the minimum requirement for the framework.

f. Please summarise the steps LHC took to ensure that the FD30 doors it promoted complied with the relevant British and European standards; and

5.6 LHC would have requested accreditation relating to the performance of the FD30 doors in respect of the standards and appointed companies on the basis of that evidence.



g. Please indicate whether LHC appointed companies supplied FD30S doors through its Framework Agreements. If so, please give details of how LHC ensured that the FD30S doors procured through it complied with the relevant British and European standards.

5.7 LHC appointed companies provided FD30S doors through the LHC framework under the terms of the framework agreement. i.e. in accordance with the product specification as offered and assessed by LHC at the time of the framework tender evaluation.

6. LHC states, on its website, that its suppliers “procure high quality products”. In relation to the period preceding 2012, please give details of how LHC ensured that appointed companies:

a. procured, and continued to procure, high quality products;

6.1 Under the terms of the framework agreement it is the responsibility of the appointed company to procure and offer products in accordance with the specification of the product assessed at the time of the framework tender evaluation.

b. had carried out relevant and up-to-date testing of their products; and

6.2 Under the terms of the framework agreement it is the responsibility of the appointed company to ensure products offered are in accordance with the specification in the framework agreement and to notify LHC of any changes.

c. had certification that continued to relate to products supplied.

6.3 Under the terms of the framework agreement it is the responsibility of the appointed company to notify LHC of any changes and provide the relevant accreditation for assessment by LHC.

#### **Manse Masterdor Limited (‘Manse Masterdor’)**

7. In the period preceding 2012:

a. Was Manse Masterdor a company listed as an appointed supplier of entrance doorsets? If so, please describe how Manse Masterdor were assessed by LHC:

i. as being suitable to become an appointed supplier; and

7.1 Companies including Manse Masterdor were appointed to the framework after evaluation of the following criteria on a two-stage basis.



**7.1.1 Capability.** Legal standing: Financial standing: Health & Safety: Environmental management; Capacity and range: Technical capability including quality management systems; Managerial capability

**7.1.2 Price and Quality.** Range, design and technical merit of the products offered. Certified performance and manufacturing quality. Capacity, competence and reliability, commercial stability and standard of service to specifiers and site management. Efficiency and reliability of the customer liaison and order processing systems and ability to work to agreed dates with appropriate periods of notice.

ii. as remaining suitable to be an appointed supplier;

**7.2 Suppliers remain appointed to the framework unless LHC has been made aware of any breaches by the supplier to the terms of the framework agreement.**

b. Were Manse Masterdor FD30 doors listed in the LHC "Framework Agreement Guide"? If so, please describe how they were assessed as meeting the relevant fire safety British or European standards for such doors; and

**7.3 Yes. They were required to submit copies of test reports to verify that doorsets will meet the requirements of The Building Regulations for FD30 doors, as appropriate. Please see attached extract from the LHC specification evaluation questionnaire section G5.9.2 (JS/4: ).**

c. Were Manse Masterdor FD30S doors were available for procurement via LHC? If so, describe how they were assessed as meeting the British or European standards for such doors.

**7.4 Yes. They were required to submit copies of test reports to verify that doorsets will meet the requirements of The Building Regulations for FD30S doors, as appropriate. Please see JS/4.**

8. Please give details of any feedback or complaints made in relation to FD30 and FD30S doors supplied by Manse Masterdor under LHC Framework Agreements, including those relating to self-closing devices.

**8.1 No complaints received. As part of our facilitation service LHC undertook six site visits to the Grenfell Tower site between 11<sup>th</sup> May 2011 and 16<sup>th</sup> August 2011 to give impartial advice on the door fitting and to check general quality of the doors. Please see attached LHC site visit report No 2346 as an example (JS/5: ).**



9. Please give details of any claims made under warranty in relation to FD30 and FD30S doors supplied by Manse Masterdor under LHC Framework Agreements.

9.1 None

Kensington and Chelsea Tenant Management Organisation ('KCTMO')

10. In 2010 LHC was involved in the procurement for the supply and installation of doors in properties managed by KCTMO and ManseMasterdor ("theContract"). In relation to the procurement process for the Contract, please give details of

a. the procurement process that was followed;

10.1 Our records show that KCTMO procured Manse Masterdor through a mini-competition of the companies appointed to the framework.

b. the role of LHC in the procurement process;

10.2 To advise on the compliant process for calling-off from the framework.

c. how the supplier was selected;

10.3 Through mini-competition of framework appointed companies undertaken by KCTMO.

d. any advice given or representations made to KCTMO by LHC relating to the suitability of the doors;

10.4 We have no record of any such advice being given

e. any discussions relating to the fire and smoke resisting qualities of the doors;

10.5 We have no record of any such discussions

f. any discussions relating to the type or quality of the self-closing devices; and

10.6 We have no record of any such discussions

g. any reasons given by KCTMO for choosing Manse Masterdor.

10.7 Our records show that KCTMO procured Manse Masterdor on a direct award basis, due to their prime position for quality on the framework.

11. In relation to the fulfilment of the Contract, please give details of:

a. the role of LHC;



11.1 To advise on the compliant process for calling-off from the framework.

b. the contractual obligations on LHC, including requirements to:

i. act as the Contract administrator;

11.2 None

ii. sign off on doors once installed; and

11.3 None

iii. ensure installation was carried out to a high standard; and

11.4 No contractual obligation. At the request of KCTMO LHC carried out inspections on 10% of installations to monitor installation quality

iv. ensure high quality standards were maintained.

11.5 No contractual obligation. At the request of KCTMO LHC carried out inspections on 10% of installations to monitor door quality

c. how LHC fulfilled its role and obligations;

11.6 LHC conducted seven site visits to Grenfell Tower between 11<sup>th</sup> May 2011 and 16<sup>th</sup> August 2011

d. your role and responsibilities; and

11.7 My role and responsibility was to ensure that KCTMO receive the best advice on the compliant process for calling-off from the framework and are satisfied with the performance of LHC at procurement stage and of the appointed company throughout the project.

e. the roles and responsibilities of others from LHC.

11.8 Our records show that five LHC staff were directly involved in the procurement process, none of which are currently employed by LHC.

11.8.1 The role and responsibility of Alan Davis, the LHC Client Support Manager, was to advise KCTMO on the compliant use of the framework and to obtain feedback from KCTMO on their satisfaction with LHC. Alan Davis was subsequently replaced by Mij Rahman and then Ethan James in a similar capacity.

11.8.2 The role and responsibility of Alex Fomin, the LHC Technical Support Officer, was to monitor the product and installation quality on a random selection number of doors.



11.8.3 The role and responsibility of Chris Powell, the LHC Technical Manager, was to review the site visit reports made by the LHC Technical Support Officer and to obtain feedback from KCTMO on their satisfaction with performance of the appointed company.

12. Please indicate whether LHC were paid a levy of 5% of the value of the Contract, if not, please indicate what payment they did receive under the Contract.

12.1 Yes, LHC were paid a levy of 5% of the value of the contract as per the framework terms and conditions.

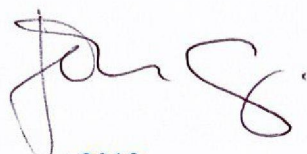
13. Please give details of any complaints or problems arising from the fulfilment of the Contract, including those relating to self-closing devices.

13.1 Our records show one notification of a door fault. Please see attached screenshot of LHC CRM record (JS/6: . ).

I confirm that the contents of this statement are true according to our records and the best of my knowledge.

I am willing for the statement to form part of the evidence before the Inquiry and published on the Inquiry's website.

Signed.



Date. 12<sup>th</sup> August 2019.

Index of documents referred to in statement

The LHC Constitution (JS/1: )

Confirmation letter of RBKCTMO Membership of LHC (JS/2: )

LHC C5 Framework Guide C5CO1 (JS/3: ).

LHC specification evaluation questionnaire section G5.9.2 (JS/4: ).

LHC site visit report No 2346 (JS/5: ).

Screenshot of LHC CRM record (JS/6: . ).