



ADVANCE PUBLICATION OF REPORTS

This publication gives five clear working days' notice of the decisions listed below.

These decisions are due to be signed by individual Cabinet Members and operational key decision makers.

Once signed all decisions will be published on the Council's Publication of Decisions List.

1. **BOROUGHWIDE DOMESTIC HEATING CONTRACT AWARD** (Pages 1 - 24)
2. **ENERGY EFFICIENCY INVESTMENT IN COUNCIL HOMES** (Pages 25 - 72)
3. **MERIDIAN THIRTEEN DEVELOPMENT STRATEGY** (Pages 73 - 98)

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London Borough of Enfield

Report Title	Boroughwide Domestic Heating Contract Award
Report to	Director of Housing & Regeneration
Date of Report	29 February 2024
Executive Director / Director	Joanne Drew, Director of Housing & Regeneration
Report Author	Andrew Cotton: Andrew.Cotton@enfield.gov.uk
Ward(s) affected	All
Key Decision Number	5620
Classification	Part 1 & 2 (Para 3)
Reason for exemption	Information relating to the financial or business affairs of any person (including the authority holding that information).

Purpose of Report

1. To obtain approval to award the Boroughwide Domestic Heating Contract for an initial term of 3 years with the option to extend for a further 3 years (in one year increments).

Recommendations

- I. That approval be given to award the contract for Boroughwide Domestic Heating to the Contractor listed in the Confidential Appendix.
- II. To note the budget of £12.6m which includes contract sum, staff costs and inflation.

Background and Options

2. The previous 2020-23 Boroughwide Heating programme is due to end in March 2023. The 2023-24 Capital Programme has identified the need to continue with a heating upgrade programme to ensure the Council maintains its performance in relation to the Decent Homes Standard and delivers its energy performance objectives.
3. This new contract will deliver on a yearly basis the required number of boiler replacements the Council needs to continue to meet the required Decent Homes Standard. The properties will be identified from the Asset Database.
4. The scope of works is primarily the replacement of domestic gas boilers and central heating systems although it is anticipated that the contract may include over time replacement of electrical heating systems and modern technology such as air source heat pumps and solar panels.
5. This programme does not include works to leasehold properties. As the lease terms make clear, heating replacement to the flats is not the Council's responsibility but the Leaseholders.
6. An open tender was issued via the London Tenders Portal (LTP), in accordance with the Councils Contract Procedure Rules (CPRs) and Public Contract Regulations (PCR) 2015.

Preferred Option and Reasons for Preferred Option

7. The programme is required to ensure that the Council delivers homes that meet the Decent Homes Standard. The scheme will also delivery energy performance improvements, in line with the Council's Carbon reduction strategy.
8. It was considered whether this contract should be split geographically to award two contracts in the Borough, however this was discounted to ensure the contract size was desirable to the market and the volume of work could ensure borough presence.

9. In terms of procurement options there were three main routes for consideration:
- Use of a suitable consortia framework agreement, with appointment via direct award or mini tender
 - Unilateral tendering utilising the open process
 - Unilateral tendering utilising the restricted process
10. Using a framework can save time and money, while still delivering a service specified to local requirements. Under this route contractors are assessed for suitability prior to joining the framework and have signed up to pre-agreed terms and conditions. Standard documentation is also provided as well as support from the framework itself.
11. Tendering a contract allows clients to create bespoke documentation designed to fit its requirements. This approach also opens the opportunity to tender to a wider group of bidders however is more costly and time consuming. In this instance it was required as the requirement is over the PCR threshold.
12. The options of open and restricted processes are either a two stage (restricted) or a one stage (open) process. Both the open and restricted processes are initially open to the whole market, with the restricted process having two stages where all interested bidders submit a Selection Questionnaire (SQ) and are shortlisted before being invited to tender. The open tender process was chosen as it minimises the timescales of the procurement process.
13. Tender a contract using the JCT Measured Term Contract is the preferred approach as this allows the council to flex the quantities of each services ordered according to the changes in the number of homes over the contract term.

Relevance to Council Plans and Strategies

14. The contract will support the following objectives from the Council Plan:
- **More and better homes:** the programme will improve the quality and safety of existing homes and therefore positively impact on the wellbeing and quality of life for our residents
 - **Sustain healthy and safe communities:** improving the existing homes where people desire to live will help to create and maintain healthy and confident communities.
 - **An economy that works for everyone:** ensuring residents can fully participate in activities within their neighbourhood

Financial Implications

15. The budget for this project was approved as part of the rent setting report in February 2023 these costs are included in the HRA 30year business plan.

Legal Implications

16. The Council has the power under section 1(1) Localism Act 2011 to do anything individuals generally may do providing it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power as recommended in this report. The Council has the power to alter, repair or improve its housing stock in accordance with section 9 of the Housing Act 1985. Under section 11 of the Landlord & Tenant Act 1985 the Council has repairing obligations in respect of properties which are occupied by its tenants and these obligations cover structure, the exterior including drains, gutters, external pipes, installations in homes including water, gas, electricity, and sanitation. Further, under section 111 Local Government Act 1972 local authorities may do anything, including incurring expenditure or borrowing which is calculated to facilitate or is conducive or incidental to the discharge of their functions. The recommendations in this report are in accordance with these powers.
17. The Council, as landlord, would have a statutory duty under Section 20 of the Landlord and Tenant Act 1985 to undertake a consultation with “leaseholders” whose homes will be included on the programme and who will subsequently be charged a proportion of the costs incurred. Legal Services notes that, as stated elsewhere in this Report, it has been determined that there are no such affected “leaseholders” in this case and that a Section 20 consultation has therefore not been undertaken.
18. The aggregate value of this works opportunity is above the relevant threshold (presently £5,372,609) for the Public Contracts Regulations 2015 to apply to this procurement exercise, and as noted elsewhere in this Report the procurement has been conducted in accordance with the PCR. The contract to be entered into with the selected Contractor will need to seal by the Council on account of its high value.

Equalities Implications

19. An equalities impact assessment has been undertaken and is appended to this report.
20. The works will be delivered to the social housing stock described and will benefit residents irrespective of their protected characteristics.
21. Individual requirements are addresses prior to starting on site to ensure all relevant individual circumstances are considered during the works.
22. Development of disabilities following the completion of the works and any required adaptations will be managed under the council’s existing aids and adaptations referrals process. The terms and conditions of the contract will

require adherence with the Equalities Act and contractors will be required to share their Equality, Diversity, and Inclusion policy to assure the council of their recruitment policies.

23. Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison.

Environmental and Climate Change Implications

24. The contract will require the minimum criteria of the councils sustainable and ethical procurement policy to be met.
25. In addition, the works will provide improved environmental performance from the resident's homes by providing modern facilities. Current installations are required to meet bespoke requirements and current regulations, and this will typically result in improvements in environmental performance of the home.

Public Health Implications

26. Good homes are a necessity for human health, the award of this contract will help secure this. It should also mitigate the risk from excess winter deaths as well as that of placing residents in a position of 'heat or eat' whereby poverty and expenditure places the resident in a situation of having to choose between the two.
27. The work will contribute towards reducing heating bills, sustaining tenancies, reducing fuel poverty, and improving the environment for the residents of the block.
28. Any measures which alleviate relative or absolute poverty within the borough, including fuel poverty, will in turn reduce the chance of developing poor health and chronic conditions, which again would contribute to embedding inequality and poverty.
29. Residents of adequately heated properties are far less likely to develop respiratory and associated conditions or suffer from acute exacerbations of those. In turn helping to reduce the number of preventable referrals to both hospital and residential social care.
30. Improving the heat efficiency of accommodation will help to prevent cold related winter illnesses and reduce the effects of the cost-of-living crisis.

Property Implications

31. There are no property implications in connection with this report.

Safeguarding Implications

32. The works will require Contractors to enter resident's homes and therefore the Contract Documents require Disclosure & Barring Services (DBS) and adherence with the Councils Safeguarding Policy.

33. In addition to the above the Contractor is required to provide a dedicated Resident Liaison Officer (RLO) whose role is to ensure that residents needs are reflected in both the works delivered and the processes adopted by the Contractors. Evaluation of the Contractors offers in this area are a major component of the qualitative evaluation.

Procurement Implications

34. The procurement was carried out as a Self Delivery by Housing Services using e-Tendering Portal (ref DN694326). As the procurement was not led by Procurement Services, ultimately accountability for procurement compliance lies with Housing Services.

35. Gateway 2 Procurement Strategy Report was presented and endorsed at Procurement Assurance Group on 18th October 2023.

36. Gateway 3 Contract Award Report was presented and endorsed at Procurement Assurance Group on 21st February 2024.

37. As the contract is over £1,000,000 the supplier must be required to provide sufficient security in accordance with Clause 7 (Financial Security) of the Councils Contract Procedure Rules.

38. The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and then uploading of the executed contract must be undertaken on the London Tenders Portal including future management of the contract.

39. As this contract will be over £500,000, the CPR's state that the contract must have a nominated contract manager in the Council's e-Tendering Portal. Contracts over £500,000 must show evidence of contract management of KPI's to ensure VFM throughout the lifetime of the contract. The contract will be managed in line with the Contract Management Framework and evidence of robust contract management, including operations, commercial, financial checks (supplier resilience) and regular risk assessment shall be uploaded into the Council's e-Tendering Portal.

40. The contract award notice must be published on Find a Tender platform and promoted to Contracts Finder to comply with the Government's transparency requirements.

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Appendices

Part 2 Report

Appendix 1 Equalities Impact Assessment

Background Papers

None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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Enfield Equality Impact Assessment (EqIA)

Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected eg equality data on service users and/or equality data on the Enfield population;
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups you consulted and their views. Consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

Section 1 – Equality analysis details

Title of service activity / policy/ strategy/ budget change/ decision that you are assessing	To award works contracts for the boroughwide heating replacement contract
Team/ Department	Major Works – Council Homes
Executive Director	Joanne Drew
Cabinet Member	N/A
Author(s) name(s) and contact details	Bini Shah
Committee name and date of decision	N/A

Date the EqIA was reviewed by the Corporate Strategy Service	
Name of Head of Service responsible for implementing the EqIA actions (if any)	TBC
Name of Director who has approved the EqIA	Andrew Cotton

The completed EqIA should be included as an appendix to relevant EMT/ Delegated Authority/ Cabinet/ Council reports regarding the service activity/ policy/ strategy/ budget change/ decision. Decision-makers should be confident that a robust EqIA has taken place, that any necessary mitigating action has been taken and that there are robust arrangements in place to ensure any necessary ongoing actions are delivered.

Section 2 – Summary of proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

Please summarise briefly:

What is the proposed decision or change?

What are the reasons for the decision or change?

What outcomes are you hoping to achieve from this change?

Who will be impacted by the project or change - staff, service users, or the wider community?

The proposed decision is to award the works contract for the boroughwide heating replacement scheme. These works will impact residents by improving the decency standards and reduce the energy usage to their homes. This will improve the quality of resident's homes and therefore their wellbeing. The works will provide improved environmental performance of resident's homes by providing modern facilities. These works will also mitigate the risk from excess winter deaths as well as that of placing the residents in a position of "heat or eat" whereby poverty and expenditure places the resident in a situation of having to choose between the two. The work will contribute towards reducing heating bills, sustaining tenancies, reducing fuel poverty, and improving the environment for the residents. Residents of adequately heated properties are far less likely to develop respiratory and associated conditions or suffer from acute exacerbations of those and prevent cold related winter illnesses and reduce the cost-of-living crisis.

Section 3 – Equality analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

“Differential impact” means that people of a particular protected characteristic (eg people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

Detailed information and guidance on how to carry out an Equality Impact Assessment is available [here](#). (link to guidance document once approved)

<p>Age</p> <p>This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.</p>
<p>Will the proposed change to service/policy/budget have a differential impact positive on people of a specific age or age group (e.g. older or younger people)?</p> <p>Please provide evidence to explain why this group may be particularly affected.</p>
<p>By replacing the heating system this will support residents living in the block regardless of age and where necessary adaptations will be made.</p> <p>Development of disabilities or changing needs, due to age, following the completion of the works and any required adaptations will be managed under the council's existing aids and adaptations referrals process.</p>
<p>Mitigating actions to be taken</p> <p>N/A</p>

<p>Disability</p> <p>A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.</p> <p>This could include: physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.</p>
<p>Will the proposed change to service/policy/budget have a differential impact positive on people with disabilities?</p> <p>Please provide evidence to explain why this group may be particularly affected.</p>
<p>These works will improve the decency standards of their home and reduce energy usage, illnesses and deaths. People with disabilities, including families with children and young people who have Special Education Needs and Disabilities will be profiled by the Contractors Resident Liaison Officer (RLO) and necessary adaptations to the windows will be installed in individual properties. Development of disabilities or changing needs following the completion of the works and any required adaptations will be managed under the council's existing aids and adaptations referrals process.</p>
<p>Mitigating actions to be taken</p> <p>N/A</p>

Gender Reassignment

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of their gender identity.

Mitigating actions to be taken

N/A

Marriage and Civil Partnership

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, whereas a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of their marital or civil partnership status.

Mitigating actions to be taken

N/A

Pregnancy and maternity

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of whether they are pregnant or expecting a baby

Mitigating actions to be taken

N/A

Race

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of their race.

Mitigating actions to be taken

N/A

Religion and belief

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of religious belief.

Mitigating actions to be taken

N/A

Sex

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of their sex.

Mitigating actions to be taken

N/A

Sexual Orientation

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, regardless of their sexual orientation.

Mitigating actions to be taken

N/A

Socio-economic deprivation

This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

By replacing the heating this will support all residents living in the block, this will support all leaseholders or tenants living in the block.

Mitigating actions to be taken.

N/A

Section 4 – Monitoring and review

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

The project manager within the service will be responsible for managing the contractor and ensuring they undertake their responsibilities as per the contract, including delivering the works as per the specification. People with disabilities will be profiled by the Contractors Resident Liaison Officer (RLO) and necessary adaptations to the windows will be installed in individual properties. Development of disabilities following the completion of the works and any required adaptations will be managed under the councils existing aids and adaptations referrals process. The contract will also include all responsibilities under the Equalities Act 2010 as statutory obligations in relation to how they treat residents and employees.

Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison which were evaluated as part of their tender submission which adapt process according to the profile of the resident (e.g. vulnerability, language spoken).

Section 5 – Action plan for mitigating actions

Any actions that are already completed should be captured in the equality analysis section above. Any actions that will be implemented once the decision has been made should be captured here.

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments
EDI Policy to be provided by the Contractor	The Contractor will be required to submit their Equality Diversity and Inclusion policy to the council	Programme Manager	Pre-Contract Meeting	None	TBC
Adaptations to the systems for residents with disabilities	People with disabilities will be profiled by the Contractors Resident Liaison Officer (RLO) and necessary adaptations to the windows will be installed in individual properties	Programme Manager	Contract Completion	To be Confirmed by the contractor	TBC

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London Borough of Enfield

Report Title:	Energy Efficiency Investment in Council Homes
Report to:	Strategic Director of Housing and Regeneration – Joanne Drew
Date of Report:	21 st March 2024
Cabinet Members:	Cllr Savva – Cabinet Member for Social Housing
Directors:	Strategic Director of Housing and Regeneration: Joanne Drew
Report Author:	Service Director Homes: Andrew Cotton
Ward(s) affected:	Borough-wide/All
Key Decision Number	KD5726
Classification:	Part 1 & 2 (Para 3)
Reason for exemption	Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Purpose of Report

1. To obtain approval to accept grant funding, enter into relevant agreements within the funding body and enter into a relevant works contracts to deliver associated works as described in the confidential appendix.

Recommendations

- I. That approval be given to accept £3,459,517 grant funding - Social Housing Decarbonisation Fund Wave 2.2, (administered by the Department of Energy Security and Net Zero – DESNZ) to improve the energy efficiency to 267 council homes.
- II. That approval be given to enter into the relevant agreements with funding bodies associated with the grant funding.
- III. Subject to the confirmation of grant will be received, that approval be given to enter into the first of several works contracts to delivery the associated works - “Stage 3 – Scale Up” of the Innovation Partnership Agreement contract with “Contractor A” Whole House Retrofit
- IV. That approval be given for the total budget of £8m associated with the first of several works programmes, inclusive of grant funding and council match funding.

Background and Options

2. The Council has previously published a Climate change action plan which commits to decarbonise the Council’s Housing stock. The Housing Revenue Account (HRA) Capital Programme is focused on investment in our housing stock to ensure the Council continues its delivery of Warmer Homes, as committed to in the Good Growth Strategy agreed in 2020 which prioritised investment in existing homes.
3. The Council submitted an application to the Social Housing Decarbonisation Fund Wave 2.2, (administered by the Department of Energy Security and Net Zero – DESNZ), and received a notification of the application being successful on 18th March 2024. The grant funding arrangements require the council to enter into the Grant Funding Agreement by the 9th of April. Entering into this agreement is required to ensure release of the funding.
4. The planned energy efficiency programme associated with this grant funding will improve the warmth of up to 267 homes is beneficial to residents within these homes.
5. The proposed works contract has been procured in compliance with the public contract regulations, using a restricted route run by Transport for London (TFL), with the support of the Greater London Authority (GLA) and

Turner and Townsend on behalf of Enfield and 6 other local authorities under the Mayor of London's Retrofit Accelerator – Homes programme Reference No. 2020/S 220-541823.

Preferred Option and Reasons for Preferred Option

6. Consideration was given to delivering energy efficiency works with the councils resources over a longer programme.
7. Due to the investment requirement to improve the energy efficiency of council homes it has been decided to proactively apply for external funding to ensure investment in homes can be accelerated and energy efficiency improvements are made in line with the council housing asset management strategy.

Relevance to Council Plans and Strategies

8. The contract will support the following objectives from the Council Plan:
 - a. **More and better homes:** the programme will improve the quality and safety of existing homes and therefore positively impact on the wellbeing and quality of life for our residents.
 - b. **Strong, healthy and safe communities:** improving the existing homes where people desire to live will help to create and maintain healthy and confident communities.
 - c. **An economy that works for everyone:** ensuring residents can fully participate in activities within their neighbourhood.

Financial Implications

9. See part 2.

Legal Implications

10. The Council has the power under section 1(1) Localism Act 2011 to do anything individuals generally may do providing it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power as recommended in this report. The Council has the power to alter, repair or improve its housing stock in accordance with section 9 of the Housing Act 1985. Under section 11 of the Landlord & Tenant Act 1985 the Council has repairing obligations in respect of properties which are occupied by its tenants and these obligations cover structure, the exterior including drains, gutters, external pipes, installations in homes including water, gas, electricity and sanitation. Further, under section 111 Local Government Act 1972 local authorities may do anything, including incurring expenditure or borrowing which is calculated to facilitate or is conducive or incidental to the discharge of their functions. The recommendations in this report are in accordance with these powers. If the project does not involve leaseholders

and/or financial contributions to the works by Council tenants, the statutory duty under Section 20 of the Landlord and Tenant Act 1985 will not apply.

11. The aggregate value of this opportunity is estimated to be above the relevant threshold for works contracts for the Public Contracts Regulations 2015 to apply to this procurement exercise, and therefore the procurement of "Contractor A" must be conducted in accordance with the PCR and the Council's Contract Procedure Rules (including the requirement to obtain sufficient security). The contract entered into with "Contractor A" will need to be sealed by the Council on account of its value.
12. Any grant funding agreement(s) which the Council is required to enter into to secure such grant funding for this project will likely be part of the grantor's wider programme and, as such, it is unlikely that there will be any scope to deviate from the grantor's grant funding terms, and the Council will be required to demonstrate compliance with such terms to secure initial and further funding. Analysis of the nature of the grant(s) will also be required to ensure compliance with the Subsidy Control Act 2022, if applicable. Grant funding agreement(s) entered into by the Council will need to be sealed.

Equalities Implications

13. An Equality Impact Assessment has been undertaken and appended to this report.
14. The works will be delivered boroughwide to various homes, improving safety and will benefit residents irrespective of the protected characteristics of the residents.
15. The successful contractor will be required to ensure all operatives will be fully briefed in line with the council's safeguarding policy. The terms and conditions of the contract will require adherence with the Equalities Act and contractors will be required to share their Equality Diversity and Inclusion policy to assure the council of their recruitment policies.
16. Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison.

Environmental and Climate Change Implications

17. The HRA
18. The delivery of these works improves the energy efficiency of homes and contributes to reducing scope 3 carbon emissions from the council's operations, by reducing the energy demand of these homes, in line with the Climate Action Plan targets and supporting the Council's commitment to be a carbon neutral organisation by 2030, while also reducing fuel poverty in the borough
19. This contract is part of a framework agreement procured by Transport for London (TFL), in line with their policies both Work Related Road Risk and the TFL Ethical Sourcing Policy are included as contractor obligations in the

contract and aligns to the councils Sustainable and Ethical Procurement Policy.

Public Health Implications

20. The works will improve the living conditions of those residents that receive works. This aligns with the provisions of the Enfield Joint Health and Wellbeing Strategy, which refers to the importance of housing quality as a determinant of health.
21. Climate change has been described as the greatest public health challenge of the 21st century and an existential threat. Efforts to mitigate this threat are welcomed.

Safeguarding Implications

22. The works will require Contractors to enter resident's homes and therefore the Contract Documents require Disclosure & Barring Services (DBS) and adherence with the Council's Safeguarding Policy.
23. In addition to the above the Contractor is required to provide a Resident Liaison function whose role is to ensure that residents needs are reflected in the processes adopted by the Contractors. Evaluation of the Contractors offer in this area are a component of the qualitative evaluation.

Procurement Implications

24. It is required that any procurement to implement above recommendation will be undertaken in accordance with the Council's Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015). Proposed procurement projects to be taken through the Council's Procurement Assurance Process. Therefore, a Gate 2 (Procurement Strategy) Report shall be presented for endorsement prior to procurement launch.
25. At the end of the sourcing process, authority to award the contract will be sought in line with the CPR's and Council's Governance. Gateway 3 Contract Award report to be endorsed at the Council's Procurement Assurance Group. The Service Area shall ensure this procurement activity takes place via the Council's e-Tendering portal and will be promoted to the Council's Contract Register, and the upload the executed contracts/agreements.
26. All awarded projects must be promoted to Contracts Finder to comply with the Government's transparency requirements. Contact Procurement.Support@enfield.gov.uk for any support.
27. If the contracts will be over £100,000 the CPR's state that the contract must have a nominated contract owner in the Council's e-Tendering portal.
28. If the contracts will be over £500,000 the CPR's state that the contract must have a nominated Contract Manager in the Council's e-Tendering portal and there must be evidence of contract management, including, operations,

commercial, financial checks (supplier resilience) and regular risk assessment uploaded into the Council's e-Tendering portal.

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Appendices: Appendix 1: Restricted Appendix (Confidential)
Appendix 2: Equality Impact Assessment

Background Papers

PL21.004 o - Approved – Energiesprong
[Signing of the Innovation Partnership Contract and agreement to the appointment of Osborne as the Solution Provider and the delivery mechanism of the proposed Energiesprong Retrofit Project. This is for 36 Council properties in a BEIS Whole House Retrofit \(WHR\) project funded via the National Retrofit Accelerator Scheme](#)

Part 2 Report & Restricted appendix

Housing Revenue Account HRA Budget and Rent Setting 2024-25
[Housing Revenue Account HRA Budget and Rent Setting 2024-25](#)

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of the Local Government Act 1972.

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Enfield Equality Impact Assessment (EqIA)

Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected eg equality data on service users and/or equality data on the Enfield population;
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups you consulted and their views. Consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

Section 1 – Equality analysis details

Title of service activity / policy/ strategy/ budget change/ decision that you are assessing	Energy Efficiency Investment in Council Homes
Team/ Department	Council Housing – Housing and Regeneration
Executive Director	Joanne Drew (Strategic Director)
Cabinet Member	Cllr Savva
Author(s) name(s) and contact details	Andrew Cotton Andrew.cotton@enfield.gov.uk
Committee name and date of decision	N/A
Date of EqIA completion	13.03.2024

Date the EqIA was reviewed by the Corporate Strategy Service	13.02.2024
Name of Head of Service responsible for implementing the EqIA actions (if any)	Andrew Cotton
Name of Director who has approved the EqIA	Joanne Drew

The completed EqIA should be included as an appendix to relevant EMT/ Delegated Authority/ Cabinet/ Council reports regarding the service activity/ policy/ strategy/ budget change/ decision. Decision-makers should be confident that a robust EqIA has taken place, that any necessary mitigating action has been taken and that there are robust arrangements in place to ensure any necessary ongoing actions are delivered.

Section 2 – Summary of proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

Please summarise briefly:

What is the proposed decision or change?
 What are the reasons for the decision or change?
 What outcomes are you hoping to achieve from this change?
 Who will be impacted by the project or change - staff, service users, or the wider community?

The Housing Revenue Account (HRA) Capital Programme is focused on investment in our housing stock to ensure the Council continues its delivery of Warmer Homes, as committed to in the Good Growth Strategy agreed in 2020 which prioritised investment in existing homes.

This report records approval to accept grant funding and enter into a works contract for the improvement of energy efficiency of council homes.

Section 3 – Equality analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider care experience and socio-economic status as an additional characteristic.

“Differential impact” means that people of a particular protected characteristic (eg people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

Detailed information and guidance on how to carry out an Equality Impact Assessment is available [here](#). (link to guidance document once approved)

Age

This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of houses this will support the residents of the property, regardless of age and where necessary adaptations will be made.

Mitigating actions to be taken

Disability

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include: physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact, these services will improve the energy efficiency of homes. People with disabilities, including families with children and young people who have Special Education Needs and Disabilities will be offered flexible appointments if access is required through their property.

Mitigating actions to be taken

Gender Reassignment

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of their gender identity.

Mitigating actions to be taken

Marriage and Civil Partnership

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents regardless of their marital or civil partnership status.

Mitigating actions to be taken

Pregnancy and maternity

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents regardless of whether they are pregnant or expecting a baby

Mitigating actions to be taken

Race

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of their race.

Mitigating actions to be taken

Religion and belief

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of religious belief.

Mitigating actions to be taken

Sex

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of their sex.

Mitigating actions to be taken

Sexual Orientation

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of their sexual orientation.

Mitigating actions to be taken

Care Experience

This refers to a person who has spent 13 weeks or more in local authority care.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with care experience?

Please provide evidence to explain why this group may be particularly affected.

No anticipated differential impact. By improving the energy efficiency of homes, this will support all residents, regardless of time spent in local authority care.

Mitigating actions to be taken

Socio-economic deprivation

This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

Improving the energy efficiency of council homes is expected to positively impact people who are socio-economically disadvantaged.

Mitigating actions to be taken.

Section 4 – Monitoring and review

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

The contract manager within the service will be responsible for managing the contractor and ensuring they undertake their responsibilities as per the contract, including delivering the services as per the specification, including in line with the council's sustainability policy.

Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison which were evaluated as part of their tender submission.

Section 5 – Action plan for mitigating actions

Any actions that are already completed should be captured in the equality analysis section above. Any actions that will be implemented once the decision has been made should be captured here.

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments

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London Borough of Enfield

Report Title	Meridian Thirteen Development Strategy
Report to:	Cllr Nesil Caliskan
Date of Report:	21 st March 2024
Directors:	Ian Davis – CEO Penny Halliday – Director of Meridian Water
Report Author:	Nicola Dale – nicola.dale@enfield.gov.uk
Ward(s) affected:	Upper Edmonton
Key Decision Number:	KD5665
Classification:	Part 1 & 2 (Para 3)
Reason for exemption	Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Purpose of Report

1. To seek approval from the Leader, Cllr Nesil Caliskan, to commence the marketing and procurement of the Meridian Thirteen land parcel to seek a development partner.
2. To set out the detailed due diligence and soft market testing completed.
3. The report provides the Portfolio Holder with the development, financial and placemaking hurdles relevant to the M13 land parcel.

<ol style="list-style-type: none"> I. To approve the Procurement Strategy and the launch of the M13 site to market. II. To note the proposed Development Strategy for the M13 land parcel, supported by detailed due diligence and soft market testing. III. To note the development, financial and placemaking hurdles detailed.
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Recommendations

Background and Options

Background

4. Meridian Water Project Objectives

- Highest quality of design and place-making throughout
- 10,000 new mixed tenure homes
- Target of 6,000 new quality jobs
- New facilities to include restaurants, schools, community facilities, parks, health, leisure, culture
- Local people to be the principal beneficiaries
- Lifting Edmonton wards out of top 10% most deprived
- A legacy to be proud of in 50 years
- Highest environmental sustainability standards

5. The Meridian Water site is made up of a number of parcels.

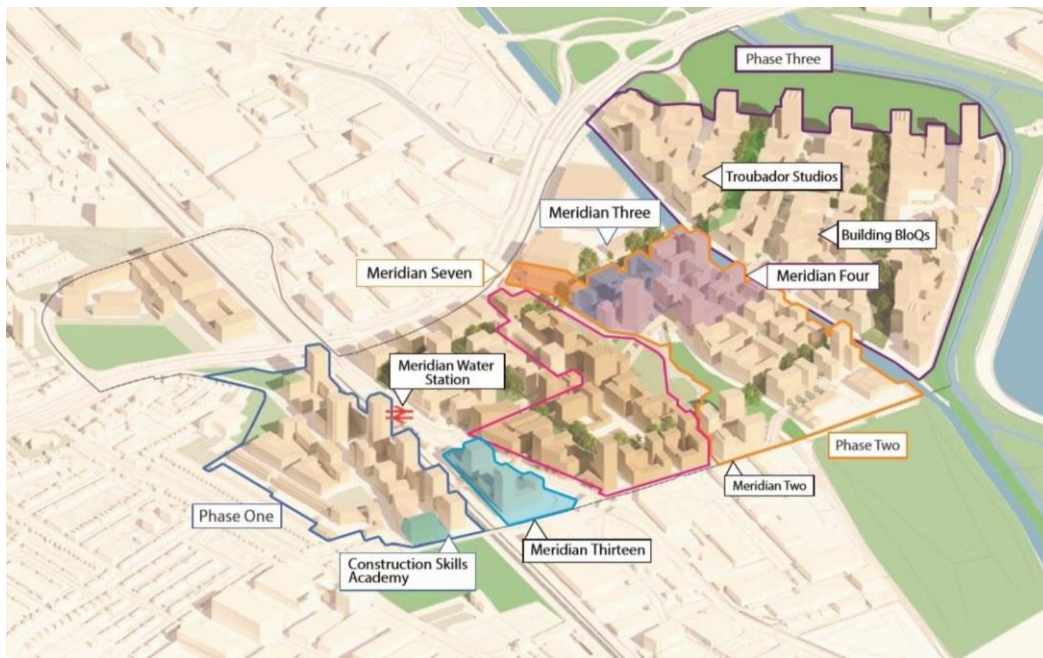


Fig. Meridian Water site

6. M13 sites within Phase One of the Meridian Water development area.

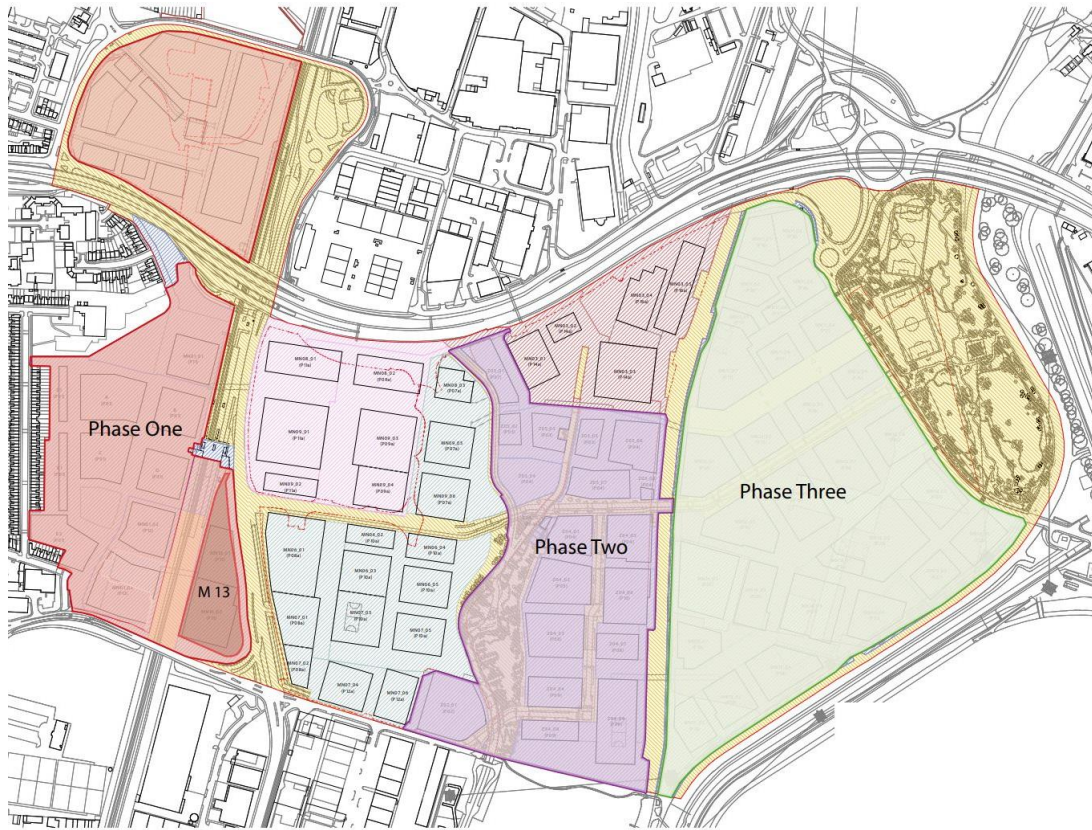


Fig. Phasing Plan

7. Refer to Part 2
8. M13 is located in the south-west of the Meridian Water site, immediately south of the Meridian Water Train station and is a total of 3.6 acres / 14,569 msq.. It is bordered to the west by a train line and Meridian One – the first parcel within Phase One - and to the east by Angel Edmonton Road and land owned by Ikea.
9. M13 is located in a prominent position within the wider Meridian Water project and acts as a gateway site connecting the new train station with future proposed development to the east.
10. In close proximity to M13, Ikea have closed the store previously operating on the site to the east and marketed the plot for sale. Negotiation with interested parties is ongoing.
11. M13 is the next development opportunity within the Meridian Water site to be brought to the market.

Use

12. The M13 site has previously been advertised for meanwhile use on two separate occasions, March, and October 2019. Neither advert generated a significant financial bid to support the meanwhile use of the site.

13. The site has since been leased to numerous parties for open storage. Currently the south of the site is leased to Energetik until March 2024. The north is being advertised.

Previous reports

14. In April 2023 Cabinet approval (KD5463) was given for the 2023 Financial Model as the primary financial tool for the Meridian Water project.
15. Cabinet also delegated authority to the Director of Development (Meridian Water) to appoint advisors to work up a detailed Delivery Strategy for M4, Teardrop (M13) and Meridian Seven (M7) to optimise the financial position of each parcel.
16. In addition, authority was delegated to the Portfolio Holder for Meridian Water to commence the marketing and procurement of M13, M4 and M7 to seek development partners following detailed due diligence and soft market testing. The Portfolio holder report will contain development, financial and placemaking hurdles.

Strategic Infrastructure Works

17. The Council has entered into a Grant Determination Agreement (GDA) with the Department for Levelling Up, Housing and Communities (DLUHC) for £195m of HIF funding to deliver the first phase of strategic infrastructure works in Meridian Water.
18. Part of this funding is to pay for the HIF Street works strategic road and flood alleviation works, as well as bridges, parks and utilities.
19. The Street Works unlock key parcels in Phase 2 of Meridian Water for development. It's impact on M13 is limited to upgrades along the Angel Edmonton Road such as the introduction of a cycle lane and new entrance points to the Ikea site.

Preferred Option and Reasons for Preferred Option

20. M13 is a key gateway site within the Meridian Water regeneration area, immediately south of the Meridian Water train station. It presents a unique opportunity to set the tone for the wider development to those arriving by train.
21. A high-quality, optimised, development on this site is important to ensure the regeneration premium presented in the MW financial model is achieved.
22. This requirement for quality needs to be balanced against the need to maximise the land receipt to the Council; understanding that the two are intrinsically linked.

Work completed to date

23. A consultant team has been appointed. Browne Jacobson (BJ) providing external legal support, Newbridge Advisors providing viability and strategic regeneration support and Weston Williamson + Partners (WW+P) providing capacity study and graphic support.
24. A title report has been drafted and legal advice provided.
25. Engagement with UKPN, Cadent Gas and Thames Water are ongoing to ensure the site's legal context is clear for the Council and bidders. The title report will be updated to reflect the outcome of this engagement.
26. WW+P have produced a capacity study assessing the sites potential to deliver homes and retail uses and to identify key areas for public space and placemaking.
27. Investor facing CGI's presenting the potential of the site have been produced to support the site's marketing. Community engagement visuals are ongoing. Their production is to facilitate conversations with Enfield colleagues, residents, and businesses owners.
28. A Development Brief for the site has been produced, detailing the sites objectives and the Council's vision for the MW development.
29. A viability assessment has been completed to inform the Council's understanding of the potential value of the land.
30. The team has engaged in soft market testing (SMT) to gauge the market's response to the site's capacity, the proposed Development Agreement (DA) Structure, and the proposed Procurement Strategy.
31. An Enfield colleagues and resident engagement programme has been drafted to inform key stakeholders of the progress being made on the site and the approach to delivery of homes.
32. Legal and development due diligence work has been undertaken to inform the proposed Procurement and Delivery Strategies, as well as the proposed DA structure, presented below.

Town Planning

33. M13 does not benefit from any detailed or outline planning consents.
34. The Meridian West SPD (adopted July 2023) is supportive of residential development with height around Meridian Water train station and the north of the M13 land parcel.
35. The site lies within the Upper Lee Valley Opportunity area and forms part of the Edmonton Leaside Area Action Plan (ELAAP) area.
36. There is also an emerging Draft Enfield Local Plan heading towards Regulation 19 towards the back end of 2024. Within the draft plan M13

forms part of the PL5 Meridian Water placemaking area. Development of M13 is supported by a dedicated site allocation.

37. M13 is identified as being appropriate for tall buildings close to the station and would support residential and non-residential uses.

Use

38. It is proposed that the site is brought forward for permanent, residential-led, mixed-use development.
39. A residential use will generate the greatest value for the site and aligns with the Meridian Water objective of delivering 10,000 homes.
40. A residential use also suits the gateway nature of the site and its proximity to the station, ensuring activation of public spaces around this key transport node, enhancing safety for commuters through natural surveillance.
41. This residential use will be supported by a mix of public facing facilities, such a food and beverage establishments as well as shops and services. This maximises activity throughout the day and evening increasing footfall and improving safety.
42. A series of amenity spaces will be provided that support residents and the public. Resident gardens at podium, ground, and roof level, compliant with planning policy, will sit alongside a neighbourhood street and a station square that will funnel station footfall into the east of Meridian Water.
43. Capacity studies completed by Weston Williamson + Partners have identified a base-case and optimised RIBA stage 1 proposal which indicates between 500 – 630 new homes can be accommodated on the site.

Objectives

44. Following the identification of the key uses for the M13 site a series of development objectives have been drafted to create a framework for decision making.
45. Below are the six key objectives for the site, these have directly informed the Development and Procurement Strategy recommendations, as well as the proposed DA structure, as set out in this report.
46. **Maximise land receipt** to the Council;
47. **Deliver high quality sustainable design** with distinct character to showcase this residential-led site as a gateway to Meridian Water;
48. **Commitment to the long-term quality of the scheme**, with high quality placemaking and robust estate management approach;
49. **Provide a mix of housing tenures**, affordable to Londoners at a range of incomes;

50. **Deliver at pace and maintain momentum** to deliver homes and active ground floor uses; and
51. **Provide engaging non-residential uses** and attractive public realm that will drive additional public footfall and enhance the location as a gateway to Meridian Water.
52. These development objectives have been assessed against the Council's Plan 2023-26 and the defined Priorities and Principles to ensure they align in their targeted outcomes.
53. The Development Partner selected will be required to evidence how they align with these project objectives and can ensure their delivery as part of the bidding process.

Delivery route

54. The proposed Delivery Route for the M13 land parcel is informed by the site's development objectives listed above.
55. There are a range of delivery routes available to the Council for land parcel M13, each with a different risk profile and level of control for the Council
56. As maximising a capital receipt for the Council and ensuring quality for this gateway site are both key development objectives the selected delivery route needs to strike an equal balance between these competing priorities.
57. Direct delivery of the development would offer the Council the greatest degree of control over quality and programme, however this delivery route also presents the greatest financial, development and reputational risk to the Council.
58. Direct delivery by the Council does not represent cost efficiency as the scheme would not benefit from the economies of scale and secured supplied chains available to developers. It also opens the Council up to risks such as further increases in construction costs and fluctuations in labour supply and supply chains.
59. It is for this reason Direct Delivery has been discounted as a delivery route for M13, as it does not align with the development objective of maximising the land receipt for the Council, nor does it reduce other risk exposure.
60. Delivering the site through a Joint Venture with a development partner where each party take on equal development risk would increase the land receipt available to the Council for M13 and reduce the development risk (relative to Direct Delivery) the Council would take.
61. However, the administrative set up required for the establishment of a Joint Venture vehicle would not be appropriate for the size of the M13 parcel.

62. A Joint Venture would also still open the Council up to a degree of financial and development risk that in the current economic climate is considered inappropriate. It is for this reason that a Joint Venture delivery route has been discounted.
63. On the other end of the spectrum would be a land disposal. A land disposal would allow the Council to sell the land quickly as procurement regulations do not apply to a land sale, ensuring a land receipt within the next 12 months.
64. A land disposal would however give the Council very limited control (particularly as a landowner), instead being able to rely only on those controls already in place through the planning system (available to the Council as planning authority), to influence the outcome of the development. This includes programme, design and uses.
65. Due to the key gateway nature of M13 and its importance in ensuring the target regeneration premium stated within the financial model, a land disposal is not considered appropriate for the delivery of the M13 parcel.
66. The current economic climate would also limit the capital receipt the land can generate in the short term and there is value in delaying the payment for the land to a point where land values have increased, and the economic landscape is more stable.
67. It is therefore proposed that the M13 land parcel is delivered through a DA.
68. A DA entails a disposal (usually long leasehold) of the land to a development partner who will pay a land receipt for this land interest and deliver the development defined by a number of controls the Council (as landowner) stipulate within the DA itself.
69. A DA also gives the Council the flexibility to define the controls they want and balance this against their aspirations for a land receipt, giving the Council greater power to configure the agreement in a manner that best reflects the development's objectives.

Procurement Strategy

70. Any procurement(s) for goods, works and services necessary for the delivery of M13 must be in compliance with the Council's constitution and the Public Contract Regulations 2015 (PCR)
71. Where applicable, the Council, as a contracting authority, must adhere to the rules set out in the PCR. The proposed DA (characterised as a works contract for the purposes of the PCR) will place a legally enforceable written obligation upon the selected development partner to carry out specified works.

72. The procurement of the development partner for the delivery of M13 will be an 'above threshold' procurement for the purposes of the PCR as it will exceed the relevant financial threshold above which the procurement of a 'works contract' (i.e. £5,372,609) must comply with the full rigour of the PCR.
73. In conducting the procurement, the Council will be bound to observe the general principles enshrined in the PCR, namely openness, transparency, non-discrimination, and confidentiality.
74. The use of a developer framework has been discounted to ensure the opportunity is open to the widest range of development partners. A wider range of bidders will increase competition and is likely to maximise the capital receipt to the Council. The use of a developer framework would also unduly constrain the Council in terms of its ability configure bespoke contract documents for the delivery of M13.
75. The PCR set out the procedures that may be used by the Council for the procurement.
76. The two procedures considered most appropriate for this procurement in line with the above are:
 - a. Regulation 29 - Competitive procedure with negotiation (CPN); and
 - b. Regulation 30 - Competitive dialogue (CD)
77. An open procedure or restricted procedure procurement have been discounted as options as neither offer sufficient flexibility. Under these procedures no dialogue or negotiation takes place with interested parties (but clarifications are permitted)
78. Further to this, under these procedures, any decision to amend the form of contractual documents issued (i.e. the DA and ancillary documents) would apply to all tenderers and therefore hinder the ability to elicit fine-tuned proposals from each tenderer.
79. As noted above, either CD or CPN would be more appropriate for this project. There are similarities between the two procedures. Both require dialogue (in the case of competitive dialogue) and negotiation (in the case of competitive dialogue) with a minimum of three bidders.
80. Both enable dialogue (or negotiation) in successive stages. Both require a written report justifying the use of competitive dialogue or CPN in accordance with Regulation 84 of PCR.
81. The procedures are similar, the relevant factors when deciding which procedure to adopt are as follows:
 - a. Accepting initial tenders – CPN allows the Council to not enter into negotiations if they are happy with initial tenders (considered very unlikely for M13). Under CD, the Council must continue to dialogue until it can identify a solution capable of acceptance.

- b. Setting minimum requirements – under CPN, the Council must define “minimum requirements” to be met by all tenderers. These minimum requirements cannot be negotiated. Under CD, the Council may discuss all aspects of the procurement with the bidders. This provides greater flexibility and, accordingly, entails less risk of breaching procurement law by compromising a minimum requirement.
 - c. Clarifying final tenders or negotiating tenders at preferred bidder stage - Under CPN there is no ability to clarify final tenders. The Council may only ‘verify the final tenders are in conformity with the “minimum requirements”. CD allows final tenders to be ‘clarified, specified and optimised at the request of the contracting authority’. Under CD, the Council can also confirm financial commitments or other terms contained in the tender at preferred bidder stage
82. The requirement to define minimum requirements under CPN poses 2 key risks:
- a. delay to the programme to get to issue noting the not inconsiderable task of framing these requirements correctly, and
 - b. risk that such minimum requirements are incorrectly framed, and the Council is then limited as to its negotiation ability.
83. Considering risks noted above, this report’s recommendation is that the CD procedure is utilised for this project. It is expected that this procurement will be comprised of five key stages as set out below:
- a. Planning and pre-market engagement - ongoing
 - b. Advertisement and selection
 - c. Competitive dialogue
 - d. Final tenders
 - e. Preferred bidder selection and award of contract
84. In electing to adopt a competitive dialogue procedure under the PCR, the Council must be satisfied that one of the grounds for using that procedure apply; here the justification (under regulation 26) being that the contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, the complexity, or the legal and financial make-up or because of risks attaching to them. Browne Jacobson have advised that (based on the emerging Development Strategy / Procurement Strategy / DA Structure) the Council has a robust basis for citing this justification in relation to the M13 development partner procurement.
85. The Council will request both a commercial / financial and qualitative bid component as part of the CD procedure. These components will be scored and weighted and will determine the successful bidder.

86. The procurement process will not require bidders to submit a design proposal that will be scored and assessed as part of the bid. This is to speed up the procurement process and reduce the costs to bidders.
87. Soft market testing has demonstrated support for this approach from the market. This will likely increase the number of bidders, creating greater competition, which may result in a greater land receipt for the Council.
88. To ensure the selected bidder can deliver on design quality, proven track record and evidence of delivery of high-quality schemes with similar contexts will become a focus of the selection stage and similar themes will also subsequently form a core part of the qualitative part of the procurement process / evaluation.
89. Newbridge Advisors have worked with the Council to develop a bespoke approach to assessing interested parties' economic and financial standing (EFS) at selection stage has been configured incorporating ratio assessment, credit assessment and a discretionary third step including provision of alternative security (such as a parent company guarantee).
90. The proposed EFS approach is a deviation from the standard selection questionnaire questions set out by Government (in PPN 03/23). However, such deviation is (as per advice from Browne Jacobson) permitted by the PCR and related guidance.

DA Structure

91. The proposed DA between the Council and the selected development partner has been developed with Newbridge Advisors who have been advising on regeneration and delivery strategy and Browne Jacobson (the Council's external legal advisors).
92. The recommendation presented in this report reflects the current economic position of high inflation, high interest rates, high build cost inflation and low land values.
93. The structure seeks to mitigate against the current challenging economic position by deferring payment points to where planning risk has been removed and value added through a satisfactory consent, alongside what is anticipated to be a more stable economic position, represented by greater land values.
94. The Council is therefore seeking a collaborative partnership with the selected development partner and aims to be practical in how its development controls are structured, including:
 - a. approval of planning application
 - b. governance and monitoring of the Development Agreement
 - c. Placemaking Strategy
 - d. selection of Registered Provider

- e. Commercial Letting Strategy (this does not mean selecting the future tenant)
- f. Estate Management Strategy
- g. Approach to delivery of a new Station Square

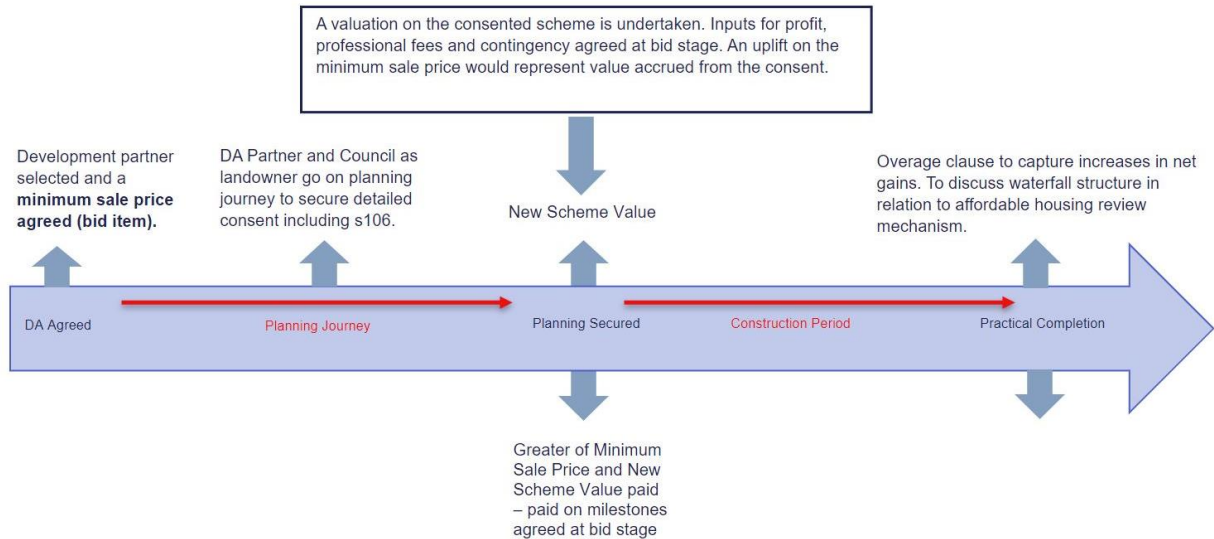


Fig. Proposed Deal structure

- 95. The Council will work with the Development Partner to secure planning permission and de-risk the scheme from a title perspective.
- 96. Value uplift as a result of a planning consents and de-risking of the development would then be shared with the Council.
- 97. A central pillar of a DA is the controls retained by the landowner.
- 98. How these controls are configured within the detailed terms of the DA will form a bid-back element of the procurement process and a summary of the same will be submitted to Cabinet when a preferred development partner is identified and recommended.

Payment Structure

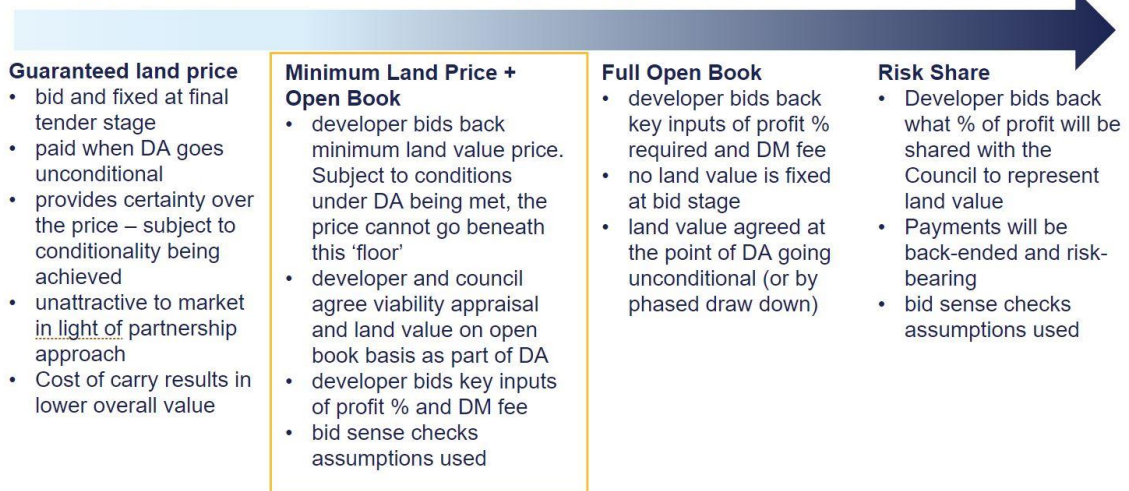
- 99. As part of the procurement, the timing of land payment/s to the Council is a key factor of potential bids. With the land market currently in a difficult phase, the payment structure will be scrutinised and dialogued to arrive at an optimum solution.
- 100. The payment approach proposed is the bidding of a lease premium which would be the lowest amount at which the Council will be contractually obliged to dispose of the development site (i.e. allow the DA to go

unconditional). However, there is a possibility the value will increase once planning permission is secured.

101. Therefore, once planning is secured and other conditions precedent satisfied, the scheme is reappraised in line with the terms of the DA and that amount is then payable to the Council if the development remains viable.

Land Payment Approach

There is a range of land payment mechanisms that can be used. This will be a key part of the bid-back. The diagram below shows the range and a proposed way forward. In all cases, the land payment will be made when the DA goes **unconditional** – the core condition being securing planning consent.



Overage or profit share can be integrated into all options (although it is already a core part of the final option). Provisions need to be transparent, easy to understand and implement

102. This proposed structure will prolong the land payment process but will in turn potentially increase the capital receipt to the Council.

Planning

103. M13 does not benefit from any detailed or outline planning consents.
104. The Meridian West SPD (adopted July 2023) is supportive of residential development with height around Meridian Water train station and the north of the M13 land parcel.
105. There is an emerging Enfield Local Plan with Reg. 19 draft issued and consultation due to start.
106. To maximise the land receipt available to the Council for the M13 land parcel the following areas will not have targets mandated by the Council as landowner, but will be defined through the developer's engagement with the Council as a planning authority:
- Unit mix - % of 1, 2, 3, 4, 5-bed homes
 - Building heights

- c. Affordable Housing – this will be assessed through a viability assessment between the Local Planning Authority (LPA) and the selected development partner
 - d. Public real, transport improvement will form part of the S106 negotiations between the developer and the LPA
 - e. Open space
107. Due to the gateway nature of the site the quality of the built form and public realm are important to the success of the rest of the Meridian Water site and subsequently the regeneration premium achieved.

Design Principles Document (DPD)

108. It is therefore proposed that a DPD will be attached to the DA stipulating key design considerations, beyond planning policy, that the developer will contractually be required to deliver.
109. This document will cover areas such as:
- a. Defensible space
 - b. New Station Square
 - c. Commercial frontages
 - d. Services management
 - e. Amenity space
110. The inclusion of this document will form a bid-back element of the procurement process which allows the Council to assess the bidder's commitment to delivering design quality despite not having a design component of the procurement submission.
111. The DPD will also be anchored in the DA and be cross-referred to as conditions precedent are satisfied (e.g. planning).

Soft Market Testing

112. The Council and Newbridge Advisors LLP engaged in soft market testing (SMT) in advance of the procurement of the M13 land parcel.
113. Between the Council and Newbridge twenty organisations were contacted with an invitation to participate in the SMT. Of the twenty organisations, ten chose to participate.
114. The parties contacted represented a wide range of organisations from across the real estate development industry that could potentially be interested in bidding for the opportunity at M13.
115. In general, the participants were positive and interested in the M13 opportunity and recognise its importance as 'gateway' site to the remainder of Meridian Water to the east.

116. Participants displayed willingness to deliver a scheme that creates a sense of place and noted the importance of ground floor activation and amenity, both of which would increase values at the Site.
117. Participants were generally in favor of the procurement process and contract structure. In terms of evaluation criteria weighting, no party stated they were comfortable with a split 70/30 in favor of price over quality. In general, participants stated a weighting of 60/40 in favor of quality would lead to them pursuing a bid, and procurement weightings any further in favor of price would potentially deter them bidding at all.
118. Participants stated they were comfortable with proposed controls within the development agreement so long as they drove value, did not create delay and were not onerous on the developer to deliver the scheme.
119. The participants typically spoke to difficulties arising from macroeconomic headwinds, including but not limited to construction cost increases, supply chain issues, interest rate increases, policy uncertainty/amendments and cost of living pressures.
120. All these elements have contributed towards viability tensions being experienced in the current development market. Soft market testing has confirmed that construction cost increases have significantly impacted viability for several developers. This has confirmed the Council's existing understanding of current market conditions.
121. All suggested changes to the Delivery and Procurement Strategy from the market will undergo a test of reasonableness from both the Council, Newbridge Advisors and Browne Jacobson to ensure it benefits the Council in terms of protecting best value, and the achieving of their objectives.

Viability

122. To ensure the Council maximises the capital receipt from the lease of the M13 land parcel, it is important the Council has conducted viability due diligence to gain an understanding of the potential market value of the land.
123. To aid viability assessments of the land parcel WW+P were engaged to provide architectural services.
124. WW+P completed a capacity study to understand the site's potential to deliver homes and commercial uses. A baseline and an optimised solution were tested to understand the potential the market may look to deliver.

Key Facts:

Units – 530

Max. Storeys – 25

GEA Resi – c. 50,955 msq

GEA Podium – c. 5,485 msq

Unit Mix: Studio = 15%, 1 bed = 40%, 2 beds = 40%, 3 beds = 5%



Fig. Base-line proposal

Key Facts:

Units – 629

Max. Storeys – 30

GEA Resi – c. 60,424 msq

GEA Podium – c. 5,664 msq

Unit Mix: Studio = 15%, 1 bed = 40%, 2 beds = 40%, 3 beds = 5%



Fig. Optimised proposal

125. The information these capacity studies present allows viability assessments to be completed to understand the potential value to the market of the M13 land parcel.
126. Please also see Part 2
127. This information ensures the Council is best positioned to engage in dialogue on land value during the dialogue stage of the Public Procurement Process.
128. Three CGI's were produced as part of the WW+P commission to market the potential of the site and set the tone of quality the Council expect on this gateway site.



Fig. CGI of proposed Station Square



Fig. CGI of proposed resident's gardens

Programme

129. The anticipated programme for delivery of the procurement strategy detailed above is:

Stage	Date	Notes
Launch Procurement	May 2024	
Stage 1 – Selection Questionnaire (SQ)	May – July 2024	Shortlist down to 4/5 bidders by end of period
Stage 2 – Competitive Dialogue, Round 1	July – Sept 2024	Shortlist down to 3 bidders by end of period
Competitive Dialogue, Round 2	Sept – Nov 2024	Bidders to submit final Tenders by the end of this period
Stage 3 – Final Tender	Dec 2024	
Preferred bidder identified	Feb 2025	
Cabinet Paper submitted	Feb 2025	Will detail deal structure, partner, and payment plan

130. This programme is indicative and dependent on the outcome of the current marketing of the Ikea site. Public notification of the selected bidder for the IKEA site and confirmation of an agreed deal will bolster confidence in the market regarding the Meridian Water development. This

will in turn will potentially increase land values and the capital receipt to the Council for the M13 land parcel.

131. At Cabinet Sign-Off stage (in relation to a preferred partner recommendation) detail of the DA (reflecting the preferred partner's bid back positions), including the payment plan, will be submitted to Cabinet.

Next steps

132. Acceptance of the Delivery Strategy and Procurement Process described by the Portfolio Holder would allow the land parcel to be launched to the market and begin the Procurement Process.
133. The detailed terms of the DA, including payment process, Council landowner controls and design commitments will be bid-back items within the Procurement Process (and evaluated / scored as such). Bidders will be down scored the more they deviate from the Council's preferred commercial positions / balance of risk.
134. As a result, the final terms of the DA will be informed / directed by the dialogue process.
135. When the position is clearer and final tenders have been submitted a paper (recommending a preferred development partner) will be presented to the Cabinet including further detail on the terms of the DA (reflecting the preferred partner's bid back positions), before the DA is finalised and entered into.

Relevance to Council Plans and Strategies

136. Meridian Water is a key component in contributing to the priorities, principles, and future outcomes of the Council Plan 2023 – 26.
137. M13, as a gateway site, will be a key opportunity to contribute further to these priorities, principles, and outcomes.
138. **An economy that works for everyone** – Alongside delivering jobs within the construction industry during the construction phase of the project, M13 will deliver commercial premises moving the local job market towards more secure, better paid and higher skilled roles. These new roles will improve the prosperity of the local community.
139. **More and better homes** – The primary focus of the M13 land parcel is the delivery of high-quality homes at a range of sizes and price points to support the local communities housing needs. This site will make a significant contribution to the available housing stock within the local community.
140. **Thriving children and young people** – Alongside providing housing at a range of sizes that support numerous family structures, M13 will also support children and young people through the creation of safe and integrated children's play.

141. **Strong healthy and safe communities** - M13 will contribute to the Council's aims to improve public health and people's well-being through careful consideration on how the public realm supports wellbeing and the integration of new communities. M13 alongside new homes will deliver community and social infrastructure such as new amenity spaces and improvement of public access to the new Meridian Water train station.
142. **Clean and green places** – M13 will contribute to the creation of clean and green spaces by providing a range of public and private amenity space and public realm that will be supported by a robust estate management process and soft landscaping strategy, ensuring spaces are clean and green.

Financial Implications

143. Financial implications have been provided in part 2.

Legal Implications

144. The Council has taken external legal advice from Browne Jacobson regarding its overall proposed approach to the project and has been advised that the Council (acting in line with the approaches described in this report) would be acting lawfully, that the proposed Procurement Strategy is compliant with the PCR, and that the proposed legal structure is appropriate for the project.
145. The Council has power under section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of its functions whether involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
146. The Council may further rely upon the General Power of Competence provided for in Section 1 of the Localism Act 2011 to pursue the proposed development scheme and related contractual structure. The general power is a wide power which allows the Council to do anything that an individual may do (subject to public law principles), but it is subject to certain statutory limitations (of which there are none which apply in this context).
147. Sections 8 and 9 of the Housing Act 1985 impose a duty on local authorities to review housing needs in their district and provides them with related powers to provide housing accommodation by building and acquiring houses or by converting other buildings into houses. These powers can include provision via third parties.
148. Decisions made as land-owner in progressing the project must not fetter the Council's discretion as planning authority and therefore the planning functions of the Council will remain subject to the usual checks and balances required (i.e. to address conflicts of interests, pre-determination, and bias).

149. Under the Development Agreement to be entered into between the Council and the preferred development partner, land in the Council's ownership will be transferred for development by the development partner. In undertaking the project the Council as landowner must observe its statutory duties, including in regard to the duty to obtain best consideration on any disposal of land. It should be noted that by carrying out a competitive procurement process to select a development partner, the Council will be in a stronger position to demonstrate compliance with the duty to obtain best consideration, but should obtain independent valuation advice in order to validate land values.
150. The Council also needs to have regard to its obligations under the Subsidy Control Act 2022 in relation to the entire project, including without limitation where it considers the best consideration reasonably obtainable in relation to the disposal of its land has not been obtained.
151. Public law constraints will generally apply to the project, including the Council's fiduciary duty to act prudently with public monies entrusted to it. The Council therefore must establish (and maintain a full audit trail to support) that the project and its various components are 'intra vires' and that the decision to undertake the project is made after having given due and proper consideration to all relevant factors (disregarding irrelevant factors) and in accordance with normal public law considerations.

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Appendices
Part 2 Report

Background Papers

KD5463 - MW Financial Model - 19th April 2023

[Agenda Document for Cabinet, 19/04/2023 19:00 \(enfield.gov.uk\)](#)

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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