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OVERVIEW & SCRUTINY COMMITTEE

Thursday, 23 November 2017 at 7.30 pm
Room 1, Civic Centre, Silver Street, Enfield,
EN1 3XA

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Councillors : Derek Levy (Chair), Abdul Abdullahi, Guney Dogan, Nneka Keazor,
Michael Rye OBE and Edward Smith

Education Statutory Co-optees: 1 vacancy (Church of England diocese representative), Simon Goulden (other faiths/denominations representative), Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor Representative).

Enfield Youth Parliament Co-optees (2)
Support Officer – Susan O’Connell (Governance & Scrutiny Officer)
Elaine Huckell (Governance & Scrutiny Secretary)

AGENDA – PART 1

- 1. WELCOME & APOLOGIES**
- 2. DECLARATIONS OF INTEREST**

Members of the Council are invited to identify any disclosable pecuniary, other pecuniary or non-pecuniary interests relevant to items on the agenda.

- 3. CALL-IN - POST TENDER REPORT FOR BRIMSDOWN AVENUE- MAJOR WORKS BATHROOM REPLACEMENT, KITCHEN REFURBISHMENT AND EXTERNAL ENVELOPING (Pages 1 - 24)**

To receive and consider a report from the Executive Director of Health, Housing and Adult Social Care outlining details of a call-in received on the Portfolio Decision taken on the Post Tender Report for Brimsdown Avenue – Major Works Bathroom Replacement, Kitchen Refurbishment and External Enveloping: (Report No:100).

The decision that has been called in was a Portfolio Decision taken by the Cabinet Member for Housing & Housing Regeneration on 23 October 2017 and included on the Publication of Decision List No: 35/17-18 (List Ref:2/35/17-18) issued on 3 November 2017.

This report will be considered in conjunction with the information included on the part 2 agenda.

It is proposed that consideration of the call-in be structured as follows:

- Brief outline of reasons for the call-in by representative (s) of the members who have called in the decision.
- Response to the reasons provided for the Call-In by the Cabinet members responsible for taking the decision.
- Debate by Overview & Scrutiny Committee and agreement on action to be taken.

4. DATES OF FUTURE MEETINGS

Provisional Call-In Dates –7 December 2017 and 21 December 2017

Business Meetings – 18 January 2018 (Budget Meeting)

5. EXCLUSION OF PRESS & PUBLIC

To consider, if necessary, passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting for the item of business listed in Part 2 of the agenda on the grounds that it will involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 Schedule 12A to the Act (as amended by the Local Government (Access to Information)(Variation) Order 2006), as are listed on the agenda (Please note there is a Part 2 agenda)

PART 2 AGENDA

PART 2 AGENDA TO FOLLOW PAPER

MUNICIPAL YEAR 2017/2018 REPORT NO. 105**MEETING TITLE AND DATE:**

**Overview & Scrutiny
Committee,
23 November 2017**

REPORT OF:

Chief Executive

Contact officers and telephone numbers:

Jeremy Chambers, Director Law and Governance

Tel: 020 8379 4799

Email: Jeremy.chambers@enfield.gov.uk

Claire Johnson, Governance Team Manager

Tel: 020 8379 4239

E mail: claire.johnson@enfield.gov.uk

Agenda – Part: 1	Item: 3
Subject: Post Tender Report for Brimsdown Avenue – Major Works Bathroom Replacement, Kitchen Refurbishment and External Enveloping	
Wards: Enfield Highway	
Key Decision No: 4514	
Cabinet Member consulted: Councillor Ahmet Oykenor- Cabinet Member for Housing & Housing Regeneration	

1. EXECUTIVE SUMMARY

1.1 This report details a call-in submitted in relation to the following decision:

Portfolio Decision by the Cabinet Member for Housing & Housing Regeneration (taken on 23/10/2017): Post Tender Report for Brimsdown Avenue – Major Works Bathroom Replacement, Kitchen Refurbishment and External Enveloping

1.2 Details of this decision were included on Publication of Decision List No. 35/17-18 (Ref. 2/35/17-18 – issued on 3 November 2017).

1.3 In accordance with the Council's Constitution, Overview and Scrutiny Committee is asked to consider the decision that has been called-in for review.

1.4 The members who have called-in this decision do not believe it falls outside of the Council's Policy Framework.

2. RECOMMENDATIONS

2.1 That Overview and Scrutiny Committee considers the called-in decision and

either:

- (a) Refers the decision back to the decision making person or body for reconsideration setting out in writing the nature of its concerns. The decision making person or body then has 14 working days in which to reconsider the decision; or
- (b) Refer the matter to full Council; or
- (c) Confirm the original decision.

Once the Committee has considered the called-in decision and makes one of the recommendations listed at (a), (b) or (c) above, the call-in process is completed. A decision cannot be called in more than once.

If a decision is referred back to the decision making person or body; the implementation of that decision shall be suspended until such time as the decision making person or body reconsiders and either amends or confirms the decision, but the outcome on the decision should be reached within 14 working days of the reference back. The Committee will subsequently be informed of the outcome of any such decision.

3. BACKGROUND/ INTRODUCTION

- 3.1 Please refer to Section 3 in the Decision Report.

4. ALTERNATIVE OPTIONS CONSIDERED

None – Under the terms of the call-in procedure within the Council's Constitution, Overview & Scrutiny Committee is required to consider any eligible decision called-in for review. The alternative options available to Overview & Scrutiny Committee under the Council's Constitution, when considering any call-in, have been detailed in section 2 above.

5. REASONS FOR RECOMMENDATIONS

To comply with the call-in procedure within the Council's Constitution.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

The financial implications relating to the called-in decision have been detailed in Section 6.1 of the Cabinet Decision Report.

6.2 Legal Implications

S 21, S 21A-21C Local Government Act 2000, s.19 Police and Justice Act 2006 and regulations made under s.21E Local Government Act 2000 define the functions of the Overview and Scrutiny committee. The functions of the committee include the ability to consider, under the call-in process, decisions of Cabinet, Cabinet Sub-Committees, individual Cabinet Members or of officers under delegated authority.

Part 4, Section 18 of the Council's Constitution sets out the procedure for call-in. Overview and Scrutiny Committee, having considered the decision may: refer it back to the decision making person or body for reconsideration; refer to full Council or confirm the original decision.

The Constitution also sets out at section 18.2, decisions that are exceptions to the call-in process.

6.3 Property Implications

The property implications relating to the called-in decision have been detailed in Section 6.3 of the Cabinet Decision Report.

7. KEY RISKS

The key risks identified relating to the called-in decision have been detailed in the Cabinet Decision Report.

8. IMPACT ON COUNCIL PRIORITIES

The way in which the called-in decision impacts on the Council priorities relating to fairness for all, growth and sustainability and strong communities have been detailed in the Cabinet Decision Report.

9. EQUALITIES IMPACT IMPLICATIONS

The equalities impact implications relating to the called-in decision have been detailed in the Cabinet Decision Report.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The performance management implications identified relating to the called-in decision have been detailed in the Cabinet Decision Report.

11. HEALTH AND SAFETY IMPLICATIONS

The health and safety implications identified relating to the called-in decision have been detailed in the Cabinet Decision Report.

12. PUBLIC HEALTH IMPLICATIONS

The public health implications identified relating to the called-in decision have been detailed in the Cabinet Decision Report.

Background Papers

None

APPENDIX 1

**Call-In: Cabinet Decision: Post Tender Report
for Brimsdown Avenue – Major Works
Bathroom Replacement, Kitchen Refurbishment
and External Enveloping**

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MUNICIPAL YEAR 2017/2018 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cllr Ahmet Oykener
Cabinet Member for Housing & Housing Regeneration

REPORT OF:
Executive Director –
HHASC

Agenda – Part: 1	KD Num: 4514
Subject: Post Tender Report for Brimsdown Avenue – Major Works Bathroom Extension Replacement, Kitchen Refurbishment, and External Enveloping.	
Wards: Enfield Highway	

Contact officer and telephone number: Paul Hemmant – 0208 375 8312
Email: paul.hemmant@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. This report seeks approval to award a contract for Bathroom extension Replacement, Kitchen Refurbishment and external enveloping works and associated repairs as part of the Council's Housing Capital works programme.
- 1.2. This is a Key Decision of the Council and is on the Key Decision List, reference KD4514
- 1.3. Seven contractors from the Major Housing Works Framework were invited to tender on the basis of single stage selective tender. Seven tenders were submitted. The tender offering the lowest price and which complies with the tender quality requirements of the Council is recommended.

2. RECOMMENDATIONS

That the proposed scheme is to be funded from the Housing Capital Programme.

That approval is given to accept the lowest price tender complying with the tender requirements of the Council submitted by Contractor 1 (see Part 2 for details).

3. BACKGROUND

- 3.1. The scheme is part of Enfield's Major Works Programme. The scheme was selected after examination of the Council's stock condition survey and selected on the basis of chronological priority, type of work and scheme size respectively.
- 3.2. The scheme consisted of major works comprising the replacement of existing bathroom extensions, kitchen refurbishment and external enveloping works to 84 two storey dwelling houses located within Brimsdown Avenue and Croft Road, Enfield Highway Ward.
- 3.3. The works are deemed necessary to ensure the dwellings achieve decent homes standard of housing. The properties contained within the project currently fall short of this standard for the following reasons: The existing bathroom pods are circa 35-40 years old and offer very poor thermal performance and potentially contain significant quantities of asbestos based materials as part of the timber stud framework construction and therefore portray problems with condensation and resulting black mould. The majority of the existing kitchens are in excess of 20 years old, in poor condition are considered in need of replacement. The existing windows are single glazed, generally in poor condition and would benefit from being replaced with uPVC low maintenance energy efficient double glazed windows, with front doors being replaced with secure by design composite doors. It is also proposed to replace fascia /soffit boards and rainwater goods with low maintenance uPVC materials. External repairs will be carried out to address problems with defective rendering and brickwork pointing. These works will significantly improve the quality of the housing stock on the estate and add value to each of the properties included within the scheme. While the initial investment of £43k may not show an immediate full return, it will increase the property value from its current condition and is estimated will show a full return in approximately 3 years. In addition the investment will increase the "cost floor" of the property for RTB calculations
- 3.4. The scope of works that has been identified for inclusion within the scheme will typically include the following elements:

The Replacement of bathroom extensions, Refurbishment of existing kitchens, window and front entrance door replacement, renewal of fascia/soffit boards and rain water goods, together with general external repairs and associated works.

- 3.4 Appointment of the Consultants was made following a competitive tender through the London Tenders Portal. The original fees for this scheme are covered by a separate Delegated Authority Operational Report.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The scheme forms part of the Council's major works programme, which includes for external refurbishment to ensure council property is maintained. It was assessed as a priority on the stock condition survey and therefore no other alternatives have been considered

5. REASONS FOR RECOMMENDATIONS

- 5.1 All contractors who tendered for this project have fulfilled the Council's criteria for undertaking this type and value of work.
- 5.2 The recommended contractor has submitted the lowest priced tender and has been judged capable of complying with the specification and quality requirements.
- 5.3 This scheme forms part of Enfield Councils' on-going programme to maintain its housing stock and fulfil its landlord obligations.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES, AND OTHER DEPARTMENTS

6.1 Financial Implications

The comments of the Director of Finance, Resources & Customer Services are detailed in Part 2 of this Delegated Authority Report. The scheme has been reported as part of both the five year and annual procurement plans.

6.2 Legal Implications

- 6.1.1 The contents of this report constitute a Key Decision as the recommendation to accept the recommended tender for the works will lead to capital expenditure exceeding £250,000. This item has been included in the Key Decision List reference. KD4514. Once approved the decision to proceed will be subject to the usual five day call-in period.
- 6.1.2 The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. The Council further 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 any of its functions. Additionally the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do, provided it is not prohibited by legislation and subject to Public Law principles.
- 6.1.3 Seven contractors were selected from The Major Housing Works Framework to tender for the opportunity, on the basis of single stage selective tender. The use of a compliant framework agreement is permitted under the Council's Contract Procedure rules. The Client has confirmed that the tender procedure was carried out in accordance with the terms of the Framework.
- 6.1.4 Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government (Best Value Principles) Act 1999.
- 6.1.5 Any resultant legal contracts required in association with this matter must be in a form approved by the Assistant Director of Legal, and Governance Services. The works contract terms are in the form of the JCT Intermediate Building Contract with Contractor's Design (2011 Edition) as amended by Trowers & Hamlins.
- 6.1.6 Given the proposed contract value for the works, the sealing requirements of the CPR rule 18.3 must be complied with (including attestation by or on behalf of the Assistant Director of Legal, and Governance Services).

Also, in view of the proposed contract value for the works exceeding £250,000, a performance bond will be required on behalf of the Contractor, and must be executed and received before work starts on site (anticipated to be 20th November 2017).

6.3 Property Implications

6.3.1 The Council's standard residential lease places the obligation on the Council as landlord to undertake the proposed external repairs and enveloping works to preserve the fabric of the buildings.

6.3.2 Undertaking the repairs and improvements should help extend the life of the buildings and reduce annual maintenance costs.

6.4 Leaseholder Implications

6.4.1 There are no Leaseholder implications on this project as all the properties are tenanted houses owned by the council.

7. KEY RISKS

7.1 The main risks to the scheme are presented in tabular form below together with the corresponding mitigation actions.

• Key: H = High, M = Medium, L = Low

Item	Risk	Impact	Probability	Mitigation	Owner
1	Non Delivery of Project	H	M	Develop project delivery plan, commission consultants and contractor ASAP.	Housing Professional Services (HPS)
2	Quality Issues	H	M	Set benchmark, monitor site meetings through Contract Administrator (CA) & Clerk of Works (COW) reports, measure continuous improvements using KPIs.	HPS PM
3	Cost Overrun	M	L	Rigorous Cost Planning, early reporting, comprehensive specification, inclusion of contingencies, tender analysis.	HPS PM
4	Time Overrun	H	M	Manage approvals stage – instil sense of urgency by	HPS PM

				senior staff. Monitor programme, monthly progress reports & LADs.	
5	Extended Consultation	M	M	Establish key milestones and communication strategy at the outset.	HPS
6	Additional Works Identified	M	M	Detail and agree scope of works, prioritise core DHS works and use contingency	HPS

7.2 Suitable steps to be taken to monitor/ensure mitigating actions identified are carried out for the risk register (including any actions) to be reviewed regularly to ensure the Council remains protected.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

8.1.1 The proposed works will enhance the fabric and appearance of the Council's properties and provide better facilities to the residents. Undoubtedly, the proposed scheme will assist in meeting the Council's objectives by providing economically successful and socially inclusive communities.

8.2 Growth and Sustainability

8.2.1 The new bathroom extensions and double glazed windows to the properties will reduce heat loss and achieve noise reduction. In addition, the improvements will have positive impact on the energy performance of the Council's stock. Products specified and materials used will be sustainable and energy efficient. The contractor and manufacturers are required to have a stringent Environmental Policy in place in accordance with the Framework requirements. Adherence to the policy will be confirmed by the contractor supplying relevant data sheets for specified materials or alternatives where these are accepted by the Council.

8.2.2 All contractors' party to the Framework agreement are bound to participate in joint initiatives with the client and each other to establish Employment and Training Contracts so as to secure continuity of employment opportunities, co-ordinated training opportunities and sponsored college placements.

8.2.3 The client will employ a training co-ordinator who will work alongside the contractors to ensure the successful

completion of training contracts, apprenticeships and any other employment opportunities pursuant to any call off contract. The training co-ordinator is funded by the contractors.

8.3 Strong Communities

- 8.3.1 The project promotes Key Council values and places emphasis on residents' empowerment and participation through involving residents groups in the consultation process from inception to completion. The scheme addresses the Council's objective by involving the public in the decision making process and help them play an active role in their local neighbourhoods.
- 8.3.2 Residents are notified of the scheme at feasibility stage and asked to make any comments they may wish to have considered at design stage. After this all residents and interested parties are invited to a public meeting to outline the findings of the feasibility report and to outline the proposed works. Once tenders have been received and the scheme is signed off by the council to award the contract to the successful contractor residents are invited to a public meeting with the contractor, prior to work starting on site.
- 8.3.3 Residents are advised via resident's packs, prior to work starting who their key contacts are both by Council staff and the contractor. The same packs provide details of the complaints procedures.
- 8.3.4 As the works progress residents, can attend meetings and receive updates and notifications as required.
- 8.3.5 On completion residents are asked to attend the final inspection with our Clerk of Works and advise on any outstanding issues. Residents are also provided with operating instructions and details of how to report defects throughout the one year defects liability period under the contract. On expiration of the defect liability period further letters are sent to residents requesting any remedial works arising during this time for action by the Contractor and advising them to report any defects to repairs thereafter.
- 8.3.6 A combined satisfaction survey is also carried out by the council and contractor. The results are used

to inform the post contract review and decisions about using the contractor for the next round of tenders, particularly if their performance has been unsatisfactory.

9. EQUALITY IMPACT IMPLICATIONS

9.1 It is not deemed relevant or proportionate to carry out an equality impact assessment/analysis for the approval of the tender that represents the lowest price and complies with the tender requirements of the Council for external repairs as part of the Council's Decent Home Programme.

9.2 Individual requirements are addressed prior to starting on site to identify any adaptation work or specific needs that may be required by residents.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The works will benefit 84 properties which will be made decent and others will be prevented from becoming non-decent. The performance of the contractor is measured by the implementation of Key Performance Indicators compiled on a monthly basis. These are scored by the Contract Administrator and representatives from the Councils officers.

11. HEALTH AND SAFETY IMPLICATIONS

11.1 The Health and Safety Policies statement have been submitted by all the contractors as part of the framework selection and tendering process.

11.2 The project is notifiable to the Health and Safety Executive (HSE) under the Construction (Design and Management) Regulations 2015 (CDM).

11.3 A Pre-Tender Health and Safety Plan was submitted with the tender and the Contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout

the contract and a Health and Safety File issued upon completion of the works.

12. PUBLIC HEALTH IMPLICATIONS

12.1 The proposed project, 'Brimstown Avenue – Bathroom extension Replacement, Kitchen Refurbishment, and External Enveloping ', overall, will improve the physical health of the residents by reducing fuel poverty, creating warmer homes and improving respiratory health of children and older people; and improve mental health by reducing noise transmission, and enhancing the sense of security related to new fabric.

12.2 To help alleviate condensation and mould, tenanted properties will be provided with trickle vents to new windows and the existing extract ventilation will either be overhauled or renewed.

13 Background Papers

13.1 Contain exempt information

APPENDIX 2

**Call-in request form submitted by 8 Members of
the Council**

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CALL-IN OF DECISION

(please ensure you complete all sections fully)

Please return the completed original signed copy to:
Claire Johnson, Scrutiny Team, 1st Floor, Civic Centre

TITLE OF DECISION: POST TENDER REPORT FOR BRIMSDOWN AVENUE - MAJOR WORKS BATHROOM EXTENSION REPLACEMENT, KITCHEN REFURBISHMENT
DECISION OF: COUNCILLOR OYKENER CABINET FOR HOUSING + HOUSING REGENERATION AND EXTERNAL ENVELOPING
DATE OF DECISION LIST PUBLICATION: 3 NOVEMBER 2017

LIST NO: 2/35/17-18

(* N.B. Remember you must call-in a decision and notify Scrutiny Team within 5 working days of its publication).

A decision can be called in if it is a corporate or portfolio decision made by either Cabinet or one of its sub-committees, or a key decision made by an officer with delegated authority from the Executive.

(a) **COUNCILLORS CALLING-IN** (The Council's constitution requires seven signatures or more from Councillors to call a decision in).

(1) Signature: 	Print Name: ERIC TUCKER
(2) Signature: 	Print Name: PETER FALLART
(3) Signature: 	Print Name: LEE CHAMBERLAIN
(4) Signature: 	Print Name: NICK DINES
(5) Signature: 	Print Name: ERIN CERESI
(6) Signature: 	Print Name: Andy McNE
(7) Signature: 	Print Name: D PEARCE
(8) Signature: 	Print Name: JIM STEWARD

(b) **SCRUTINY PANEL RESOLUTION** (copy of minute detailing formal resolution to request call-in to be attached).

NAME OF PANEL:

DATE OF PANEL:

Called in by 
Mr. Edward Smith

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APPENDIX 3

**Reasons for Call-in by Councillor calling in the
decision**

&

**Briefing Note in response to called in decision
TO FOLLOW**

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(1) Reason why decision is being called in (Part 1):

1. There are major concerns over the award of the Brimsdown Avenue/Croft Road refurbishment contract.
2. (Part 2 reasons)
3. Low tenders of this sort sometimes indicate financial difficulty and should therefore have been scrutinised by Philip Pank Partnership, the Council's independent quantity surveyor and the council more carefully.
4. (Part 2 reasons)
5. The council and its Quantity Surveyor should have been aware of the concerns listed in the Part 2 reasons and reported it to the Cabinet Member before the contract was awarded given the very poor performance of other council contractors on refurbishment contracts.
6. There is also concern that the Quantity Surveyor post tender report refers to 73 properties while the council report refers to 84 properties.

(2) Outline of proposed alternative action:

Refer back to Cabinet Member for review of the decision.

(3) Do you believe the decision is outside the policy framework?

No

(4) If Yes, give reasons: n/a

FOR DST USE ONLY:

Checked by Proper Officer for validation –

Name of Proper Officer:

Date:



13/11/17

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