



ADVANCED 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. **BURY STREET WEST - APPOINTMENT OF CONTRACTOR** (Pages 1 - 26)
2. **GATWARD GREEN - APPOINTMENT OF BUILDING CONTRACTOR**
(Pages 27 - 44)
3. **MALDON ROAD - APPOINTMENT OF BUILDING CONTRACTOR** (Pages 45 - 60)
4. **NEWSTEAD HOUSE - APPOINTMENT OF BUILDING CONTRACTOR**
(Pages 61 - 78)

This page is intentionally left blank

MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY****Agenda – Part: 1****KD Num: 5047****Subject: Bury Street West Former Depot
Site N9 9LA – Appointment of contractor****OPERATIONAL DECISION OF:****Wards: Bush Hill Park**

Executive Director of Place

in consultation with the Cabinet Member for Finance and Procurement, the Director of Housing and Regeneration and the Leader of the Council (Responsible for New Supply).

Contact officer and telephone number: Max Houseago, DD: 0208 148 4381

Email: Max.houseago@enfield.gov.uk

1. EXECUTIVE SUMMARY

2. Cabinet agreed on 16th Oct 2019 (KD4791) the appropriation of the site from the General Fund to the Housing Revenue Account. In addition, it agreed to approve the increase of £20.3m to the HRA capital programme to fund the development and land purchase associated with at least 25 Council Homes and 25 private sale units; with an option to increase proportionally at up to £250,000 per additional unit.

3. Cabinet also agreed to delegate authority to the Executive Director of Place, in consultation with the Cabinet Member for Finance and Procurement, the Director of Housing and Regeneration and the Cabinet Member for Social Housing:

The award of construction work contracts for the demolition and redevelopment of the site, project management and procurement arrangements including operational resourcing, design teams, and appointments for all pre and post contract construction services, and the potential submission of a revised planning application.

4. This report seeks approval of the award of the works contract to a Contractor.

2. RECOMMENDATIONS

- 2.1 Approval for the construction contract award for Bury Street West Former Depot Site to the Contractor named in Part 2 report through the Notting Hill Genesis Framework.
- 2.2 Approval of the remaining scheme expenditure for the project including the Works and all professional & technical costs.
- 2.3 That the Director of Housing and Regeneration has delegated authority to vary the number and tenure mix of the development.

3. BACKGROUND

- 3.1 The provision and growth of good quality, affordable homes are a key priority for the Council as set out in report KD4830 of 13 February 2019. KD4830 confirmed the resolution to deliver additional social and affordable rented homes owned by the Council and Cabinet delegated authority to the Director of Housing and Regeneration in consultation with the Director of Finance to approve third party land and property acquisitions subject to due diligence and valuations.
- 3.2 Following submission of the “Building Council Homes for Londoners” (BCHL) bid to the GLA, the Council were successful in securing c£18.1m of grant. This funding along with RtB receipts and HRA headroom borrowing is planned to deliver 3,500 homes in the next 10 years. £2.5m of this grant funding is allocated to Bury Street West Former Depot Site.
- 3.3 Bury Street West Former Depot Site is a key site to help achieve these affordable homes objectives.
- 3.4 Cabinet agreed on 16th Oct 2019 (KD4791) the following:
- 3.5 Agree to appropriate Bury Street West depot from the General Fund to the Housing Revenue Account at the certified market value of £3.5m plus overage in accordance with the Heads of Terms.
- 3.6 Approve the increase of £20.3m to the HRA capital programme to fund the development and land purchase associated with at least 25 Council Homes and 25 private sale units with an option to increase proportionally at up to £250,000 per additional unit.

- 3.7 Delegate authority to the Executive Director of Place in consultation with the Cabinet Member for Finance and Procurement, the Director of Housing and Regeneration and the Cabinet Member for Social Housing:

The award of construction work contracts for the demolition and redevelopment of the site, project management and procurement arrangements including operational resourcing, design teams, and appointments for all pre and post contract construction services and the potential submission of a revised planning application.

3.8 Budget

Please see part 2 report.

3.9 Start on site / programme

Activity	Date
Cost consultant (Stace) issue latest cost report	04 th Feb. 2020
Preferred contractor issue formal contract sum for BSW Works	28 th Feb. 2020
Enfield Council formally enter into contract with the preferred contractor	11 th Mar. 2020
Preferred Contractor start on site (hoarding, site set up, clearance)	13 th Mar. 2020
Expected Practical Completion	27 th Sept. 2021

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 **Do nothing** - the Council will not be able to place the works contract for this scheme.
- 4.2 It is vital that these homes are delivered to meet the GLA BCHL programme.
- 4.3 The loss of this opportunity would otherwise provide much needed council homes and reduce pressures on the council house waiting list and temporary accommodation budgets.
- 4.4 **OJEU compliant open tender or mini competition through Framework** – these options were considered however the time taken

to procure a contractor through these routes would be considerable. A start on site by March 2020 would not be achievable and GLA funding could be lost. This would make the scheme unviable and unable to progress.

5. REASONS FOR RECOMMENDATIONS

- 5.1 A direct award under the framework is being recommended, as a full tender process would exceed the timeframe for GLA's BCHL programme which requires a start on site by 13th March 2020.
- 5.2 There is a restricted timeframe to draw down the GLA subsidy, resulting in the risk of losing significant funding toward the delivery of the project, if the recommendation is not approved.
- 5.3 The preferred contractor meets the requirements to deliver a scheme within the timescales, to the highest energy efficiency credentials possible within the budget, and with a track record of successfully delivering similar schemes in London within the price and quality required.
- 5.4 As one of the few councils to declare a climate change emergency, a decision was made to use the development as an opportunity to deliver the best possible energy efficient sustainable development, with low carbon emissions, within the available budget. This will establish Enfield Council's commitment to significantly reducing carbon emissions and delivering sustainable homes. If the project is not progressed these benefits will not be realised.
- 5.5 This proposal contributes to the affordable homes' targets identified in the GLA BCHL programme and meets the 2019/20/21 targets.
- 5.6 The contract price provides good value for money, taking into account the timescales to achieve the drawdown of grant and development programme.
- 5.6 The delivery of the site will provide 50 units, plus the possibility of a further 15 pipeline housing units subject to planning approval.
- 5.7 By entering into construction contract to secure GLA funding this gives the flexibility to negotiate an additional increase in affordable council housing, subject to viability. This will also give the opportunity to review and negotiate the build costs with the appointed contractor.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

Refer to part 2 of this report

6.2 Legal Implications

6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to public law principles. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others.

6.2.2 Furthermore, pursuant to section 8 of the Housing Act 1985, the Council is required to consider the housing conditions and needs of their area with respect to the provision of housing accommodation. Section 9 of the Act empowers the Council to provide housing accommodation by erecting houses, or converting buildings into houses, on land acquired by them or by acquiring houses, and section 111 of the Local Government Act 1972 gives local authorities the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

6.2.3 The value of the contract exceeds the EU threshold for works, which means that the Public Contracts Regulations 2015 (PCR 2015) apply to the procurement. The use of a framework is a compliant route to award, provided that the procurement process complies with the PCR 2015, the Council's Contract Procedure Rules (CPR), and the terms of the framework itself.

6.2.4 As the value of the contract is over £1million, under the Council's CPR the contractor must be required to provide 'sufficient security' as defined in the CPR (including a parent company guarantee or a performance bond).

6.2.5 The form of contract must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.

6.2.6 The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.

6.2.7 As the value of this contract is over £250,000 it is a Key Decision and

the Council must comply with the Key Decision procedure set out in its Constitution.

- 6.2.8 With reference to Recommendation 2.2, any such variations would need to be submitted for consideration by the local planning authority and depending on the scale of the change, may need a separate application, or variation to existing agreement, in compliance with the Town and Country Planning Act 1990.

6.3 Property Implications

- 6.3.1 Strategic Property Services supports the construction and delivery of the additional housing units.
- 6.3.2 Disposal of market for sale homes element of the development will be in accordance with the property procedure rules and will be at best consideration. The remaining homes will be retained by the Council as a part of the housing stock and for rent.
- 6.3.3 The use of a Design and Build construction contract should enable the transfer of significant levels of risk to the contractor in terms of pricing and design. However, to retain control of the build quality, the Employers Requirements should be sufficiently prescriptive ensuring that, where not, that outputs are robustly defined. This has been achieved by developing the design to RIBA Stage 4a and by ensuring the original LBE design team is appointed by the Contractor.
- 6.3.4 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Housing Property Services for input onto the Asset Management Data System, APEX, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 A review of known suitable works framework agreements was undertaken by the Service to identify available agreements to the Council, critiquing each option to narrow down those that can be considered, considering delivery timescales.
- 6.4.2 Due diligence and approval of the Notting Hill Genesis Framework Agreement, the preferred agreement, has been undertaken by the Procurement & Commissioning Hub prior to any procurement.
- 6.4.3 A business case was presented to the Procurement & Commissioning Review Board on 10/09/2019 that reviewed the procurement and

approved.

- 6.4.4 The Call-Off from the Framework must be carried out in line with the relevant framework process and via the Councils E-Tendering Portal, with all documentation retained.
- 6.4.5 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.6 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7. KEY RISKS

- 7.1 There are a number of risks associated with this project, with the Council taking on the role of developer and directly commissioning a contractor through a Design & Build contract, though the JCT form of contract does pass design risk onto the contractor.
- 7.2 The key risks are set out in the Part 2 report.

8. INTERNAL DEPARTMENT IMPLICATIONS/CONSULTATION

- 8.1 Internal departments have been involved and consulted where relevant.
- 8.2 The building of new homes is a key indicator for the borough and this will continue to be monitored through the appropriate Management teams and Key Performance Indicators.

9. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

9.1 Good homes in well-connected neighbourhoods

This development will increase the supply of affordable homes, creating sustainable growth. The scheme is of high design and quality; and new homes acquired here will increase the supply of good quality affordable homes in a diverse neighbourhood.

9.2 Sustain strong and healthy communities

Developing and sustaining good quality homes in areas where people desire to live will help to create and maintain strong sustainable communities. The development is located next to a park, lawn bowls club, church, and art centre that offers yoga lessons. This will provide a

mixed offer promoting health and wellbeing; and promoting healthy activities and sporting opportunities.

9.3 Build our local economy to create a thriving place

The investment will improve, and provide, an enhanced offer to this part of Enfield. The proposal will create a step change in the local community.

10. EQUALITIES IMPACT IMPLICATIONS

10.1 Although there is no requirement to complete an EQIA on the procurement of this contract, we have had due regard to the requirements of the Public Sector Equality Duty

- eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act^[1]
- advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it
- foster good relations between people who share a relevant protected characteristic and those who do not share it

10.2 We are satisfied that the chosen contractor has an equality policy in relation to employment and will help the council meet its equality duties.

10.3 An EQIA will be completed at relevant points in the development of the scheme.

10.4 It should be noted that any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010. Projects or work stream deriving from this may be subject to an Equalities Impact Assessment, therefore the work streams will be reviewed to ensure that the council meets the Public Sector Duty of the Equality Act 2010.

11. PUBLIC HEALTH IMPLICATIONS

11.1 Housing is fundamental to human health as demonstrated by that life expectancy in the homeless is in the order of 30 years less than the national average. Providing good affordable housing will put in place a basic building block of health.

Background Papers

Appendix 1 – BSW Scheme layout and Block Plan

^[1] Equality Act 2010

Appendix 2 – BSW Accommodation Schedule

DRAFT

Area Schedule

Unit E03 The Biscuit Factory
100 Clements Road, London, SE16 4DG
T: +44 (0)207 566 6500

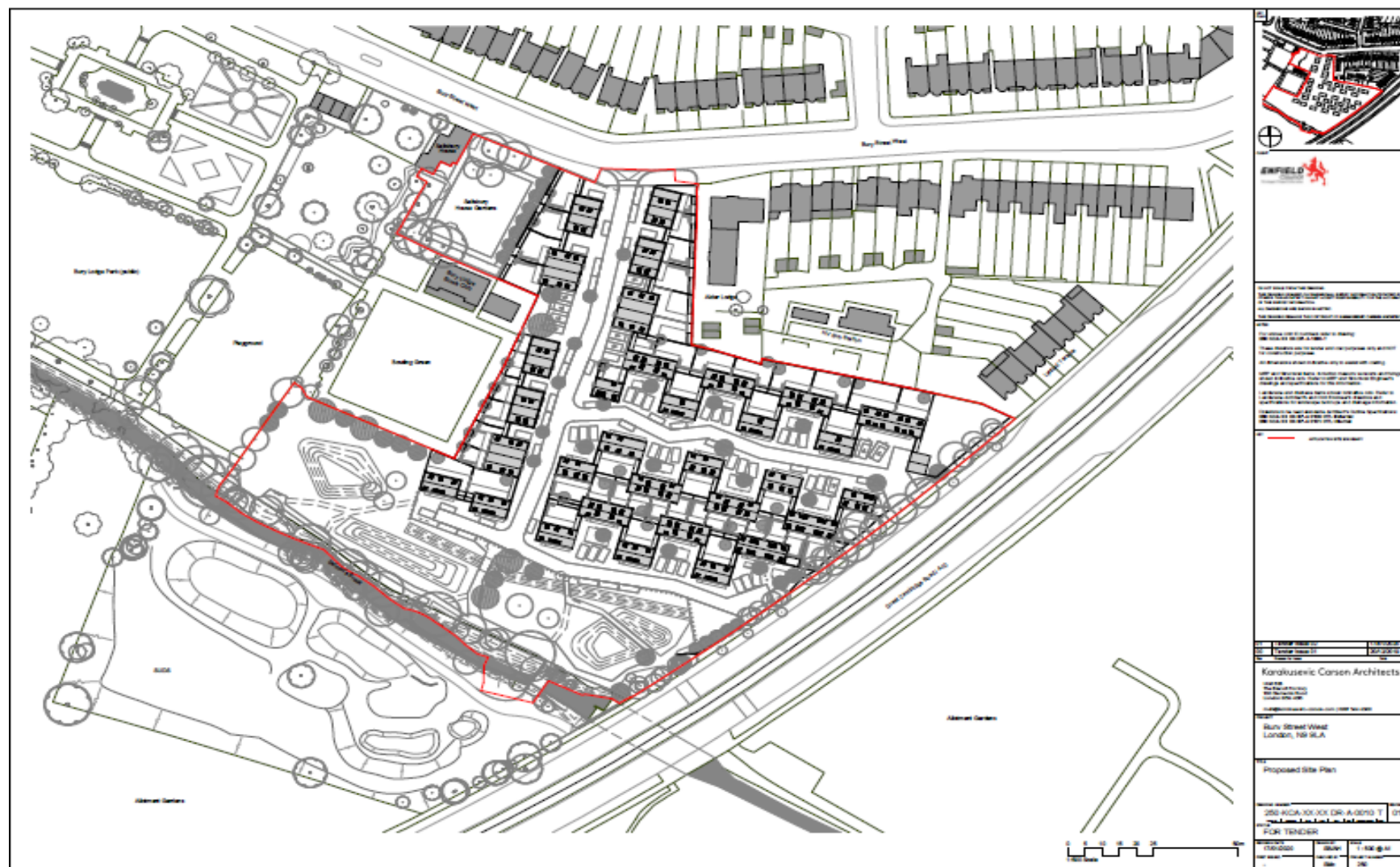
mail@karakusevic-carson.com

250-KCA-XX-XX-SA-A-0100-ARE

20/12/2019

Type Number		No. Units	Number of Storeys	Unique Unit ID Numbers	Unit Description	GFA (m ²) / Floor			GFA (m ²) / Unit	Total GFA (m ²) / Unit Type	GGA (m ²) / Floor			GGA (m ²) / Unit	Total GGA (m ²) / Unit Type	Site Area (m ²)
						00	01	02			00	01	02			
Type 1	4B2P	6	3	12, 25, 38, 41, 54, 57, 41.	4B2P Detached House	56.3	34.5	56.3	152.1	912.6	73.2	73.2	73.2	219.6	1317.6	1.86
Type 2	4B2P	1	3	40	4B2P Detached House	67.9	46.9	67.9	182.7	182.7	87.2	87.2	87.2	261.6	261.6	
Type 3	3B2P	5	2	1, 10, 42, 45, 48.	3B2P Detached House	56.3	56.3	-	112.6	563.0	73.2	73.2	-	146.4	732.0	
Type 4	3B2P	14	3	31, 23, 26, 35, 36, 43, 46, 47, 31, 34, 37, 56, 58, 44, 47.	3B2P Semi Detached House (Side Entrance)	38.4	38.4	38.4	115.2	1612.8	50.2	50.2	50.2	150.6	2108.4	
Type 5	3B2P	4	2	3, 9, 4, 4, 10.	3B2P Semi Detached House (Front Entrance)	56.3	56.3	-	112.6	450.4	70.1	70.1	-	140.2	560.8	
Type 6	3B2P	2	2	0, 4, 18.	3B2P Semi Detached House (WALL)	62.3	62.3	-	124.6	249.2	76.6	76.6	-	153.2	306.4	
Type 7	2B4P	1	2	19	2B4P Detached House	40.8	40.8	-	81.6	81.6	54.9	54.9	-	109.8	109.8	
Type 8	2B4P	10	2	3, 5, 7, 14, 16, 4, 2, 6, 8, 13, 15.	2B4P Semi Detached House	40.8	40.8	-	81.6	816.0	52.6	52.6	-	105.2	1052.0	
Type 9	2B2P	4	2	32, 49, 4, 33, 50.	2B2P Semi Detached House	38.4	38.4	-	76.8	307.2	50.2	50.2	-	100.4	401.6	
Type 10	2B2P	2	2	39, 4, 30.	2B2P Semi Detached House (WALL)	50.1	50.1	-	100.2	200.4	64.1	64.1	-	128.2	256.4	
Type 11	2B2P	1	2	31	2B2P Detached House (WALL)	50.1	50.1	-	100.2	100.2	65.9	65.9	-	131.8	131.8	
Totals		50.0				522.7	519.9	162.6	1245.2	5476.1	718.2	718.2	210.6	3647.0	7236.4	

Note: Void above private stairs are included within the Residential GFA.



This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY****PORTFOLIO DECISION OF:**

Cllr Caliskan, Leader of Council

REPORT OF: Director of
Housing and Regeneration
and Director of Finance

Agenda – Part: 1**KD Num: 4963**

Subject: Appointment of Building Contractor
for the construction of 12 houses at Gatward
Green

Wards: Edmonton

Contact officer and telephone number: Rita Bailey 020 8132 0709

Email: rita.bailey@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 The delivery of good quality affordable Council homes is a key priority for Enfield Council. Housing is a key driver to achieving Enfield's vision of a place where people choose to live and work.
- 1.2 In December 2016, planning consent was granted for the Council's own development of 12 houses for affordable rent at Gatward Green.
- 1.3 In February 2019, Cabinet approved (KD4830) Strategy for Building Better Council homes. The report recommended to delegated authority to Cabinet Member for Housing in consultation with Director of Finance to approve individual schemes in the Building Council Homes for London housing programme and in consultation with the Director of Law and Governance approve the procurement and award of works contracts and consultants in support of the BCHL development programme.
- 1.4 The Council has undertaken a procurement process to appoint a building contractor. Tenders have been received and evaluated, and due diligence has been carried out on the preferred contractor.
- 1.5 This report recommends that the Council enters into contract with the most economically advantageous tenderer.

2. RECOMMENDATIONS

It is recommended that;

- 2.1 Subject to approval of the HRA 30-year business plan KD4969 the expenditure to deliver this project is approved as set out in Part 2 of this report.
- 2.2 The building contractor with the most economically advantageous tender is awarded the contract to construct 12 houses at Gatward Green as set out in paragraph 3.13 of this report.

3. BACKGROUND

- 3.1 In September 2014, cabinet approved the strategy to bring forward underutilized garage sites and estate land for the development of new homes "Small Housing Sites: Five-Year Programme (KD3920). The report authorised the budget to progress design works to deliver approx. 100 new homes including the Council's approach for developing council owned sites across the borough for housing as part of the Small Housing Sites rolling programme. Gatward Green was included in this programme and design works were progressed with the Council's architect resulting in a planning application being submitted in 2016.
- 3.2 Following the Council's commitment to directly deliver more council housing the scheme was included in the wider development programme. The scheme has a GLA grant allocation of £420,000 under the Mayors Homes for London programme 2016/21, which requires the scheme start on site in March.
- 3.3 Planning consent for the Council's proposed development of 12 houses for affordable rent at Gatward Green was granted in December 2016.
- 3.4 Gatward Green development consists of seven 2-storey 2bed houses on (Site 2) including one wheelchair home, and five 3-storey 3bed houses on (Site 3) with associated landscaping, refuse storage and new parking provisions on (Site 1).
- 3.5 The Council appointed STACE as the contract administrators for the delivery of the project and a design team in July 2019, to prepare detailed design in order to undertake a procurement exercise for the appointment of a building contractor. The procurement process has now been completed and tenders have been returned and evaluated.

TENDERING PROCESS

- 3.6 In line with the requirements in the Council's Contract Procedure Rules for works under the OJEU threshold, five contractors were invited to submit a tender, having formally expressed an interest.
- 3.7 The Council opted for a single stage tendering process, which required the contractors tendering for the works to price the works and propose a fixed price in their tender submission. The contractors were initially given six weeks to return their tender submission through the London Tender Portal.

- 3.8 The Council will appoint through a JCT Design & Build form of contract, which allows for the risk to be transferred to the contractor through the construction phase on fixed price basis.
- 3.9 The Council's architects prepared a detailed set of design drawings along with a revised set of Council Employers Requirements and specification which enabled the contractors to prepare a fully priced tender submission. By designing to RIBA Stage 4 Technical stage, the Council is able to control the quality and achieve more cost certainty through the procurement.

EVALUATION OF TENDERS

- 3.10 A list of five tenderers were jointly selected by the project team based on expression of interest, location, turnover, relevant experience, Construction Line status and proven experience working with the client team. A pre-qualification check through Construction Line was carried out on the contractors invited to tender as such the procurement was based on 100% fixed price.
- 3.11 The Council received four tender returns from the five contractors that were invited to tender.
- 3.12 Details of the tender evaluation contains commercially sensitive information and are included in Part 2 of the report.
- 3.13 The most economically advantageous tenderer is awarded the contract. Further details of their tender submission are included in the Part 2 report.

Social Value

- 3.14 The preferred contractor will be required to provide a minimum of two apprenticeship placements and a written employment and skills strategy demonstrating the provision of employment and training for of people from the local area during the construction. This initiative will be discussed and agreed once the contractor's appointment is confirmed.

SCHEME BUDGET

- 3.15 See Financial Implications in Part 2 of the report.

PROGRAMME

- 3.16 The preferred contractor proposed a programme of 52 weeks in total, with a 12-week, lead-in period from contract award. The preferred contractor anticipates a start on site can be achieved in March 2020 to

meet the GLA funding draw down and estimates that handover of completed homes will be in May 2021.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Construction frameworks were initially considered but discounted given that the value of the project is below the OJEU threshold.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has undertaken a competitive tendering exercise to appoint a building contractor to construct the homes at Gatward Green. By authorising the recommendations in this report, construction works can commence early, by March 2020, to meet the GLA grant conditions.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 Contains commercially sensitive information please refer to Part 2 of the report

6.2 Legal Implications

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles. This includes the power to enter into contracts. In addition, Section 111 of the Local Government Act 1972 permits local authorities to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of their functions.
- 6.2.2 This is a below threshold procurement of a works contract and as such the Public Contracts Regulations 2015 do not apply. However, the Council must comply with all requirements of its Constitution including the Contract Procedure Rules ("CPRs"). Under CPR 3 works contracts with a value of above £500,000 but below the EU threshold require 5 quotes to be received. Whilst 5 contractors were invited to tender, as only 4 quotes were actually received, the P&C Hub must approve the award. This decision together with all supporting documentation must be retained in the E-Tendering portal. CPR 3.7 permits the use of Constructionline for the selection of pre-approved suppliers for Works procurements falling below the EU Threshold.
- 6.2.3 As the value of the contract is above £250,000 the contract will be required to be sealed in legal services.

6.3 Property Implications

- 6.3.1 Gatward Green has been identified for development and the proposal provides delivery of good quality affordable Council homes, which is a key priority for Enfield Council as outlined earlier in this report.
- 6.3.2 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Housing Property Services for input onto the Asset Management Data System, APEX, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN441244).
- 6.4.2 A business case was presented to the Procurement & Commissioning Review Board on 10/09/2019 that reviewed the procurement and approved.
- 6.4.3 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.5 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.6 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.7 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7. KEY RISKS

- 7.1 The key risks are mainly related to construction and market conditions. The Council is mitigating this risk by appointing a multi-disciplinary team, designing a scheme that is viable and affordable within the Council's HRA business plan and commissioning a contractor through a Design & Build Contract, which will be closely monitored throughout the construction phase.
- 7.2 A project risk register has been set up and key risks are set out in Part 2 of the report.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

- 8.1 **Good homes in well-connected neighbourhoods** this development will increase the supply of affordable housing for residents living the borough and will contribute towards the council new homes housing target.
- 8.2 **Sustain strong and healthy communities** this development will provide much needed good quality housing for residents and will bring the underutilize garage sites into better use and improve the anti-social behaviour in this area.
- 8.3 **Build our local economy to create a thriving place** this development is located within easy walking distance of good public transport services and local shops and amenities the PTAL rating of 2/4 reflects this.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 Corporate advice has been sought and whilst there are no equality implications in agreeing the contractor, we will complete a Predictive Equalities Impact Assessment to ensure that the contractor supports the Council to its obligations under the Public Sector Duty of the Equality Act 2010. In addition to this it should be noted that any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010. In particular to reduce socio-economic disadvantage by using local labour and local chain supplies and providing apprenticeship places for young people.

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The Council and Employers Agent will monitor the performance of the contractor against the tendered programme, milestones and critical path and ensure that staged payments are made to the contractor based on progress against the agreed programme.
- 10.2 As stipulated in the Council's Employers Requirements, on entering into Contract the Contractor shall provide a Performance Bond from a bank, insurance company or guarantee society approved by the Employer, for a sum equal to 10% of the Contract sum for securing the due and complete performance of the Contract and all obligations to which the Contractor may be liable under the Contract.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 The Council has appointed a Principle Designer, from the consultants Stace who are responsible for fulfilling the obligation under (CDM) Construction Design Management Regulations 2015. The Principle Designer has and will continue to undertake the required construction activities including during the construction works programme in liaison with the principle contractor.
- 11.2 The Principle Designer has reviewed the Health & Safety documents from the tenders and confirmed the preferred contractor Ark Build PLC documents were acceptable.

12. PUBLIC HEALTH IMPLICATIONS

- 12.1 Housing is a basic tenet of a healthy life as evidenced by the 30 gap in life-expectancy between homeless people and the general population. Building good quality social housing will therefore have a positive effect on the health of the public.

Background Papers

none

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY****PORTFOLIO DECISION OF:**

Cllr Caliskan, Leader of
Council

REPORT OF: Director of
Housing and Regeneration
and Director of Finance

Contact officer and telephone number: 020 8132 0709

Email: Rita.Bailey@enfield.gov.uk

Agenda – Part: 1	KD Num: 4964
Subject: Appointment of Building Contractor for the construction of 10 flats at Maldon Road	
Wards: Haselbury	

1. EXECUTIVE SUMMARY

- 1.1 The delivery of good quality affordable Council homes is a key priority for Enfield Council. Housing is a key driver to achieving Enfield's vision of a place where people choose to live and work.
- 1.2 In April 2018, planning consent was granted for the Council's own development of 10 flats for social rent on Maldon Road car park
- 1.3 In February 2019, Cabinet approved (KD4830) Strategy for Building Better Council homes. The report recommended to delegated authority to Cabinet Member for Housing in consultation with Director of Finance to approve individual schemes in the Building Council Homes for London housing programme and in consultation with the Director of Law and Governance approve the procurement and award of works contracts and consultants in support of the BCHL development programme.
- 1.4 The Council has undertaken a procurement process to appoint a building contractor. Tenders have been received and evaluated, and due diligence has been carried out on the preferred contractor.
- 1.5 This report recommends that the Council enters into contract with the most economically advantageous tenderer.

2. RECOMMENDATIONS

It is recommended that;

- 2.1 Subject to approval of the HRA 30-year business plan KD4969 the expenditure to deliver this project is approved as set out in Part 2 of this report.
- 2.2 The building contractor with the most economically advantageous tender is awarded the contract to construct the 10 flats at Maldon Road as set out in paragraph 3.13 of this report.

3. BACKGROUND

- 3.1 In September 2014, cabinet approved the strategy to bring forward underutilized garage sites and estate land for the development of new homes "Small Housing Sites: Five-Year Programme (KD3920). The report authorised the budget to progress design works to deliver approx. 100 new homes including the Council's approach for developing council owned sites across the borough for housing as part of the Small Housing Sites rolling programme. Maldon Road car park development was included in this programme and design works were progressed with the Council's architect resulting in a planning application being submitted in 2016.
- 3.2 Following the Council's commitment to directly deliver more council housing the scheme was included in the wider development programme. The scheme has a GLA grant allocation of £600,000 under the Mayors Homes for London programme 2016/21, which requires the scheme start on site in March.
- 3.3 Planning consent for the Council's proposed development of 10 flats for social rent for older persons on Maldon Road car park (Site 1) was granted in April 2018. The planning consent also included for the re-development of Newstead House (Site 2).
- 3.4 Maldon Road car park development is a 3-storey block of flats consisting of nine - 1bed flats (including a wheelchair unit) and one - 2bed flat. The development is a re-provision for the homes that will be lost due to the demolition of Newstead House a former sheltered housing block. Residents who previously occupied a flat in Newstead House will be given priority to one of the new flats.

- 3.5 The Council appointed STACE as the contract administrators for the delivery of the project and a design team in July 2019, to prepare detailed design in order to undertake a procurement exercise for the appointment of a building contractor. The procurement process has now been completed and tenders have been returned and evaluated.

TENDERING PROCESS

- 3.6 In line with the requirements in the Council's Contract Procedure Rules for works under the OJEU threshold, five contractors were invited to submit a tender, having formally expressed an interest.
- 3.7 The Council opted for a single stage Design and Build tender, which required the contractors to price the works and propose a fixed price in their tender submission. The contractors were initially given six weeks to return their tender submission through the London Tender Portal.
- 3.8 The Council will appoint through a JCT Design & Build form of contract, which allows for the risk to be transferred to the contractor through the construction phase on fixed price basis.
- 3.9 The Council's architects prepared a detailed set of design drawings along with a revised set of Council Employers Requirements and specification which enabled the contractors to prepare a fully priced tender submission. By designing to RIBA Stage 4 Technical stage, the Council is able to control the quality and achieve more cost certainty through the procurement.

EVALUATION OF TENDERS

- 3.10 A list of five tenderers were jointly selected by the project team based on expression of interest, location, turnover, relevant experience, Construction Line status and proven experience working with the client team. A pre-qualification check through Construction Line was carried out on the contractors invited to tender and the evaluation was based on 100% fixed price.
- 3.11 The Council received three tender returns from the five contractors that were invited to tender.
- 3.12 The Council's consultants have evaluated the three tenders that were received as per the evaluation criteria which was based on 100% fixed price.
- 3.12 Details of the tender evaluation contains commercially sensitive information and are included in Part 2 of the report.
- 3.13 The most economically advantageous tender is awarded the contract. Further details of their tender submission are included in the Part 2

report. Further details of their tender submission are included in the Part 2 report.

Social Value

- 3.14 The preferred contractor will be required to provide a minimum of one apprenticeship placement and a written employment and skills strategy demonstrating the provision of employment and training for of people from the local area during the construction. This initiative will be discussed and agreed once the contractor's appointment is confirmed.

SCHEME BUDGET

- 3.15 Contains commercially sensitive information please refer to Part 2 of the report

PROGRAMME

- 3.16 The preferred contractor has proposed a programme of 62 week in total, with 12 weeks lead-in period and 50 weeks construction. The preferred contractor anticipates a start on site in March 2020 and estimates that handover of completed homes will be in May 2021.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Construction frameworks were initially considered but discounted given that the value of the project is below the OJEU threshold.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has undertaken a competitive tendering exercise to appoint a building contractor to construct the homes at Maldon Road car park. By authorising the recommendations in this report, construction works can commence early, by March 2020 to meet the GLA grant conditions.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1.1 Financial Implications

Please refer to Part 2 of the report

6.2 Legal Implications

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles. This includes the power to enter into contracts. In addition, Section 111 of the Local Government Act 1972 permits local authorities to do

anything which is calculated to facilitate, or is conducive or incidental to, the discharge of their functions.

6.2.2 This is a below threshold procurement of a works contract and as such the Public Contracts Regulations 2015 do not apply. However, the Council must comply with all requirements of its Constitution including the Contract Procedure Rules ("CPRs"). Under CPR 3 works contracts with a value of above £500,000 but below the EU threshold require 5 quotes to be received. Whilst 5 contractors were invited to tender, as only 3 quotes were actually received, the P&C Hub must approve the award. This decision together with all supporting documentation must be retained in the E-Tendering portal. CPR 3.7 permits the use of Constructionline for the selection of pre-approved suppliers for Works procurements falling below the EU Threshold.

6.2.3 As the value of the contract is above £250,000 the contract will be required to be sealed in legal services.

6.3 Property Implications

6.3.1 Maldon Road has been identified for development and the proposal provides delivery of good quality affordable Council homes, which is a key priority for Enfield Council as outlined earlier in this report.

6.3.2 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Housing Property Services for input onto the Asset Management Data System, APEX, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN441244).

6.4.2 A business case was presented to the Procurement & Commissioning Review Board on 10/09/2019 that reviewed the procurement and approved.

6.4.3 As the contract is over £250k the service must ensure that sufficient security has been considered.

6.4.5 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.

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

- 6.4.7 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7. KEY RISKS

- 7.1 The key risks are mainly related to construction and market conditions. The Council is mitigating this risk by appointing a multi-disciplinary team, designing a scheme that is viable and affordable within the Council's HRA business plan and commissioning a contractor through a Design & Build Contract, which will be closely monitored throughout the construction phase.
- 7.2 A project risk register has been set up and key risks are set out in Part 2 of the report.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

- 8.1 **Good homes in well-connected neighbourhoods** this development will increase the supply of affordable housing for older people living in the borough and will contribute towards the council new homes housing target.
- 8.2 **Sustain strong and healthy communities** this development will provide much needed good quality housing for older people living in the borough. The design and layout of the units will encourage older people to be able to live more independently. The development has a communal garden where residents will be able to come together and feel safe.
- 8.3 **Build our local economy to create a thriving place** this development is located within easy walking distance of good public transport services and local shops and amenities the PTAL rating of 2/4 reflects this.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 Corporate advice has been sought and whilst there are no equality implications in agreeing the contractor, we will complete a Predictive Equalities Impact Assessment to ensure that the contractor supports the Council to its obligations under the Public Sector Duty of the Equality Act 2010. In addition to this it should be noted that any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010. In particular to reduce socio-economic disadvantage by using local labour and local chain supplies and providing apprenticeship places for young people.

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The Council and Employers Agent will monitor the performance of the contractor against the tendered programme, milestones and critical path and ensure that staged payments are made to the contractor based on progress against the agreed programme.
- 10.2 As stipulated in the Council's Employers Requirements, on entering into Contract the Contractor shall provide a Performance Bond from a bank, insurance company or guarantee society approved by the Employer, for a sum equal to 10% of the Contract sum for securing the due and complete performance of the Contract and all obligations to which the Contractor may be liable under the Contract.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 The Council has appointed a Principle Designer, from the consultants Stace who are responsible for fulfilling the obligation under (CDM) Construction Design Management Regulations 2015. The Principle Designer has and will continue to undertake the required construction activities including during the construction works programme in liaison with the principle contractor.
- 11.2 The Principle Designer has reviewed the Health & Safety documents from the tenders and confirmed the preferred contractor Neilcott Construction Limited documents were acceptable.

12. PUBLIC HEALTH IMPLICATIONS

- 12.1 Housing is a basic tenet of a healthy life as evidenced by the 30 gap in life-expectancy between homeless people and the general population. Building good quality social housing will therefore have a positive effect on the health of the public.

Background Papers

None

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY****PORTFOLIO DECISION OF:**

Cllr Caliskan, Leader of Council

REPORT OF: Director of
Housing and Regeneration
and Director of Finance

Agenda – Part: 1**KD Num: 4965**

Subject: Appointment of Building Contractor
for the construction of 12 houses at
Newstead House

Wards: Haselbury

Contact officer and telephone number: Rita Bailey 020 8132 0709

Email: rita.bailey@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 The delivery of good quality affordable Council homes is a key priority for Enfield Council. Housing is a key driver to achieving Enfield's vision of a place where people choose to live and work.
- 1.2 In April 2018, planning consent was granted for the Council's own development of 12 houses for affordable rent at Newstead House.
- 1.3 In February 2019, Cabinet approved (KD4830) Strategy for Building Better Council homes. The report recommended to delegated authority to Cabinet Member for Housing in consultation with Director of Finance to approve individual schemes in the Building Council Homes for London housing programme and in consultation with the Director of Law and Governance approve the procurement and award of works contracts and consultants in support of the BCHL development programme.
- 1.4 The Council has undertaken a procurement process to appoint a building contractor. Tenders have been received and evaluated, and due diligence has been carried out on the preferred contractor. This report recommends that the Council enters into contract with the most economically advantageous tenderer.

2. RECOMMENDATIONS

It is recommended that;

- 2.1 Subject to approval of the HRA 30-year business plan KD4969 the expenditure to deliver this project is approved as set out in Part 2 of this report.
- 2.2 The building contractor with the most economically advantageous tenderer is awarded the contract to construct 12 houses at Newstead House as set out in paragraph 3.14 of this report.

3. BACKGROUND

- 3.1 In September 2014, cabinet approved the strategy to bring forward underutilized garage sites and estate land for the development of new homes “Small Housing Sites: Five-Year Programme (KD3920). The report authorised the budget to progress design works to deliver approx. 100 new homes including the Council’s approach for developing council owned sites across the borough for housing as part of the Small Housing Sites rolling programme. Newstead House was included in this programme and design works were progressed with the Council’s architect resulting in a planning application being submitted in 2016.
- 3.2 Following the Council’s commitment to directly deliver more council housing the scheme was included in the wider development programme. Planning consent for the Council’s proposed development of 12 houses for affordable rent at Newstead House (Site 2) was granted in April 2018. The planning consent also included the development of Maldon Road car park (Site 1)
- 3.3 Newstead House is a former sheltered housing block which will be demolished and re-developed to provide 12 new 2-storey houses consisting of ten 3beds and one 2bed (wheelchair home).
- 3.4 A programme to decant residents out of Newstead House commenced in 2016, all residents have now been re-located to alternative accommodation with the option to return to Maldon Road.
- 3.5 The Council appointed STACE as the contract administrators for the delivery of the project and a design team in July 2019, to prepare detailed design in order to undertaken a procurement exercise for the appointment of a building contractor. The procurement process has now been completed and tenders have been returned and evaluated.

TENDERING PROCESS

- 3.6 In line with the requirements in the Council’s Contract Procedure Rules for works under the OJEU threshold, five contractors were invited to submit a tender, having formally expressed an interest.
- 3.7 The Council opted for a single stage tendering process, which required the contractors tendering for the works to price the works and propose a fixed price in their tender submission. The contractors were initially given six weeks to return their tender submission through the London Tender Portal.
- 3.8 The Council invited tenders for a JCT Design & Build form of contract, which passes more design risk to the contractor.

- 3.9 The Council's architects prepared a detailed set of design drawings along with a revised set of Council's Employers Requirements and specification which enabled the contractors to prepare a fully priced tender submission. By designing to RIBA Stage 4 Technical stage, the Council is able to control the quality and achieve more cost certainty through the procurement.

EVALUATION OF TENDERS

- 3.10 A list of five tenderers were jointly selected by the project team based on expression of interest, location, turnover, relevant experience, Construction Line status and proven experience working with the client team. A pre-qualification check through Construction Line was carried out on the contractors invited to tender as such the procurement was based on 100% fixed price.
- 3.11 The Council received three tender returns from the five contractors that were invited to tender.
- 3.12 The Council's consultants have evaluated the three tenders that were received as per the evaluation criteria which was based on 100% fixed price.
- 3.13 Details of the tender evaluation contains commercially sensitive information and are included in Part 2 of this report.
- 3.14 The most economically advantageous tender is awarded the contract. Further details of their tender submission are included in the Part 2 report.

Social Value

- 3.15 The preferred contractor will be required to provide a minimum of two apprenticeship placements and a written employment and skills strategy demonstrating the provision of employment and training for of people from the local area during the construction. This initiative will be discussed and agreed once the contractor's appointment is confirmed.

PROGRAMME

- 3.16 The preferred contractor submitted a tender programme of 62 weeks in total, with 10-weeks lead-in period from contract award and 52 weeks construction. The preferred contractor anticipates a start on site in May 2020 and estimate that handover of completed homes will be in May 2021.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Construction frameworks were initially considered but discounted given that the value of the project is below the OJEU threshold.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has undertaken a competitive tendering exercise to appoint a building contractor to construct the homes at Newstead House. By authorising the recommendations in this report, construction works can commence May 2020.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.2 Contains commercially sensitive information please refer to Part 2 of the report

6.2 Legal Implications

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles. This includes the power to enter into contracts. In addition, Section 111 of the Local Government Act 1972 permits local authorities to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of their functions.
- 6.2.2 This is a below threshold procurement of a works contract and as such the Public Contracts Regulations 2015 do not apply. However, the Council must comply with all requirements of its Constitution including the Contract Procedure Rules ("CPRs"). Under CPR 3 works contracts with a value of above £500,000 but below the EU threshold require 5 quotes to be received. Whilst 5 contractors were invited to tender, as only 3 quotes were actually received, the P&C Hub must approve the award. This decision together with all supporting documentation must be retained in the E-Tendering portal. CPR 3.7 permits the use of Constructionline for the selection of pre-approved suppliers for Works procurements falling below the EU Threshold.
- 6.2.3 As the value of the contract is above £250,000 the contract will be required to be sealed in legal services.

6.3 Property Implications

- 6.3.1 Newstead House has been identified for development and the proposal provides delivery of good quality affordable Council homes, which is a key priority for Enfield Council as outlined earlier in this report.
- 6.3.2 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Housing Property Services for input onto the Asset Management Data System, APEX, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN441244).
- 6.4.2 A business case was presented to the Procurement & Commissioning Review Board on 10/09/2019 that reviewed the procurement and approved.
- 6.4.3 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.5 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.6 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.7 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7. KEY RISKS

- 7.1 The key risks are mainly related to construction and market conditions. The Council is mitigating this risk by appointing a multi-disciplinary team, designing a scheme that is viable and affordable within the Council's HRA business plan and commissioning a contractor through a Design & Build Contract, which will be closely monitored throughout the construction phase.
- 7.2 A project risk register has been set up and key risks are set out in Part 2 of the report.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

- 8.1 **Good homes in well-connected neighbourhoods** this development will increase the supply of affordable housing for residents living in the borough and will contribute towards the council new homes housing target.
- 8.2 **Sustain strong and healthy communities** this development will provide much needed good quality housing for residents.

- 8.3 **Build our local economy to create a thriving place** this development is located within easy walking distance of good public transport services and local shops and amenities the PTAL rating of 2/4 reflects this.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 Corporate advice has been sought and whilst there are no equality implications in agreeing the contractor, we will complete a Predictive Equalities Impact Assessment to ensure that the contractor supports the Council to its obligations under the Public Sector Duty of the Equality Act 2010. In addition to this it should be noted that any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010. In particular to reduce socio-economic disadvantage by using local labour and local chain supplies, providing apprenticeship places for young people.

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The Council and Employers Agent will monitor the performance of the contractor against the tendered programme, milestones and critical path and ensure that staged payments are made to the contractor based on progress against the agreed programme.
- 10.2 As stipulated in the Council's Employers Requirements, on entering into Contract the Contractor shall provide a Performance Bond from a bank, insurance company or guarantee society approved by the Employer, for a sum equal to 10% of the Contract sum for securing the due and complete performance of the Contract and all obligations to which the Contractor may be liable under the Contract.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 The Council has appointed a Principle Designer, from the consultants Stace who are responsible for fulfilling the obligation under (CDM) Construction Design Management Regulations 2015. The Principle Designer has and will continue to undertake the required construction activities including during the construction works programme in liaison with the principle contractor.
- 11.2 The Principle Designer has reviewed the Health & Safety documents from the tenders and confirmed the preferred contractor Neilcott Construction Limited documents were acceptable.

12. PUBLIC HEALTH IMPLICATIONS

- 12.1 Housing is a basic tenet of a healthy life as evidenced by the 30 gap in life-expectancy between homeless people and the general population.

Building good quality social housing will therefore have a positive effect on the health of the public.

Background Papers

None

DRAFT

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank