



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. ENFIELD SKILLS ACADEMY - LEARNING PROVIDER CONCESSION**
(Pages 1 - 42)
- 2. LADDERSWOOD DEED OF VARIATION TO THE DEVELOPMENT
AGREEMENT** (Pages 43 - 48)

This page is intentionally left blank

Please note Part 2 report is now confidential appendix.

London Borough of Enfield

Operational Report Part 1

Report of: **Simon Gardner, Regeneration Director – Meridian Water**

Subject: **Approval of a Deed of Variation with Vistry, Award of Concessions Contract and Lease to Operate the Enfield Skills Academy at Meridian Water**

Executive Director: **Sarah Cary**

Ward: **All Wards**

Key Decision: **KD5384**

Purpose of Report

1. The purpose of this report is to request approval to commence development and planning for the operation of the Enfield Skills Academy. The academy will be built by the developer of Meridian One (Vistry), and operated by a qualified Managed Learning Provider, who tendered for the contract via London Tenders Portal.

Proposal(s)

2. This report seeks:
 - approval for the Council to enter into a concessions contract and ancillary documents [(including a license for the Managed Learning Provider to enter the site to undertake fit out works before commencement of the lease)] with a Managed Learning Provider ('the MLP'), identified as Bidder A in the Confidential Appendix 1, to operate the Enfield Skills Academy at Meridian Water. Approval of the final form of the concessions contract and ancillary documents to be delegated to the Director of Development and the Interim Director of Law and Governance
 - approval for entering a 5-year lease and ancillary documents (including a rent deposit deed) with the MLP, identified as Bidder A in the Confidential Appendix 1, for the purpose-built premises. Approval of the final form of the 5-year lease and ancillary documents to be delegated to the Director of Development and the Interim Director of Law and Governance

Please note Part 2 report is now confidential appendix.

- approval of the Deed of Variation ('the DoV') and ancillary documentation between the Council and Vistry, which provides for further contractual detail agreed after the drafting of the original Development Agreement as summarised in the body of this report. Approval of the final form of the Deed of Variation ('the DoV') and ancillary documents to be delegated to the Director of Development and the Interim Director of Law and Governance
- approve a budget of £1,200,000 to fund the Council's contribution towards the costs of construction of the Skills Academy, as approved by Cabinet on 16th September 2020 (KD 5174).
- approve the establishment of the Skills Academy Board and entry into such documents as are necessary to govern the operation of that board.

Decision maker to note:

- [1] all VAT, estimated at up to £322k must be recoverable by the Council by structuring the lease to ensure the criteria for disapplying the option to tax are not met
- [2] Rentals must be sufficient to meet the cost of loan interest, minimum revenue provision to repay the debt and other revenue expenditure for the full duration of all leases with rent reviews in place to ensure this is achieved

Reason for Proposal(s)

3. To benefit the Enfield and Edmonton community through better access to training and employment opportunities. The Skills Academy's objective is to create varied and accessible routes to education and employment for local people. This will also focus on targeting disadvantaged and under-represented individuals, in the diverse communities nearby.
4. To facilitate a skilled workforce to help build out Meridian Water as well as other new developments and retrofit initiatives across the borough. The Council is aiming to build 10,000 homes at Meridian Water, and a Skills Academy on site will help to inspire and train a workforce pipeline to deliver this.
5. To deliver new jobs as part of the socio-economic strategy for the Meridian Water regeneration area. The Council is aiming to create 6,000 quality jobs at Meridian Water, with 1,000 in construction. This aspiration can only be met if the workforce is suitably trained and skilled.

Relevance to the Council's Corporate Plan

6. **Good homes in well-connected neighbourhoods.**

Please note Part 2 report is now confidential appendix.

The Skills Academy will provide a facility for the Managed Learning Provider (MLP) to train and upskill a workforce to construct new homes at Meridian Water, and across the borough. It will also deliver skills in retrofit to improve the quality of existing homes and promote environmentally sustainable construction approaches.

7. Safe, healthy, and confident communities

The Skills Academy and its MLP will offer opportunities for local people to gain work experience, education, qualifications and to benefit from high quality employment generated by the development, with positive implications on safety, health and security of the community nearby. The Skills Academy will also provide a newly active facility at the bordering Edmonton, creating more footfall and discouraging anti-social behaviour.

8. An economy that works for everyone

The Skills Academy and MLP will play a key role in ensuring the benefits of development and economic growth at Meridian Water can be accessed by local and disadvantaged communities, through making training available to them at an appropriate level, with scope to develop and upskill.

Background

9. As part of the regeneration of Meridian Water, Enfield Council ('The Council') is seeking to create a Skills Academy at Meridian Water, which will train local people for jobs on the site, as well as across the wider construction supply chain in the Borough and across London and the Southeast.
10. At the 16th September 2020 Cabinet meeting, authorisation was given for a Skills Academy to be delivered at Meridian Water (KD 5174). At this meeting authority was delegated to the Meridian Water Programme Director (now with an expanded portfolio and called the Director of Development) in consultation with the Leader of the Council, to make all strategic and implementation decisions related to the Meridian Water Skills Academy within the budget set out in that report. Cabinet further delegated authority to the Director of Development to approve and enter into such amendments necessary (including variations to the Meridian One development agreement) to formalise such arrangements.
11. The Council and Vistry agreed to work together to bring forward the Skills Academy, with the Council providing up to £1.2m in funding, and Vistry £409,960, with the obligation to deliver the academy through their wider development at Meridian One. Planning permission was granted for the Academy on 28th October 2021 (application reference 21/02991/FUL). It was agreed to enter into a Deed of Variation to the original Development Agreement, which would set out the terms and obligations for both parties to deliver the Skills Academy. The final form of the Deed of Variation is close to being finalised at time of writing. The Deed of Variation:

Please note Part 2 report is now confidential appendix.

- requires Vistry to obtain planning permission for and construct the Skills Academy and to use reasonable endeavours to ensure Practical Completion of the Skills Academy by 31st August 2022;
 - provides that, following Practical Completion, Vistry's interest in the building lease in respect of the Skills Academy site will be surrendered to the Council, and the modular buildings and trades areas will be retained by the Council, for reuse elsewhere on the site should the Academy be relocated to a different plot;
 - determines how the costs of construction of the Skills Academy will be split between the Council (74.5%) and Vistry (25.5%). In the event that the costs of construction exceed the budgeted amount, there is no obligation on Vistry to construct the Skills Academy unless the Council agrees to pay the excess and
 - establishes the basis on which the Skills Academy will operate and be governed. A Skills Academy Board will be established before Practical Completion of the construction works and will initially consist of representation from the developers of Meridian One and Two (Vistry), the Strategic Infrastructure Works contractor and from the Council. The Council will have majority representation in line with its majority financial contribution and will always retain 52% voting rights. It is intended that, over time, additional representatives from developers and contractors engaged with the Managed Learning Provider, and delivering Meridian Water schemes, will join the board. The Board will be chaired by the Council's Director of Education.
12. The Managed Learning Provider has been procured through an open and transparent procurement, led by the Council with input from Vistry, this report summarises this procurement and seeks approval to appoint. A Concessions contract will be entered into, and draft Heads of Terms are included within the Confidential appendices which will inform the associated lease negotiation. The successful bidder was considered by evaluators to have offered the most economically advantageous proposal, and a guarantee of delivering the KPI's requested by the Council in terms of target groups and numbers of learners through the academy. Appendix 3 outlines the KPI's listed within the agreement. The Concession Agreement:
- Operates as an agreement for lease, e.g. an agreement for lease will be granted to the MLP following practical completion of the construction works. In the event that completion is delayed beyond 31st January 2023 then the Concession Agreement may be terminated by either party. The agreed heads of terms of the lease are appended to this report; and
 - Appoints the MLP to operate the Skills Academy for a 5-year term (unless terminated earlier for breach or if the MLP's turnover in respect of the site exceeds the current turnover threshold under the Concessions Contract Regulations, or if the MLP exercises their break option) and sets out the service and reporting requirements in this regard.

Please note Part 2 report is now confidential appendix.

- Approval of the Skills Academy Board will be required to terminate the Concessions Contract.
 - The MLP's obligations under the Concessions Contract will be guaranteed by a guarantor and one quarters rent deposit will be payable in respect of the lease. Approval for entering into the lease will be delegated to the Development Director in consultation with the Director of Law and Governance.
13. The Skills Academy will ensure that the intervention has a long-term legacy at Meridian Water, beyond the timescales for just the first phase, Meridian One. The Skills Academy will provide capacity for additional trainees and apprentices, sufficient to support the Meridian Water Programme for the next 8 years and possibly longer, including the Housing Infrastructure Funding strategic infrastructure works contracts, and the Borough's wider construction pipeline.
14. The Skills Academy will deliver employment, training, mentoring and engagement with local communities at an on-site hub with classrooms and practical working space. It will create opportunities for local people to gain work experience, qualifications and benefit from high quality employment generated by the development of Meridian Water. The Skills Academy will deliver a broad curriculum of skills related to the built environment, e.g., building design, sustainability, construction management, trades skills etc. It will focus on creating pathways to sustainable and well-paid employment, and pathways for residents to obtain higher level qualifications through apprenticeships and training courses. The Skills Academy will also provide an entry into build environment professions for groups more likely to suffer from worklessness, including the active targeting of young people not in education, employment or training, the long term unemployed, Enfield Council tenants, former SEND students, NEETS ages 18-24, care leavers, ex-offenders and ex-military personnel. The Skills Academy will also look to provide education and training that will benefit the wider community such as English as a second language training.
15. During August 2021 a procurement was launched on London Tenders Portal to seek a Managed Learning Provider (MLP) to operate the Skills Academy on a concession basis. The qualifying bids were assessed on the following criteria:
- Price – 20% (see Appendix 2 for details);
 - Qualitative criteria (see Appendix 2 for details):
 - Business plan – 10%
 - Recruiting Learners from Priority Groups – 5%
 - Pre-Employment Training, Work Placements and Job Brokerage – 20%
 - A Responsive Curriculum – 10%

Please note Part 2 report is now confidential appendix.

- Provision of Basic Skills Training and Community Use of the Skills Academy Facilities – 5%
 - Schools and Colleges Engagement Programme – 10%
 - Communications – 5%
 - Provision of Additional Basic Skills – 5%
 - Equality, Diversity & Inclusion – 10%
16. To evaluate the bids received, a panel was set up consisting of three Council officers and Vistry's Social Value Manager.

17. Bidder A received a higher weighted-average score. Their bid produced a 44.25% score for quality, 6.6% for equality and diversity, and a 20% score for price, giving a total score of 70.85%. Bidder B scored 49.5% for quality, 6.6% for equality and diversity, and 2.86% for price.

Bidder A is an established education provider with a solid track record of funded programmes in the local area, they are also able to offer the Council an economically advantageous proposal. They have committed to investing capital funds into the fit out of the asset. Background financial checks were undertaken prior to the qualitative submission review, to determine suitable financial standing and covenant strength.

18. Training providers were contacted prior to the tender being advertised to ascertain market interest in the opportunity. Two detailed bids and an expression of interest were received. The winning bid proposed a commercially comparable rent for a site of this size, as supported by the valuation provided by external surveyors. On the basis of the winning bid received, the site was valued at approximately £19.26 per square foot by an RICS qualified surveyor who found it comparable to values on similar sites and facilities nearby.

Main Considerations for the Council

19. The proposal will positively contribute to the Council's priorities (see 'Relevance to the Corporate Plan').
20. It is essential to appoint the provider now to enable target groups to be trained in time for the commencement of development phases at Meridian Water. The Meridian One development started on site in 2021.
21. The appointment is based on a rigorous tender process and ensures the most socially and economically advantageous proposition for the Council (see Confidential Appendix). The Council's Property Procedure Rules were not required as this procurement was taken to market through the London Tenders ProContract portal. Bids were invited from the Mayors Construction Academy list of approved quality marked training providers.

Please note Part 2 report is now confidential appendix.

Safeguarding Implications

22. Bidder A is an established education provider already operating in the Borough. As part of their lease documents we will embed their safeguarding practices and ensure they are reviewed as part of the Councils ongoing contract monitoring.

Public Health Implications

23. Unlocking job and apprenticeship opportunities for target groups will reduce pressures on mental and physical health outcomes associated with unemployment.

Equalities Impact of the Proposal

24. The Council specified in the instructions for tender that it seeks to ensure training and support opportunities for those groups furthest away from employment, which the bidders proposed to target:

- former SEND pupils,
- young people leaving care,
- ex Services Personnel,
- unemployed residents over 50 years of age,
- NEETs (ages 18-24) and
- young offenders
- adult ex-offenders.

25. The Council also asked bidders to set out their approach on creating new opportunities for under-represented and marginalised groups through the Skills Academy, as well as improving equality, diversity and inclusion in the workplace.

The bidders have confirmed they will seek to support groups with protected characteristics (including women, the LGBTQI community and people from minority ethnic backgrounds) through allocating recruitment, educational and project management resources. Bidders have identified potential partnering organisations with whom they will work to deliver this and referred to their successful experience of positive engagement.

Environmental and Climate Change Considerations

26. As part of the minimum requirements criteria, the bidders have provided a summary of their environmental sustainability strategy and set out how they will apply these to the operation of the Academy. Proposed measures include paperless communication, green procurement, low energy use and

Please note Part 2 report is now confidential appendix.

renewables, monitoring and reducing waste and emissions generated by the Academy and delivering green construction and retrofit courses.

Risks that may arise if the proposed decision and related work is not taken

27. See Confidential Appendix 1, Part 2 Report

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

28. See Confidential Appendix 1, Part 2 Report

Financial Implications

29. See Confidential Appendix 1, Part 2 Report

Legal Implications

30. The Council has the power under s1(1) Localism Act 2011 to do anything individuals may do provided it is not prohibited by legislation and subject to Public Law Principals. The Council has sufficient power to enter into the transactions described in this report. The decision taker must have regard to the general principle of ensuring value for money and ensuring a prudent use of local taxpayer resources.

31. A summary of the terms of the documents proposed to be entered into is given in the body of this report. The final form of the documents must be approved by Legal Services on behalf of the Director of Law and Governance.

32. In respect of the Deed of Variation to the Development Agreement, variations to contracts must comply with the provisions of the Public Contracts Regulations 2015. Regulation 72(1)(f) permits a modification where the value of that modification is less than 15% of the overall works value and less than the works threshold and the modification does not alter the overall nature of the contract. On the basis the total budget for the Skills Academy is £1,609,960 (exc VAT), then the proposed changes should fall within this limb. In addition, the variations proposed satisfy Reg 72(1)(e) which permits modifications which, irrespective of their value, are not substantial within the meaning of paragraph (8).

33. The estimated value of the Concessions Contract is below the current threshold set by the Concessions Contract Regulations (and in the event that threshold is exceeded there are provisions for early termination of the Concessions Contract and lease). Procurement of the Concessions Contract must comply with the Council's Contract Procedure Rules. The body of this report summarises how the procurement has been carried out.

34. The grant of lease must comply with the Council's Property Procedure Rules.

Please note Part 2 report is now confidential appendix.

35. Bidder A and the proposed guarantor are exempt charities. A review of each charity's governing documents must be completed to ensure it has sufficient power to enter into the transactions proposed.
36. The proposed contracting arrangements envisage that a guarantee will be provided. No details of the proposed guarantor have been provided. Officers must ensure due diligence is carried out into both Bidder A and their guarantor to ensure confidence that payment and performance obligations can be met.
37. The value of the transactions envisaged in this report exceed £500,000 and therefore the Council's key decision process must be followed.

Workforce Implications

38. No implications expected as the Skills Academy will be overseen within the existing officers' roles, in partnership with internal teams (Education, Economic Development, Social and Youth Services), the Council's main developer and contractor partners.

Property Implications

39. Under the Scheme of Delegation for Property Transactions the approval of all new lettings, including the grant of overriding lease(s) in respect of all such lettings following proper and appropriate request from any former tenant or guarantor, where the lease term is greater than 15 years and/or the cumulative value is over £500,000 the approval of the Executive Director of Place is required although this approval has been delegated to Director of Development Peter George.
40. As the accumulative value over the proposed lease term is over £500,000 this matter will also be a key decision.
41. Due to the nature of the proposal the transaction is deemed a concession and as such the transaction must be subject to the general principles of ensuring value for money, equal treatment, non-discrimination and the obligation of transparency.
42. It is noted that the proposed concession was advertised to the market through the London Tenders ProContract portal in accordance with the Council's Contract Procurement Regulations.
43. It is further noted that the proposed contract specifies that the MLP shall provide a parent company guarantee or a bond in favour of the Council, and that the guarantor shall execute the counterpart lease and deliver it to the Council. This thereby reduces the risk to the Council.

Other Implications

Please note Part 2 report is now confidential appendix.

Procurement Implications

44. Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).
45. The procurement was undertaken using the London Tenders Portal (ref DN560132) and was managed by Procurement Services, the process was carried out fairly and transparently.
46. Two valid tenders were returned and were evaluated by members of the Meridian Water Team, the Council's Head of 'Post 16 Provision' and Vistry's Social Value Manager. A moderation meeting was held on 10 November 2021 where the scores and final comments were agreed.
47. In accordance with Clause 7 (Financial Security) of the Councils Contract Procedure Rules the Supplier must be required to provide sufficient security. Evidence of the form of security required, or why no security was required, must be stored and retained on the LTP for audit purposes. As the contract is over £500k the service must ensure that sufficient security has been considered.
48. The award of the contract, including evidence of authority to procure and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract. The award will be promoted to the Councils Contract Register.
49. The awarded contract must be published on Contracts Finder to comply with the Government's transparency requirements.
50. The CPR's state that contracts over £100,000 must have a nominated contract owner in the LTP, and for contracts over £500,000 there must be evidence of contract management, including, operations, commercial, financial checks (supplier resilience) and regular risk assessment uploaded into the LTP.

Options Considered

51. **Use an alternative learning provider framework.** The GLA's Mayoral Construction Academy has established an accreditation process for training providers in Construction Skills, and there is no alternative framework. Equally, the Register of Approved Apprenticeship Training Agencies (ATA) accreditation has been applied regarding the provision of apprenticeships, and there is no alternative framework that can be used to identify suitable organisations who have the capacity to undertake the ATA function. Tendering organisations can include Approved ATA's within their bid as delivery partners, should they not be approved providers, on the Government's Register of Apprenticeship Agencies.
52. **Re-tender.** The Council have informed several learning providers of the tender opening and already extended initial date for submissions from September to October 2021 to gather more submissions. It is unlikely that re-tendering would result in a bigger number or more advantageous submissions.

Please note Part 2 report is now confidential appendix.

53. **Resource in house.** The Council do not currently have the necessary skills, services or resource in house to deliver a training academy of this scale and ambition.

Conclusions

54. Given the importance of the Meridian Water regeneration programme principally benefitting local people, it is essential to appoint a learning provider to accelerate opportunity for residents into training, apprenticeships and employment.

55. This report seeks approval to appoint the Managed Learning Provider, Bidder A as identified in the Part 2 report, Confidential Appendix 1. The Concessions contract should be signed in tandem with the lease, and the Deed of Variation, final detail of which to be approved under delegated authority by the Director of Development in consultation with the Interim Director of Law and Governance.

Report Author: Annette Russell, Senior Regeneration Manager

annette.russell@enfield.gov.uk +44 (0)7976 669906

Date of report 15th March 2022

Appendices

- Appendix 1 - Confidential Appendix (Part 2 Report)
- Appendix 2 - Tender Qualitative & Pricing Criteria
- Appendix 3 - Concessions Contract KPI's

Background Papers

The following documents have been relied on in the preparation of this report:

Cabinet Pack, KD5174 Sep 16th, 2020

This page is intentionally left blank

Part 1, Appendix 2 – Tender Qualitative Criteria

10.1 Minimum Requirements in Relation to Economic and Financial Standing

10.1.1. As part of the evaluation process the Council will assess the economic and financial standing of Tenderers.

10.1.2. The evaluation will be carried out based on the past 2 years of financial accounts available on the Companies House website.

10.1.3. If the accounts on Companies House are abbreviated, or not the latest available accounts, please provide full financial accounts for the past 2 years with your tender submission, tenderers who fail to provide accounts with the necessary information will be excluded from further consideration.

10.1.4. If your latest set of audited accounts on Companies House, relates to a period more than 12 months before the date of the submission of the ITT, please provide a copy of your most recent business plan, budget or similar documents that includes financial projections for the current year.

10.1.5. Tenderers are required to notify the Council of any material adverse events (e.g. post balance sheet events) that have occurred since the submission of the latest audited financial statements that are likely to have an impact on the assessment of the tenderers financial and economic standing.

10.1.6. The information in the accounts will be used to calculate the following key finance ratios as set out in Annex A:

Gearing

Return on Capital Employed

Positive Shareholder Funds at the Accounting Date

Net Profit Margin

Evaluation of the financial information provided, except where stated otherwise, will be based on a two-year average which will be scored to determine the financial capacity and capability of each tenderer.

Tenderers who score less than 50% will not proceed further in the tender evaluation process.

10.1.7. The Council reserves the right to request additional information (e.g. management accounts, interim statements) in support of the assessment of financial and economic standing; and to seek appropriate assurances from the Tenderer, to ensure that Tenderer can deliver the project.

10.1.8. In addition, the Council will validate the financial calculations made by the Council; and review the tenderers score check grade for risk assessment and business failure as per Equifax. If the Tenderer fails to achieve a score above a C minus, the Council may require further information to be provided to the reasonable satisfaction of the Council, to demonstrate the Tenderer's current economic and financial standing.

10.1.9. The Council will continue to monitor the financial standing and stability of the tenderer (i.e. Equifax reports throughout the tender evaluation and award process to satisfy itself that the on-going financial standing and stability of the tenderer is not likely to deteriorate and thus adversely impact the Tenderer's ability to deliver the project.

10.1.10. The Tenderer shall notify the Council of any circumstances that it considers will have a material impact on the financial standing of the Tenderer.

10.2 Minimum Requirements

Bidders are required to pass all of the Minimum Requirements detailed below. Where any bidder has been awarded a "fail" for any of the Minimum Requirements (A, B, C, D, E, F or G) that response will be rejected and not considered any further. Any information given outside of the word limits stated below will not be factored into the evaluation.

Minimum Requirements – Pass / Fail

Criteria	Assessment Method
<p>A Please confirm that you a Mayors Construction Academy Quality Marked training provider.</p>	<p>Mayors Construction Academy Registered Training Provider</p> <p>Pass: Evidence of Mayors Construction Academy Quality Mark</p> <p>Fail: Is Not a registered provider</p>
<p>B Please confirm that you are on the Register of Apprenticeship Training Providers (RoATP) will be in a contractual relationship with a provider who is, and who will provide this function. https://www.gov.uk/guidance/register-of-apprenticeship-training-providers</p>	<p>Register of Apprenticeship Training Providers (RoATP)</p> <p>Pass: Evidence to support being on the RoATP or explanation of how you are engaged with a provider who is registered and an outline of what their role is.</p> <p>Fail: No evidence of being on the register and no explanation of how you are partnered with a RoATP accredited provider.</p>
<p>C Please confirm that you are provider of digital skills and ESOL or have a working relationship with a sub-contracting partner who has capacity to run Basic Skills provision targeted at Residents of the Edmonton Wards.</p>	<p>Digital Skills and ESOL</p> <p>Pass: Evidence provided that you are a provider of digital skills and ESOL or can outline the capacity of a sub-contracting partner and the relationship with them.</p> <p>Fail: No evidence or explanation of providing digital skills and ESOL directly or through a sub-contracting partner.</p>

D

Monitoring the progress of individuals following the training programme is essential to identify the success or failures of the provision of training, and the retention of trainees, and specific underrepresented groups in the construction sector after completing training courses or apprenticeships. Outline your approach to monitoring and how you would resource this activity.

Word count 500

E

Provide a summary of your organisations Environmental Sustainability strategy, and how you apply this to the operation of the Academy

Word count 500

F

Confirmation of capacity to deliver the KPI's associated with the Meridian One Development, and the projected flow of learners associated with the Boroughs capital construction programme contained within appendix G.

Monitoring

Pass: Provides assurance that the resources and approach to ongoing learner career progression will result in high quality evidence of course success, and career progression, and retention in the construction sector

Fail: Does not provide sufficient detail of the resources and approach to ongoing monitoring of trainees' career progression

Sustainability

Pass: Provides a concise and coherent summary of the organisations strategy and how it will be practically applied to the operation of the centre.

Fail: Does not explain the key elements of the organisations strategy to ensure an environmentally sustainable approach to the operation of the academy.

KPI Compliance

Pass: Addressed in Question 2 of the Qualitative Evaluation Section. The provider has addressed that they will meet the KPIs as set out in Appendix G, providing a commentary on how their planned provision will be able to meet the requirements anticipated for the Borough Schemes, and suggesting any revisions to the projected requirements for pre-construction and pre-apprenticeship course delivery.

Fail: In the answer to Question 2 of the Qualitative Evaluation Section the provider has not been able to provide any evidence that they can support the flow of learners or the KPIs.

G

Please provide a statement committing to paying all staff, including support staff, such as cleaning and catering staff the London Living Wage of £10.85 per hour.

London Living Wage

Pass: Commits to paying all staff, including support staff, such as cleaning and catering staff the London Living Wage of £10.85 per hour.

Fail: Does not commit to paying all staff and support roles London Living Wage.

10.3 Quality Criteria (80%)

Providers shall respond to each quality question set out below.

The percentage score allocated to each quality question is detailed in the table along with any limitation to the length of response required. Providers are to use font style Arial, size 12pt. The word count, unless where stated in the table below, includes executive summaries and tables but excludes, headings, images, diagrams and charts. However, the excluded diagrams, images and charts must **not** be used to introduce additional information other than that already provided in the body of the main question response, any such new information included in this context will not be scored. Any information given outside of the word limit will not be factored into the evaluation.

Criteria	Weighting	Word Count / Page Limit
1 Business Plan	10%	
Please provide a description of your business proposition from the indicative cashflow, that you will have completed in the pricing schedule. This should describe the underlying assumptions that underpin your financial profile, identifying key risks and opportunities.	10%	2000 Words
2 Recruiting Learners from Priority Groups	5%	
Explain how you will engage trainees to meet or exceed the minimum requirement set out in the Target KPI's (Appendix G). Please include how you will work with partners to identify potential candidates for the skills academy courses. Particular attention should be paid to how you will	5%	500 Words

engage our priority targets

Groups:

- Residents aged 18-24 not in employment, education or training
- Young offenders
- Young people leaving care
- Ex-offenders
- Former Service Personnel
- Residents ages 50+ unemployed for a year or more
- Learners with Special Educational Needs or Disabilities

Explaining how you will also ensure you target opportunities to unemployed residents in the three Edmonton wards.

3 Pre-Employment Training, Work Placements and Job Brokerage 20%

2000

a. Pre-Construction Training 10%

Please detail your organisational experience in the delivery of pre-construction training, and your intended approach to delivery at the Enfield Skills Academy in Meridian Water to local unemployed residents of Enfield.

b. Work Placements and Jobs Brokerage 10%

Describe your intended approach, including staff resources dedicated to the delivery of:

- supporting students who graduate from pre-construction and pre-apprenticeship courses
- working with learners to help them secure work

placements to bolster their CV, and in turn to secure full-time paid employment with our construction supply chain, and the wider London Construction Sector.

to ensure that the Council meets its employment outcomes.

4 A Responsive Curriculum **10%**

a. Developing a Responsive Curriculum: **2.5%** **2000 Words**

Describe how you will engage with construction companies to collaboratively develop a responsive and bespoke curriculum that met their skills requirements. Evidence your response by using examples of where you have previously engaged with construction contractors to develop your curriculum. Include two examples of your engagement of construction companies and detail the key metrics success of course delivery.

b. Analysis of Labour Flow and Indicative Curriculum: **7.5%**

Referring to the projected construction labour flow data provided in Appendix I, please:

- Outline your initial proposed curriculum for the provision training for candidates who pass their initial pre-construction training course, in order to

provide industry recognised qualifications at Level 2 and above.

- Provide details of your approach to developing a suitable talent pool of candidates to take up Skilled Trade Apprenticeships, and how you would use you or your subcontractor’s status as an apprenticeship training agency to optimise the number of additional skilled trade apprenticeships that can be supported.

- Provide a profile of course responding to the anticipated demand, delivered over the 5-year duration of the contract. (assuming a March 2022 opening date). This should be broken down by quarter, identifying which of the 28 key construction trades provision would be focused upon and when.

5 Provision of Basic Skills Training and Community Use of the Skills Academy Facilities **5%**

a. Basic Skills Training **2.5%** **500 Words**

Please set out your approach for the provision of non-construction basic skills training, which must include English/ESOL, Maths and Digital Skills. Your response should include:

- Your proposed delivery partners
- The curriculum
- The hours of teaching time

- The target number of learners throughout the duration of the contract.
- Indicative timetable, including specific consideration of evening and weekend provision of basic skills training.

b. Community Use of the Skills Academy Facilities 2.5%

Please set out your approach to enabling and promoting the utilisation of the Skills Academy's facilities for use by community groups during unused periods, including on evenings and weekends.

6 Schools and Colleges Engagement Programme 10%

Please set out your approach to the operation of your proposed school and college careers development programme, your response should include:

500 Words

- partnership arrangements with subcontractors
- industry bodies and other partners including Edmonton focused community organisations

to coordinate and host regular school and college visits to the centre, with the ultimate aim of promoting the construction industry to young people in Enfield, ensuring that the flow of learners into the Skills Academy is reflective of the Edmonton Community, with specific regard to BAME people and Women's representation in the construction workforce.

7 Communications 5%**a. Local Promotional Activities:**

2.5%

500 Words

Outline your approach to publicising and promoting the Academy to local residents, to residents in the Edmonton Wards, to the rest of Enfield and to adjacent boroughs, in that order of priority.

b. Regional and National Public Relations:

2.5%

Outline your approach to building and sustaining a regional and national profile for the Enfield Skills Academy, which promotes not only your organisation, but also provides a positive press and industry recognition for the Council, Vistry and additional project partners.

You should include an outline of marketing and PR Strategy which should seek to ensure there a constant flow of appropriate marketing material, case studies, articles and stories articles that raise the profile of the centre regionally, and nationally.

8 Provision of Additional Basic Skills 5%

a. Skills for Retrofitting and Place Management

2.5%

1000 Words

With reference to Repair and Maintenance Labour Projections in Appendix I and the trades profile for retrofitting outlined in appendix J, Please outline your capacity and experience to provide:

- specialist trades associated with the retrofitting of private and public sector housing
- Provision of training for Repair and Maintenance roles and estate management functions, such as horticultural maintenance and security /stewarding.

b. Additional Training Activities

2.5%

Please set out any additional training activities that you plan to deliver at the centre, explaining how you will ensure they provide additional opportunities for residents in Edmonton and the wider borough or adjacent boroughs where appropriate.

9 Equality, Diversity & Inclusion

10%

The Council has a duty to promote equality, diversity and inclusion, and it recognises the issue of diversity specifically within the construction sector.

1000 Words

a. Equality, Diversity and inclusion for learners

7%

Provide details of your proposed approach to

creating new opportunities for under-represented and marginalised groups through the Enfield Skills Academy.

Your response should reference:

- The long-term strategy you would deploy to ensure there is significant positive change over the duration of the contract.
- The partners (where applicable) you will work with over the duration of the contract, specifying their specific responsibilities.
- Previous examples.

b. Equality, Diversity and Inclusion within your Workforce 3%

Please set out your organisations approach to improving equality, diversity and inclusion in the workplace to for the duration of the contract.

Total 80(%)

10.4 Price Criteria

Providers shall complete Section 3 (Pricing Schedule), which sets out a 5-year financial profile. Income will be collected by the Council through the lease for the use of the Skills Academy Buildings by the Managed Learning Provider.

The Council will not be setting a lease amount; however, the lease will be set through competition with the highest lease amount offered to the Council obtaining the maximum score of 15%, and the highest capital investment in the asset obtaining a maximum score of 5%.

Criteria Price	Demonstrated by Completed Pricing Schedule (Section 3)	Weighting 20%
--------------------------	--	--------------------------------

This page is intentionally left blank

Council Procurement Policy through Planning and Procurement on Construction Training and Employment, and Project KPI's

Through the Meridian 1 Development, the Council has secured the KPI related to Meridian 1 (Detailed below). However, to ensure similar or improved levels of training and employment outcomes, the Council's new Sustainable and Ethical Procurement Strategy will contain specific requirements for all Council Staff to ensure that Capital Works contracts either utilise or engage with the Skills Academy, in developing their Employment and Skills plans.

In addition to this, training and employment outcomes can be achieved through the planning process on major schemes, both Council and private sector developments have a requirement to develop, and have approved, a Business Employment and Skills Plan, which mirrors the target of 25% of the construction workforce being local. This is contained within the Planning Departments Section 106 SPD (Appendix K). The SPD will also secure skilled construction trade apprenticeships, with an expectation of 1 apprentice per £3 million of construction spend.

The policies in place through planning and procurement of the Council's own capital works will ensure there is a significant demand for the training and employment services of the Enfield Skills Academy, which underpins the assumptions on the anticipated demand for training and employment services.

The Skills Academy Operator is obliged to deliver Key Performance Indicators associated with all works contracts and construction projects that are above the OJEU threshold for the London Borough of Enfield. The exact KPI's associated with each project will emerge as schemes come forward, but will be based on delivering an anticipated flow of learners able to be employed by contractors for entry level positions, which have been estimated to represent 20% of the construction workforce on average, with 5% of the construction workforce being Enfield Residents employed as skilled apprenticeships.

Where schemes are at later stages of development, KPI's will be confirmed through engagement with the Skills Academy Operator, enshrined within a service level agreement (SLA).

Currently, Scheme KPI's have been agreed for the Meridian 1 Development and these are stated below. It is intended an SLA will be established for this project between the Operator and Vistry Partnerships Ltd. Prior to KPI's being agreed, either through procurement or planning, the Council has produced a high level estimate of the anticipated labour flow supported by its capital works programme, and this forms the estimate KPI's that are likely to emerge, that the Skills Academy Operator must confirm their capacity to deliver.

The KPI's associated with the Enfield Skills Academy reflect the estimated provision of pre-construction courses required to achieve the ambition of realising 25% use of Enfield Labour on construction sites. During the Contract Period this is expected to range from between 748 to 1246 construction staff, resulting in 25% yield of between 187-311 roles.

We have estimated the % rate of candidates passing and going on to be employed in construction as being 50% of the learning intake. This rate relates to passing a 1 month duration pre-construction course, i.e. the number of positions created at 25%, to obtain the projected required intake of trainees, including in the intake of skilled trade apprenticeships.

This results in a range of between x356 to x622 1month pre-construction training places per annum, delivered in a 9 month period, resulting in a KPI of course delivery capacity equivalent to X35 to X70 places per calendar month of operation for 9 months of the year.

1) KPI's for Delivery of 1 month Pre-construction/Pre Apprenticeship course places

- Total Number of Manual Roles Peak: 1246
- Total Number of entry level roles and skilled trade apprenticeships @25% = between 187 to 311 positions
- Success Ratio of 50% passing pre construction course and going onto secure roles = between 356 to 622 training courses places required per annum
- Maximum Delivery of 622 places over a X9 Months of delivery p.a = capacity requirement for 69 Places per month.
- CSCS pass assumed to be included within the 50% pre-construction pass rate.

Please note, the Visitors Centre is anticipated to function as Overspill classroom space capacity during any peak periods of course delivery.

KPI 1) Delivery of Pre Construction Course Places: 69 Places per calendar month

KPI 2) Maximum number CSCS accreditation passes of 20 to 35 per calendar month, for 9 months of the year or capacity to deliver between 180 to 315 (rounded)

2) Supporting Trainees into Paid Work Placements

It is anticipated that supply chain companies will be obligated through social value contracts, to host places equivalent to 50% of the number of job roles generated. These placements will range in duration between 2 to 6 weeks. The Operator is expected to work with supply chain companies, supporting learners into paid placements. Based on the assumption 187 to 311 role per annum, this results in supporting between 94 to 155 work placements with supply chain companies each year, which over a 9 month delivery period results in an average of between 10 to 17 work placements per calendar month of operations.

KPI 3) to support between 10 to 17 learners per month into paid work placements of between 2 to 6 weeks duration.

3) Job Brokerage KPI's:

The operator is expected to provide job brokerage support to all learners who successfully complete their 1 month pre-construction course including CSCS accreditation, focusing on roles supported by supply chain companies in contract on Council capital works projects which based on the anticipated number of candidates successfully achieving the 1 month pre-construction course, and subsequently achieving CSCS leads to a target of between 180 to 315 people supported to find work or 20-35 alumni supported into employment each month of a 9 month operation.

KPI 4) Provide a job brokerage function to support between 20- 35 learners each month, who passed their pre-construction or pre-apprenticeship course, into employment or a skilled trade apprenticeship.

4) Apprenticeship and Apprenticeship Training Agency Function

The Operator is expected to either have an in house or contracted apprenticeship training agency capable of employing and placing the anticipated flow or skilled trade apprenticeships, with the target of 5% of the construction workforce being apprentices from Enfield.

KPI 5 Confirmation of capacity to employ 25% of anticipated apprenticeships through in house or contracted Apprenticeship Training Agency

5) Scheme KPI's for the Meridian 1 Development, in Partnership with Vistry Partnerships Ltd.

The following KPI's have been agreed with Vistry Partnerships Limited, associated with the 6 year delivery of the Meridian 1 Development. An SLA will be developed with Vistry for the Skills Academy Operator to deliver these KPI's working with Vistry and their supply chain companies.

KPI Requirements will be supported by social value commitments included within contracts to their supply chain companies. The KPI's do not represent additional construction labour than that which is set out in the profile in the labour profiles in Appendix H and Appendix I, as these profiles include labour projections for Meridian 1.

The MLP will be required to work with sites throughout the Meridian Water development to deliver key KPI's through the skills academy. As a minimum the MLP are required to deliver the following KPIs for Meridian One:

- 45 Apprentices
- 360 work placement weeks delivered through pre-apprenticeship and pre-employment courses. Supporting 180 residents.
- Deliver pre-apprenticeship and pre-employment courses, totalling 1,440 training weeks. 180 residents to complete the course (Per Year) Minimum of 720 Residents Benefiting

Vistry and LBE would welcome proposals that offer opportunities to exceed these targets and are open to discussions regarding placements on other construction sites across London.

KPI 6: Confirmation of capacity to deliver Scheme KPI's for the Meridian 1 Development with Vistry Partnerships Ltd.

6) Summary of KPI's for confirmation of capacity to deliver and achieve by the Operator:

KPI1	Delivery of Pre-Construction Course Places: 69 Places per calendar month.
KPI 2	Maximum number CSCS accreditation passes of 20 to 35 per calendar month, for 9 months of the year or capacity to deliver between 180 to 315 (rounded).
KPI 3	Support between 10 to 17 learners into paid work placements of between 2 to 6 weeks duration.

KPI 4	Provide a job brokerage function to support between 20- 35 learners each month, who passed their pre-construction or pre-apprenticeship course, into employment or a skilled trade apprenticeship.
KPI 5	Confirmation of capacity to employ 25% of anticipated apprenticeships through in house or contracted Apprenticeship Training Agency.
KPI 6	Confirmation of Capacity to deliver Scheme KPI's for the Meridian 1 Development with Vistry Partnerships Ltd.

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

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

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

Please note Part 2 report is now confidential appendix.

London Borough of Enfield

Operational Report

Report of **Joanne Drew**

Subject: **Ladderswood Deed of Variation to the
Development Agreement**

Executive Director: **Sarah Cary**

Ward **Southgate Green**

Key Decision: **[UD to follow]**

Purpose of Report

1. To approve entering into a Deed of Variation to the Development Agreement for the Ladderswood Regeneration Project.

Proposal(s)

2. Approve entering into of a Deed of Variation to the Development Agreement for the Ladderswood project

Reason for Proposal(s)

3. As Phases 1-3 are now complete, ahead of Phase 4 commencing, the Council is seeking to enter in to a Deed of Variation with the Developer as soon as possible. This will, regularise the costs and overage assumptions, update current phasing plans, programme, and tighten clauses around Long Stop Dates, to enable the future phases to commence and deliver as per the agreed changes

Relevance to the Council's Plan

4. Under the development agreement the Ladderswood Regeneration project will deliver affordable homes for existing and new residents and create a mixed tenure community. The Deed of Variation will accelerate the remaining homes on the estate to be delivered under Phases 4-6 equating to 268 homes.

Background

5. On 27th April 2011 Cabinet granted authority (KD3229) for the selection of a consortium known as the Ladderswood LLP, made up of Mulalley and One Housing

to be appointed as the preferred development partner and to enter into a Development Agreement.

6. In 2011 the Council entered into a Development Agreement (DA) with the New Ladderswood LLP, which subsequently received planning for 517 new homes with a 71%/29% private/affordable tenure mix.
7. Full Planning Consent was granted on 17th February 2014 for 514 homes. The project started on site in March 2014 and 249 homes have been delivered. Phases 4, 5 and 6 will see the remaining homes built out which is 49 affordable, 209 private sale and 10 Shared ownership.

Main Considerations for the Council

8. There have been a number of changes to the project over the last few years that require the DA to be amended by a Deed of Variation (DoV) to regularise the project for both the Council and the delivery partner. The main change originated from the Council adopting a supplementary planning document in 2015 which required sites to connect to a heat network. This resulted in the Developer redesigning the masterplan to deliver an Energy centre and satisfy the Council's requirement for Energetik as the ESCO for the project. The original costs have been independently verified by a Quantity Surveyor to confirm the adjustments to projected income are eligible for the Energy Centre, security costs and associated fees.
9. As Phases 1-3 are now complete, ahead of Phase 4 commencing the Council will be seeking to enter into a DoV. This will, regularise the costs and overage assumptions, update current phasing plans, programme and tighten clauses around Long Stop Dates, to enable the future phases to commence and deliver as per the agreed changes.
10. The Development Agreement requires overage payments on completion of each phase. However, in 2017 the Council accepted that the Phase 1 overage would offset any cost of connecting to the first heat network in the borough and an energy centre. This aspiration was introduced and stipulated by the Council after the developer had entered into contract with the Council which in effect varied the agreed financial terms.
11. As this was not formally varied, the Council is seeking to strengthen its position and ensure only those costs which were known and accepted at that time are reflected in the Development Agreement. This requires a Deed of Variation to the Development Agreement to forego the overage which was due from sales in Phase.
12. The HRA Business Plan has a minimum overage forecast which is based on the sales value projected at that point (£20m). The adjustment for costs is within approved income projections and therefore there is no impact on the HRA Business Plan as a result of entering into the Deed of Variation.
13. Costs have been verified independently on an open book basis and only items in the table are eligible expenditure. The costs which total £1.614m reflect additional specification required by the Council which the LLP had not factored into their build costs and accepted as full and final.

Safeguarding Implications

14. The recommendations in this report do not have any safeguarding implications.

Public Health Implications

15. Developing and sustaining good quality homes in areas where people desire to live will help to create and maintain strong sustainable communities. The New Ladderswood development has already delivered on 17% of its original 29% target together with an 85-bed hotel that has provide jobs for the local community, a community centre which will help strengthen community resilience to support improved health and wellbeing through better social connection. There are also 6 commercial units, where we have current offers from Local gym and Yoga usage, a Child and Adolescent Medical Unit.

Equalities Impact of the Proposal

16. The delivery of good-quality homes local services that promote equality and values diversity.

Environmental and Climate Change Considerations

17. The energy efficiency of the buildings has been assessed and minimum carbon emission targets set (minimum 35% CO2 emission reductions on 2013 Building Regulations Part L levels) resulting in highly insulated structures assisted by the highly efficient heat network and communal solar PV arrays to contribute to communal electricity.

Risks that may arise if the proposed decision and related work is not taken

18. The commercial risk is that the Council will be unable to enter into contracts for the Deed of Variation before the end of March 2022. The Deed of Variation secures the acceleration of future phases of the Ladderswood regeneration scheme and releases overage which is payable to the Council, which is necessary to support the delivery of other housing projects

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

19. There are no risks in agreeing this proposal. Having it in place will better secure the Council's position with the New Ladderswood LLP both contractually and financially.

Financial Implications

20. The developer has incurred additional costs in redesigning the masterplan to deliver an Energy Centre and satisfy the Council's variation to the project. This required connection to the heat network as well as other costs not known at the time of the original development agreement. The adjustment to the overage is within the baseline forecast of £20.5m.
21. The overage forecast was included within the HRA Business Plan Update (KD5342) and this change was reflected in the Business Plan.

Legal Implications

MD 17th March 2022

22. The Council has the power 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. There is no express prohibition, restriction or limitation contained in a statute against use of the power in manner proposed in this report. In addition, section 111 of the Local Government Act 1972 gives a local authority power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The recommendations are in accordance with these powers.
23. The Council has a fiduciary duty to look after the funds entrusted to it and to ensure that its Council tax and ratepayers' money is spent appropriately. The Council must carefully consider any project it embarks upon and conduct its affairs in a business-like manner with reasonable care, skill and caution, with due regard to tax/ratepayers' interests.
24. The Council have been advised by external solicitors Sharpe Pritchard LLP in relation to the Deed of Variation which has also been reviewed by the internal Legal Team. The Deed of Variation will amend the Ladderswood development agreement as follows:
- (i) variations to the community facility specification;
 - (ii) an alteration to the timing of the calculation of any adjustments to the Lease Premium and/or Transfer Premium payable by the Developer;
 - (iii) a prohibition on the Developer disposing more than 5 residential units to an institutional investor without the Council's consent;
 - (iv) a requirement for the Council to reimburse the Developer for costs of removing trespassers from the site; providing and installing satellite television to the affordable housing units; and upgrading the energy centre and district heating system, each such sum to be deducted from the Sales Overage due to the Council;
 - (v) agreement of each party's surveyor's costs;
 - (vi) amended decant requirements;
 - (vii) amendments to the phasing plan and programme; and
 - (viii) ancillary changes to the development agreement to correct or clarify drafting.
25. The contract is a public works contract under the Public Contracts Regulations 2015 (PCR 2015) and the value is above the threshold for public works contracts under Part 2 of the PCR 2015. Any changes to the Development Agreement must fall within the permitted grounds for modification under regulation 72 of the PCR 2015. Legal officers (on the advice of the Council's external solicitors Sharpe Pritchard LLP) are satisfied that the proposed amendments fall within the permitted grounds for modification as the changes are not considered material to the contract originally procured.
26. Given the value of the proposals in this report, the Council's Key Decision process must be followed.

Workforce Implications

27. There are no workforce implications

Property Implications

28. There are no property implications arising from this decision.

Other Implications

29. There are no property implications directly arising from the contents of this report,

Options Considered

30. No other implications

Conclusions

31. If the Deed of Variation is not entered into before the financial year end, this will have an impact on Phase 4 starting on site and may also mean that the overage payable to the Council will be further delayed.

Report Author: Mala Pandya
Development Manager
Mala.pandya@enfield.gov.uk

Date of report 17 March 2022

Appendices

Background Papers

The following documents have been relied on in the preparation of this report:

This page is intentionally left blank