



London Borough of Enfield

Title of Report:	Operational Report – Award of Works Contract for the Renewal of Entry Door System, Landlord Communal Lighting and Emergency Lighting at Severn Drive, Worcester Drive and Pentrich Avenue
Report to:	Strategic Director of Housing and Regeneration
Date of Report briefing:	4 th September 2023
Directors:	Investment and Resident Safety Director
Report Author:	Interim Investment and Resident Safety Director: Andrew Cotton
Ward(s) affected:	Whitewebbs
Key Decision Number	KD5620
Classification:	Part I Public

Purpose of Report

1. To obtain approval to award a contract for the Renewal of the Door Entry System, Landlord Communal Lighting and Emergency Lighting at Severn Drive, Worcester Avenue and Pentrich Avenue.

Recommendations

- I. Approval to award and enter into a contract with “Contractor A” for the Renewal of the Door Entry System, Landlord communal Lighting and Emergency Lighting at Severn Drive, Worcester Avenue and Pentrich Avenue.
- II. Approval for the project cost of £777,538.59, including consultancy services, staff costs, and contingency as detailed in the confidential Appendix 1.

Background and Options

2. The HRA Capital Programme for 2023-24 is focused on the investment in our housing stock to ensure it meets building safety requirements, especially where this would impact the safety of buildings in which residents reside.
3. The existing block entrance doors and the door entry systems are no longer functional, and it is not economically viable to continually repair. The current condition of both the doors and entrycom system is presenting a high security risk to the blocks, leaving residents vulnerable. The implementation of the new access control entrycom system will also future proof the analogue to digital conversions currently taking place across the borough.
4. The landlords' emergency lighting requires upgrading to meet the standards of the recent changes within the Building Safety Act as they have been identified as a Fire Risk Assessment (FRA) remedial action, communal electrical works are also required to enable the emergency lighting upgrade.
5. The contract delivers services to communal areas of blocks with leaseholders and therefore the Section 20 process applies. This report authorises the award of this contract subject to observations which may be made by any relevant Leaseholders after the section 20 procedure is engaged. Any relevant observations made by the Leaseholders following service of the Section 20 notices will be referred to the decision maker of this report, ahead of contract award.
6. Tenders were invited using the London Tenders Portal (LTP DN673177) to the required number of bidders in accordance with the councils Contract Procedure Rules (CPRs) and returned via the tendering portal, in line with the council's procedures. The returned responses were evaluated based on a cost only basis that included a schedule of rates.
7. The suppliers invited were selected on the basis of their expertise in these types of works.
8. The tender documents and pricing schedule were prepared by a specialist Mechanical & Electrical consultant, David Miles & Partners Ltd.
9. Due to the detailed specification setting out requirements the tender was evaluated at 100% price.
10. The scope of works includes:
 - a. the replacement of the landlord's common area lighting, including the provision of emergency lighting.
 - b. the replacement of the main entrance and exit doors and provision of video link door entry and access control.
 - c. any associated works.

11. The form of contract will be JCT Minor Works Building Contract 2016.

Preferred Option and reasons or Preferred Option

12. Incorporating these works within a contract that included external works was considered however due to lead-in times and budgetary restrictions in 22/23 this was not viable. However, with the recent changes to the Building Safety Act April 2022 these works are a statutory requirement to meet the council's safety obligations as a landlord.

13. Officers considered that this option provides the optimum solution because:

- a. the council's delivery team and structure are ideally suited to this scale of contract.
- b. the size of the contract enables smaller SMEs to tender.
- c. the Council's experience in working with SMEs to deliver this type of work has been mixed, but the experience gained would enable identification of high performing contractors.

Relevance to Council Plans and Strategies

14. The contract will support the following objectives from the Council Plan:

- a. **more and better homes:** the programme will improve the quality and safety of existing homes and therefore positively impact on the wellbeing and quality of life for our residents.
- b. **sustain healthy and safe communities:** improving the existing homes where people desire to live will help to create and maintain healthy and confident communities.
- c. **an economy that works for everyone:** ensuring residents can fully participate in activities within their neighbourhood.

Financial Implications

Summary

15. This report is requesting approval to award the contract to Contractor A for the Renewal of the Door Entry System, Landlord Communal Lighting and Emergency Lighting at Severn Drive, Worcester Avenue and Pentrich Avenue.

16. To approve a total estimated project budget of £0.78m which includes contract sum, consultancy fees, 1.4% staff costs and a 15% contingency.

Capital Budget Impact

17. As part of the approved capital programme agreed at Council in February 2023, a budget of £24.1m was allocated for Decency. The door entry and lighting renewal works are included within this approved budget.

18. The table below shows the breakdown of the costs and how the project will be funded:

Capital C300614	Capital Budget
<i>Expenditure:</i>	£m
Contract Sum	0.64
15% Contingency	0.10
Consultancy Fees	0.03
1.4% Staff Costs	0.01
Total project cost	0.78
<i>Funded by:</i>	
Major repairs reserve	0.37
Leaseholder service charge	0.41
Total funding	0.78

19. There are 95 leaseholders impacted and the estimated cost per property is £4,270, this will recover £0.41m from leaseholders. These receipts will assist in funding the project costs, with the remaining costs funded from the major repairs reserve. These costs are included within the HRA 30-year Business Plan.

Revenue Budget Impact

20. The door entry system requires an ongoing revenue cost to support the cloud-based system. The hosting cost per block is £1.9k per annum and will be funded from the existing revenue repairs and maintenance budget.

Borrowing Impact

21. There will be no borrowing requirements for this project as the project is fully funded from the Major Repairs Reserve and leaseholder recharge income.

Risks

22. The financial risk to this project is that there could be an increase in costs, this could be mitigated by the 15% contingency included in the budget for this project.

Legal Implications

Provided by CP based on version of report circulated 26.7.23.

23. The Council has the power under section 1(1) Localism Act 2011 to do anything individuals generally may do providing it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power as recommended in this report. The Council has the power to alter, repair or improve its housing stock in accordance with section 9 of the Housing Act 1985. Under section 11 of the Landlord & Tenant Act 1985 the Council has repairing obligations in respect of properties which are

occupied by its tenants and these obligations cover structure, the exterior including drains, gutters, external pipes, installations in homes including water, gas, electricity, and sanitation. Further, as stated elsewhere in this Report, the new regime under the Building Safety Act and Fire Safety Regulations 2022 imposes more onerous obligations on landlords. Under section 111 Local Government Act 1972 local authorities may do anything, including incurring expenditure or borrowing which is calculated to facilitate or is conducive or incidental to the discharge of their functions. The recommendations in this report are in accordance with these powers.

24. The Council also has a statutory duty under Section 20 of the Commonhold and Leasehold Reform Act 2002 to undertake a consultation with leaseholders whose homes will be included on the programme and who will subsequently be charged a proportion of the costs incurred. The purpose of the consultation procedure is for leaseholders to be kept informed at the key stages of entering into a new contract and to permit leaseholders to make written observations within stipulated time periods, to which the Council is required to have regard.
25. There are sanctions for failing to comply with Section 20 which could restrict the Council's ability to recover costs from leaseholders as statutory caps can be imposed as to how much it can recover through service charge.
26. The contract being awarded is below the EU procurement threshold for Works, and so the Public Contracts Regulations 2015 do not strictly apply to this procurement process. However, the Council must comply with the procurement principles set out in its Contract Procedure Rules.
27. The contract must be in a form approved by Legal Services on behalf of the Director of Law and Governance and must be executed under seal.
28. The Contract Procedure Rules require that for contracts with a value of £500k up to £1m, sufficient security (e.g. a performance bond or parent company guarantee) from the supplier should be considered to manage risk. Evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal.
29. The Key Decision process under the Constitution must be followed as the project cost being approved is above the Key Decision threshold of £500,000.

Equalities Implications

30. An Equality Impact Assessment has been undertaken and is appended to this report.
31. The works will be delivered to the social housing blocks described above and will benefit residents irrespective of the protected characteristics of the residents.
32. People with disabilities will be profiled by the Contractors Resident Liaison

Officer (RLO).

33. Development of disabilities following the completion of the works and any required adaptations will be managed under the council's existing aids and adaptations referrals process.
34. The terms and conditions of the contract will require adherence with the Equalities Act and contractors will be required to share their Equality Diversity and Inclusion policy to assure the council of their recruitment policies.
35. Engagement with residents will be undertaken by the Contractor in accordance with their processes for resident engagement and liaison. This will be adapted according to the profile of the resident e.g., vulnerability, language spoken.

Public Health Implications

36. The works will improve the living conditions of those residents that receive.
works. This aligns with the provisions of the Enfield Joint Health and Wellbeing Strategy, which refers to the importance of housing quality as a determinant of health.
37. The contractors will be completing works in-line with the government's Covid Secure and CLC guidelines. They are required to provide a detailed.
method statement and risk assessment for each activity and the Council, and its advisors will review and comment on these prior to the commencement of works.

Property Implications

38. HRA property implications: these are to be found within the main body of this report.
39. Corporate property implications: none

Safeguarding Implications

40. The works will require Contractors to enter resident's homes and therefore the Contract Documents require Disclosure & Barring Services (DBS) and adherence with the Council's Safeguarding Policy.
41. In addition to the above the Contractor is required to provide a dedicated Resident Liaison Officer (RLO) whose role is to ensure that residents needs are reflected in the processes adopted by the Contractors.

Procurement Implications

42. The procurement was undertaken using the London Tenders Portal ref.

DN673177 using the Find a Tender Service. The procurement was carried.

out on behalf of the Council by David Miles & Partners.

43. As the procurement was undertaken by David Miles & Partners, it was not led by Procurement Services. This procurement appears to have been carried out in accordance with the Council's Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015). Ultimate accountability for compliance lies with David Miles & Partners Ltd.
44. As the contract is over £500k, the service must ensure that sufficient security has been considered to manage risk. Evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal for audit purposes.
45. 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 arrangements for the future management of the contract. The award of contract must be published on Find a Tender and Contracts Finder to comply with and the Public Contracts Regulations and the Government's transparency requirements.

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Appendices Appendix 1: Restricted Appendix
 Appendix 2: Equality Impact Assessment
 Appendix 3. Restricted Appendix

Background Papers

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

- Tender Report from David Miles & Partners (Confidential)

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