



London Borough of Enfield

Report Title	Civic Lifts Refurbishment
Report to	Cabinet
Date of Meeting	13 November 2024
Cabinet Member	Cllr Tim Leaver, Cabinet Member for Finance and Procurement
Executive Director / Director	Perry Scott, Executive Director of Environment & Communities
Report Author	James Wheeler, Head of CMFM James.wheeler@enfield.gov.uk
Ward(s) affected	All
Key Decision Number	KD 5815
Classification	Part 1 only

Purpose of Report

1. To seek Cabinet approval for the Civic Lifts Refurbishment Project to be funded from the capital Pipeline Programme.

Recommendations

<ol style="list-style-type: none">I. That Cabinet approves the transfer of £460k borrowing funded budget from the capital Pipeline Programme into the main capital programme for the Civic Lifts Refurbishment project, including £40k contingency.II. Notes that £40k contingency will only be accessed with the advance approval of the Executive Director for Environment & Communities in consultation with the s151 Officer.III. That Cabinet delegates to the Head of CMFM the authority to:<ul style="list-style-type: none">○ Approve the procurement strategy set out herein○ procure consultants and contractors in accordance with Contract Procedure Rules and relevant procurement legislation○ award contracts provided each contract falls within the budget envelope approved in Recommendation I; and○ to finalise contract documents.
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Background and Options

2. There are three Passenger lifts and one Goods lift at Enfield Civic Centre. They are in constant demand throughout the working day moving between 400 and 600 staff, tenants and visitors to, and between, the ten floors of office accommodation of the tower. The centre Passenger lift (Lift #2) has additional design functionality that enables its use as a staff evacuation lift during emergencies including fire.
3. The Goods lift is also in regular use and has become an essential requirement to the operation of the Integrated Community Equipment Service (ICES) relocated to B-Block North from Claverings.
4. In addition to the many Council services operating at Enfield Civic Centre, four of the floors (floors 6, 8, 9 and 10) are let on a commercial basis to tenants. These tenants support the high utilisation of the Enfield Civic Centre as a whole and generate important rental income.
5. The passenger lifts have been well maintained in full compliance with statutory requirements since their last major overhaul and refurbishment in 2004 and they remain safe to use, however normal wear and tear on major components is increasingly leading to operating faults that require the unplanned removal from service of individual lifts, including the evacuation lift, in order to undertake responsive repairs.
6. The passenger lifts have undertaken in excess of one-million trips since their last major overhaul and refurbishment which is considered very high usage.
7. Failure rates have increased in the past three months and there have been several occasions where two lifts are out of service simultaneously and staff, tenants and visitors had substantial waiting times for the one operational lift.
8. The cost of unplanned responsive repairs was circa £70k during the previous two years. This revenue cost of responsive repairs is expected to continue, and the cost increase as wear and tear continues, but would be avoided if a capital refurbishment were undertaken.
9. Cabinet has delegated authority to approve projects up to £10m from the Pipeline Programme providing the programme continues to fit within affordability metrics (KD5502, 10-year Capital Programme 2024/25 to 2033/34, dated 22 February 2024).
10. The cost to undertake the major overhaul and refurbishment of the three Passenger lifts and one Goods lift at Enfield Civic Centre is estimated to be £800k including fees and contingency.

Preferred Option and Reasons For Preferred Option

11. The recommended option is to undertake the major overhaul and refurbishment of only two of the three Passenger lifts at this time, and to defer the remaining Passenger lift and Goods lift for inclusion in the Corporate Condition Plan 2025/26.

12. The Passenger lifts selected for major overhaul and refurbishment will be Lift #2 (the evacuation lift) and the least reliable of the other two.
13. This recommendation considers the urgent priority must be to assure sufficient lift access is reliably available at all times and that the emergency evacuation procedure is available in full.
14. The estimated cost of this option is £460k including fees and contingency.
15. The procurement strategy is to use the Fusion 21 framework and run a mini competition from the framework to provide best value. The works will be awarded to the winning bidder from the mini competition, with award of contract delegated to the Head of CMFM.

Relevance to Council Plans and Strategies

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

- **Clean and green places**

Maintaining the corporate, public buildings and education portfolio in a safe, fit for purpose, and compliant state provides opportunities for the Council's asset to meet a future outcome for residents to live in a carbon neutral borough and meet decarbonisation pledges.

- **Thriving children and young people**

Maintaining the corporate, public buildings and education portfolio in a safe, fit for purpose, and compliant state supports the Council's future outcome for children and young people do well at all levels of learning.

- **Strong, healthy and safe communities**

Maintaining the corporate, public buildings and education portfolio in a safe, fit for purpose, and compliant state will enable Council services to be delivered effectively and efficiently for those people who live, work or travel in the entire borough supporting accessible and responsive services and a future outcome for residents to live happy, healthy and safe lives.

Financial Implications

Capital budget

16. The proposal requires Cabinet approval for the transfer of £460k borrowing funded budget from the pipeline programme into the main capital programme. Because of the urgent nature of work required, all works are expected to complete this financial year. A breakdown of estimated project budget is provided below:

	£000
Main contractor	400
Internal fees	20
Contingency	40
Capital budget	460
Borrowing	460
Capital funding	460

17. Budget estimates are based on a £400k refurbishment proposal prepared by the current lift maintenance supplier only. The scope of works are likely to include:

- Traction Control System and Gear Unit Upgrade
- Car Door and Operator Upgrade
- Landing Door Upgrade
- Safety and Compliance Upgrades (BS EN81-80:2019) and Additional Works
- Car Interior Refurbishment (Passenger)
- Car Interior Refurbishment (Goods Lift)

18. Budget estimates include further provision for internal fees and 10% project contingency. This contingency will only be accessed with prior approval from the Executive Director for Environment & Communities, in consultation with the s151 Officer.

19. The proposal is for a complete refurbishment of the lifts as opposed to routine repair & maintenance. As the work will result in asset enhancement, the £460k budgeted spend will be treated as capital spend in accordance with accounting regulations and CIPFA accounting framework.

20. The estimated useful life of the works is 20 years

21. The proposal will result in £460k growth in borrowing in the main capital programme. The Council is required to make annual revenue provision to repay this debt from 2025/26. This, along with associated interest costs, is expected to be around £36k per annum.

Value for Money

22. This is an example of the Council 'Investing to Save' - the revenue cost of investment (interest and annual borrowing repayment) is expected to generate savings in annual routine maintenance budgets greater than the revenue cost of borrowing itself.

23. The works contract itself will be procured through the Council's procurement framework.

Revenue budget

24. The revenue budget implications are relatively immaterial. The refurbishment of the lifts would assist in mitigating the budget pressure caused by the current ongoing responsive repairs.

VAT implications

25. The report seeks approval for the Civic Centre Lifts Refurbishment Project to be funded from the capital Pipeline Programme.
26. The proposed works involve the major overhaul and refurbishment of two of the three Passenger lifts at the Civic Centre at an estimated cost of £460k.
27. In its capacity as freehold owner, the Council will arrange for contractors to undertake the works and will receive VAT invoices in the Council's name. This will enable VAT to be reclaimed by the Council in the normal way.
28. To protect the Council from exceeding its partial exemption limit which is a very real possibility, and which could cost the Council millions of pounds if breached, it will be necessary to opt-to-tax the Civic Centre meaning that all future rental income will be taxable.
29. Should the project not be undertaken in the way described in the report, the VAT implications will need to be reassessed.

Procurement implications

30. Procurement must be carried out in accordance with the Council's Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015). Use of the framework must be in line with the rules of the framework and be awarded in line with the framework rules.
31. The procurement must take place via the Council's e-Tendering portal and be promoted to the Council's Contract Register and Contracts Finder following award and commencement.
32. The Service Area shall be responsible for uploading the executed contract/agreement at the end of the procurement project to the LTP.
33. As this contract will be over £100k the CPR's state that the contract must have a nominated contract owner in the Council's e-Tendering portal and ensure that contract management is carried out to ensure work is completed as per the specification.

Legal Implications

34. The Council, as a corporate landlord has numerous duties under common law and under statute (including Health and Safety at Work etc. Act 1974, Corporate Manslaughter and Homicide Act 2007, Occupiers Liability Acts 1957 and Occupiers Liability Act 1984) with regards the premises that it owns and/or controls. This includes the duty to take such measures as are reasonable to

ensure, so far as is reasonably practicable, that the premises, all means of access or egress available for use or any plant or substance in the premises are safe and without risks to health. These duties extend to all people on premises controlled by the Council. The Council can exercise the 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. Further, section 111 of the Local Government Act 1972 permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The recommendations in this report are in accordance with these powers.

35. The Council must ensure that any future procurements are compliant with the Council's Contract Procedure Rules and if the services contracts are above threshold, are compliant with the Public Contracts Regulations 2015. Should the procurement commence after 24 February 2025 (the commencement date of the Procurement Act 2023), legal advice should be sought on the applicable procurement regime. The Council must further comply with its obligations relating to obtaining best value under the Local Government (Best Value Principles) Act 1999.

Equalities Implications

36. The Council has a duty under the Equality Act 2010 to pay due regard to the needs of the protected characteristic groups, including ensuring the accessibility of Council buildings to staff, visitors and the public, and this project will ensure that the Civic Centre remains accessible to those groups.
37. A Stage 1 Equality Impact Assessment has been completed and it indicates that this decision will have no equalities impacts.

Property Implications

38. Failure to undertake appropriate capital condition works can lead to loss of property value, reduced environmental performance, a building becoming unfit for purpose, Service operations being disrupted and ultimate closure on suitability or health and safety grounds.

Report Author: James Wheeler
Head of CMFM
James.wheeler@enfield.gov.uk
07356 178012

Appendices

Background Papers

Departmental reference number, if relevant: