

MUNICIPAL YEAR 2014/2015 REPORT NO.

**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

PORTFOLIO DECISION OF:
Cabinet Member for Environment
& Community Safety

REPORT OF:
Director – Regeneration &
Environment

Part: 1	KD Num: N/A
Subject: Revision of Contamination and Missed Collection Policy.	
Wards: All	

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<p>1. EXECUTIVE SUMMARY</p> <p>1.1 Recycling, waste and street cleansing are universal services that have a significant impact upon the public perception of the Council. Ahead of further budget pressures expected in the future, Waste Services has conducted a review of its service areas to look at ways in which further service developments can be made.</p> <p>1.2 Contamination: Following a review of the contamination policies which the council has been trialling since September 2013, there are a number of proposed changes to help make these procedures more effective and efficient to apply.</p> <p>1.3 Missed collections: Following the roll out of wheeled bin in 2009 this report also seeks to clarify the current missed collection policy. This will help ensure this important element of the waste and recycling collection service remains viable, as well as helping to provide more definitive guidance to residents and collection crews alike.</p>
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2. RECOMMENDATIONS

- 2.1 That the Cabinet Member for Environment & Community Safety approves the procedural changes as outlined in Sections 3 and 4. This includes the:
- 2.2 Introduction of a more targeted approach to identifying households to apply the contamination policy to. As outlined in Section 3.1.16 - 3.1.19 and 3.1.21 of this report.
- 2.3 A more simplified contamination policy going from a 4 stage to 3 stage process. As outlined in section 3.1.20 of this report.
- 2.4 Providing recycling sacks to residents living in flats above shops on an opt-in basis only. As outlined in Section 3.1.24 of this report.
- 2.5 To only treat collections as being 'missed' if they are reported to the council within 1 working day. As outlined in Section 3.2.4 – 3.2.6 of this report.
- 2.6 In areas of high contamination and side waste to serve a s46 notice to enable quicker and easier enforcement.

3. BACKGROUND

- 3.1 This report sets out in turn below the current and proposed procedures for:
 1. Contamination of recycling and garden & food waste bins and sacks (Section 3.2)
 2. Missed collections for waste and recycling bins and sacks (Section 3.3)

3.2 Revision of the council's current contamination and side waste policy

Introduction

- 3.2.1 The Waste Services team have been reviewing the service since the completion of the wheeled bin roll out to ensure that the service runs smoothly in the long term. Contamination i.e. when incorrect items are placed in one of the recycling bins was one of the issues identified as part of this. Contamination can be in either the blue lidded mixed dry recycling bins/ sacks or the green lidded garden and food waste bin. It can also be in communal recycling and food waste bins provided to residents living in estates properties i.e. purpose built blocks of flats. Such items cannot be recycled themselves and in addition can then make other items in the load also unsuitable for recycling.
- 3.2.2 Contamination is occurring in a minority of households and estates. This is despite households being provided with educational material when they

received their bins. The wheeled bins were also delivered with stickers under each bin lid, which show pictorial based recycling information.

- 3.2.3 The issue of contamination needs to be addressed as it will have financial implications as Enfield Council will have to dispose of the contaminated material as refuse, which is up to 30 times more expensive per tonne than recycling. This figure is based on the average recycling cost from April 2013 to March 2014. Our contamination rate is currently around 7%, 2% above what is accepted in our agreement with our contractor Biffa. At the current rates this additional contamination above the agreed limit represents a potential risk and pressure to the council in excess of £40,000 per annum.

Outcomes of the trial contamination process

- 3.2.4 The contamination process which has been trialled since the beginning of September 2013, and was originally planned to cover up to 40,000 kerbside properties and an unspecified number of estates households.

Kerbside households

- 3.2.5 Please refer to Appendix A for the trial process to dealing with contamination which has been trialled since September 2013.
- 3.2.6 To date only 9,000 of the 86,000 kerbside households in the borough have been able to be covered by the process with 1 officer working on this full-time since September. To date a total of 2,778 letters have been sent, including 1,942 1st offence letters and 298 3rd letters, which represents a 85% reduction. In total wheeled bins at 3 addresses have been removed to date. This has also included over 500 households being door knocked in attempts to make face to face contact with the residents.
- 3.2.7 Experience to date has shown the process, whilst effective on the properties that have been targeted as part of the trial, is too resource intensive to apply borough wide in order to have a true impact on reducing contamination.
- 3.2.8 With the current process, collection rounds are selected on a random basis and then targeted in their entirety, of up to 7,000 households for each round, on a permanent basis.
- 3.2.9 Households outside the pilot rounds still receive contamination stickers placed on their bins or sacks by the crews whenever contamination is identified however these are not taken through the full contamination policy, with repeat offenders simply continuing to be stickered.

Estates

- 3.2.10 Please see Appendix B for an illustration of the current 4 stage process for estates households. Due to the time consuming nature of the kerbside trial the current estates contamination work has only been recently introduced to 300 estates households.

Flats above shops

- 3.2.11 The authority has been experiencing issues with a number of flats above shops households continually contaminating the blue recycling single use sacks which have been provided to them by the council.
- 3.2.12 There is no specific contamination process currently in place for flats above shops. Contamination issues with this type of housing in the borough are having an increasingly negative impact on the street scene at many locations with contaminated recycling sacks being unable to be collected by the recycling crews. The subsequent delay in clearing the sacks can then often attract fly-tipping with sacks also vulnerable to anti-social behaviour at what are often busy high foot-fall locations.
- 3.2.13 Residents living in flats above shops, where communal bins cannot be allocated, are currently provided with the equivalent of two blue sacks for mixed recycling and 2 grey sacks for refuse per week. Rolls of sacks are delivered to each property every 6 months.
- 3.2.14 A number of attempts have been made to engage with residents at sites where high levels of contaminated sacks are set out. However the impact of this engagement on reducing contamination for this housing type has generally been very low and has been further hindered by a lack of evidence to identify specific offending addresses.

Proposed process

- 3.2.15 Further to the trial, in order to achieve greater coverage of the policy throughout the borough, it is proposed that the contamination process is streamlined and takes a more targeted approach to identifying contaminating households. This is set out in detail in the sections below.

Kerbside households

- 3.2.16 The proposed revision as set out below is a much more intelligence led approach. Like with the current system all kerbside households that contaminate will still have their bins stickered and bin not emptied.
- 3.2.17 Specific households in areas with particularly high contamination levels will be identified and targeted with a revised and shortened contamination policy that could lead to them losing the recycling and garden & food waste bins if they offend 3 times within an 8 week period.
- 3.2.18 It is proposed to move to rounds being selected based on high contamination (10% contamination levels or above) reported from our Material Recycling Facility operator during their random audits, which will be then targeted using the revised policy for an 8 week intensive period. An officer from the recycling team will shadow the collection crews to identify offending households which will then be targeted in line with the revised policy.

3.2.19 This methodology will also enable hidden contamination to be identified in the vehicle hopper, with household responsible also targeted as part of the process going forward.

3.2.20 Introducing a simpler 3 stage, as opposed to the previous 4 stage process, will further assist in freeing up officer resource to enable as much of the borough as possible to be covered. Appendix C shows an illustration of how the proposed process will work.

3.2.21 In summary the process will work as set out below:

- 1st Occurrence – bin stickered by crew and letter sent.
- 2nd Occurrence – bin stickered by crew letter sent and door knocking takes place, with contamination emptied the following collection to provide residents with a fresh start.
- 3rd Occurrence – bin stickered then bin removed and letter sent to resident informing them of this.

Estates

3.2.22 As per kerbside properties it is proposed that the contamination policy for estates also moves to a targeted approach and from a 4 to a 3 stage process as outlines in Sections 3.1.16 - 3.1.20 above. Please also see Appendix D for an illustration of the new process.

3.2.23 A further proposed revision to the estates service is at the 2nd instance of contamination that the council offers to remove the bin, if agreed with the managing agent. Any managing agent agreeing to this will then be responsible for ensuring that their waste is contained within the refuse bins provided. Any additional refuse capacity required above the councils agreed planning guidance criteria, which specifies waste capacity per household, will need to be purchased at higher commercial waste rates.

3.2.24 The London Boroughs of Hammersmith & Fulham and Hackney are currently both currently also trialling the removal of bins at estates households where requested by the managing agents.

Flats above shops

3.2.25 Due to the high level of mis-use of the blue recycling sacks being used to contain refuse by flats above shops properties within the borough, it is proposed to pilot a new procedure at such property types. This represents approximately 1,600 households within the borough and will involve initially offering the standard provision of grey refuse sacks only.

3.2.26 A letter will go in advance of each delivery of sacks offering residents the opportunity to be able to opt-in by a pre-set deadline and request a standard provision of blue recycling sacks to be delivered to them.

Serving of Section 46 Notice to all households within the borough.

- 3.2.27 To further aid the new proposals outlined above, Section 46 notices would be included as part of a general service information letter or leaflet covering households in parts of the borough where contamination and side waste is problematic. This will then greatly aid the councils Enforcement team in prosecuting any residents who do continue to contaminate their bin or leave outside waste after their bin has been removed. Also if a resident fails to present their waste for collection as specified in the section 46 notice then waste services have no duty to collect the waste under the Environmental Protection Act 1990.
- 3.2.28 Non-compliance with the section 46 notice enables the Councils Enforcement team to serve fixed penalty notices and prosecute for failing to comply. The Enforcement team can also utilise the Highways Act so if the waste is causing an obstruction to the highway we can serve notice seeking its removal within 28 days. If this is not complied with the council can prosecute and apply to court for a removal order and recover the costs of doing so.

3.3 Missed collection reporting

Current process

- 3.3.1 The current procedures relating to how domestic refuse and recycling collections are reported have been identified as an area where the council can reduce service mis-use.
- 3.3.2 A missed collection is defined as an Enfield Council waste or recycling container not being emptied by 16:00 on the specified collection day. The missed collection process will always be vulnerable to abuse with 52% of all reported missed collections in Enfield between November 2013 and April 2014 being found to be unjustified (2874 calls). The largest proportion of unjustified missed collections were due to over generation of waste which made up just under half of all unjustified calls.
- 3.3.4 There is currently no time restriction on when a missed collection can be reported i.e. a missed collection on a Wednesday collection day can currently be reported on the following Monday, with the containers being emptied 24 hours later on the Tuesday, just 1 day before the next scheduled collection.

Proposed process

- 3.3.5 It is proposed that collections should only be treated as a missed collection if reported within one full working day e.g. a missed collection for a Wednesday collection has to be reported by the end of Thursday (17:00 contact centre or midnight via a web e-form).

- 5.4 Through only offering blue recycling sacks to those flats above shops residents that proactively choose to opt-in to the service it is hoped that this will help to ensure that the blue recycling sacks that are put out should only contain the correct items for recycling. Where contamination does take place it will then be easier to identify the offending properties to enable education to take place and if this is unsuccessful enable enforcement procedures to begin.
- 5.5 The upfront issuing of Section 46 to residents on problematic areas for contamination and side waste will provide the councils enforcement team with more immediate powers to enforce against non-compliant residents.
- 5.6 The revised missed collection policy will help to reduce abuse of the service and enable it to remain viable. This will also bring the council in line with London Boroughs such as Harrow and Waltham Forest who already operate a similar 1 working day reporting policy for missed collections.

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

6.1. Financial Implications

- 6.1.1 The costs of running the contamination pilot during 2013/14 were supported by a one off Project Carry Forward which was fully utilised during 2013/14.
- 6.1.2 The proposals should ensure that a greater number of properties can be covered than during the pilot period and will be contained within the services existing resources.
- 6.1.3 An effective management of contaminated bins will minimise the risk of breaching the agreement with BFFA, who could treat the whole load as refuse should the contamination rate be above the agreed level. The reports states the current position is at 7% which is 2% above what is accepted in our agreement with BIFFA. This will cost in excess of £40,000 pa and have an adverse impact on the savings assumptions included in the MTFP in relation to the diversion of waste from the North London Waste Authority. This additional cost will be managed within the services existing resources.

6.2 Legal Implications

- 6.2.1 The Council has a statutory duty to collect household waste under s.45(1)(a) of the Environmental Protection Act 1990 (EPA). Section 46 of the EPA empowers the Council to serve notice on residents specifying the manner in which the Council requires resident to present waste for collection including the separation of particular waste streams. It is only where a s.46 notice has been served and breached that a Council can refuse to collect a particular batch of waste. S.45 does not specify the frequency of collection and so

- 3.3.6 Customers that report bins after this time will be advised to wait until the following collection day. Any excess waste that cannot fit into their containers can be taken to Barrowell Green recycling centre with any excess recycling taken to one of the 6 mini recycling centre located in convenient supermarket based locations throughout the borough.
- 3.3.7 If approved the revised process will be supported through wider promotion and more robust application of the councils existing boundary collection policies.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Continue with the current methodology but accept this will have little impact on reducing contamination.
- 4.2 To cease any attempt to control contamination and accept the risks of increasing contamination and associated costs incurred.

5 REASONS FOR RECOMMENDATIONS

- 5.1 The current contamination pilot has been trialled for over 6 months between September 2013 and April 2014. During this period the policy was applied to 9,000 kerbside household, which represents just under 10% of the total kerbside households in the borough and 7% of all household in the borough. The work involved in the administration of the pilot included the evaluation and inputting of all crews sheets, recorded this on the council M3 enquiry system, raising and sending letters to residents and undertaking door knocking have a real impact on contamination far greater covered is required. This took the equivalent of one full-time scales 6 Waste and Recycling Officer with equivalent on costs of around £31,000 pa. To extrapolate this out to the whole borough could require up to over 13 full-time equivalents at accost of almost £400,000 pa. For households that were covered as part of the trial result were extremely encouraging with 85% drop in contamination from residents that received the initial letter and those that were found to be contamination for a third time.
- 5.2 By applying the proposed intelligence led streamlined approach it is hoped that a much larger proportion of contaminating household can be covered having a greater impact in reducing the boroughs contamination levels as a whole.
- 5.3 In the case of estates properties enabling the bins to be removed at the request of the managing agent will have the impact of putting pressure on the residual bins, a more expensive disposal option for managing agents. It is expected that this will help to encourage many agents to work more closely with the council to enable recycling bins to be reinstated and be used responsibly.

provided that waste from a contaminated bin will be collected as refuse with in a relatively short period of time (should the householder not remove the contamination) the Council will still be complying with its s.45 duty. Should the contaminated recycling bins be left for extended periods such that there becomes a risk of odour or public health issues the Council should be prepared to empty the bin as necessary.

- 6.2.2 The Council has a duty to under s.45A of the EPA to collect at least two types of recyclable waste. The removal of bins could breach this duty, however there are two exemptions provided under s.45A(2): a) that the cost of collecting two recyclables separately from premises is unreasonably high or (b) that comparable alternative arrangements are available. The report indicates that the cost of dealing with contaminated recyclable waste indefinitely for a minority of properties is prohibitively high and alternative facilities are available for residents. The Council should be satisfied that the third contamination incident reasonably constitutes the threshold at which the cost of separate collection of recyclables from the premises would become “unreasonably high”, as above, then the s.45A duty would cease at this point. By virtue of s.46(11) the Council is not obliged to collect household waste that is placed for collection in contravention of a s.46 notice
- 6.2.3 At present, breach of a Section 46 notice is a criminal matter and the council has the power to issue a fixed penalty notice pursuant to s.47ZA EPA
- 6.2.4 The council is not generally entitled to charge for domestic waste collection (subject to exceptions for certain types of waste under the Controlled Waste (England and Wales) Regulations 2012, which are not applicable here). Any charges applied for the collection of waste (particularly to managing agents where bins have either been removed or to take account of additional capacity requirements may be viewed as unlawful. Any charge applied be expressed as ‘voluntary charges’. The Council would need to be clear that the proposed charge was not for the collection of the particular contaminated load per se (which would be unlawful unless a relevant s.46 notice had been breached) but to make viable the continued provision of the estate’s separate recyclables collection. The Council is not entitled to make a profit and therefore any charges made should (taken year on year) reflect the cost of the provision of the service (i.e. the extra cost to the council of dealing with a contaminated load of recycling) and does not make a surplus, it would appear to fall within the powers in ss.1 and 3 of the Localism Act. Any removal of bins should occur reasonably close in time to the previous stages to ensure the robustness of the council’s decision.

6.3 Property Implications

None.

7 KEY RISKS

- 7.1 Uncollected contaminated and over generation (side) waste may also be reported as fly-tipped waste; especially if on estates and from flats above shops.

- 7.2 Waste left after continually contaminated bins have been removed may have an impact on the street scene and contribute towards bagging out i.e. waste placed in non-Enfield supplied containers or bags.
- 7.3 The serving of Section 46 does not in itself compel the resident to remove the uncollected waste with the councils Enforcement team having to take further action and resulting impact on the street scene in the meantime.
- 7.4 There can be no guarantee that the revised proposals may be successful at significantly reducing contamination.
- 7.5 That if adopted the new policy could still continue to be too resource intensive to administer to enable sufficient coverage to have a sustainable impact on contamination levels.

8. IMPACT ON COUNCIL PRIORITIES

Fairness for All

- 8.1 The revised proposed contamination approach to will enable greater equality of coverage of the contamination policy throughout the borough.
- 8.2 Furthermore all contamination communication material will continue to be written in plain English with pictorial information cards included with all letters. This information visually shows what items can be placed in wheeled bins. Pictorial stickers will also be placed on contaminated bins by the collection crew. This will ensure that all residents on the scheme will be able to understand the system, regardless of their language or literacy ability.
- 8.3 Residents will also continue to be given the opportunity to contact us at any phase of the process should they need any clarification.

Growth and Sustainability

- 8.4 The revised missed collection policy will help to ensure the long term sustainability of this service offering.
- 8.5 The revised contamination policy has been put forward in order to have a greater impact in reducing the amount of contamination produced, this will help Enfield Council provide a cost effective waste collection service. It is currently more expensive to send contaminated materials that arrive at the MRF to refuse derived fuel (RDF) than sending materials for recycling, as outlined in section 3.1.3.

- 8.6 The quality of recycling materials needs to be kept as high as possible to ensure that Enfield Council can get the highest price/ lowest cost for the material collected.

Strong Communities

- 8.7 The removal of wheeled bins from residents that are persistent offenders will send a strong message that Enfield Council is striving to provide a high quality service. It is also a positive message for those residents that comply with the service and will make sure that residents take ownership of their wheeled bins.
- 8.8 The process will help to remove contaminated bins from the street, which will help to improve the appearance of the street scene. This will help to create stronger communities where residents take pride in the place they live.

9. EQUALITY IMPACT IMPLICATIONS

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment/analysis is not relevant.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The Council's monthly contamination rates will continue to be monitored to assess the success of the contamination procedures.
- 10.2 The number of monthly reported missed collections will continue to be closely monitored to assess the success of the revised missed collection procedures.

11. PUBLIC HEALTH IMPLICATIONS

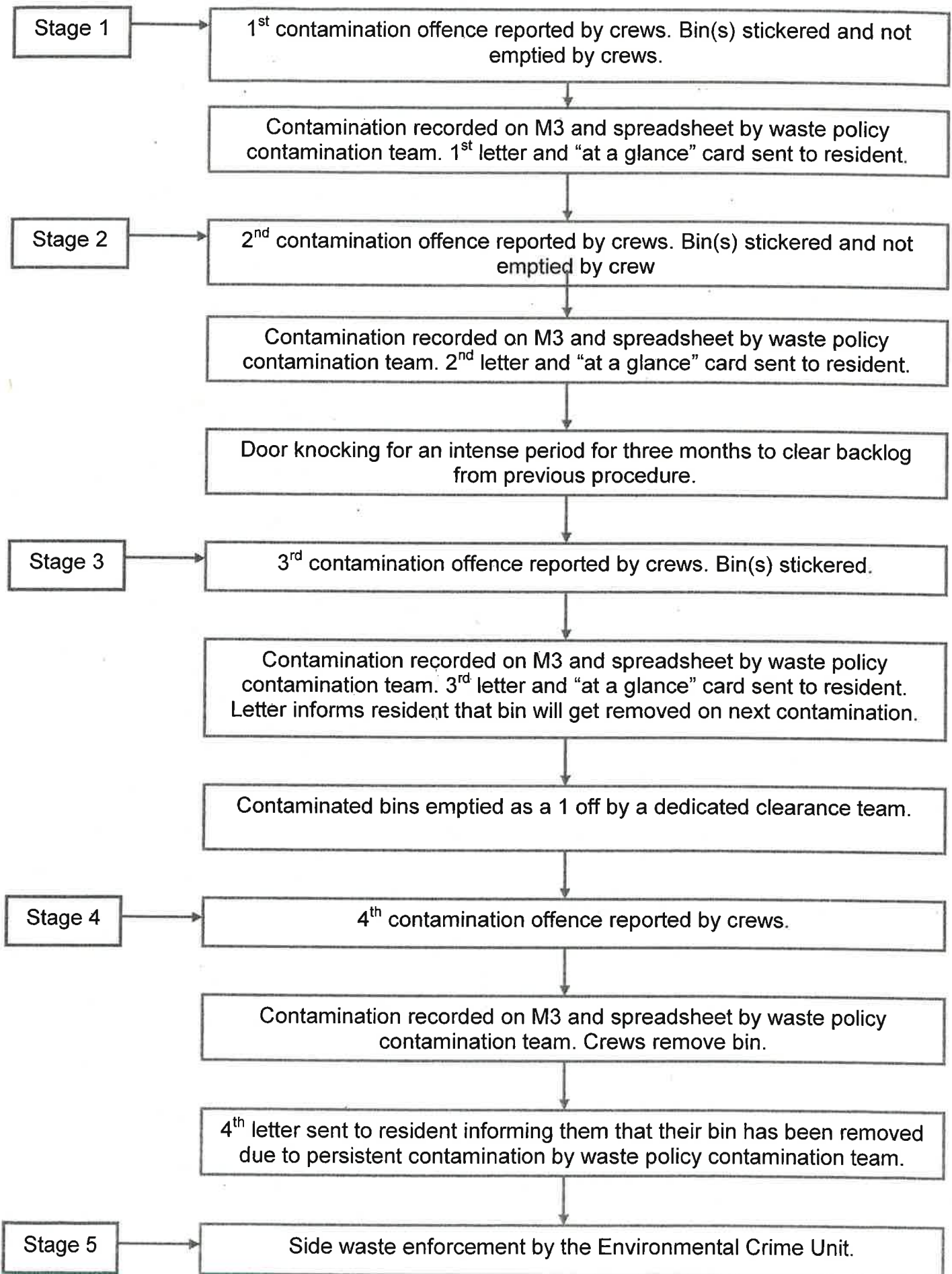
There are no foreseen public health implications related to this report.

Background papers

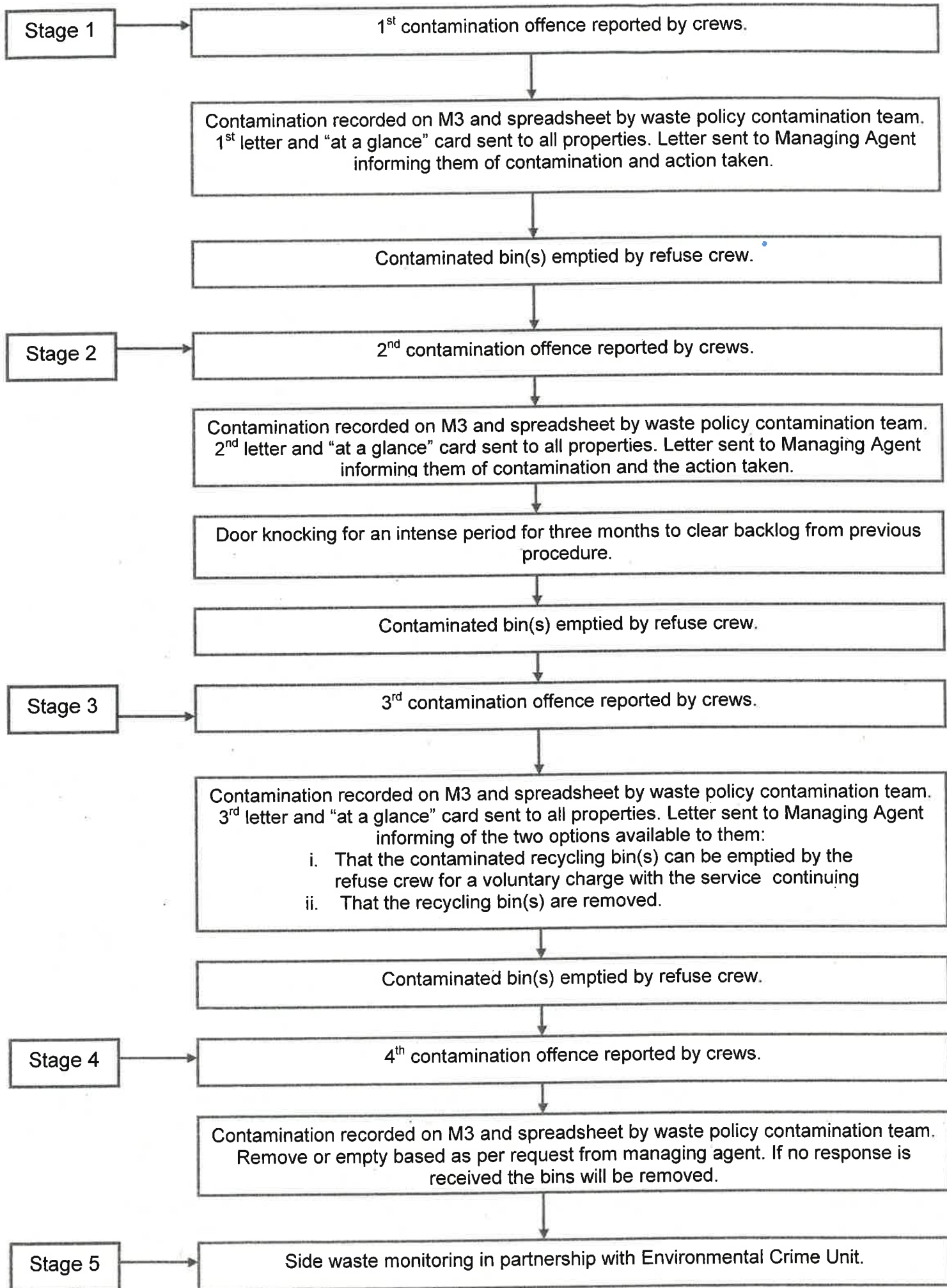
None.



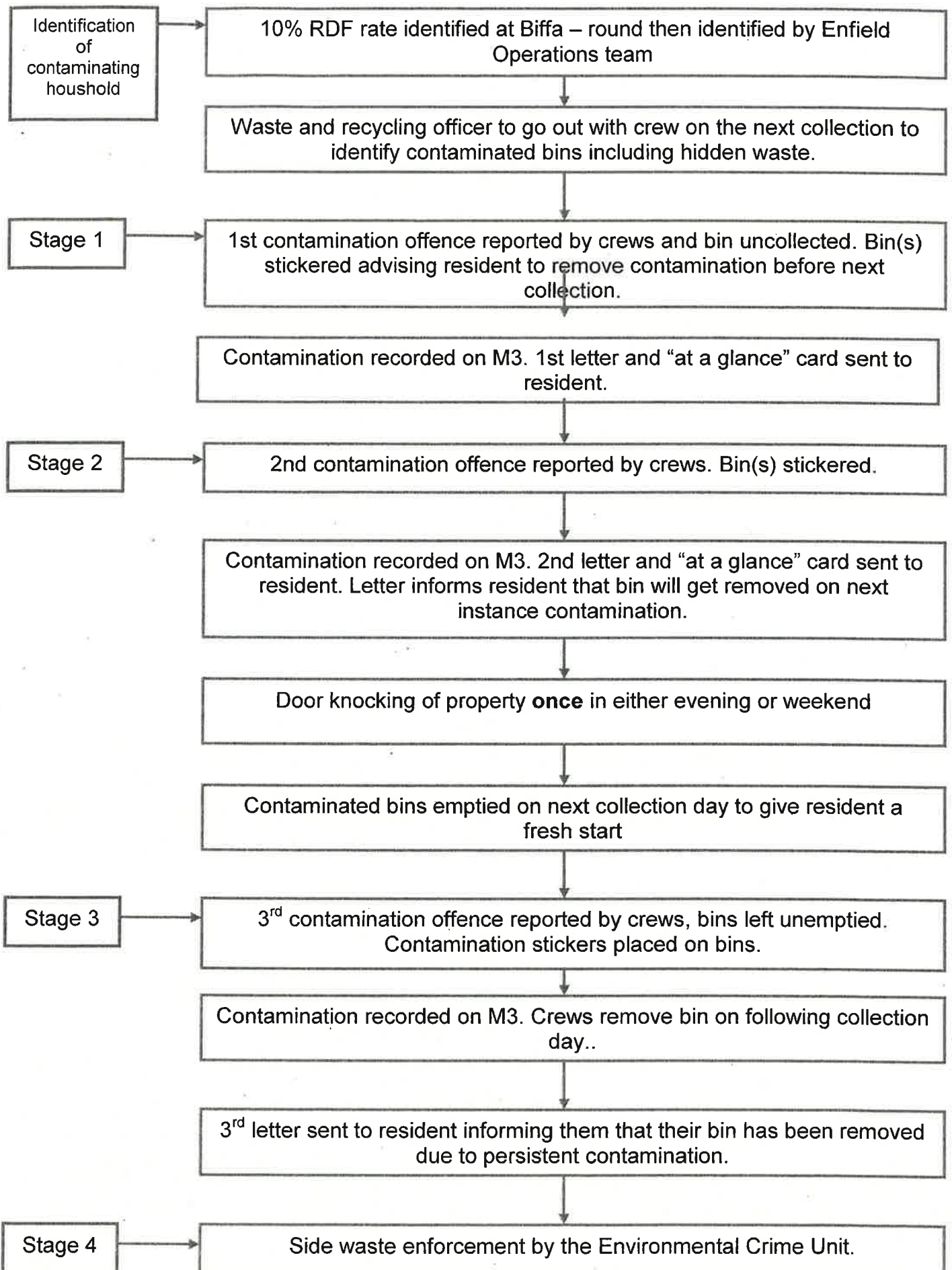
Appendix A – Current pilot contamination process for kerbside properties



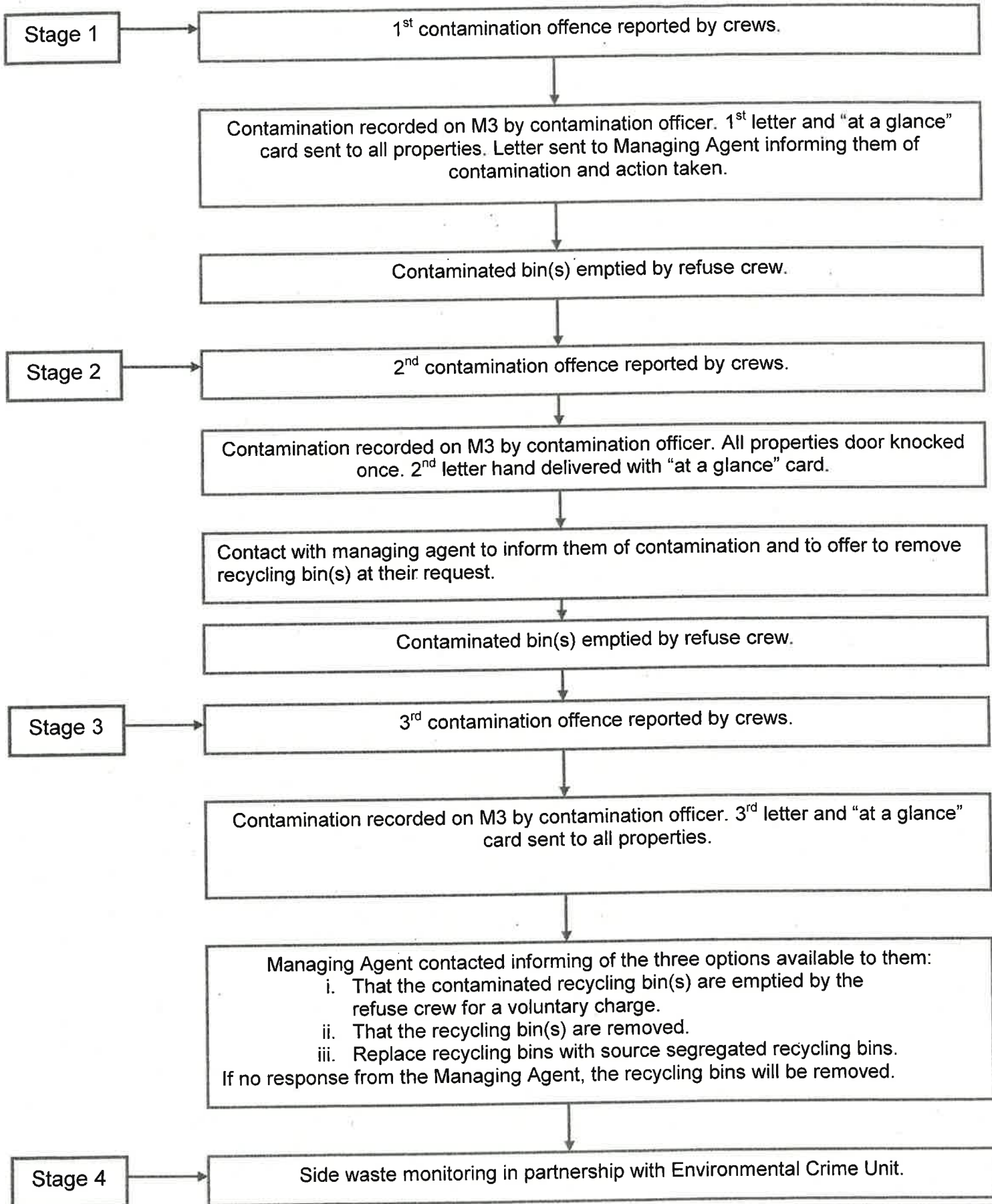
Appendix B –Current contamination process for estate properties



Appendix C – Proposed contamination process for kerbside properties



Appendix D – Proposed contamination process for estate properties



MUNICIPAL YEAR 2013/2014 REPORT NO.

MEETING TITLE AND DATE:

Portfolio Key Decision KD3597

REPORT OF:

Directors of Schools and
Children's Services and Finance,
Resources and Customer Services

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Agenda – Part: 1	Item:
	Subject: Award of individual contract via framework suppliers for the Primary Expansion Programme. Wards: Highlands
	Cabinet Members consulted: Cllr A Orhan, Cllr A Stafford

1. EXECUTIVE SUMMARY

- 1.1 This report covers a decision required to implement the Pupil Places Strategy as agreed in the Cabinet Report of June 2013.
- 1.2 A contract is required with Kier Construction Ltd to formalise the delivery of building works to expand Grange Park Primary School.
- 1.3 The EU compliant Scape framework contract was used to procure Kier Construction Ltd for construction works associated with two of the PEP school expansions. Under the Scape framework the contract is termed "Memorandum of Agreement", or MoA.
- 1.4 Portfolio holders' approval for the contract, contract sum and contingency amounts is now required. The initial budget for the scheme was agreed through the Council's Capital Monitor process in 2013 and will be updated in the Capital Monitor process in August 2014.
- 1.5 The total contract sum with Kier Construction Ltd is £3,906,300. The amount is within the Capital Monitor allocation agreed by Cabinet in 2013. The contract sum has been reviewed by our independent Quantity Surveyors and reflects current construction market conditions where there is now significant inflationary pressure. The recommendation is to proceed to MoA. The tender report is included in the Part Two version of this report.
- 1.6 Previously approved commitments totalling £2,192,629 for this scheme have been made through the Scape framework 'project order' process and form part of the total contract sum. These commitments have enabled design to progress, future orders to be placed and have allowed the contractors to start work on site from early Spring 2014.
- 1.7 This decision also covers the allocation for client side costs of £2,499,700 which covers works that will be commissioned separately, client risk and more extensive traffic mitigation costs. This amount takes the total allocation for the project to above the current Capital Programme allocation agreed by Cabinet but it will be funded by diverting funding from within the overall school expansion programme allocation on the Capital Programme.

1.8 Once approval to the recommendations in this report is gained, the details of the contract for the project will be finalised in compliance with the Scape framework and the NEC3 form of contract that is to be used. The Authorised Officer within Legal Services will execute, via Seal, the contract (Memorandum of Agreement).

2. RECOMMENDATIONS

- 2.1 That the Cabinet members for Education, Children's Services and Protection and Finance approve:
- 2.1.1 Expenditure of **£3,906,300** as the MOA contract sum submitted by Kier Construction Ltd to support the Grange Park permanent school expansions and improvement work;
 - 2.1.2 The award of an NEC3 contract to Kier to deliver the works required at the Grange Park Primary School site;
 - 2.1.3 That the Director of Schools and Children's Services allocates funding and awards contracts for a supplementary package of works, once finalised, via an operational decision;
 - 2.1.4 That the allocation of funding from the allowance for risk is managed through the programme management structure; and
 - 2.1.5 Expenditure of **£2,499,700** as client side costs to cover works that will be commissioned separately, client risk, fixtures fittings and furniture, information technology requirements, staff costs and more extensive traffic mitigation costs.
- 2.2 Note that Legal Services will process the contract documentation (Sealing).
- 2.3 Note that Client Side costs of **£2,499,700** includes works that will be commissioned separately, client risk (including Kier contract contingency), fixtures fittings and furniture, information technology requirements, more extensive traffic mitigation costs and other project costs associated with the full expansion scheme.
- 2.4 Note that the total expenditure for the school is more than the current total budget of **£4,524,000** approved as part of the Capital Programme to cover the building works and part of the client side costs. The Capital Programme is reported quarterly and the variation of the costs approved in this report will be managed through that process.

3. BACKGROUND

- 3.1 In December 2011 Cabinet agreed the School Places Strategy and set out plans to provide additional pupil places to meet the forecast

- A single storey extension to the dining hall will be constructed
- Demolition of e two temporary classrooms
- Reconfiguration of the car park, footpaths and associated landscaping

A formal contract in the form of a Memorandum of Agreement (MOA) under the Scape Framework is now required for the main works package awarded to Kier Construction Ltd.

A package of works is being commissioned separately to deliver a number of items where it is either not cost effective or possible for Kier Construction Ltd to deliver to the required timescales. The works include provision of an administrative block, refurbishment of medical room and associated external works to take place once the Kier contract is completed. A significant package of traffic mitigation works has also been planned for delivery. This is above and beyond the initial recommendation from the traffic reports supporting the planning application and is in direct response to concerns raised by the school's Governing Body during the consultation phase

Procurement

- 3.7 Scape System Build Limited is a Local Authority controlled company. Scape undertook a procurement process to set up a framework for works that comply with the Public Contract Regulations 2006 in a two stage selection process under OJEU (Restricted procedure). The selection criteria contained in the tender documents was as follows:
- 3.8 Corporate Procurement conducted due diligence of the Scape frameworks and have confirmed that it is set up in line with EU requirements. The most economically advantageous tenders were provided by Kier and Willmott Dixon.
- 3.9 The Council has entered into an Access Agreement with Scape enabling the Council to call off in accordance with the framework terms. The call off via the Project Order extensions with Kier and Willmott Dixon is in accordance with the terms of the framework.
- 3.10 The Scape Framework has a value for money (vfm) component which the contractors have to demonstrate as costs are firm up in preparation for signing contracts. This is done through value for money statements and the requirement that where feasible three quotes for each work package are sought.
- 3.11 The contract will be NEC3, as set out under the framework terms. All payments to contractors will be made in arrears in accordance with the contract terms.

demand and provide flexibility with regards to provision of school places.

- 3.2 In the Spring of 2012, Enfield Council identified a significant change in projections where demand in primary places would not be levelling off but would continue to increase until at least 2018. The Primary School Expansion Programme (PEP) is the delivery vehicle for the Council's Strategy for the Provision of Primary School Places.
- 3.3 The first phase of the Primary Expansion Programme has been operating since June 2012 and now consists of building works at six schools which will deliver a combination of permanent buildings and improved facilities to support extra capacity for 1,680 pupils in total.
- 3.4 Following the annual review of population projections in Spring 2013 a further need for places was identified and only half that demand could be met by academies and free schools that had permission to open a school in the borough. A second phase of Council funded expansion was proposed to ensure the statutory responsibility to provide sufficient school places in the borough could be met. The proposal was agreed at the June 2013 Cabinet meeting. Two PEP1 projects (Garfield and Grange Park) were moved into phase two to reflect their different delivery timescales.
- 3.5 The annual review of population projections and school capacity has been conducted and a separate report for July 2014 Cabinet covers the need and approach to further expansion for September 2014 to September 2018.
- 3.6 Kier Construction Ltd has been procured through the SCAPE Framework. The design and costs for Grange Park Primary School have developed sufficiently for contracts to be put in place. The description of the works is below:

3.6.1 Grange Park Primary School

Expansion at Grange Park has already been initiated to expand the school to a 3 form entry school. Most recently, a single storey primary classroom was erected during the summer break in 2013 to accommodate an additional reception class at the start of the academic year.

The main works contract being delivered by Kier Construction Ltd is to provide a new two storey building to provide classrooms for additional year groups, group room and toilet facilities. A single storey extension to the existing dining hall will also be built. A summary of works to be carried out in the current financial year is as follows:

- Development of a two storey classroom block (modular build) to provide a total of 8 classrooms, 2 group rooms and toilets.

- 3.12 As the school designs are finalised the contractors issue work packages and aim to get three quotes. These are then used to generate the contract sum. The contract sum which has now been submitted as part of a contractor's proposal, as a tender return would be, and reviewed by our Quantity Surveyors who have recommended that it is acceptable.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Enfield Council has a statutory responsibility to provide the necessary school places. The Primary Expansion Programme creates a mechanism to assist with the delivery of extra capacity required. Not providing places is not considered an acceptable option.

4.2 The following proposals have been considered but rejected:

- Increasing class sizes to over 30 pupils. Current legislation stipulates that Key Stage One classes cannot exceed 30 pupils with only one qualified teacher. This does not apply to Key Stage two. However, school accommodation does not normally allow for more than 30 pupils in one class; and
- The use of community halls as emergency class bases. This option has been explored with a number of head teachers in relation to the development of the Partner School initiative. However, the revised strategy seeks to deliver a programme of permanent expansions.

4.3 At this stage the only other option in contractual terms is not to enter into contract with Kier Construction Ltd for completing the building works at Grange Park Primary School. This would mean the extra capacity required by the school could not be completed. This in turn means that the Council could not meet its statutory responsibility to provide enough school places to meet demand and provide pupil places by September 2014.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has an overriding statutory duty to provide sufficient pupil places to meet anticipated demand. The strategy will deliver the additional places required in the areas of the highest demand over the short term, up to 2018. The expanded capacity aims to provide a higher level of flexibility built in to counter sudden increases in demand and to provide an element of parental choice on an area by area basis.
- 5.2 Significant orders for materials and initial site works have already commenced under the Scape framework terms. The detailed scope and designs are in the process of being signed off by the Council

through the Design Acceptance Process. The Scape contractors have submitted their contractor's proposal which includes a contractor's sum for the building works they will undertake.

- 5.3 Contract documentation and the contract sum have reached a stage where it is clear that Enfield Council will be able to enter into contract. The contract sum has been reviewed by our independent Quantity Surveyors, EC Harris and has been recommended for acceptance. The tender report is included in the Part Two version of this report.

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

6.1 Financial Implications

- 6.1.1 The table below shows the expenditure and funding profile for this scheme.

Grange Park	Pre 2014/15	2014/15	TOTAL
	£000's Actual	£000's Budget	£000's
Budget within SCS Capital Programme	781	3,743	4,524
Estimated Expenditure as detailed in Part 2 Appendix A	781	5,625	6,406
Funded by			
Targeted Basic Need Grant	325	2,767	3,092
General Schools Capital Grants	3	2,320	2,323
Council Resources	453	538	991

- 6.1.2 The cost of the proposed scheme is £1,882k greater than the current approved budget, for the reasons outlined in the report. This additional funding has been met by transferring Targeted Basic Need Grant and General Schools Grant from the unallocated phase 2 approved growth provision within the Capital programme

- 6.1.3 The detailed breakdown of the estimated expenditure is shown in Appendix A of the Part 2 report.

6.2 VAT Implications

- 6.2.1 VAT incurred towards the supply of such education provision can be recovered under provisions of S33 of VAT Act 1994, subject to the normal rules for VAT recovery i.e. the Council must contract for/procure the supply, receive the supply, pay

with corporate funds, and receive a VAT invoice in its name. Qualifying VAT include VAT incurred in making the site suitable for the supply of education (e.g. construction, furniture and fittings, educational tools and equipment, etc).

- 6.2.2 It is not expected that exempt revenue income (e.g. from leases or lettings) generated by the primary expansion programme, will not impact on the Council's partial exemption position.

6.3 Legal Implications

- 6.3.1 Section 14 of the Education Act 1996 requires that an authority ensures that sufficient school places are available within its area for children of compulsory school age. Case law upon this statutory duty confirms that compliance with the duty requires an education authority to actively plan to remedy any shortfall. Section 111 of the Local Government Act 1972, includes the power to do anything ancillary to, incidental to or conducive to the discharge of any of its statutory functions. The recommendations within this report are in accordance with these powers.
- 6.3.2 The Council entered into the Access Agreement with Scape on 20th September 2012, enabling the Council to call off from the EU compliant frameworks set up by Scape. The call off from the framework is in accordance with the Councils Constitution, in particular the Contract Procedure Rule and the framework terms.
- 6.3.3 The contract for the works will be the NEC contract, which is an industry standard contract in accordance with the framework and approved by the Assistant Director of Legal Services. The contract will be under Seal.

6.4 Property Implications

- 6.4.1 The Strategy set out in this report will provide additional primary places in Highlands ward.
- 6.4.2 The individual contracts will also give more direct control to the Council of the potential outcomes of the works programmes.
- 6.4.3 To meet statutory requirements it is vital to ensure that LBE financial accounts do not include buildings (or parts of buildings) that have been demolished. To ensure we have high quality records and meet our statutory obligations, Education Asset Managers will complete a demolition notification form and return to Property Services.

- 6.4.4 The use of modular construction will assist with speeding up the construction process, but requires significant investment upfront in the design process. The modular construction also significantly improves a buildings environmental performance and overall sustainability.
- 6.4.5 An inventory list of any material procured and produced will need to be kept. In the event of failure or contractual disputes appropriate arrangements will need to be made for these supplies to be retained and secured for the Council until a decision is made on how best to dispose of them or use.
- 6.4.6 Property Services will need to be aware and sent the new data being generated for the expansion of these schools. These include floor plans with room data for the purposes of the Asset Management System, Atrium.
- 6.4.7 Planning permission has been gained for the expansion works at Grange Park Primary School, Building Regulations will now need to be adhered to as part of the enabling and construction works.
- 6.4.8 Once the development is completed, Building Control will need to sign off on the completed development. All warranties and guarantees should be available in the event that building failure occurs.
- 6.4.9 There should be a requirement upon the contractor at certain set dates for snagging inspections.

7. KEY RISKS

Additional capacity

- 7.1 The revised Provision of Primary Places Strategy - June 2012, which the Primary Expansion Programme is a part of, aims to deliver additional capacity to meet the projected demand for reception places with a higher level of flexibility. The PEP has provided additional capacity from September 2013 for reception classes. If the works are not completed then there will not be enough capacity in the schools to continue with the increased Reception intake in September 2014.
- 7.2 The annual review of population projections and school capacity has been conducted and a separate report for the 19th June Cabinet 2013 covering the need and approach to further expansion for September 2014 to September 2017 including approval to proceed with Grange Park Primary which is subject to current works on site.
- 7.3 The current 2014 annual review on population projections and school capacity is on-going with a view to providing an update report to July Cabinet 2014 covering requirements from September 2014

to September 2018. Our aim is to improve parental choice and minimise the risk of no providing sufficient pupil places.

Opposition to permanent expansion

- 7.4 The factors that caused concern to some stakeholders were around car parking and increased traffic flow. Architects and Client Project Officers have worked closely with schools and Governing Bodies to ensure that designs are of high quality and that issues of concern are addressed in the design proposals. This risk is mitigated by the fact that planning consent was been granted on 28th January 2014 with minimal issues raised regarding traffic generation.
- 7.5 The PEP team have provided a large number of consultation opportunities on an informal and statutory basis for the expansion proposals in order to meet stakeholder engagement requirements. Separately, residents and businesses have the opportunity to comment on each school as part of the planning application and decision-making process. The PEP team have facilitated on-going discussions with stakeholders where necessary.

Basic Need

- 7.6 The annual submission to the Department for Education (DfE) is based on identifying existing capacity in the system. Thus, close monitoring of pupil numbers and the annual review of projections will ensure that the Council is best placed to maximise any Basic Need Funding for the provision of school places.

Targeted Basic Needs (TBN) Funding

- 7.7 There is a Targeted Basic needs grant allocation against Grange Park Primary for £2,010,340 to deliver 119 places. Final claims are to be submitted by August 2015. There is a low risk that this grant claim will be compromised as the full works for Grange Park are scheduled for completion by Quarter 4 2014/15 and a full TBN claim will be submitted by August 2015.

Delivery Timescales

- 7.8 Programme milestones have been clearly identified and programme progress is monitored by the PEP Programme Executive which is made up of stakeholders, Cabinet Members, Head Teachers, Governors and Council officers' at the most senior level. The programme timescales are extremely challenging. However, regular and accurate reporting to the PEP2 Programme Executive/Core Group and an experienced dedicated team will ensure that the programme is delivered to the required timescales.

Planning Consent

- 7.9 Planning consent was granted for this scheme in January 2014. The contractors were permitted to start on site and undertake enabling works as part of the planning permission Progress on discharging other planning conditions, particular those that are post-occupation, are being monitored by the PEP team with other Council officers and remains on track.

Cost control

- 7.10 Kier Construction Ltd (KCL) is already on site and delivering the works required to expand this school. The discipline of the formal processes of managing the NEC3 contract has already been introduced to manage contractor activity, variations in the works and changes in cost that result from problems on-site or changes in specification.
- 7.11 The Contract Administrators, (termed Project Managers under NEC3) are responsible for managing the contractor's progress on site, problems or variations to the works and any changes in cost. EC Harris is the company providing this service and is managed jointly by the PEP Programme Team and Technical Client staff in Corporate Maintenance and Contracts Team (CMCT).
- 7.12 The Council technical team and EC Harris has worked with the main Contractor to establish a risk register and has identified those works items that are not suitable for the main Contractor to deliver (a cost allowance for these works are reflected as client costs summarised in Appendix A of the Part 2 report).
- 7.13 The purpose of the MOA contingency sum being agreed is to cover the KCL works activity and known costs at the time of MOA documentation being submitted to the Council on 23 June 2014 (check). Post Council agreement to enter into an MOA, there can also be cost impacts or required mitigation to cover unforeseen site issues where costs cannot yet be estimated. Authorisation for such additional amounts will be sought in line with the Council's Corporate Procurement rules but in most instances will be via the Programme team to the Director of Schools and Children's Services as an operational decision.

8. IMPACT ON COUNCIL PRIORITIES

Fairness for All

- 8.1 This proposal will result in pupil places being created across the Borough in order to meet demand in the relevant geographical area which will also create employment opportunities for teaching and support staff. Further improvement and investment in school buildings will provide greater opportunities for enhanced community use.

Growth and Sustainability

- 8.2 By ensuring that places are provided in areas of highest demand, this will ensure that pupil mobility across the Borough is kept to a minimum. This therefore means that increased road travel is minimised and families can be encouraged to walk to school.
- 8.3 Grange Park Primary School is subject to a specific planning condition on sustainability due to the development size being over 1,000m².
- 8.4 The design for the school is being developed to achieve solutions commensurate with the principles of BREEAM where the site conditions and available budget permit this; initial analysis indicates that BREEAM Very Good can be achieved subject to BRE agreeing that BREEAM 2011 New Construction Simple Buildings Guidance is applicable to Grange Park Primary.

Strong Communities

- 8.5 The proposals outlined in this report will provide additional places in parts of the Borough where pressure on local schools is forecast to be greatest. The extra places provided in the neighbourhoods of highest demand will help satisfy demand in these specific areas and will ensure that young children will not have to travel unmanageable distances to and from school.
- 8.6 The management structures established to support the PEP will allow the Authority to have greater control over the provision (and potential future reduction) of pupil places, allowing more opportunities to stabilise local communities and ensure that there are local places for local children.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 An equality impact assessment was completed for approval of the strategy in June 2012. The strategy was developed to ensure that there are sufficient places across the Borough to meet demand, that these places are not discriminatory and to ensure that all children have access to high quality education. In accordance with the publication of statutory notices, full consultation with residents and parents on each proposed school expansion was conducted.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The provision of additional places at the school identified in this report will enable the Authority to meet its statutory duty to ensure the availability of sufficient pupil places to meet demand.

- 10.2 The strategy presented in this report is consistent with the national agenda for expanding popular and successful schools.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 As all of the PEP projects will involve contractors working on existing school sites, the Council will ensure that contractors provide the highest level of Health and Safety on site and meet Criminal Records Bureau (CRB) requirements.
- 11.2 There are no specific health and safety implications other than the impact of additional traffic, generated by increased numbers at the PEP schools. Working with Highways, funding has been included in the cost summary to allow for traffic mitigation measures on each of the schemes. As part of the planning approvals process, traffic impact assessments have to be submitted for each scheme, and the Planning committee will have to give approval.

12. PUBLIC HEALTH IMPLICATIONS

- 12.1 Providing primary school places in the areas where there is demand will encourage parents and carers to walk to school. This will impact on the health and well-being of the public in Enfield. Walking to school will encourage healthy lifestyles, and reduce pollution caused by traffic.