

MUNICIPAL YEAR 2014/2015

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cabinet Members for: Education, Children's Services and Protection and Finance

JOINT REPORT OF:
Directors of:
Schools and Children's Services and Finance, Resources and Customer Services

Part: 1	
Subject: Approval of Approach and Costs for a School Expansion Programme Project.	
Wards: Town and Chase Key Decision No: 3599	
Cabinet Member consulted: Cllr Ayfer Orhan and Cllr Andrew Stafford	

Contact Officer:
Gary Barnes, telephone: 020 8379 4250
Email: Gary.barnes@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report proposes the approach to the provision of extra Primary places in the North Central (Pupil Place Planning Area) of the borough. Previous Cabinet Reports have identified the need for additional primary school place and proposed a number of school expansions to meet that need; this included both Chace Community and Chase Side primary schools. Given the outcome of the initial feasibility work undertaken on the provision of extra places at Chace Community and Chase Side Primary schools, the funding to support school expansion and changes in relation to the availability of sites in the pupil place planning area, a modified approach is proposed.
- 1.2 Approval is sought to commence official negotiations with a view to agreeing the heads of terms to purchase of up to five acres of the 12-acre Chase Farm hospital site for the purpose of re-provision of three additional forms of entry. It should be noted that senior executives have confirmed during informal discussions that any monies paid by the council for land on the Chase Farm Hospital site will be re-invested into the proposed new hospital facilities at Chase farm.

2. RECOMMENDATIONS

That the Cabinet members for Education, Children's Services and Protection and Finance:

- 2.1.1 Note the outcome of the feasibility work to expand Chace Community and Chase Side Primary schools; and
- 2.1.2 Approve the commencement of negotiations with the Royal Free London NHS Foundation Trust (RFLFT) to purchase part of the

Chase Farm hospital land, which they intend to sell, for the purpose of providing three additional forms of primary school age provision on the Chase Farm site via an all-through secondary school (which will be subject to a future report).

3. BACKGROUND

- 3.1 Cabinet on the 23rd July 2014 considered Report No. 15 - Strategy and Approach to Delivering Pupil Places. The report highlighted the need for additional primary school places in the North Central Enfield pupil place planning area as one form of entry from September 2015 to provide extra capacity and increase parental choice with a further one form of entry requirement in 2018 to maintain that choice. These figures are subject to annual review and do not take account of large housing developments where planning applications have not yet been submitted. The report identified that feasibility work was being undertaken at both Chace Community for a two form of entry primary school expansion making the school and all-through school and a one form of entry expansion to Chase Side primary school.
- 3.2 Both of the above sites required land acquisitions to increase available space and make expansions feasible. The Council over the past year has explored a number of options around several sites to allow work to proceed with the expansions. However, these negotiations have been unsuccessful. Following the failure to purchase the necessary land, consideration has been given to any opportunities to expand the sites without additional land take. It is clear that the expansion of Chase Side would not be possible. It would be possible to expand Chace Community to a limited degree, although there would be a need to identify off-site sports fields and there would be considerable demolition then rebuild and remodelling costs to allow the school to function effectively.
- 3.3 The Chace Community primary expansion limited to the current site would also mean that there would be no option in the future to expand the secondary school element of the school, which was a point raised by stakeholders in the area. As the increased numbers of primary school pupils reach secondary school age the authority will need to provide an increased number of secondary school places and there are few options in this geographic area. It was therefore considered by officers, the Head teacher and Governing body that it would not be appropriate to proceed with a primary school expansion on the current site.
- 3.4 In 2013 there was an opportunity to bid to Central Government, via the Targeted Basic Need (TBN) fund, to fund the provision of additional primary school pupil places. With the standard Basic Need allocation from Government being insufficient to fund the provision of additional school places a number of applications for expansion projects were submitted,

both Chace Community and Chase Side Primary were successful. There were a number of conditions linked to the receipt of TBN, one of which being a requirement for the funding to be spent by the 31st August 2015.

3.5 The TBN funding for the two sites is detailed below:-

School	TBN Funding
Chace Community	£3,870,680
Chase Side Primary	£2,586,545

In addition to the above, the Council included within its 2013/14 to 2016/17 capital programme indicative funding of £7.8 million, subject to re-costing at feasibility and procurement stages, to progress building works to provide two forms of entry in this pupil place planning area which could have been fully met by the Chace Community scheme or partly met by the Chase Side schemes.

- 3.6 On the 1st July 2014 the Barnet and Chase Farm Hospitals NHS Trust became part of the Royal Free London NHS Foundation Trust (RFLFT). Following that transfer, the RFLFT contacted the Council's planning department outlining proposals to dispose of some 12 acres of the site for residential development to enable re-investment in the remaining hospital facilities. The discussions around the likely impact of housing development in this area, the potential level of s106 and the impact on infrastructure such as school places led to an opportunity to explore options around providing education facilities in amongst the new housing development.
- 3.7 Even allowing for an education facility occupying up to 5 acres of the site, the remaining 7 acres would provide substantial Section 106 contributions, including an education contribution. Following the initial contact by the RFLFT, senior Council officers have held informal discussions with representatives of the RFLFT to see if there was a willingness on behalf of the trust to allow the Council to purchase an element of the site for educational purposes. Such a development would not only meet forecast shortfall in primary school places in the area, but would be able to meet the potential pupil product from such a proposed residential development on the remainder of the site (please see paragraph 3.7 below). During these discussions Trust officers confirmed a commitment to invest any monies from the disposal of the proposed school site to the Council into the new proposed hospital development on the site.
- 3.7 Child yield from future developments is based on child yield ratios which show the annual average yield from different kinds of property. The average yield is based on a GLA London-wide housing survey in 2002. Given the changes in household composition in the last 10 year the basis of the formula is currently being revisited. To assist in calculating the pupil product for the Chase Farm site the actual pupil product has been used from the Highlands Village site although no site would be the same in terms of the makeup of units the Highlands Village site would be a comparable size. It should be noted that the Highlands Village site is now

established community and will this year (September 2014) produce 40 reception aged pupils. It is therefore reasonable to expect at least that number from the Chase Farm development over time, which is above and beyond the two forms of entry identified as required in the July 2014 Cabinet report

- 3.8 Due to the complex nature of the proposals and the inability of the Council to purchase the necessary sites to enable the expansion of Chace Community and Chase Side primary schools the recent proposals from the RFLFT to release a large element of the Chase Farm hospital site was identified as an alternative option. The Council made a formal approach on the 11th July 2014 to the Education Funding Agency and the Minister to seek permission to redirect the TBN funding from the agreed sites (Chace Community and Chase Side Primary schools) to the Chase Farm Hospital site and to be allowed to use the funding for the purchase of land rather than the provision of buildings. Approval was received from the EFA on 7th August 2014.
- 3.9 Based on the current pupil projections for the North Central pupil place planning area, the current number of unplaced children (please see appendix 1) and the potential future pupil product from the Chase Farm site, it is recommended that approval be granted to allow officers to enter into formal negotiations with the Trust to agree heads of terms of the purchase of up to 5 acres of the Chase Farm site to provide three forms of entry Primary provision as part of a split-site all-through school with current thinking that the all-through provision linked to a local secondary school.

4. ALTERNATIVE OPTIONS CONSIDERED

The alternative options considered for the provision of additional places in the North Central area were to make a formal request to the EFA to provide the places via a free school. However, the council believe that we are best placed to provide the additional places within the required timescales. The second option was not providing any extra places at all which is not an option given the projected demand in the area and the Council's statutory responsibility to provide enough school places to meet demand.

5. REASONS FOR RECOMMENDATIONS

The Council has an overriding statutory duty to provide sufficient pupil places to meet anticipated demand and the other options investigated for extra primary provision in this pupil place planning area were not feasible.

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

6.1 Financial Implications

6.1.1 There is currently an unallocated sum of £44.013m included within the SCS capital programme to fund additional schemes on as yet undecided sites within the south west, north central and south east areas of the borough. The funding for these schemes includes the £6.4m of Targeted Basic Need (TBN) grant originally earmarked for the primary expansion schemes at Chace Community and Chace Side Primary.

6.1.2 As mentioned in para 3.8 above approvals from the EFA have now been gained to spend the TBN grant on land purchases. It is estimated that the total cost of the land purchase will exceed the TBN allocated to these schemes. Providing the land sale is completed by the end of August 2015 there should be no requirement to return the TBN to the EFA for recycling into the standard basic need funding providing we deliver the additional primary places on nearby temporary sites for the September 2015 academic year.

6.1.3 Subject to the satisfactory conclusion to the negotiations to purchase the land, future reports will be required to approve the development of the site and the provision of the temporary classrooms. These future reports will identify the estimated costs of the proposals, the grant funding options and any impact on council resources.

6.2 Legal Implications

The Council has the requisite powers under s1 of the Localism Act 2011 and s111 of the Local Government Act 1972 to enter into negotiations with a prospective purchaser to purchase land. Property Services will advise on best value and compliance with Property Procedure Rules. A further report to Cabinet to approve the Heads of Terms will be issued."

6.3 Property Implications

There are no specific property implications at this stage, as the actual land to be acquired is not yet identified and terms have not been negotiated.

However, the acquisition will conform to Property Procedure Rules where a formal valuation will be required to assist the Council in its negotiations with the RFLFT.

7. KEY RISKS

Risk	Mitigation
Financial	
Unable to spend TBN funding to August 2015 deadline	Agreement with the DfE to spend capital on land purchases and to transfer the funding to a new site

Potential insufficient funding to deliver the new school and the provision of temporary school places	Negotiations have not commenced with the Trust in terms of land values it is therefore not possible to fully assess the cost implications and therefore there will be a need to monitor closely the project. In addition officers are reviewing the options for the provision of the temporary accommodation until accommodation has been identified it is not possible to identify the cost
Reputational	
Community against new school	Extensive community engagement
Statutory obligations	
Unable to deliver sufficient place for September 15	The only way the Council can comply with the EFA requirements for 3fe for September 15 will be via temporary provision
Short term over provision of places until the new Chase Farm Hospital development is completed and residential properties occupied	The provision of 3fe from September 15 which will not be required until 2018 will require a mitigation strategy for other primary schools in the area including financial relief. <u>(Jenny Please review and comment)</u>

8. IMPACT ON COUNCIL PRIORITIES

Fairness for All

- 8.1 This proposal will result in pupil places being created in the Enfield Town area in order to meet demand 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.

Strong Communities

- 8.3 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. The Council will continue to demand that any receipts from land sales do not compromise the integrity of the hospital and are invested on site for local health needs.

9. EQUALITIES IMPACT IMPLICATIONS

An equality impact assessment was completed for approval of the overall 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. The delivery of the strategy is updated annually following a review of pupil place projections. In accordance with the publication of statutory notices, full consultation with residents and parents on each proposed school expansion will be conducted.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The provision of additional places will enable the Authority to meet its statutory duty to ensure the availability of sufficient pupil places to meet demand.

11. HEALTH AND SAFETY IMPLICATIONS

There are no specific health and safety implications other than the impact of additional traffic. 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

Providing 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.

Background Papers

None



MUNICIPAL YEAR 2014/2015

PORTFOLIO

DECISION OF: Ahmet Oyken
Cabinet Member for Housing
and Estate Regeneration

REPORT OF: Ray James

The Director of Health, Housing
and Adult Social Care

Agenda – Part: 1	Item:
Subject: Post Tender Report for Bush Hill Park – External Repairs and Enveloping Works	
Wards: Bush Hill Park and Southbury	
Cabinet Member consulted: Cabinet Member for Housing and Estate Regeneration, Councillor Ahmet Oyken	

Contact officer and telephone number: Alan Headland - 020 8375 8238

Email: alan.headland@enfieldhomes.org

Report Security Classification: Unclassified

1. EXECUTIVE SUMMARY

- 1.1. This report seeks approval for acceptance of the tender that represents the lowest price and complies with the tender requirements of the Council for external repairs and enveloping works as part of the Council's Decent Home Programme.
- 1.2. This is a Key Decision of the Council and is on the Key Decision List Reference KD3876.
- 1.3. Six contractors from the Construction Line list were invited to tender on the basis of single stage selective tender. Five tenders were submitted. The tender offering the lowest price and complies with the tender requirements of the Council is recommended.

2. RECOMMENDATIONS

- 2.1 That the proposed scheme is to be funded from the Housing Capital Programme.
- 2.2 That approval is given to accept the lowest price tender complying with the tender requirements of the Council submitted by Contractor 1 in the sum of £659,566 excluding fees.
- 2.3 That approval is given for Professional Fees (Multi-disciplinary) of £27,042 giving a total scheme cost of £686,608 over the two financial years from 2014/15 to 2015/16

3. BACKGROUND

- 3.1. The scheme is part of Enfield's Decent Homes Programme which is a Government initiative to ensure that all social housing meets set standards of decency by 2015.
- 3.2. The consultant was appointed through a selective tendering process using the Supply4London procurement system to procure works from inception to completion. The award of contract to the consultant (Ridge Property and Construction Consultants) was made on the 3rd October 2013 and was approved by the Director of Technical and Property Services. The professional fee allocation for the scheme is £27,042.
- 3.3. The original scheme was selected after examination of the Council's stock condition survey and selected on the basis of chronological priority, type of work and scheme size respectively.
- 3.4. The initial pre-tender estimate for the works was £933,000.
- 3.5. Six contractors from the Constructionline list were invited to tender. Details of the tender figures received and summary analysis of the lowest are set out in Part 2.
- 3.6. The lowest tender obtained in the sum of £659,566 was reached by competitive tendering.
- 3.7. The contract was procured under the JCT Intermediate Building Contract, 2011 Edition.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The scheme forms part of the Decent Homes Programme, which is a Government initiative to bring all housing up to a decent standard by 2015. It was assessed as a priority on the stock condition survey and therefore no other alternatives have been considered.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The blocks identified in this package have been identified from the stock condition survey as requiring external repairs and enveloping works to address the current non-decency.
- 5.2 The works comprise external repairs and external enveloping works to various blocks of flats at Bush Hill Park , EN1 and include external brickwork, concrete repairs, replacement of windows and doors, recovering of balcony finishes, roof works, renewal of rainwater goods, renewal of fascia's and soffits, redecorations, repairs to pram sheds and bin stores.
- 5.3 This scheme forms part of Enfield Homes' on-going programme to maintain its housing stock and fulfil its landlord obligations.

6 COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES & CUSTOMER SERVICES DEPARTMENT

6.1 Financial Implications

6.1.1 The scheme is included within the Housing Capital Programme for 2014/15 with an estimated budget allocation of £660,000 excluding consultant fees at 3% of £19,800, giving a total of £679,800. The retention payment of £17,165 will be funded from the resources available for the 2015/16 Housing Capital Programme.

6.1.2 The tender for this project have been obtained in compliance with the Council's Contract Procedure Rules and was evaluated on price alone. The pretender estimate for the works was £933,000 and the recommended tender of £659,566 is £273,434 (29.3%) below the estimate. With the multi-disciplinary fees of £27,042, it gives a total cost of £686,608. The scheme will cover 64 properties, of which 25 (39.1%) are leasehold properties.

6.1.3 The breakdown of the cost of these works is detailed below:

Description	Works £	Fees £	Total £
Projected Spend 2014/15 (97.5%)	643,076	26,366	669,442
Projected Spend 2015/16(2.5%)	16,489	676	17,165
Total Spend	659,565	27,042	686,607

6.1.4 A maximum retention charge of £17,165 (based on 2.5% of construction and multi-disciplinary fee costs) will be paid 12 months from the contract completion date, following satisfactory remedial work to any defects that may have arisen as a result of the work carried out.

6.1.5 The cost of this work will be funded from the 2014/15 HRA capital resources. The scheme is included within the Housing Capital Programme for 2014/15.

6.2 Legal Implications

- 6.2.1 The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 6.2.2 The projected fees for professional services and the estimated costs of the proposed works are below the Public Contracts Regulations 2006 financial thresholds and therefore the full EU procurement procedures do not apply. However, the Council does need to be mindful of the EU general principles with regards equality, transparency, proportionality and non-discrimination. The client has confirmed that the tender exercise was carried out in accordance with the Council's Constitution, in particular, the Contract Procedure Rules.
- 6.2.3 Constructionline was used to shortlist contractors to tender for the opportunity, as allowed for in the Contract Procedure Rules.
- 6.2.4 The formation of any resultant legal contracts required in association with this matter must be in a form approved by the Assistant Director of Legal Services

6.3 Property Implications

- 6.3.1 The Council's standard residential lease places the obligation on the Council as landlord to undertake the proposed external repairs and enveloping works to preserve the fabric of the buildings. The council may recover a proportionate cost from the leaseholders.

6.4 Leaseholder Implications

- 6.4.1 There are 25 leaseholders involved in this contract, within the 8 Blocks identified for the proposed works
- 6.4.2 The Notices of Intention were served on 20th March 2014. Three observations were received and were duly replied within the statutory timescales. There were no nominations.
- 6.4.3 The Notices of Estimate was sent out on 17th September, inviting further observations by 24th October 2014.
- 6.4.4 The total cost to leaseholders is estimated at £224,511. The average cost per leaseholder is £8,980, the lowest charge per leaseholder is £1,771 and the highest charge is £14,027. Leaseholders have up to three years to spread their payments, from the date of the estimate; in accordance with the Councils Financial Assistance Package.

7 RISKS

7.1 Key Risks

7.1.1 The main risks to the scheme are presented in tabular form below together with the corresponding mitigation actions.

• Key: H = High, M = Medium, L = Low

Item	Risk	Impact	Probability	Mitigation	Owner
1	Non Delivery of Project	H	M	Develop project delivery plan, commission consultants and contractor ASAP.	Housing Professional Services (HPS)
2	Quality Issues	H	M	Set benchmark, monitor site meetings through Contract Administrator (CA) & Clerk of Works (COW) reports, measure continuous improvements using KPIs.	HPS PM
3	Cost Overrun	M	L	Rigorous Cost Planning, early reporting, comprehensive specification, inclusion of contingencies, tender analysis.	HPS PM
4	Time Overrun	H	M	Manage approvals stage – instil sense of urgency by senior staff. Monitor programme, monthly progress reports & LADs.	HPS PM
5	Extended Consultation	M	M	Establish key milestones and communication strategy at the outset.	HPS
6	Additional Works Identified	M	M	Detail and agree scope of works, prioritise core DHS works and use contingency	HPS

8 IMPACT ON COUNCIL PROPERTIES

8.1 **Fairness for all:** The proposed works will enhance the fabric and appearance of the Council's properties and provide better facilities to the residents. Undoubtedly, the proposed scheme will assist in meeting the Council's objectives by providing economically successful and socially inclusive communities.

8.2 **Growth and Sustainability:** The new double glazed windows will reduce heat loss and achieve noise reduction. In addition, the

improvements will have positive impact on the energy performance of the Council's stock. Products specified and materials used will be sustainable and energy efficient. The contractor and manufacturers are required to have a stringent Environmental Policy in place.

- 8.3 **Strong Communities:** The project promotes Key Council values and places emphasis on residents' empowerment and participation through involving residents groups in the consultation process from inception to completion. The scheme addresses the Council's objective by involving the public in the decision making process and help them play an active role in their local neighbourhoods.

9 EQUALITIES IMPACT IMPLICATIONS

- 9.1 It is not deemed relevant or proportionate to carry out an equality impact assessment/analysis for the approval of the tender that represents the lowest price and complies with the tender requirements of the Council for external repairs as part of the Council's Decent Home Programme.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The works will benefit 64 properties which will be made decent and others prevented from becoming non-decent hence allowing the Council to meet its obligations under the Best Value Performance Indicator (BVPI) namely BVPI **184b** and BVPI **74a**.

11 HEALTH AND SAFETY IMPLICATIONS

- 11.1 The project is notifiable to the Health and Safety Executive (HSE) under the Construction (Design and Management) Regulations 2007 (CDM).
- 11.2 A Pre-Tender Health and Safety Plan was submitted with the tender and the Contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

12 HR IMPLICATIONS

- 12.1 This section is not applicable for this particular scheme.

13 PUBLIC HEALTH IMPLICATIONS

- 13.1 The Decent Homes Works scheme seeks to modernise council stock by providing structurally sound, thermally efficient and modern facilities.
- 13.2 The completed works will provide a warmer, more energy efficient stock through the installation of double glazed windows.

13.3 The Energy Saving Trust (EST) estimate that new double glazed windows can save between £95 and £223 a year hence reducing fuel poverty across the borough's existing stock.

13.4 A recent study undertaken by Nottingham City Council on the impact of its Decent Homes programme revealed some of the benefits and they are as follows:

- Improve children's respiratory health.
- Improve mental health by relieving excess cold.
- Tackle fuel poverty.
- Reduce accidents within properties.
- Reduce hospital admissions due to falls.
- Reduce theft.

14 BACKGROUND PAPERS

14.1 Contain exempt information.



MUNICIPAL YEAR 2014/2015

PORTFOLIO

DECISION OF: Ahmet Oyken
Cabinet Member for Housing and
Estate Regeneration

REPORT OF: Ray James

The Director of Health, Housing
and Adult Social Care

Agenda – Part: 1	Item:
Subject: Post Tender Report for Cowper Gardens Externals – External Repairs and Enveloping Works	
Wards: Southgate/Cockfosters	
Cabinet Member consulted: Cabinet Member for Housing and Estate Regeneration, Councillor Ahmet Oyken	

Contact officer and telephone number: Paul Hemmant - 02083758312

Email: paul.hemmant@enfieldhomes.org

1. EXECUTIVE SUMMARY

- 1.1. This report seeks approval for acceptance of the tender that represents best value to the Council for external repairs and enveloping works as part of the Council's Decent Home Programme.
- 1.2. This is a Key Decision of the Council and is on the Key Decision List Reference KD3912
- 1.3. Six contractors from the Construction Line list were invited to tender on the basis of single stage selective tender and five tenders were submitted. The tender offering best value is recommended.

2. RECOMMENDATIONS

- 2.1 That the proposed scheme is to be funded from the Housing Capital Programme.
- 2.2 That approval is given to accept the lowest price tender complying with the tender requirements of the Council submitted by Contractor 1 in the sum of £1,540,114.00 excluding fees.
- 2.3 That approval is given for Professional Fees (Multi-disciplinary) of £52,000.00 giving a total scheme cost of £1,592,114.00 over the two financial years from 2014/15 to 2015/16

3. BACKGROUND

- 3.1. The scheme is part of Enfield's Decent Homes Programme which is a Government initiative to ensure that all social housing meets set standards of decency by 2015.
- 3.2. The Consultant was appointed through a selective tendering process using the Supply4London procurement system to procure works from inception to completion. The award of contract to the consultant (Ridge Property and Construction Consultants) was made on the 3rd October 2013 and was approved by the Director of Technical and Property Services. The professional fee allocation for the scheme is £52,000.00
- 3.3. The scheme was selected after examination of the Council's stock condition survey and selected on the basis of chronological priority, type of work and scheme size respectively. The scheme will cover 203 properties, of which 93 are leasehold.
- 3.4. An estimated budget of £2,700,000 was allocated to this scheme as part of the overall funding allocation for 2014/15. The original estimate was an initial estimate to help produce the current programme, ahead of any feasibility and scoping of works. The works and scope were subsequently confirmed by the Consultants and a pre-tender estimate produced thereafter. The current market is such that it is difficult to accurately forecast the outcome of the tender process.
- 3.5. Six contractors from the Construction Line list were invited to tender. Details of the tender figures received and summary analysis of the lowest are set out in Part 2.
- 3.6. The lowest tender obtained in the sum of £1,540,114.00 was reached by competitive tendering.
- 3.7. The contract was procured under the JCT Intermediate Building Contract, 2011 Edition.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The scheme forms part of the Decent Homes Programme, which is a Government initiative to bring all housing up to a decent standard by 2015. It was assessed as a priority on the stock condition survey and therefore no other alternatives have been considered.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The blocks identified in this package have been identified from the stock condition survey as requiring external repairs and enveloping works to address the current non-decency.

- 5.2 The works comprise external repairs and external enveloping works to various blocks of flats at Cowper Gardens and surrounding areas , N14 and include external brickwork, concrete repairs, replacement of windows and doors, recovering of balcony finishes, roof works, renewal of rainwater goods, renewal of fascia's and soffits, redecorations, repairs to pram sheds and bin stores.
- 5.3 This scheme forms part of Enfield Homes' on-going programme to maintain its housing stock and fulfil its landlord obligations.

6 COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES & CUSTOMER SERVICES DEPARTMENT

6.1 Financial Implications

- 6.1.1 The scheme is included within the Housing Capital Programme for 2014/15 with an estimated budget allocation of £2,000,000, excluding consultant fees at 3% of £60,000, giving a total of £2,060,000. The scheme will cover 203 properties, of which 93 (46%) are leasehold.
- 6.1.2 The tender for this project have been obtained in compliance with the Council's Contract Procedure Rules and was evaluated on price alone. The original estimate for the cost of works was £2,700,000 was subsequently revised to £2,000,000 in the programme following the Consultants scoping of works.
- 6.1.3 The recommended tender has given a total works value estimated at £1,540,114 - the unused works allocation of £459,886 will be recycled back into the current programme. Including the multi-disciplinary fees of £52,000 to the recommended tender, the total cost of the proposed is £1,592,114.
- 6.1.4 The breakdown of the cost of these works is detailed below:

Description	Works	Fees	Total
	£	£	£
Projected Spend 2014/15 (97.5%)	£1,501,611	£50,700	£1,552,311
Projected Spend 2015/16(2.5%)	£38,503	£1,300	£39,803
Total Projected Spend	£1,540,114	£52,000	£1,592,114

- 6.1.5 A retention amount of £39,803 (based on 2.5% of construction and multi-disciplinary fee costs) will be paid 12 months from the contract completion date, following satisfactory remedial work to any defects that may have arisen as a result of the work carried out. The

6.1.6 The cost of this work will be funded from the 2014/15 HRA capital resources.

6.2 Legal Implications

6.2.1 The Council has the power make alterations to Council housing in accordance with section 9 of the Housing Act 1985 and may enter into a contract with the provider of the works pursuant to section 1 of the Local Government (Contracts) Act 1997.

6.2.2 The projected fees for professional services and the estimated costs of the proposed works are below the Public Contracts Regulations 2006 financial thresholds and therefore the full EU procurement procedures do not apply. However, the Council does need to be mindful of the EU general principles with regards equality, transparency, proportionality and non-discrimination. The client has confirmed that the tender exercise was carried out in accordance with the Council's Constitution, in particular, the Contract Procedure Rules.

6.2.3 The contractors invited to tender for the works were selected from the standing list. The use of standing lists are permitted in certain circumstances under the Council's Contract Procedure Rules. The client should ensure that the standing list has been advertised using a PIN.

6.2.4 The formation of any legal contracts required in association with this matter must be in a form approved by the Assistant Director of Legal Services.

6.2.5 Leaseholder consultation is required in accordance with the Landlord and Tenant Act 1985, as set out in section 6.4 below.

6.3 Property Implications

6.3.1 The Council's standard residential lease places the obligation on the Council to undertake repairs. The lease also requires the Council to undertake repairs to common parts. In addition the lease permits the Council to make improvements and recover a proportionate cost from the leaseholders.

6.3.2 As long as the Section 20 Notice procedures have been carried out correctly, the Council will be able to recover a proportionate amount of the costs from the leaseholders.

6.3.3 Undertaking the repairs and improvements should help extend the life of the building and reduce annual maintenance costs.

6.4 Leaseholder Implications

- 6.4.1 There are 93 leaseholders involved in this contract, within the 31 Blocks identified for the proposed works
- 6.4.2 The Notices of Intention were served on 17th April 2014. 19 observations were received and was duly replied within the statutory timescales. There were no nominations.
- 6.4.3 The Notices of Estimate was sent out on 16th September, inviting further observations by 20th October 2014.
- 6.4.4 The total cost to a leaseholders is estimated at £761,533.08. The average cost per leaseholder is £8,277.53, the lowest charge per leaseholder is £1,570.80 and the highest charge is £18,413.78. Leaseholders have up to three years to spread their payments, from the date of the estimate; in accordance with the Councils Financial Assistance Package

7 RISKS

7.1 Key Risks

7.1.1 The main risks to the scheme are presented in tabular form below together with the corresponding mitigation actions.

• Key: H = High, M = Medium, L = Low

Item	Risk	Impact	Probability	Mitigation	Owner
1	Non Delivery of Project	H	M	Develop project delivery plan, commission consultants and contractor ASAP.	Housing Professional Services (HPS)
2	Quality Issues	H	M	Set benchmark, monitor site meetings through Contract Administrator (CA) & Clerk of Works (COW) reports, measure continuous improvements using KPIs.	HPS PM
3	Cost Overrun	M	L	Rigorous Cost Planning, early reporting, comprehensive specification, inclusion of contingencies, tender analysis.	HPS PM
4	Time Overrun	H	M	Manage approvals stage – instil sense of urgency by senior staff. Monitor programme, monthly progress reports & LADs.	HPS PM
5	Extended Consultation	M	M	Establish key milestones and communication strategy at the outset.	HPS
6	Additional Works	M	M	Detail and agree scope of works, prioritise core DHS	HPS

Identified		works and use contingency	
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8 IMPACT ON COUNCIL PROPERTIES

- 8.1 **Fairness for all:** The proposed works will enhance the fabric and appearance of the Council's properties and provide better facilities to the residents. Undoubtedly, the proposed scheme will assist in meeting the Council's objectives by providing economically successful and socially inclusive communities.
- 8.2 **Growth and Sustainability:** The new double glazed windows will reduce heat loss and achieve noise reduction. In addition, the improvements will have positive impact on the energy performance of the Council's stock. Products specified and materials used will be sustainable and energy efficient. The contractor and manufacturers are required to have a stringent Environmental Policy in place.
- 8.3 **Strong Communities:** The project promotes Key Council values and places emphasis on residents' empowerment and participation through involving residents groups in the consultation process from inception to completion. The scheme addresses the Council's objective by involving the public in the decision making process and help them play an active role in their local neighbourhoods.

9 EQUALITIES IMPACT IMPLICATIONS

- 9.1 It is not deemed relevant or proportionate to carry out an equality impact assessment/analysis for the approval of the tender that represents the lowest price and complies with the tender requirements of the Council for external repairs as part of the Council's Decent Home Programme.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The works will benefit 203 properties which will be made decent and others prevented from becoming non-decent hence allowing the Council to meet its obligations under the Best Value Performance Indicator (BVPI) namely BVPI 184b and BVPI 74a.

11 HEALTH AND SAFETY IMPLICATIONS

- 11.1 The project is notifiable to the Health and Safety Executive (HSE) under the Construction (Design and Management) Regulations 2007 (CDM).
- 11.2 A Pre-Tender Health and Safety Plan was submitted with the tender and the Contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

12 HR IMPLICATIONS

12.1 This section is not applicable for this particular scheme.

13 PUBLIC HEALTH IMPLICATIONS

13.1 The Decent Homes Works scheme seeks to modernise council stock by providing structurally sound, thermally efficient and modern facilities.

13.2 The completed works will provide a warmer, more energy efficient stock through the installation of double glazed windows.

13.3 The Energy Saving Trust (EST) estimate that new double glazed windows can save between £95 and £223 a year hence reducing fuel poverty across the borough's existing stock.

13.4 A recent study undertaken by Nottingham City Council on the impact of its Decent Homes programme revealed some of the benefits and they are as follows:

- Improve children's respiratory health.
- Improve mental health by relieving excess cold.
- Tackle fuel poverty.
- Reduce accidents within properties.
- Reduce hospital admissions due to falls.
- Reduce theft.

14 BACKGROUND PAPERS

