

MUNICIPAL YEAR 2015/2016 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF:
Ian Davis Director –
Regeneration and Environment

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Agenda – Part: 1	KD Num: KD3931
Subject: Meridian Water: Angel Road Station – signing the Development Services Agreement (DSA) with Network Rail.	
Wards: Upper Edmonton	

1. EXECUTIVE SUMMARY

- 1.1. The funding package approved by Cabinet in March provided for a basic station design that neither provided for essential 24/7 publically accessible access over the railway line nor did it provide for a design in keeping with the aspirations to encourage investment in Meridian Water for the residential development.
- 1.2. The Council has since developed a concept for an enhanced station which builds on Network Rail's recently completed station design to provide both 24/7 publicly accessible stairs and lifts over the railway line as well as an enhanced station design in keeping with the ambitions for the residential development.
- 1.3. On 21 October 2015 Cabinet approved (KD4033 / KD3687, report no. 88) an additional £1.16m to be redirected from the existing Neighbourhood Regeneration capital programme to fund Network Rail to progress with the design and development of the enhanced Meridian Water station.
- 1.4. Network Rail must now progress with the works and therefore delegated authority is being sort to enter into a revision of the DSA to reflect the greater scope of the enhanced station. The DSA will enable design and development on the station that will take place from January to August 2016. When Network Rail has completed this work it will require the Council to enter into a final agreement committing funding towards the construction of the new station. Further authority will be requested in August for this construction-related agreement and investment.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Director - Regeneration and Environment authorises entering into a revision of the existing DSA (dated 28/08/15) between Network Rail and the Council. This revision commits £1,152,049 from January to August 2016 towards Network Rail's development of the enhanced station design, as approved by Cabinet in October 2015 (cabinet report number 88 (KD4033 / KD3687)).

3. BACKGROUND

3.1 STAR and Angel Road Station

- 3.1.1 Angel Road station is currently located to the North of the A406 and is only accessible from Conduit Lane via a number of stairs and a long pathway running adjacent to the existing Metals and Waste facility. There are no lifts or at level access to the station and access is poorly lit. A new station that will replace the existing Angel Road station and this will be the cornerstone of the Meridian Water masterplan.
- 3.1.2 The STAR scheme will deliver a third track between Angel Road and Lee Bridge stations, providing a dedicated track with the capability of delivering two trains per hour between Stratford and Angel Road. This infrastructure will be capable of supporting the improved train frequency needed to support the initial MW housing growth.
- 3.1.3 During 2014 a preferred affordable solution to improve Angel Road station was established as part of the STAR scheme. The option selected was for a new station (to replace the existing Angel Road) to be located centrally to the Meridian Water site to maximise the benefits to the MW project.
- 3.1.4 On 11 March 2015 Cabinet approved report number 184 (KD4029) to proceed with the investment in the Station's development. The Cabinet report provided detail on the funding for the STAR project and the estimated cost for the Angel Road station improvements. Enfield successfully negotiated a £6.9m contribution from the STAR project to its own investment of £11.7m to deliver the preferred option at a total estimated cost of £18.6m.
- 3.1.5 The Cabinet also approved a number of recommendations to for delegated authority to enter into agreements with NR to deliver station improvements. This included agreements with Network Rail and there are two contractual stages of investment. Stage 1 relates to design and costing, in the form of a Development Services Agreement (DSA), and Stage 2 is for the funding for the construction delivery, in the form of an Implementation Agreement (IM).
- 3.1.6 As per the terms of the March cabinet report, delegated authority was sought and received for the Council to enter into a DSA and commit £831,000 for funding towards the station through the detail design stage and approval processes. This allowed the station design to be progressed in readiness for the Stage 2 contract / investment stage for NR to deliver the station.
- 3.1.7 NR has now completed the scope of works under the DSA for a basic station design and this work has delivered the rail infrastructure and base station designs within the original DSA budget.

3.2 Meridian Water Enhanced Station

- 3.2.1 The funding package approved in March 2015 provided for only a basic station design that neither provided for essential 24/7 publically accessible access over the railway line nor did it provide for a design in keeping with the aspirations to encourage investment in Meridian Water for residential development. The MW project team was instructed to develop a design to achieve these objectives without fundamentally changing the positioning of the base station platform arrangement.
- 3.2.2 Since March, the Council's architects have been working on a concept for an enhanced station which builds on the recently completed station design. This conceptual design provides both 24/7 publicly accessible stairs and lifts over the railway line, as well as an enhanced station design in keeping with the ambitions for the residential development.

- 3.2.3 Network Rail has been part of the development of the enhanced station design. In order to integrate the enhanced station into the existing programme for the Meridian Water site, however, further investment is required in Network Rail to progress the enhanced design.
- 3.2.4 A fee proposal for the additional design work was agreed with NR and in November 2015 Cabinet approved report number 88 (KD4033 / KD3687), authorising an additional £1.16m to be redirected from the existing Neighbourhood Regeneration capital programme to fund Network Rail's design of the enhanced station. This investment is in addition to the £110,000 funding which remains unspent from the original DSA. It is anticipated that CIL will be used to fund up to £5m of capital contributions as set out within the Cabinet report, and will be used to repay the enhanced design work forward funded from the Neighbourhood Regeneration Capital programme.
- 3.2.5 A revision to the original DSA is now required to contract these works. The terms of the DSA remain unchanged – with just the scope changing to reflect the enhanced station requirements along with a suitable programme for delivery. The proposed revision to the DSA has been agreed with Network Rail and is included as an annex to this report along with the enhanced station conceptual design.
- 3.2.6 In order to deliver the new station by May 2018, the Council is still planning to enter into an Implementation Agreement with Network Rail in April 2016 for the estimated cost of £18.6m for the construction of the original station as approved by Cabinet in March 2015. This is possible because the enhanced station will build upon the infrastructure provided in the original station design. The enhanced station design process will continue in parallel until achieving sign-off from all parties in August 2016, when the Implementation Agreement will be revised to incorporate the enhanced station.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There were limited alternative options for the Council in the previously approved DAR which provided authority to enter into the original DSA with NR. Approval is now required for a revision to this existing agreement to deliver the enhanced station. As previously, there are no other alternatives to moving forward with the station design – the only realistic way to achieve this is through the revision to the original DSA.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The enhanced station and the additional east-west connectivity it provides are considered essential for the success of Meridian Water and have the support of Cabinet. The prospective development partners have all supported the enhanced station design and are comfortable with reimbursing the Council for the forward funding of the additional capital required. This capital has an early assessment of £10m.

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

6.1 Financial Implications

- 6.2.1 There is provision within the existing Regeneration capital programme to fund the costs of £1,152,049 for Network Rail to develop the enhanced station requirements.

6.2 Legal Implications

- 6.2.1 The legal position of the DSA has been dealt with in the original DAR report (ref 4033).
- 6.2.2 The recommendation in this report is in accordance with the Councils general competence powers in S1 of the LA 2011.

6.3 Property Implications

- 6.3.1 Strategic Property Services support the construction of a new Meridian Water station given its importance to unlock the potential of over 8000 new homes and 3000 jobs.
- 6.3.2 Bearing in mind the Council's significant and expanding landholdings in Meridian Water, the increase in Passenger Transport Accessibility from level 1 to level 3 should increase the density of permitted development and therefore the value of the Council's current and future land holdings.
- 6.3.3 The Council's funding commitment of £1.15m, in addition to the original £831,000, towards detailed station design could be considered at risk should final approvals for the station not proceed to the implementation stage.
- 6.3.4 Careful consideration should be given to the impact of the station design in its widest sense such that the proposals are located on Network Rail and Council landholdings only and/or other land within its control. Design should ideally contribute to and not adversely affect third party landholdings or property interests and should take account of rights or light, air, access, over-sailing, easements and wayleaves and avoid blight of third party property wherever practicable.

6.4 Public Health

- 6.4.1 Providing sufficient and attractive public transport will be necessary to ensure the success of the Meridian Water project. Improving Angel Road station will be necessary to a) ensure that people are provided with attractive alternatives to motorised transport and thereby avoid the air pollution issues associated with the combustion engine and b) estimates from Transport for London are that a quarter of adults in London meet physical activity guidelines just through the walking and cycling they do for travel purposes. The re-development of Angel Road will therefore have benefits for both air pollution and physical activity.

7 KEY RISKS

- 7.1 **Cost overrun.** There is a risk of cost overrun as this contract is not fixed price and that investigative / exploratory and design works required may attract additional costs (e.g. site investigations). A contingency sum has been calculated by NR to mitigate against cost overrun beyond the DSA capped cost estimate. This is the same process that was agreed for the original DSA and NR have delivered the station design under cost.
- 7.2 **Delivery programme.** At this stage the enhanced station design needs to be accelerated to catch up with the STAR programme to achieve the May 2018 deadline. NR will be unable to commit to this deadline until the works contracted in the DSA are delivered and NR is ready to enter into an Implementation Agreement which is currently scheduled for August 2016. However based on an early programming exercise NR have been able to provide some comfort that the works required to deliver the enhanced station can fit within the overall delivery programme and planned possessions for the STAR project.

8 IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

Entering into this revised DSA will take the Council a step further towards delivering a new improved transport hub for the local community. Network Rail will deliver the works through its framework contractor on a fully transparent basis and in partnership with the Council. Although the Council is forward funding the additional station costs they will be reimbursed by the master developer.

8.2 Growth and Sustainability

The new Meridian Water station is the trigger to improve transport connectivity and provide a platform for investment and growth for the new development zone, but also through ensuring that access routes are made to existing neighbourhoods.

8.3 Strong Communities

This will enable more people to use Angel Station thereby encouraging growth and reducing reliance upon motorised transport. This in turn will impact upon air quality.

The east-west connectivity provided by the enhanced station design will play an important role in bringing together Meridian Water and existing communities in Edmonton, as well as creating an enhanced sense of community within Meridian Water itself.

9 EQUALITY IMPACT IMPLICATIONS

9.1 An equalities impact assessment is in preparation. This will set out the benefits of the improvements to Angel Road Station an accessible station, meeting the needs of the people of all ages. This includes step free access and lifts to each platform creating a fully accessible location to meet the needs of people with mobility issues and sensory impairment(s).

10 PERFORMANCE MANAGEMENT IMPLICATIONS

10.1 The delivery and completion of the Meridian Water station for timetable change in May 2018 is ideally timed for the target release of the first homes.

11 HEALTH AND SAFETY IMPLICATIONS

Not Applicable

12. PUBLIC HEALTH IMPLICATIONS

Not Applicable.

Background Papers

None.

MUNICIPAL YEAR 2015/2016 REPORT NO.

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PORTFOLIO DECISION OF:
Cabinet Member for Environment
Cabinet Member for Housing and
Housing Regeneration

REPORT OF:
Director – Regeneration &
Environment

Agenda – Part: 1	KD Num: 4069
Subject: Enfield Council Grounds Maintenance Contract – G MD 373	
Wards: All	

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1. EXECUTIVE SUMMARY

- 1.1 This report details the evaluation exercise for the Enfield Council Grounds Maintenance Contract G MD 373, which was tendered through the London Tenders Portal in May 2015
- 1.2 The contract period is for five years. It is to commence on 1st April 2016, expiring on 31st March 2021, subject to the option of a five year extension or part thereof.

2. RECOMMENDATIONS

- 2.1 To note and approve the award of the Enfield Council Grounds Maintenance contract G MD 373 to the contractor listed in Part 2 of this report to commence on 1st April 2016 for a five year term with the option of a five year extension or part thereof.
- 2.2 To approve a revised end date of 31st March 2016 for the current Enfield Council Grounds Maintenance Contract G MD 369, and Housing Grounds Maintenance Contract G MD 370 to align with the start of the new Enfield Council Grounds Maintenance Contract G MD 373.
- 2.3 To note that the details of the evaluation exercise are contained in Part 2 of this report on this agenda.

3. BACKGROUND

3.1 The current Corporate Grounds Maintenance and the Housing Grounds Maintenance programmes for revenue and capital works are delivered by a single Contractor on behalf of the London Borough of Enfield.

3.2 This report recommends that both Corporate and Housing work programmes for revenue and capital works are delivered through one contract to ensure that the Council achieves value for money, and also continuity of service delivery across Enfield's Public Highway and Council Housing.

3.3 The contract let is as follows:

- Enfield Council Grounds Maintenance Contract, which will include all Highway and Council Housing Grounds Maintenance, works in the borough.

3.4 Notice was previously given to terminate the previous Grounds Maintenance Contracts on 31st October 2015, and it was proposed for the new contract to commence on 1st November 2015. However due to extended tender and evaluation periods the contract is now due to commence on 1st April 2016. Therefore it is proposed to amend the end date of the existing Grounds Maintenance contracts to 31st March 2016 to ensure continuity of service.

3.5 The new contract was developed for the services detailed below, and is subject to Transfer of Undertaking (Protection of Employment) Regulations (TUPE).

<ul style="list-style-type: none">• Reactive Grounds Maintenance Works• Routine Grounds Maintenance Works for Grass Cutting• Hard surface weed spraying	<ul style="list-style-type: none">• Routine Grounds Maintenance Works for Shrubs verges/shrub beds• Routine Maintenance Works for Hedge/Hedgerows• Programmed Projects, including hard and soft landscaping works
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3.6 For the public highway grounds maintenance, the reactive and routine services will be for all Principal Roads, Classified Roads, District Roads, Public Footpaths/Cycle ways, Amenity Spaces and Public Car Parks.

3.7 For Council Housing the reactive and routine services will be for all Council owned Housing Estates in and outside of the Borough.

- 3.8 Programmed projects may be undertaken anywhere in the Borough.
- 3.9 In October 2014 Pre-Qualification Questionnaires for the Enfield Council Grounds Maintenance Contract G MD 373 were uploaded on to the London Tenders Portal to gain expressions of interest, for the provision of these services. 10 companies expressed an interest and returned a completed questionnaire.
- 3.10 Following evaluation seven companies were selected to tender for the contract. Tender documents were issued in May 2015 via London Tenders Portal. Completed tenders were returned on the 4th August 2015.
- 3.11 The tender documents were developed from the Council's Standard Conditions of Contract with internal and external legal advice.
- 3.12 From the original seven companies selected, six tenders were returned with one company withdrawing.
- 3.13 This contract has been tendered and evaluated on the basis of most economically advantageous tender to the council. This was based on a 30/70 Quality/Price ratio.
- 3.14 The tender documentation consisted of two parts, namely the completed Technical Questionnaire (Quality Submission) and the Schedule of Rates Submission.
- 3.15 A panel of four people from the project team, which included officers from Procurement and Highway Services, independently undertook the evaluation of the Quality submissions. These were then reviewed and the Quality scores agreed for each tender submission.
- 3.16 The financial assessment was undertaken after the Quality submission by one officer from Highway Services. This was reviewed by the Head of Service, and Audited by Corporate finance. The financial model was agreed and fixed before tenders were returned to ensure transparency and openness.
- 3.17 The criteria for the Award of the tender was stated under Item 1.4 (Award of the contract) in the Instructions for Tendering that were sent out as part of the Contract Documents prior to the tender period.

4. ALTERNATIVE OPTIONS CONSIDERED

None to be considered

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Tender received from the contractor listed in Part 2 of this Report is recommended for acceptance as their tender achieved the highest

overall combined (financial and quality) evaluation score, in accordance with the Tender requirements.

5.2 The evaluation process is detailed in part 2 of this report.

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

6.1 Financial Implications

Please see comments in Part 2 Report

6.2 Legal Implications

- 6.2.1 Pursuant to S.96 of the Highways Act 1980, the Council has the power to plant and maintain trees, shrubs and grass verges on the public Highway.
- 6.2.2 The Council further has a duty under both the common law and legislation (including the Occupiers Liability Acts 1957 and 1984, the Health and Safety at Work etc. Act 1974 and the Management of Health and Safety at Work Regulations 1999) to take such care as is reasonable in all the circumstances to ensure that individuals do not suffer injury on its premises and that it does all that is reasonably practicable to ensure that people are not exposed to risk to their health and safety.
- 6.2.3 Under the Open Spaces Act 1906 the Council has the power to maintain and keep open spaces in a good and decent state.
- 6.2.4 The Council 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 its functions.
- 6.2.5 Section 1 of the Localism Act 2011 further empowers the Council to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles.
- 6.2.6 The recommendations in this report are made pursuant to the powers referred to in paragraphs 6.2.1 – 6.2.5 above.
- 6.2.7 The Council must comply with the Public Contracts Regulations 2006 and (where applicable) the Public Contracts Regulations 2015 in relation to both the extension of the existing grounds maintenance contract and the procurement of the new grounds maintenance contract. The Council must also comply with its Constitution including the Contract Procedure Rules in relation to both the extension of the existing grounds maintenance contract and the procurement of the new grounds maintenance contract.

- 6.2.8 The value of the Enfield Council Grounds Maintenance contract G MD 373 contract is above the EU procurement financial threshold for services; however as the relevant service is a 'Part B Service' the full rigours of the Public Contract Regulations 2006 do not apply. The client has confirmed that the procurement has been carried out in accordance with the Council's Constitution, in particular the Contract Procedure Rules, and the EU principles of transparency, equal treatment, proportionality and non-discrimination.
- 6.2.9 Throughout the engagement of both the existing contractor and the new contractor, the Council must ensure value for money in accordance with the overriding Best Value Principles under the Local Government Act 1999.
- 6.2.10 The resultant service agreement in relation to the procurement of the Enfield Council Grounds Maintenance contract G MD 373 must be in a form which identifies key activities and outputs so that performance can be properly and regularly monitored.
- 6.2.11 The Council must comply with the provisions of the Transfer of Undertakings (Protection of Employment) Regulations.
- 6.2.12 As the total value of the contracts involved in this matter exceeds £250,000.00, the Council must follow the Key Decision Procedure
- 6.2.13 Pursuant to the CPR 21, as the total contract value of the new grounds maintenance contract is in excess of £250,000, the Council is required to obtain a performance bond or a parent company guarantee from the new Contractor, unless the relevant Director and the Director of Finance Resources and Customer Services consider this to be unnecessary.
- 6.2.14 As the contract value of the Enfield Council Grounds Maintenance contract G MD 373 exceeds £250,000.00, the contract documents are required to be sealed pursuant to CPR 18.3.

6.3 Property Implications

- 6.3.1 A lease in respect of the current contractor's occupation of the depot was not formalised.
- 6.3.2 It is recommended that, in order to regularise the new contractor's occupation, a lease should be entered into, clearly setting out the respective parties' liabilities in relation to the use and occupation of the property.
- 6.3.3 The lease should be completed in conjunction with the commercial contract and be capable of termination, should the commercial contract cease for any reason.

- 6.3.4 To ensure that the contractor does not acquire a secure tenancy, the lease should be outside the security of tenure provisions of the Landlord and Tenant Act 1954.
- 6.3.5 The cost of the lease will be borne by Highway Services and Council Housing via a direct financial transfer to Parks.

7 KEY RISKS

- 7.1 Challenge received prior to award - The evaluation criteria is transparent and clear guidance was provided to bidders on how their bids will be evaluated. Any challenges will be robustly defended and considered by Legal.
- 7.2 Adequate resourcing of Contract operations - The specification and contract conditions are robust, including Key performance indicators and Low service adjustments

8 IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

- 8.1.1 The provision of maintenance and improvement works to the highway and housing areas including other assets will provide benefits for all users of roads, housing areas and footways in the borough.
- 8.1.2 Council Priority 1.16 – High quality accessible value for money, customer focused services are provided

8.2 Growth and Sustainability

- 8.2.1 The letting of the Enfield Council Grounds Maintenance contract G MD 373 will enable Enfield to protect its Environment through the effective delivery of projects and maintenance of the highway and housing assets.
- 8.2.2 Council Priority 2.2 - Improve the public realm, introducing better design, cleaner streets, and a greener, more sustainable environment

8.3 Strong Communities

Effective local partnerships are working to improve the health and wellbeing of all Enfield's residents. Delivery of the Safer and Stronger Community Board priorities and improved community safety in public spaces.

9 EQUALITY IMPACT IMPLICATIONS

It is not relevant or proportionate to carry out an Equality Impact Assessment/Analysis of the award of Grounds Maintenance Contracts.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The Contractor's performance in delivering the service will have a direct impact on the Council's Vision and Priorities. The Contractor's performance will be assessed in the following categories
1. Contract Management
 2. Customer Satisfaction
 3. Operational Performance
- 10.2 An Incentive Schedule of Key Performance Indicators will be in place to take into account the above categories with targets that will be set by the Council or agreed with the Contractor. These will be reviewed and updated throughout the duration of the contract to ensure the contractor's continued performance.
- 10.3 Performance monitoring will be a continuous process and Key Performance Indicators will be reported monthly at the contract progress meetings and yearly at the Strategic Board Meetings.
- 10.4 Where specific KPI targets set in the Incentive table are not met, then Low Service Adjustments will be deducted from the application of payments.
- 10.5 The Strategic Board will assess performance trends and seek to achieve continuous improvement by encouraging innovation.
- 10.6 Continuous achievement of satisfactory and improving performance will be a condition of future contract extension.

11 HEALTH AND SAFETY IMPLICATIONS

- 11.1 We will need to build in good working practices for the provision concerning health and safety arrangements and responsibilities to be included within the contract. Measures should also be taken to regularly review and audit the contractor performance to ensure that the contractor work which forms part of the employers undertaking is being conducted in a way that is legally complaint.
- 11.2 Both parties will have responsibilities under health and safety law. From an enforcement perspective, in circumstances where contractors are used, it is not uncommon for the employer of the injured contractor

to be prosecuted. Good contract performance monitoring must be built into the contract.

12 HR IMPLICATIONS

TUPE applies to the incumbent Contractor's staff. The transfer process will be carried out by the new Contractor. It is anticipated that the current grounds maintenance operatives, administrator, contract supervisor, and contract manager will TUPE across, and therefore there is likely to be continuity of staff between the existing contract and the new contract.

13 PUBLIC HEALTH IMPLICATIONS

- 13.1 The proposals will improve the public health for the residents, by the Council and the successful Tenderer meeting the obligation of the Social Value Act.
- 13.2 The proposal states that, where possible, they will be recruiting local staff, they will develop and implement an apprentice training scheme, recruiting apprentices. The contractor will also be involved in nurturing new talent from schools and local colleges, they will engage with local suppliers in order contribute to the local community economy.
- 13.3 They are also engaged in reducing the pollution, by reducing their carbon footprint, in reducing their travel time and using more efficient plant and equipment.

Background Papers

None