

MUNICIPAL YEAR 2017/2018 REPORT NO. RE 17.26

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cabinet Member for Environment

REPORT OF:
Executive Director - Regeneration
& Environment

Agenda – Part: 1

KD Num: 4516

Subject:

**London Borough of Enfield Electric
Vehicle Charging Points Replacement and
Maintenance Contract**

Wards: All

Contact officer and telephone number: Dominic Millen, 020 8379 3398

E mail: Dominic.millen@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report seeks Cabinet Member approval for appointing a provider to replace, maintain and, if required, install new electric vehicle charging points.
- 1.2 The provider has been selected following a procurement procedure undertaken in line with corporate guidance and with input from Corporate Procurement.
- 1.3 Given it impacts on multiple wards, this is a key decision of the Council and is on the Key Decision List, Reference: KD4516.

2. RECOMMENDATIONS

The Cabinet Member is asked to:

- a. Agree that the Council should enter into a contract with the preferred provider for them to replace, maintain and, if required, install new electric vehicle charging points.
- b. Delegate authority to conclude the negotiation of the contract to the Executive Director for Regeneration and Environment.

3. BACKGROUND

- 3.1 There are electric vehicle charging points on public highway and in public car parks at:
 - Westpole Avenue, Cockfosters;
 - Lion Road Car Park, Edmonton;
 - Angel Corner, Edmonton;

- Leigh Hunt Drive, Southgate;
 - Genotin Road car park (two charging points);
 - Palace Gardens multi-storey car park, Enfield Town (two charging points);
 - Aldermans Hill.
- 3.2 The points were originally installed and maintained by Transport for London as part of the original Source London scheme. This scheme was sold to BluePoint London Limited in 2013.
- 3.3 Currently, this means that the Council is responsible and liable for all the charging points, however there are no maintenance arrangements in place or funding allocated for such purposes. There is a public expectation for the charging points to remain in service as well as growing national and government support for the provision of such infrastructure.
- 3.4 Therefore, a procurement exercise has been undertaken, which complies with Corporate Procurement Guidance, to identify a provider to replace and maintain the existing charging points, as well as potentially install new charging points although this is not certain given that there are moves towards a pan-London arrangement.
- 4. IDENTIFYING A PREFERRED PROVIDER**
- 4.1 Following consultation with Corporate Procurement an Invitation To Quote (ITQ) was prepared which included a clear specification for providers to respond with requirements (full details included at Appendix 1) including:
- Provider to replace and maintain existing electric vehicle charging points
 - Potential installation and maintenance of additional electric vehicle charging points.
 - Charging points should be available for use at least 95% of the time on average and be widely accessible by different car types.
 - The contractor must provide the management, booking and payment facilities for users.
 - Users of the charging points must have access to a wider network of electric vehicle charging points in and around Enfield.
 - Costs borne by the Council and users should be minimised and the provider must cover electricity usage costs.
 - The contract will be non-exclusive.
- 4.2 The ITQ was placed on the London Tenders Portal and was open to the market. Two providers responded positively and their submissions were assessed in line with the criteria set out in the ITQ (full details included at Appendix 2).

- 4.3 Based on this assessment Provider B was identified as having scored highest so should be the preferred supplier:

Weighted Scores	Provider A	Provider B
Cost of replacing and managing existing charging points	23	31
Cost to consumer of using charging points	11	30
Size and coverage of supplier's existing network	0	30
New charging point costs	2	2
Supplier experience	5	5
Other requirements	n/a	n/a
Totals	41	97

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Two alternative options have been considered:

- 5.2 Retain responsibility and ownership of current posts and remain responsible for their upkeep, maintenance and all other costs and conditions for their existence. This has been discounted because there is no available budget for the provision of electric vehicle charging points, so the Council would be unable to provide an efficient and reliable service under this option.
- 5.3 To remove the charging posts altogether and no longer provide a service. This has been discounted mainly because it goes against national and regional policy as well as the Council's priorities and policies particularly those focused on improving air quality.

6. REASONS FOR RECOMMENDATIONS

The preferred provider has been identified as best meeting the specification set out by the Council following a guidance compliant procurement exercise.

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

7.1 Financial Implications

- 7.1.1 This report seeks authority is given to negotiate and implement a contract for the installation, management and maintenance of existing and future electric vehicle charge points.

- 7.1.2 Currently the Council is responsible and liable for all of the charging points; however there is no maintenance arrangement in place or funding allocated (there is no budget allocated for this). Under the proposed set-up, the Council will no longer be liable for the management and maintenance of posts.
- 7.1.3 Currently the energy costs related to the charging point is funded corporately, but under the proposals costs borne by the Council and users should be minimised and the provider must cover electricity usage costs (see paragraph 4.1 for more details).

The table below shows the total energy consumption and costs of the charging points.

<u>6 Year Period Comparison of Annual Totals - Electricity</u>		
Reference: Summary of TFL Pillars		
Period ending: 12/16	Annual Consumption - kWh	
	Total Consumption	Cost
Current	8,132	£1,308.59
1 Year Ago	3,747	-£2,237.50
2 Years Ago	1,153	£588.24
3 Years Ago	1,016	£2,784.44
4 Years Ago	1,003	£732.74
Average	3,010	£635.30
NOTE: The charges are not consistent due to estimated readings and credits. This also accounts for the negative figure which reflects payments based on estimated readings and subsequent refunds when actual usage is calculated.		

7.2 Legal Implications

- 7.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. In addition, the general power of competence in s.1 (1) of the Localism Act 2011 states that a local authority has the power to do anything those individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The recommendations within this report are in accordance with these powers.
- 7.2.2 Throughout the engagement of the service provider, the Council must comply with its obligations with regards to obtaining best value under the Local Government (Best Value Principles) Act 1999.

7.2.3 All legal agreements arising from the matter described in this report must be approved by the Assistant Director of Governance and Legal Services in accordance with section 8 of the Contract Procurement Rules.

7.2.4 The recommendations contained in this report are within the Council's powers and duties.

7.3 Property Implications

The use of Council owned assets must comply with the requirements of Property Procedure Rules which not only identifies the approval process but specifically that any occupation or use is correctly documented with agreed terms and conditions. The expansion of the network may require the identification of suitable additional parking spaces in which case new agreements will need to be entered into, approved and documented..

7.4 Procurement Implications

The procurement was undertaken in accordance with Council's Contract Procedure Rules (CPR's) and followed an open process advertised through the Council's e-procurement platform (London Tenders Portal).

8. KEY RISKS

8.1 Financial - The Audit & Risk Management service has advised that as part of the contract negotiations, insurance requirements should be considered after responsibilities and any indemnity clauses have been identified. If the costs associated with any insurance requirements are significant then consideration will be given to not proceeding with the contract and instead reverting to another provider or moving forward with another option.

8.2 Financial – The preferred provider ceasing to trade and responsibility for electric vehicles charging points passing back to the Council. This is considered low risk due to the size and financial position of the company.

8.3 Reputational – Faulty points inconveniencing residents or leading to a member of the public being injured. This is considered low risk because the preferred provider is a well-established company and has confirmed that charging points will be on average available over 95% of the time.

9. IMPACT ON COUNCIL PRIORITIES

9.1 Fairness For All

These arrangements will support people, through improved infrastructure at no cost to the Council, in adopting more sustainable forms of travel, helping to improve air quality and the health of all residents.

9.2 Growth and Sustainability

Electric vehicles will contribute to the objectives of the Council's Air Quality Action Plan, helping to make transport in the borough more sustainable. By partnering with an external provider, the Council is allowing the opportunity to make this happen.

9.3 Strong Communities

Supporting a charging network in London and neighbouring areas will encourage residents to buy/use electric vehicles, which will indirectly help to create a cleaner environment. This enables people to take responsibility for their lives, as it could have various positive health implications.

10. EQUALITY IMPACT IMPLICATIONS

- 10.1 Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report.
- 10.2 Having considered the recommendations in this report it appears that it is unlikely that they will have an identifiable impact on equality and diversity because:
- It does not involve a change in the location of existing provision.
 - Any change in terms (for example moving towards a paid for model) will have an equal impact on all users with no evidence that electric vehicle users are more likely to have protected characteristics.
- 10.3 In considering whether to install additional electric vehicle charging points in the future, there will be consideration of geographical coverage to make sure, as far as possible given commercial requirements, that such points are in locations which are accessible to as many residents as possible.

11. PERFORMANCE MANAGEMENT IMPLICATIONS

The provision of electric vehicle charge points (EVCPs) supports outcomes of the Council's Business Plan, namely:

Growth and sustainability – A borough that attracts inward investment and supports sustainable regeneration and growth.

Strong communities – Neighbourhoods which are clean, safe, well-regulated, welcoming, cohesive and resilient.

12. HEALTH AND SAFETY IMPLICATIONS

There are no direct health and safety implications of this report.

13. PUBLIC HEALTH IMPLICATIONS

These proposals will contribute positively to the health and well-being of the Borough by reducing the emissions from motor vehicles and improving air quality. The Understanding the Health Impacts of Air Pollution in London (July 2015) report by King's College London indicated that air pollution is associated with some 15% of deaths in the Borough.

Background Papers

None

Appendix 1 – ITQ Specification

- 4.1 The London Borough of Enfield requires the replacement and subsequent maintenance of electric vehicle charging points located in the following places:
- Westpole Avenue, Cockfosters;
 - Lion Road Car Park, Edmonton;
 - Angel Corner, Edmonton;
 - Leigh Hunt Drive, Southgate;
 - Genotin Road car park (two charging points);
 - Palace Gardens car park, Enfield Town (two charging points);
 - Aldermans Hill.
- 4.2 The London Borough of Enfield also requires costs for the installation and maintenance of additional electric vehicle charging points but does not commit to installing any under this contract.
- 4.3 Any new charging points should be available for use at least 95% of the time on average.
- 4.3 Any new charging points should meet relevant industry standards and be designed to be accessible to the maximum number of users.
- 4.4 Costs borne by the London Borough of Enfield should be minimised with the cost of electricity used by the points being covered by the contractor.
- 4.5 The contractor must provide the management, booking and payment facilities for users including via mobile communication devices and telephone.
- 4.6 Users of the charging points must have access to a wider network of electric vehicle charging points in the local authority areas abutting the London Borough of Enfield without requiring an additional account or login details.
- 4.7 Users must have access to live help facilities, including for raising payment queries and making maintenance requests, 24 hours a day throughout the year.
- 4.8 Users should have access to different pricing plans which include at least 1 regular payment plan and 1 pay as you go plan. These plans should be easy to understand and clearly set out at the point of payment.
- 4.8 The contract will be non-exclusive with the London Borough of Enfield retaining the right to procure similar goods and services from other suppliers.
- 4.9 The contractor will need to demonstrate relevant experience of the UK electric vehicle charging market including the installation of electric vehicle charging points on the public highway.

Appendix 2 – Assessment Criteria

The information provided in response to the specification (Section 4) will be evaluated:

Assessment Area 1	Cost of replacing and managing existing charging points
Evidence	Replacement cost for existing charging points
Scoring	10 – Lowest per unit cost of all suppliers 8 – Within 10% of lowest cost 6 – Within 11 and 20% of lowest cost 4 – Within 21 and 30% of lowest cost 2 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Evidence	Maintenance cost for existing charging points
Scoring	10 – Lowest per unit cost of all suppliers 8 – Within 10% of lowest cost 6 – Within 11 and 20% of lowest cost 4 – Within 21 and 30% of lowest cost 2 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Evidence	Reliability
Scoring	10 – Target uptime for charging points of 95% or more 5 – Target uptime for charging points of between 90 and 94% 3 – Target uptime for charging points of between 85 and 89% 1 – Target uptime for charging points of between 80 and 84% 0 – Target uptime for charging points less than 80%%
Evidence	Exit fees
Scoring	10 – Lowest per unit cost of all suppliers 8 – Within 10% of lowest cost 6 – Within 11 and 20% of lowest cost 4 – Within 21 and 30% of lowest cost 2 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Assessment Area 2	Cost to consumer of using electric vehicle charging points
Evidence	Comparative cost to consumer
Scoring	20 – Lowest comparative cost of all suppliers 16 – Within 10% of lowest cost 12 – Within 11 and 20% of lowest cost 8 – Within 21 and 30% of lowest cost 4 – Within 31 and 40% of lowest cost

	2 – Within 41% and 50% of lowest cost 0 – Over 50% of lowest cost
Evidence	Scale of charges for consumer
Scoring	N/A – To inform comparative cost assessment only
Evidence	Access to charging network
Scoring	5 – Lowest total cost 4 – Within 10% of lowest cost 3 – Within 11 and 20% of lowest cost 2 – Within 21 and 30% of lowest cost 1 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Assessment Area 3	Size and coverage of supplier's existing network
Evidence	Total number of sockets already available in the supplier's network for public use in Enfield and adjacent 2 nd tier local authority areas (LBs: Barnet, Haringey and Waltham Forest, Counties: Essex and Hertfordshire).
Scoring	20 – Highest total number 16 – Within 10% of highest total number 8 – Within 11 and 20% of highest total number 6 – Within 21 and 30% of highest total number 4 – Within 31 and 40% of highest total number 2 – Within 41% and 50% of highest total number 0 – Over 50% of highest total number
Evidence	Total number of electric vehicle charging points already available in the supplier's network for public use in Enfield and adjacent 2 nd tier local authority areas (LBs: Barnet, Haringey and Waltham Forest, Counties: Essex and Hertfordshire) broken down by: <ul style="list-style-type: none"> • Standard on-street. • Rapid charging.
Scoring	N/A – To inform total number of sockets assessment only
Evidence	Map with the location, number and type of electric vehicle charging points already available in the supplier's network for public use in Enfield and adjacent 2 nd tier local authority areas (LBs: Barnet, Haringey and Waltham Forest, Counties: Essex and Hertfordshire).
Scoring	N/A – To inform total number of sockets assessment only
Assessment Area 4	Cost to consumer of using electric vehicle charging points

Evidence	Total cost payable by the Council to the supplier for installing new electric vehicle charging points including: <ul style="list-style-type: none"> • Charging point. • Installation works. • Connecting to the existing electricity supply.
Scoring	5 - Lowest per unit cost of all suppliers 4 – Within 10% of lowest cost 3 – Within 11 and 20% of lowest cost 2 – Within 21 and 30% of lowest cost 1 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Evidence	Maintenance cost for existing charging points over a 3-year period including: <ul style="list-style-type: none"> • Regular maintenance. • Call out fees. • Any replacement parts.
Scoring	5 - Lowest per unit cost of all suppliers 4 – Within 10% of lowest cost 3 – Within 11 and 20% of lowest cost 2 – Within 21 and 30% of lowest cost 1 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Evidence	Any costs payable by the Council for terminating the contract after 1, 2 and 3 years.
Scoring	5 - Lowest per unit cost of all suppliers 4 – Within 10% of lowest cost 3 – Within 11 and 20% of lowest cost 2 – Within 21 and 30% of lowest cost 1 – Within 31 and 40% of lowest cost 0 – Over 40% of lowest cost
Assessment Area 5	Supplier experience
Evidence	Details of the supplier's experience providing electric vehicle charging infrastructure in the UK market. This should be a maximum of 500 words and 3 supporting images.
Scoring	5 - Demonstrates extensive relevant experience 3 – Demonstrates some relevant experience 1 – Demonstrates limited relevant experience SUPPLIERS WHO DO NOT DEMONSTRATE RELEVANT EXPERIENCE WILL BE EXCLUDED FROM THE PROCESS
Assessment Area 6	Other Requirements

Evidence	Professional Indemnity Insurance cover of at least £1 million Public Liability Insurance cover of at least £5 million Employer's Liability Insurance of at least £10 million
Scoring	This is a mandatory requirement so is not scored. SUPPLIERS WHO DO NOT DEMONSTRATE SUITABLE INSURANCE WILL BE EXCLUDED FROM THE PROCESS
Evidence	The Council's electricity costs arising from the Electric Vehicle Charging points will be reimbursed.
Scoring	This is a mandatory requirement so is not scored. SUPPLIERS WHO DO NOT CONFIRM THEY WILL COVER ELECTRICITY COSTS WILL BE EXCLUDED FROM THE PROCESS

Evidence will be scored:

- Based on the relative importance of a particular element as defined by the Council. This includes the use of logarithmic scales to reflect relative importance.
- Using specific targets where these are required by the Council (for example 95% performance) or based on relative performance against other suppliers (this includes using spreads of performance such as within 10%, 11% to 20%, etc.).
- Only where it is in the format specified and contains the information requested. General sales literature and supporting information will not be considered other than where required to verify the evidence provided.
- Suppliers failing to demonstrate suitable relevant experience will be excluded from the procurement process.
- To provide points which will then be factored up or down to bring them in line with the weighting for each Assessment Area – see below. For example an assessment area could have a total of 25 points and a weighting of 30. Therefore the total score for this area would be factored up by 1.2 ($25 \times 1.2 = 30$) to give a weighted score which can be used for comparison across Assessment Areas and suppliers.

<i>Assessment Area</i>	<i>Total Points</i>	<i>Conversion Factor</i>	<i>Weighted Total</i>
Cost of replacing and managing existing charging points	40	$40 \div 1.3$	30
Cost to consumer of using electric vehicle charging points	25	25×1.2	30
Size and coverage of supplier's existing network	20	20×1.5	30
New charging point costs	15	$15 \div 3.0$	5
Supplier experience	5		5
Other requirements	0		0
Totals	105	-	100

MUNICIPAL YEAR 2017/2018 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cabinet Member for Environment and
Community Safety

REPORT OF:
Director – Regeneration &
Environment

Agenda – Part: 1

KD Num: 4534

**Procurement for Construction of Burial
Chambers and Mausolea**

Wards: All

Contact officer and telephone number:
Melina Vetere
Telephone: 0208 379 3767
E-mail: melina.vetere@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 This report sets out the background to the development of burial chambers and above ground mausolea in the Council's cemeteries and presents the case for tendering a new framework contract to supersede the current framework which is now insufficient to meet the Council's longer term requirements.

2. RECOMMENDATIONS

- 2.1 It is recommended that the opportunity to construct burial chambers and mausolea in the Council's cemeteries is put out to tender to establish a multi-supplier framework agreement up to a value of £4m, in accordance with the Council's Contract Procedure Rules.
- 2.2 It is further recommended that the assessment of the financial standing of bidders is based on the anticipated value of each development phase (£200k) rather than the overall framework value.

3. Background

- 3.1 The Cemeteries Team have been developing additional burial space and income generating opportunities in the authority's cemeteries since 2012 through a range of measures including:
- Re-using areas of historical common graves (over 100 years old) for new earth burials
 - Clearing previously unused areas for new earth burials
 - Constructing burial chambers and mausolea
- 3.2 Demand for this new burial space has been buoyant and exceeded expectations. In addition, approval has been given for the extension of Edmonton Cemetery on part of the sports courts area adjacent to the A10 to provide a longer-term supply of burial space and infrastructure work on site is due start shortly for completion by April 2018.
- 3.3 There have been 4 phases of burial chamber and mausolea construction between 2013 and 2017, all of which have been built on historical common grave areas at Edmonton Cemetery. The first 2 phases were carried out by the only supplier available at the time, Welters Organisation Worldwide, through a waiver of the CPRs under a cost/risk sharing agreement with the supplier. Subsequently, in 2015, following a competitive tender, Welters was engaged under a 4-year framework agreement to carry out a further 4 phases of development with a value of up to £600k. A market engagement exercise was carried out beforehand and interest received from 3 suppliers, including Welters, but in the event, only Welters submitted a bid.
- 3.4 Two phases of development have been carried out under the 2015 framework, using approximately 50% of its value, and a third phase is currently being planned for Southgate Cemetery. Therefore, in order to proceed with larger scale development on the recently approved Edmonton Cemetery Extension and on other cemetery sites, a new framework is required.

Demand for Burial Chambers and Mausolea

- 3.5 The numbers of burial chambers and mausolea installed and sold up to the end of April 2017 are summarised in the table below:

	Installed	Sold	Available
Phase 1 (completed July 2012)			
Mausolea	18	18	0
Chambers	24	24	0
Keepsake niches	10	1	9
Phase 2 (completed June 2013)			
Mausolea	48	34	14

Chambers	24	24	0
Keepsake niches	10	4	6
Phase 3 (completed October 2016)			
Chambers	72	70	2
Phase 4 (completed April 2017)			
Mausolea	12	0	12
Premium Burial Chambers	58	1	57
Benches	2	0	2

- 3.6 At current sales rates, it is anticipated that all remaining unsold burial chambers and mausolea will be sold by April 2018. Overall demand has been more buoyant than expected but the service has also adjusted the ratio of chambers to mausolea and rebalanced sales prices of these 2 main products in the light of actual demand and customer feedback. The keepsake niches installed on mausolea in small numbers in phases 1 & 2 have not sold well and, in phase 4, niches have been incorporated into chamber headstones instead to make this a premium product offer.

Expenditure and Income to Date

- 3.7 The income and expenditure to date from the first 4 phases of development are summarised in the table below.

	Expend- iture	Gross income to date	Net income to date	Potential income from unsold units	Net income when all phases fully sold	Gross income when all phases fully sold
	£'000	£'000	£'000	£'000	£'000	£'000
Total phases 1-4	744	1,215	471	668	1,139	1,883

- 3.8 The £1.2m gross income from sales has exceeded the total development costs to date by almost £0.5m and the project is now entirely self-funding. Income from sales will continue to go towards funding future development and offsetting cemetery running costs.

Expenditure and Income - Future Developments

- 3.9 Assuming a similar mix of burial chambers and mausolea in future developments, using current construction costs plus 15% to allow for landscaping and using 2017 sales prices, a £4.2m investment at Southgate, Edmonton and other cemeteries has the potential to yield a net income of £5.07m, calculated as follows

	Current unit cost + 15%	No. units	Total	2017 sales value	Gross sales value	Net sales value	Net income /unit
Chamber	£ 3,362	800	£ 2,689,850	£ 8,200	£ 6,560,000	£ 3,870,150	£ 4,838
Mausolea	£ 3,943	380	£ 1,498,158	£ 7,100	£ 2,698,000	£ 1,199,842	£ 3,157
			£ 4,188,008		£ 9,258,000	£ 5,069,992	£ 4,297

- 3.10 In reality, it is unlikely that such high numbers of units could be built or sold in the next 4-5 years, but setting a high ceiling on the framework value avoids the need for a further tender if demand continues to exceed expectations. The service currently aims to sell a minimum of 6 units a month at Edmonton. A proposed development at Southgate is conservatively estimated to achieve sales of at least 2 units a month which would be further boosted by developments at Hertford Road and Lavender Hill. If development potential at all 4 sites is realised, sales of 12 units a month or 144 a year is a realistic forecast sales target. Accordingly, it is proposed to set the framework value at a ceiling of £4m which is below the current EU Regulations threshold for Works contracts.

Informal Market Engagement

- 3.11 The 3 suppliers that can meet the Council's requirements, alongside the incumbent (Welters), were contacted informally to discuss their current product range and assess their potential level of interest in a tender opportunity from LBE. The market has clearly developed in the last 3 years and there was a good deal of interest in bidding for any Enfield contract. The discussions highlighted a number of technical areas of the specification and tender evaluation model which may benefit from being reviewed. A key example is the preferred use of granite for above ground exposed surface by all 3 suppliers which has implications for cost but provides a significant advantage in terms of appearance, durability and maintenance in comparison with concrete or limestone based finishes. In addition, only 2 of the 4 suppliers provide interment services and it would be appropriate to make this an optional item in the schedule of rates and build an additional element into the quality evaluation model to score the relative ease, cost and training requirements associated with using the Council's existing cemetery contractor for this task.
- 3.12 It is worth noting that the suppliers in this market are all relatively small businesses and it is proposed that any assessment of their financial standing is based on the proposed value of each development phase (£200k) rather than on the total value of the framework.

Consultation with Other Authorities

- 3.13 The option of widening the scope and value of the framework to other local authorities in London and further afield has been considered as a means of deriving additional value from the procurement.

- 3.14 To gauge the level of interest, all bereavement services teams in the London boroughs together with Broxbourne Council were contacted. Of the 33 authorities contacted, 11 responses were received but only 3 indicated interest in making use of an Enfield administered framework and 2 of these are only interested in small numbers of chambers. LB Islington, have recently completed a tender process for a burial chamber and mausolea framework contract and, whilst this rules out any opportunities for collaboration with them in the short term, the approach taken by Islington is being reviewed to see if there are lessons for Enfield.
- 3.15 Officers do not consider that the additional burden of administering a London or UK wide framework contract would justify the income which may be derived from commission payments (1-2%) or that there is sufficient demand from other authorities to justify such an arrangement.

Procurement and Commissioning Board

- 3.16 A business case for the development of burial chambers and mausolea was considered and approved by the Procurement and Commissioning Board on 18 May 2018.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Continue with the current framework and overspend. This would be contrary to the CPRs and could put the Council at risk of being challenged.
- 4.2 Cease provision of burial chambers and mausolea. This would reduce the availability of burial choice for residents and reduce income to the Council.

5. REASONS FOR RECOMMENDATIONS

To ensure compliance with the CPRs, maintain and improve service levels and maximise value for money.

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

6.1 Financial Implications

- 6.1.1 This report sets out the background to the development of burial chambers and above ground mausolea in the Council's cemeteries and presents the case for tendering a new framework contract to supersede the current framework which is now insufficient to meet the Council's longer term requirements.
- 6.1.2 It is recommended that the opportunity to construct burial chambers and mausolea in the Council's cemeteries is put out to tender to establish a multi-supplier framework agreement up to a value of £4m, in accordance with the Council's Contract Procedure Rules.

6.1.3 It is further recommended that the assessment of the financial standing of bidders is based on the anticipated value of each development phase (£200k) rather than the overall framework value.

6.1.4 Any costs associated with the setting up of the multi supplier framework agreement will be met from the existing cemeteries budgets.

Expenditure and Income to Date

Expenditure and Income to Date					
The income and expenditure to date from the first 4 phases of development are summarised in the table below.					
	Expenditure	Gross income to date	Net income to date	Potential income from unsold units	Net income when all phases fully sold
	£'000	£'000	£'000	£'000	£'000
Total phases 1-4	744	1,215	471	668	1,139

6.1.5 This report does not in itself commit the Council to additional expenditure, any future proposals with cost implications will be subject to separate reports and full financial appraisal.

6.2 Legal Implications

6.2.1 The Council is a burial authority by virtue of section 214 of the Local Government Act 1972, and has the power to provide and maintain cemeteries inside or outside its area.

6.2.2 Under section 74 of the London Local Authorities Act 2007 (the LLAA 2007), the Council has the power to disturb or authorise the disturbance of human remains interred in a grave older than 75 years for the purpose of increasing the space for interments in the grave provided appropriate notice is served/displayed/published in accordance with the LLAA 2007. Following publication of the notice pursuant to the LLAA 2007, there is a period of six months within which either the owner of a relevant tombstone or a relative of any person whose remains are proposed to be disturbed may make an objection. If no such objections are received, the Council may then proceed with its proposals. In respect of consecrated land, the Council must first obtain permission (known as a faculty) from the Diocese of London formally confirming that they have no objection to the re-use of the graves. The client must ensure that the appropriate public notices have been given, and that faculty permission has been obtained where required.

6.2.3 The Council has the power under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. There is

no express prohibition, restriction or limitation contained in a statute against use of the power in this way. In addition, section 111 of the Local Government Act 1972 provides the Council with a general power to enter into contracts for the discharge of any of its functions.

- 6.2.4 The estimated value of the contract being procured is below the Public Contract Regulations 2006 (as amended) threshold for works. When selecting the framework suppliers, the Council must still act in accordance with the Council's Constitution, in particular the Contract Procedure Rules ("CPRs"), and the EU general principles of equality, transparency, proportionality and non-discrimination.
- 6.2.5 The procedure for awarding call-off contracts under the framework must be clearly set out in the procurement documents and the framework agreement itself, and future call-off orders must be placed in accordance with that procedure. The framework contract must be in a form approved by the Assistant Director of Legal Services.

6.3 Procurement Implications

The proposed procurement of the Framework Agreement must be in accordance with the Council's Contract Procedure Rules (CPRs) and the Public Contract Regulations 2015.

6.4 Property Implications

None.

7. KEY RISKS

- 7.1 Insufficient market interest – lack of competition could make demonstrating VFM more difficult. This has been mitigated by informal discussions with suppliers to gauge the level of interest and by the development of a suitable specification based on experience to date.
- 7.2 Lack of demand for new chambers and mausolea - demand and sales for the first 4 phases of development have exceeded expectations. Future development will be in phases to avoid the risk of large numbers of unsold plots in the event of an unforeseen drop in demand.
- 7.3 Financial standing of suppliers - there is a risk that the relatively small suppliers in the burial chamber and mausolea construction market could go out of business during development or be unable to meet the Council's timetable due to other commitments. Development in small phases and payment only on completion will mitigate this risk.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The objective of the proposals is to ensure continues choice and service for the benefit of all residents

8.2 Growth and Sustainability

The proposed arrangements are designed to provide a sustainable income stream.

8.3 Strong Communities

None

9. EQUALITY IMPACT IMPLICATIONS

An Equalities Impact Assessment was carried out in 2014, after the successful completion of the initial pilot phase, to underpin future vaults and mausolea developments. This did not identify any significant impacts which required addressing and is available as a background paper.

The stated aim of the service change at the time was "To widen the use of vaulted graves and mausolea in order to increase interment choices to meet the needs of different faiths, cultural and religious groups and the wider community". This aim remains wholly applicable to future cemetery development along with the need to maximise burial capacity to create a sustainable service and provide wider choice for all of our communities. Therefore, a further EIA is not considered necessary.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The proposals are designed to improve both service performance and value for money in both the short and long term.

11. HEALTH AND SAFETY IMPLICATIONS

The procurement process will include an assessment of bidders' arrangements in respect of Health and Safety for their operations. Risk assessments, method statements and Safe Systems of Work will be submitted for approval by the authority prior to contract award and the contract will be subject to the Construction Design & Management (CDM) Regulations

12. PUBLIC HEALTH IMPLICATIONS

No major Public Health implications.

Background Papers

None.

