

MUNICIPAL YEAR 2018/2019 REPORT NO.

**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

OPERATIONAL DECISION OF:

Executive Director
Place

Agenda – Part: 1	KD Num: KD4877
Subject: Enfield Highway Carnegie Building – Authority to Procure	
Wards: Enfield Highway	

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1. EXECUTIVE SUMMARY

- 1.1. This report is separated into Part 1 and Part 2 as it contains information that is exempt from disclosure. Releasing it would or would be likely to prejudice the commercial interests of the Council.
- 1.2. This report relates to one of the initial projects to be delivered within the CPIP - the relocation of the Integrated Learning Disabilities Services (ILDS) from St. Andrew's Court to Enfield Highway Carnegie Building (EHCB).
- 1.3. This report is the Approval to Procure for the scheme required under Contract Procedure Rules and follows on from the recent Cabinet Report PL18 088 / KD4792 approving the initiation of a Corporate Property Investment Programme (CPIP) for the Council, which gave delegated authority to the Executive Director for Place in consultation with Director of Finance to make this decision.
- 1.4. As part of this, this report seeks authority for pre-construction expenditure, appointment of consultants, submission of a Planning application and for officers to procure the Construction Works contract.
- 1.5. The proposed procurement strategy is for the technical design services to be delivered via the Corporate Maintenance & Construction Team to appoint and manage consultants via a compliant Framework as necessary.
- 1.6. A further report will be submitted for Authority to Award the Construction Works contract.

2. RECOMMENDATIONS

- 2.1. To approve pre-construction expenditure up to £300,000; as set out in Part 2 of this Report and note that the expenditure will be funded from the Council's Capital Programme as agreed at the Capital Finance Board on 28/11/18 and Cabinet on 23/01/19 (PL18 088 / KD4792).
- 2.2. To approve the appointment of consultants via a compliant Framework; as set out in Part 2 of this Report.
- 2.3. To approve the submission of a formal planning application if required.
- 2.4. To approve the procurement strategy set out below and in the Design & Procurement Programme Rev1 (see Appendix 1).
- 2.5. To note that a further report will be submitted for Authority to Award the Construction Works contract and the balance of expenditure.

3. BACKGROUND

- 3.1 In January 2019, Cabinet and Council approved the initiation of the Council's Corporate Property Investment Programme (CPIP). The cabinet report set out proposals for early projects to address urgent needs, whilst the Strategic Asset Management Plan and longer-term CPIP come to fruition.
- 3.2 This report relates to one of the initial CPIP projects - to relocate the Integrated Learning Disabilities Services (ILDS) from St Andrews Court (SAC) to a significantly modified EHCB.
- 3.3 Property Services are in the process of extending the lease at SAC in order to provide the necessary amount of time to carry out extensive redesign and alterations to EHCB. In order to minimise the length of time occupying SAC and thereby reducing the payment of an inflated rent, it is necessary to complete the delivery of the redesign and refurbishment of EHCB and relocation of services by December 2020, which is a challenging timescale.
- 3.4 The procurement strategy for the EHCB will be that the technical design services will be managed by in-house technical services, Corporate Maintenance & Construction Team (CMCT) utilising consultants via compliant Frameworks for full multidisciplinary services and a separate appointment for cost consultancy. The Works Contract will be a single stage procurement, competitively tendered to include local SME contractors; a further report will be submitted for Authority to Award the Construction Works contract. This approach was agreed at the Procurement & Commissioning board on 12/03/19. The procurement strategy is also set out in the Design & Procurement Programme Rev1 (see Appendix 1).

- 3.5 Officers will consult with the Planning Authority to determine whether a formal planning application is required for these works. The in-house Building Control team will be used for Building Regulations approval.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The professional services required cannot be provided in-house as there is currently insufficient capacity within the Property & Economy Department.
- 4.2 The professional services required could be procured via other frameworks or through competitive tendering, using a pre-vetted list of consultants, but neither of these options enable speedy direct call off. Conducting either mini-competition through a framework or a tender exercise would add time and potential delay and not deliver the early engagement required to deliver this project.
- 4.3 The Construction works could be procured via frameworks, however, conducting either mini-competition through a framework or meeting prescriptive framework procedures would add time and potential delay. If a typical framework two stage tender process was adopted, the Council would also have reduced leverage on price and would not be certain that the best price in the market had been obtained.

5. REASONS FOR RECOMMENDATIONS

5.1 Professional Services

- 5.1.1 Direct call off Frameworks provide an immediate flexible resource to deliver the Professional Services required. The hourly rates have been benchmarked and the target hours have been agreed based on benchmarked consultants' fee rates.
- 5.1.3 Other Specialist Consultants and Surveys may be procured separately, as necessary, in compliance with Contract procedure Rules.

5.2 Works

- 5.2.1 The key drivers for the procurement strategy are time and cost, specifically, the requirement for the service to be relocated within 18 months of the lease renewal at St Andrew Court to avoid further rental charges. The construction costs also must be delivered within the budget approved. In response to this, the proposal is for the works to be de-risked and specified in sufficient detail to competitively tender the works and obtain the best price from the market.
- 5.2.2 The proposed procurement strategy is also set out on the current Design & Procurement Programme Rev0 (see Appendix 1). The Construction contract will be tendered in accordance with Contract Procedure Rules; the terms & conditions will be JCT Intermediate Form of Contract with Contractors Design 2016 edition.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 In January 2019, Cabinet and Council (report KD4792) approved initiation of the Council's Corporate Property Investment Programme (CPIP), including funding of £1,300,000 for this scheme.
- 6.1.2 The estimated costs to progress the scheme up to Authority to Award the Construction Works contract is £300,000. The estimated costs are planned for 2019/20 and are within the funding approved that financial year. Refer to Part 2 for the detailed breakdown of estimated costs to progress the scheme up to Authority to Award the Construction Works contract.
- 6.1.3 VAT incurred towards any procurement and resourcing required in order to deliver this scheme may be recovered under provisions of Section 33 of VAT Act 1994. The main conditions for VAT recovery require that the council contracts for the goods/services, receives the order, receives VAT invoices in its name and pays with its own funds.

6.2 Legal Implications

- 6.2.1 Section 111 of the Local Government Act 1972 ("LGA") gives a local authority power to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions and the Localism Act 2011 provides the Council power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. In addition, section 112 of the LGA permits the appointment of such officers that the Council deems necessary for the discharge of its functions. The proposals set out in this report are consistent with this power.
- 6.2.2 The contents of this report constitute a Key Decision as the recommendation to progress the pre-construction phase up to Authority to Award the Construction Works contract will lead to capital expenditure exceeding £250,000. This item has been included in the Key Decision List reference: KD4877. Once approved, the decision to proceed will be subject to the usual five-day call-in period.
- 6.2.3 Additionally, the Council is empowered, under s.1 Local Government (Contracts) Act 1997 to enter into contracts in order to discharge its legal powers.
- 6.2.4 The use of a compliant framework agreement is encouraged by the Council's Contract Procedure Rules ("CPRs"), CPR 4
- 6.2.5 The Council must comply with all requirements of its Constitution and CPRs. Where it demonstrates Best Value a legally compliant Framework should be used to procure the professional services. Due Diligence should be carried out on the Framework as the professional services are over the OJEU threshold of £181,302 for services.
- 6.2.6 Any call off from a Framework must be carried out strictly in compliance with the Framework terms and via the E-Tendering Portal (CPR 4.1.5)

- 6.2.7 The Call Off Contract for Professional Services will be in accordance with that in the Framework Agreement. Any other contracts required must be in a form approved by legal Services on behalf of the Director of Law and Governance ahead of contract commencement date.
- 6.2.8 It is noted that the procurement of the works contract is to be by single stage competitive tender and the terms are to be in the form of the JCT Intermediate Building Contract with Contractor's Design 2016 Edition.
- 6.2.9 If the contract value for the works is £1,000,000 or over sufficient security in the form of either a Parent Company Guarantee or a Performance Bond must be required to manage risk. Evidence of the form of security required or why no security was required must be stored and retained on the E-Tendering Portal for audit purposes (CPR 1.18)
- 6.2.10 In accordance with the provisions of the Town and Country Planning Act 1990, if the proposed works constitute 'development' as set out in s.55 of the act an application for planning consent will need to be submitted to the local planning authority.

6.3 Property Implications

- 6.3.1 This is a pilot CPIP project providing an immediate solution to the urgent issues relating to St. Andrew's Court and provide an appropriate use for the vacant Enfield Highway Carnegie Building. CPIP will be the ongoing programme that will deliver the construction outcomes of the emerging Strategic Property Framework and Strategic Asset Management Plan, which will be presented to Cabinet in Spring/Summer of 2019.
- 6.3.2 This report proposes the engagement of professional services, and so does not have direct property implications. The January 2019 Cabinet Report PL18 088 / KD4792 sets out the property implications associated with the project.
- 6.3.3 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Strategic Property Services for input onto the Asset Management Data System, ATRIUM, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Corporate Procurement Implications

- 6.4.1 All procurements of goods/services/works will be in accordance with the Council's Constitution, Contract Procedure Rules ("CPRs") and the Public Contracts Regulations 2015. In particular, the Council is able to utilise a range of EU compliant frameworks to engage the services of construction contractors or technical support staff such as architects or quantity surveyors in full compliance with the CPRs. Any use of a framework must be in accordance with the framework terms.
- 6.4.2 The proposed use of frameworks set out in Part 2 is compliant with the Council's Contract Procedure Rules.

7. KEY RISKS

7.1 The key risks identified at this stage are:

7.1.1 Delay to the programme: the impact will be a further 18 months inflated rental costs for the Council. This has been inherently mitigated by early engagement of technical consultants and close management of the programme activities.

7.1.2 Cost increase: the impact will be insufficient funding to meet the expenditure. This will be mitigated by rigorous Cost Planning from the outset and robust change control. The competitive tenders should provide the best price from the market, but inflation is currently very difficult to predict.

7.2 A detailed Risk Register must be maintained throughout the process to inform the project contingency and that alongside the Cost Plan will provide early warning of Cost increase.

8. INTERNAL DEPARTMENT IMPLICATIONS/CONSULTATION

9. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

9.1 Good homes in well-connected neighbourhoods

9.1.1 No implications

9.2 Sustain strong and healthy communities

9.2.1 Further improvement and investment in the EHCB will potentially provide greater opportunities for enhanced community use. The very nature of the services to be delivered from the project will continue to provide support and health facilities to some of Enfield's most vulnerable residents.

9.3 Build our local economy to create a thriving place

9.3.1 Utilising the currently vacant EHCB to deliver a busy customer service and office for 80+ staff will bring additional footfall to the area, supporting the local shops and businesses.

9.3.2 Providing a reasonable work environment for our staff will enable them to better deliver the essential services they provide to our customers. In turn this will enhance people's ability to reach their full potential by accessing opportunity and encouraging them to reach their potential

10. EQUALITIES IMPACT IMPLICATIONS

10.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these

diverse groups when designing and changing services or budgets So that our decisions it do not unduly or disproportionately affect access by some groups more than others.

- 10.2 Corporate advice has been sought regarding equalities and agreement has been reached that an equalities impact assessment will need to be carried out by the Project Leader and staff from the service centres as part of the full design phase of the pilot projects to ensure that the council meets its duties.

11. PERFORMANCE AND DATA IMPLICATIONS

No implications

12. HEALTH AND SAFETY IMPLICATIONS

The Construction (Design and Management) Regulations 2015 apply to this project and the Council will be deemed to be the "Client" and as such has a duty to appoint a "Principal Designer" and to appoint a "Principal Contractor".

13. HR IMPLICATIONS

No implications

14. PUBLIC HEALTH IMPLICATIONS

No implications

Background Papers

None

MUNICIPAL YEAR 2019/2020 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF:

Executive Director of Place

in consultation with Adult Social Care, Legal and Procurement Services

Agenda – Part: 1	KD 4874
Subject: Reardon Court Extra Care Redevelopment – Approval to Procure	
Wards: ALL	

Contact officer and telephone number:

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1. EXECUTIVE SUMMARY

- 1.1 This report is separated into Part 1 and Part 2 as it contains information that is exempt from disclosure. Releasing it would or would be likely to prejudice the commercial interests of the Council.
- 1.2 This report is the 'Approval to Procure' required under Contract Procedure Rules and follows on from the recent Cabinet Decision on 25th July 2018 (KD4710) to add £17.3m to the capital programme for redevelopment of the existing Reardon Court site with the provision of 69 units modern, accessible, self-contained Extra Care Housing, subject to securing a capital contribution from the Greater London Authority (GLA).
- 1.3 A bid was submitted to the GLA for a and in March 2019 the Council received confirmation that it had been successful in securing grant funding for 91 units, which was more than the that was approved by Cabinet, so a further report will be provided to Cabinet to approve the further funding required in the capital programme and an improved business case delivering the additional much needed units.
- 1.4 This report seeks authority for pre-construction expenditure, appointment of consultants, submission of a Planning application and for officers to procure the Demolition and Construction Works contracts; this authority to make this decision was delegated by Cabinet on 25th July 2018 (KD4710).
- 1.5 Further reports will be provided for the contract award to the demolition contractor and the contract award to the contractor for the new building.

2. RECOMMENDATIONS

- 2.1 To approve a pre-construction expenditure of £1.339m; as set out in Part 2 of this Report and note that the expenditure will be funded from the Council's Capital Programme as agreed at Cabinet on 25th July 2018 (KD4710) and included in the Capital Strategy (2019/20) and 4-Year Capital Programme (2019/20 to 2022/23) approved at Cabinet on 13th February 2019 (KD4828).
- 2.2 To approve the appointment of consultants via a compliant Framework; as set out in Part 2 of this Report.
- 2.3 To approve the submission of a formal planning application based on the larger scheme with 91 units as submitted to the GLA.
- 2.4 To approve the procurement strategy, as approved at the Procurement & Commissioning Board on 12/02/2019, set out below and illustrated in the Design & Procurement Programme Rev3 (see Appendix 1).
- 2.5 To note that a further report will be submitted for Authority to Award the Construction Works contract and the balance of expenditure.
- 2.6 To approve pre-construction expenditure, appointment of consultants, submission of a Planning application and for officers to procure the Demolition and Construction Works contracts; this authority to make this decision was delegated by Cabinet on 25th July 2018 (KD4710).

3. BACKGROUND

- 3.1 Reardon Court is the site of a former in-house residential care home; it is Council owned and currently vacant.
- 3.2 To realise the long-term value of this Council owned asset and secure future provision of affordable Extra Care Housing in the borough, the Cabinet received a report on 25th July 2018 recommending that the Council maintains ownership of this site and develops a minimum of 69 units for Extra Care Housing subject to GLA funding.
- 3.3 The Council is now seeking to redevelop this site to provide 91 (83 x 1-bedroom & 8 x 2-bedroom) modern, flexible and accessible Extra Care homes, with fully accessible communal space.
- 3.4 Total projected scheme development costs have increased from £17.3m reported to Cabinet in July 2018 to £24.2m, excluding furnishings and equipment, but including the cost of demolition.
- 3.5 A bid proposal to GLA was accepted in March 2019 for securing a grant contribution to development costs. A further report will be submitted to Cabinet as soon as practicable recommending approval of additional capital funding and an improved business case delivering the additional much needed units.
- 3.6 The site has now been vacant since late 2015 and it is in poor and deteriorating condition. Since the building has been closed it has been subject to various incursions, lead work has been stripped from roofing resulting in leaks and internal damage. The deteriorating condition now represents an increasing liability to the Council both in terms of cost and a health & Safety hazard.

- 3.7 The Cabinet Decision on 25th July 2018 (KD4710) gave delegated authority to the Executive Director Place, in consultation with Adult Social Care, Legal and Procurement Services, for the appointment of a design team.
- 3.8 An 'Approval to Procure' decision is now required to engage professional services to progress the design and undertake the requisite survey work in order to submit a planning application and procure a suitable contractor for the demolition works and then the construction works.
- 3.9 The procurement strategy for the Reardon Court redevelopment will be that the technical design services will be led by in-house technical services, Corporate Maintenance & Construction Team (CMCT), utilising consultants via compliant Frameworks for both full multidisciplinary services and a separate appointment for cost consultancy. The Demolition works contract will be a single stage procurement, competitively tendered to include local SME contractors; a further report will be submitted for Authority to Award the Demolition works contract. The Construction works contract will be in excess of the EU threshold for Works and therefore an OJEU notice will be issued for a single stage procurement, competitively tendered to for a Design & Build contract; a further report will be submitted for Authority to Award the Construction Works contract. This approach was agreed at the Procurement & Commissioning board on 12th February 2019. The procurement strategy is also set out in the Design & Procurement Programme Rev1 (see Appendix 1).

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Professional Services

- 4.1.1 The professional services required cannot be entirely provided in-house as there is currently insufficient capacity within the Property & Economy Team.
- 4.1.2 The professional services required could be procured via other frameworks or through competitive tendering, using a pre-vetted list of consultants, but neither of these options would be suitable without direct call off. Conducting either mini-competition through a framework or a tender exercise would add time and potential delay and not deliver the early engagement required to deliver this project.

4.2 Construction Works

- 4.2.1 The Construction works could be procured via frameworks, however, conducting either mini-competition through a framework or meeting prescriptive framework procedures would add time and potential delay. If a typical framework two stage tender process was adopted, the Council would also have reduced leverage on price and would not be certain that the best price in the market had been obtained.

5. REASONS FOR RECOMMENDATIONS

- 5.1 **Procurement Strategy:** The proposed procurement strategy is set out on the current Design & Procurement Programme Rev3 (see Appendix 1). The Demolition works contract will be tendered in accordance with Contract Procedure Rules; the terms & conditions will be JCT Intermediate Form of Contract with Contractors Design 2016 edition. The Construction works contract will be tendered in accordance with Contract Procedure Rules, the

Public Contract Regulations for works exceeding the EU threshold; the terms & conditions will be JCT Design & Build Contract 2016 edition.

- 5.2 **Professional Services:** Client Technical Design Resources for both pre-construction services and post contract management; frameworks will be required to augment in-house technical resources as there is currently insufficient capacity, however this is an opportunity to increase the in-house technical capacity with capital funding without increasing staff revenue costs. The proposal is to use the Scape Build Environment Consultancy Services (BECS) Framework as this provides a comprehensive but flexible solution so that LBE can retain control but still benefit from all the technical resources needed to deliver the project. This will be via direct call-off to Perfect Circle/Pick Everard, so no delay in procurement of services and it is compliant with Public Contract Regulations.
- 5.3 **Construction Works:** Single stage Design & Build works contract with prescriptive Employers Requirements. The justification is that this should leverage the best price and will ensure the quality of the building meets or exceeds the Council requirements and national design standards.

6 COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 In July 2018, Cabinet approved £17,378,000 to the capital programme for redevelopment of the existing Reardon Court site.
- 6.1.2 The estimated costs to progress the scheme up to Authority to Award the Construction Works contract is £1.339m. The estimated costs are spread across 2019/20 and 2020/21 and are within the funding approved that financial year. Refer to Part 2 for the detailed breakdown of estimated costs to progress the scheme up to Authority to Award the Construction Works contract.
- 6.1.3 VAT incurred towards any procurement and resourcing required in order to deliver this scheme may be recovered under provisions of Section 33 of VAT Act 1994. The main conditions for VAT recovery require that the council contracts for the goods/services, receives the order, receives VAT invoices in its name and pays with its own funds.

6.2 Legal Implications

- 6.2.1 Section 111 of the Local Government Act 1972 ("LGA") gives a local authority power to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions and the Localism Act 2011 provides the Council power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. In addition, section 112 of the LGA permits the appointment of such officers that the Council deems necessary for the discharge of its functions. The proposals set out in this report are consistent with this power.
- 6.2.2 The contents of this report constitute a Key Decision as the recommendation to progress the pre-construction phase up to Authority to Award the Construction Works contract will lead to capital expenditure exceeding £250,000. This item has been included in the Key Decision List reference:

KD4874. Once approved, the decision to proceed will be subject to the usual five-day call-in period.

- 6.2.3 The use of a compliant framework agreement is encouraged by the Council's Contract Procedure Rules ("CPRs"), CPR 4
- 6.2.4 The Council must comply with all requirements of its Constitution and CPRs. Where it demonstrates Best Value a legally compliant Framework should be used to procure the professional services. Due Diligence should be carried out on the Framework as the professional services are over the OJEU threshold of £181,302 for services.
- 6.2.5 Any call off from a Framework must be carried out strictly in compliance with the Framework terms and via the E-Tendering Portal (CPR 4.1.5)
- 6.2.6 The Call Off Contract for Professional Services will be in accordance with that in the Framework Agreement. Any other contracts required must be in a form approved by Legal Services on behalf of the Director of Law and Governance ahead of contract commencement date.
- 6.2.7 It is noted that the procurement of the Demolition works contract is to be by single stage competitive tender and the terms are to be in the form of the JCT Intermediate Building Contract with Contractor's Design 2016 Edition and the Construction works contract will be tendered in accordance with Contract Procedure Rules, the Public Contract Regulations 2015 as the works exceed the EU threshold; the terms & conditions will be JCT Design & Build Contract 2016 edition.
- 6.2.8 If the contract value for the works is £250,000 or over, sufficient security in the form of either a Parent Company Guarantee or a Performance Bond must be required to manage risk. Evidence of the form of security required or why no security was required must be stored and retained on the E-Tendering Portal for audit purposes (CPR 1.18)
- 6.2.9 In accordance with the provisions of the Town and Country Planning Act 1990, if the proposed works constitute 'development' as set out in s.55 of the act an application for planning consent will need to be submitted to the local planning authority.

6.3 Property Implications

- 6.3.1 Reardon Court is no longer fit for purpose as outlined earlier in this report. Refurbishing the asset is not an option, as this would not be a good return on the investment required. The ongoing revenue costs relating to security and incursions will be eliminated by development of the site.
- 6.3.2 This report proposes the engagement of professional services, and so does not have direct property implications. The July 2018 Cabinet Report sets out the property implications associated with the project.
- 6.3.3 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Strategic Property Services for input onto the Asset Management Data System, ATRIUM, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Corporate Procurement Implications

- 6.4.1 All procurements of goods/services/works will be in accordance with the Councils Constitution, Contract Procedure Rules ("CPRs") and the Public Contracts Regulations 2015. In particular, the Council is able to utilise a range of EU compliant frameworks to engage the services of construction contractors or technical support staff such as architects or quantity surveyors in full compliance with the CPRs. Any use of a framework must be in accordance with the framework terms.
- 6.4.2 The proposed use of frameworks set out in Part 2 is compliant with the Council's Contract Procedure Rules.
- 6.4.3 The award and future management of any contracts must be managed through the London Tenders Portal

7 KEY RISKS

- 7.1 The key risks identified at this stage are:
 - 7.1.1 Delay to the programme:
 - .1 Continuing additional cost to the Council for security and remedials arising from incursions.
 - .2 If the scheme is significantly delayed, there is a risk that the GLA grant would be withdrawn – this would be the highest cost impact
 - .3 Increased pressure on Adult Social Services to provide Extra Care accommodation.
 - 7.1.2 Cost increase:
 - .1 The impact will be insufficient funding to meet the expenditure and a further call on the General Fund. This will be mitigated by rigorous Cost Planning from the outset and robust change control. The competitive tenders should provide the best price from the market, but inflation is currently very difficult to predict.
 - 7.1.3 Failure to secure Planning Approval:
 - .1 To mitigate the risk with planning permission a formal pre-application will be submitted to the Planning Authority with an iterative process up to the point of submitting the full application.
- 7.2 A detailed Risk Register must be maintained throughout the process to inform the project contingency and that alongside the Cost Plan will provide early warning of Cost increase and delays.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

- 8.1.1 The provision of modern, accessible, self-contained extra care housing within the borough will provide much needed accommodation for older people.

8.2 Sustain strong and healthy communities

- 8.2.1 The project promotes Key Council values and places emphasis on residents' empowerment and participation through involving service user 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

8.3 Build our local economy to create a thriving place

- 8.3.1 As the Council are proposing to redevelop this site once demolished it will mean any income obtained will facilitate and/or support other Council activities.
- 8.3.2 The Council will work collaboratively with internal and external stakeholders to promote community focussed delivery by working in partnership with others.

9. EQUALITY IMPACT IMPLICATIONS

- 9.1 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.

However, it should be noted that the any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

- 9.2 In the event of an illegal occupation the Council may need to undertake welfare checks and ensure no human rights issues are engaged. In addition, while procedures and budgets do not impact on any protected list, the Council must always ensure that out sites are safe and secure and or prohibit access to unauthorised individuals.

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The performance of the contractor is measured by the implementation of Key Performance Indicators compiled on a monthly basis. These are scored by the Contract Administrator and representatives from the Councils officers.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 The Construction (Design and Management) Regulations 2015 apply to this project and the Council will be deemed to be the "Client" and as such has a duty to appoint a "Principal Designer" and to appoint a "Principal Contractor".

12. HR IMPLICATIONS

- 12.1 No implications

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 No implications

Background Papers

- Cabinet report KD4710

MUNICIPAL YEAR 2019/2020 REPORT NO.

REPORT OF:
Kari Manovitch
Director of Customer
Experience & Change
(Acting), Resources Dept

Agenda – Part: 1	Item:
Subject: Pure Cloud Connect (ININ) Support Contract	
Wards: Key Decision No: 4892	

Contact officer and telephone number: Maria Ellinas (Programme Stream Lead), 0208 379 3181

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1. EXECUTIVE SUMMARY

In April 2015 LBE entered into a contract for a new telephony platform, implementation and support contract.

LBE's relationship with the current provider is giving rise to a significant business continuity risk.

This report seeks approval to proceed with the termination of the current supplier contract, which can be done without penalty within the term of our contract, and to procure the services of another supplier to provide the Support of the business-critical telephony solution 'PureCloud Connect' used by the Customer Services Centre.

2. RECOMMENDATIONS

2.1 Approval to give notice to exit the current contract arrangement.

2.2 Approval to go out to tender via a CCS Framework Agreement for a suitable supplier to support the current PureCloud Connect telephony product that is in use by our Customer Contact Centre and ICT Service Desk for a 1-year contract with possible extension of 1 more year.

3. BACKGROUND

In 2015 Enfield Council started to review the council's telephony infrastructure and was keen to replace with a hosted platform and consolidate the many legacy telephony products. In 2016 we signed a contract with our current supplier.

Despite attempts to build one, Enfield no longer have a relationship with our current supplier and for the sake of business continuity have had to go directly to our sub-contractor to maintain a service provision.

Our current supplier has since changed its company business model and the contacts that lead the initial LBE contract agreement have left the company. As a result, we are reliant on the sub-contractor. Since the sub-contractor does not provide services direct, we cannot procure licences or services without a new reseller. This means that our services and business continuity are at risk.

This has prevented the council from rolling out the solution to the wider organisation to leverage the benefits and functionality and features that the solution provides. Parts of the organisation which could benefit from this platform are Adult Social Care and improving the customer pathway, Council Tax and Business Rates, Concessionary Travel, Overpayments, Planning and Planning Enforcement, Homelessness and the Multi Agency Safeguarding Hub dealing with vulnerable members of the public.

LBE now seeks to terminate the contract with our current supplier which is possible from the 5th April 2019 without any damages being payable and procure a new supplier to work along their sub-contractor for a contract term of 1 year with possible extension of 1 more year.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 The procurement options explored were:

1. The use of a Crown Commercial Services (CCS) Framework
2. The use of a G Cloud Framework

CCS RM1045 Framework Lot 5 has been chosen because it includes the largest number of suitable vendors who supply and support the Pure Cloud Connect Solution.

4.2 The option of 'do nothing' was rejected for the following reasons:

- Business Continuity is at risk, as the current supplier will not engage, and we are reliant on their 3rd party engaging with us
- We are not getting full value for money from our contract
- We do not have an Account manager that we can liaise with to ensure an effective partnership and rapid issue resolution
- We cannot expand the use of the platform for a wider number of services, which is the council's strategic intent in order to rationalise telephony providers and use technology to promote a positive customer experience

5. REASONS FOR RECOMMENDATIONS

The current supplier is not engaging or delivering its contractual obligations to the council. Despite their 3rd party providing the day to day support and maintenance of the platform, they have no direct legal obligation to LBE. This currently leaves LBE in a position of our business continuity and reputation being at risk.

We require approval for the procurement of a reliable support contract in place that will offer the level of support (SLAs) and project management to enhance the system and allow us the option of purchasing additional licences and functionality, subject to a separate DAR.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

“Implementation of a hosted telephony infrastructure” to be funded from the ICT Application and Licencing budget FG0227.

Our intention is to procure a replacement supplier who meets our requirements and charges the same or less than our current supplier, but we are dependent on the bids that arise from the procurement process.

6.2 Legal Implications

6.2.1 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.

6.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation.

6.2.3 The current call off contract which the Council has with our supplier allows the Council to terminate without penalty from the end of the third year.

6.2.4 The proposed services are above the threshold where an EU procurement is required under the Public Contracts Regulations 2015 (the Regulations).

6.2.5 The Council proposes to procure the services under a CCS Framework Agreement. Framework Agreements are an approved procedure under the Regulations and the provisions governing their use are set out at Regulation 33 of the Regulations. In order to utilise a Framework Agreement, a Contracting Authority needs to be identified in the initial procurement for establishing the Framework Agreement either individually or as a member of a class eligible to use the Framework Agreement.

6.2.6 Legal Services has reviewed the CCS Framework Agreement and the Call Off Contract and is of the view that these are satisfactory and meet the Council's requirements.

6.2.7 The Council must ensure that Best Value principles are adhered to as set out under the Local Government Act 1999.

6.2.8 The value of the services is above the Key Decision threshold so the contract will need to comply with the Council's governance processes in respect of Key Decisions (see CPR 1.22.4).

6.3 Property Implications

There are none.

6.4 Procurement Implications

The CCS Framework was the most effective, transparent and fair route to market due to the costs being above the EU threshold. There would be minimum risks to the council as the Framework offers a comprehensive set of terms and conditions that have met with the approval of the Enfield legal department.

6.5 ICT Implications

The replacement service is expected to be supported as now. No additional costs or change in inhouse IT service provision is required.

7. KEY RISKS

- There is a risk that there is no solution that fully meets our needs and stays within the existing budget, but this risk is judged to be low
- There is a risk that a 2-year contract is not appealing to potential suppliers, again this risk is judged to be low
- There is a risk that the transition to a new supplier is difficult because the incumbent supplier has not been fulfilling its obligations effectively. This risk will be mitigated through the council obtaining and supplying the information required by the new supplier, and the good relationship that the council has established with the sub-contractor.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

The council is actively in Transformation mode and central to this is the achievement of the laudable aspiration of the Customer Experience Strategy.

The telephony platform is the main channel of communication with resident, customers and contractors, stakeholders and the general public and securing a robust solution via this enterprise would ensure the delivery of the LBE customer promises which are as follows:

- friendly and helpful
- honest and respectful

- professional and courteous

Additionally, there is an interdependency of the project with other key transformative programmes such as the Customer Digital Platform and CRM Solutions. It is essential therefore for LBE to achieve the benefits of this projects to safeguard its reputation and retain public trust.

8.2 Sustain strong and healthy communities

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8.3 Build our local economy to create a thriving place

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- professional and courteous

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9. EQUALITIES IMPACT IMPLICATIONS

Not applicable

10. PERFORMANCE AND DATA IMPLICATIONS

The ability to obtain regular high-quality data and management information reports for customer insight and performance management will be part of our service specification.

11. PUBLIC HEALTH IMPLICATIONS

Not applicable

MUNICIPAL YEAR 2018/2019 REPORT NO.

MEETING TITLE AND DATE:
Key Decision

REPORT OF:
Director of Law and Governance

Contact officer and telephone number:

Agenda – Part:1

Item: KD4786

Subject: Approval to extend the Current Contract for CCTV monitoring and Alarm Response & Manned Guarding Services, Traffic Enforcement

Cabinet Member consulted:

Andrea Clemons CSU Manager / Darren Woods CCTV Manager 020283798880

E mail: andrea.clemons@enfield.gov.uk /Darren.Woods@Enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 The London Borough of Enfield's current contract for the provision of CCTV and Alarm monitoring and manned Guarding services is due to expire in June 2019.
- 1.2 The current contractor is Outsourced Client Solutions (OCS). They have provided the Council with a good service since their contract commenced in 2015. During the period of the contract the provision of manned guarding for all corporate buildings was added to the services provided by Facilities Management in Sept 2016.

2. RECOMMENDATIONS

- 2.1 To extend the current contract for one year with the option of a further one-year extension.

3. BACKGROUND

- 3.1 The OCS contract started in June 2015 after a full tender process was completed, supported by procurement and legal teams following the PQQ process.
- 3.2 OCS won the contract in supplying CCTV monitoring/alarm services and traffic enforcement with the addition of manned guarding and key-holding services for Facilities Management, covering Council corporate buildings and out of hours services.
- 3.3 The contract covers the monitoring of all of the London Borough of Enfield's cameras this includes traffic enforcement and alarm receiving for some of the corporate buildings, also management of the Council's lone worker system, monitoring for Council Housing estates, and a disaster recovery service for Cardiff Council.

- 3.4 OCS staff work a 4 on 4 off shift pattern with on-site OCS team manager covering a 24/7 service in 12-hour shifts. See breakdown in the Part 2 report.
- 3.5 The contract is providing good service and value, which will be disrupted if a full tendering process is required in the current year. It was intended that the contract would be extended if agreed conditions were as favourable.

4. ALTERNATIVE OPTIONS CONSIDERED

The alternatives considered were: -

- 4.1 Not to provide the current services supplied by the current contractor this would leave staff, the public and Council sites vulnerable.
- 4.2 To undertake a full OJEU tendering process immediately. This option could not now be completed before the end of the current contract.
- 4.3 The current contract allows for an extension, which would be the preferred option enabling a review of the contract specification and retendering during the extension period.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The current security/monitoring contract with OCS allows an extension or up to two years. Putting this extension in place will allow time to go through the normal retendering process.
- 5.2 The current contract service provider has delivered successfully since 2015 against a suite of performance measures determined locally and has additionally achieved a number of awards from the Metropolitan Police. OCS additionally provide services to the London Borough of Barnet, who rent a space within the Public Safety Centre and are keen to develop this partnership.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

The cost outlined in the report will be managed within the existing budget

6.2 Legal Implications

6.2.1 The Council has the general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals generally may generally do provided it is not prohibited by legislation. There is no express prohibition, restriction or limitation contained in a statute against use of the power in this way.

6.2.2 The proposal to extend the contract as set out in this report are consistent with this power and the use of the Council in this scenario facilitates this function in accordance with Section 111 of the Local Government Act 1972.

6.2.3 In furtherance of the contract terms and the Council's Procedure Rules, the Council can extend the contract for up to a further period of two years.

6.2.4 Any legal documentation connected with the extension of the contract must be drafted in a form approved by the Director of Law and Governance.

6.2.5 The Council must also adhere to the Duty of Best Value in accordance with the Local Government Act 1999.

6.3 Property Implications

No implication on current property.

6.4 Procurement Implications

The process is set out in the report

6.4.1 The EPSC contract can be extended allowing time to undertake a full OJEU tendering process.

7. KEY RISKS

7.1. There is a reputational and operational service delivery risk to the Authority Of not operating the public system and Personnel safety services it provides Council staff and public as per the current operational contract that is currently in place

8 IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 **Good homes in well-connected neighbourhoods**

8.2 **Sustain strong and healthy communities**

8.3 **Build our local economy to create a thriving place**

9. EQUALITIES IMPACT IMPLICATIONS

9.1 There is an obligation on the Contractor and subcontractors to comply with the Council's relevant policies and codes of practice in relation to employment and compliance with the Equality Act 2010. The contract will allow officers to monitor and ensure compliance in achieving a high standard of improved service provision also to ensure that the Council's commitment to diversity is maintained

10. PERFORMANCE and DATA IMPLICATIONS

10.1 The contract has a service specification that contains detailed performance and benchmarking requirements of the Provider, to measure and monitor their performance to contract and industry standards

11. HEALTH AND SAFETY IMPLICATIONS

The Management of Health and Safety at Work Regulations 1999 require employers to manage health and safety by assessing risk. This means that employers must manage in the same way that they manage any other commercial activity, such as security etc.

12. HR IMPLICATIONS

Contracted staff so no HR implications to the Council ref this contract and TUPE will not apply if the contractor remains unchanged.

13. PUBLIC HEALTH IMPLICATIONS

Security and the perceptions of safety are public health issues and people will wish to be assured that Local Authority buildings are safe and secure. However, care should be taken in the deployment and use of security so as not to reinforce the perception that the outside is dangerous and needs guarding against. There should be recognition that 'security' can be a double-edged sword – on the one hand reassuring and protecting and on the other implying that there are threats to be protected against and that the other is not to be trusted. Broad consideration should therefore be given to how 'security' is used and the broader impression it conveys.

Background Papers Current Service contract and approval notice

MUNICIPAL YEAR 2018/2019 REPORT NO.

MEETING TITLE AND DATE:

REPORT OF:

Director of law and
Governance

Contact officer and telephone number:

Darren Woods Ext 8888/

Email: Darren.woods@Enfield.gov.uk andrea.clemons@enfield.gov.uk

Agenda – Part:1

Item: KD4787

**Subject: CCTV maintenance and security
system services extension Enfield Public
Safety Centre**

Wards: All

Key Decision No: KD4787

**Cabinet Member consulted; Community
Safety Cohesion**

1. EXECUTIVE SUMMARY

- 1.1 This report seeks authority to extend the Maintenance Contract for CCTV under the same terms as those available from the current Framework agreement, for a further 18 months
- 1.2 The price as of the current contract will remain the same for the first 12 months, with a CPI increases for the final six months.

2. RECOMMENDATIONS

- 2.1 To approve an extension of 18 months, to the contract for the provision of maintenance of the Borough's CCTV and Security Systems on the terms outlined in this report.

3. BACKGROUND

- 3.1 The current contract allows for 3 onsite engineers to manage system issues on a day to day operational basis this includes support and out of hours cover as well as an onsite fault management system to log all operational issues with cameras and access systems and alarms.
- 3.2 Regular meetings between the CCTV Manager and the contractor ensure that performance measures and quality work is consistently delivered.

- 3.3 An extension of 18 months to the contract on the same terms as the current arrangement will allow time for a full tendering process to be completed, or other arrangements to be utilised. The current cost of this contract will not change for 12 months and will then increase by CPI for the remaining six months.
- 3.4 A cost breakdown of services provided is detailed in the Part 2 Report and this includes supporting contracts used within this also agreement.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Option 1- retender the process immediately

This would result in a loss of continuity and business process efficiency as all requirements would need to be ordered via special request requisitions until a new provider was engaged. This may lead to an inconsistency of rates. Value for money would not be achieved if this option is adopted, as both internal and external costs would be greater than if a contract was in place for the service

5. REASONS FOR RECOMMENDATIONS

- 5.1 To ensure that the CCTV and other security systems are maintained by a trusted current contractor at a high standard during the next 18 months while the longer-term arrangements are re-tendered at the same time as the monitoring contract.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

The cost outlined in the report will be managed within the existing budget

6.2 Legal Implications

- 6.2.1 The Council has the general power of competence under section 1(1) of the localism Act 2011 to do anything that individuals generally may generally do provided it is not prohibited by legislation. There is no express prohibition, restriction or limitation contained in a statute against use of the power in this way.
- 6.2.2 The proposal to extend the contract as set out in this report are consistent with this power and the use of the Council in this scenario facilitates this function in accordance with Section 111 of the Local Government Act 1972.
- 6.2.3 In furtherance of the contract terms and the Council's Procedure Rules, the Council can extend the contract for up to a further 18 months as the current contract allows the Council as the Customer to extend the contract period for any further period specified in the order form. The Council will also need to be mindful that the extension is compliant with Regulation 72 of the Public Contract Regulations 2015.

6.2.4 Any legal documentation connected with the extension of the contract must be drafted in a form approved by the Director of Law and Governance.

6.2.5 The Council must also adhere to the Duty of Best Value in accordance with the Local Government Act 1999.

6.3 Property Implications

There are no direct property implications in this report

7. KEY RISKS

Deployment of CCTV should be undertaken with caution as they may also contribute to the perception of danger in the borough.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

Good homes in well-connected neighbourhoods

Sustain strong and healthy communities

Build our local economy to create a thriving place

9. EQUALITIES IMPACT IMPLICATIONS

9.1 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 to extend the contract for CCTV maintenance and security system. It should be noted that there is an obligation on the Contractor and subcontractors to comply with the Council's relevant policies and codes of practice in relation to employment and compliance with the Equality Act 2010. The contract will allow officers to monitor and ensure compliance in achieving a high standard of improved service provision also to ensure that the Council's commitment to diversity is maintained

10. PERFORMANCE AND DATA IMPLICATIONS

10.1 Regular meetings between the CCTV Manager and the contractor ensure that performance measures and quality work is consistently delivered

11. HEALTH AND SAFETY IMPLICATIONS

11.1 Where the services offered provide for maintenance and installation of personal safety and or building safety systems the Provider, through the tendering process, has shown that it is able to perform these services to the British, IEC or other required professional standards

12. HR IMPLICATIONS

No HR implications

13. PUBLIC HEALTH IMPLICATIONS

13.1 The Framework is to supply services to maintain security and public safety equipment, and public CCTV services etc. for the Council to assist the public in their wellbeing and personal safety as well as the environment in which they reside or work in the borough

Background Papers