

**MUNICIPAL YEAR 2019/2020 REPORT NO.**

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**OPERATIONAL DECISION OF:**  
Executive Director for Place

<b>Agenda – Part: 1</b>	<b>KD Num: 4922</b>
<b>Subject: Replacement of Cold Water Storage Tanks to Housing Blocks boroughwide.</b>	
<b>Ward: Boroughwide</b>	

Contact officer and telephone number: Charles McCaskill 020 8132 0801

Email: [charles.mccaskill@enfield.gov.uk](mailto:charles.mccaskill@enfield.gov.uk)

**1. EXECUTIVE SUMMARY**

- 1.1** This project was included as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.
- 1.2** The project is included in the 30year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.
- 1.3** This report proposes to award the contract for the replacement of Cold-Water Storage Tanks to Housing blocks within the London Borough of Enfield (boroughwide).

**2. RECOMMENDATION**

- 2.1** That approval is given to award the contract for the replacement of cold water storage tanks.
- 2.2** Refer to Part 2 of this report for further details.

### **3. BACKGROUND**

- 3.1 LBE undertake annual legionella risk assessments, along side it monthly and quarterly testing regime, across all properties with communal water services.
- 3.2 Following the last round of these risk assessments a number of water tank replacements have been recommended.
- 3.3 This scheme is deemed as high priority and is essential in order that the Council fulfils its obligations to comply with the Health and Safety at Work Act 1974 and COSHH Regulations 1994 as well as its duty of care to its residents.
- 3.4 As these works are deemed essential, any affected Leaseholders will not be re-charged.

### **4. ALTERNATIVES OPTIONS CONSIDERED.**

- 4.1 In this case the risk assessments have highlighted a high risk of legionella due to the water tanks failing so replacement is essential.
- 4.2 It is considered that there are no viable alternative solutions.

### **5 REASONS FOR RECOMMENDATIONS**

- 5.1 As detailed in 3.3, the Council has a duty of care to safeguard its residents and an obligation comply with current health and safety regulations. It is considered essential that this contract is awarded in order to achieve this.
- 5.2 See Part 2 for details of the tender.
- 5.3 The recommended Contractor has submitted the lowest priced tender and has been judged capable of complying with the specification.

### **6. COMMENTS FROM OTHER DEPARTMENTS.**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

6.2.1 The contents of this report constitute a Key Decision as the recommendation to accept the tender for the works will lead to capital expenditure exceeding £250,000.

This item has been included in the Key Decision List reference: KD4922. Once approved, the Key Decision process must be followed.

6.2.2 The Council has the power to alter, repair or improve its housing stock in accordance with s.9 Housing Act 1985 (as amended).

6.2.

3 Under s.20 Landlord and Tenant Act 1985 ("s.20") the Council (as landlord) has the ability to recharge leaseholders for major works via service charges, provided appropriate consultation has occurred pursuant to the Service Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council must ensure that leaseholder consultations are carried out under s.20 (as amended) and regulations issued pursuant to s.20 prior to the award of the works contract, to enable the Council to recover the costs from the leaseholders.

6.2.4 In accordance with Section 111 of the Local Government Act 1972, the Council may do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The appointment of Contractor A, as recommended in this Report, will be incidental to this power. The Council also has a general power of competence 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.

6.2.5 Additionally, the Council is empowered, under s.1 Local Government (Contracts) Act 1997 to enter into contracts in order to discharge its legal powers.

6.2.6 The Council must comply with all requirements of its Constitution and Contract Procedure Rules (CPRs). In accordance with CPR Rule 3 Five quotes were sought. As only 1 quote was received for the works the P & C Hub must approve the award of this contract.

6.2.7 Throughout the engagement of the Contractor, the Council must comply with its obligations of obtaining best value, under the Local Government (Best Value Principles) Act 1999. The Council must keep a clear audit trail of its decision to award these services to the Contractor in order to demonstrate that best value has been and will continue to be obtained for the Council.

6.2.

8 The contract price falls below the threshold for Public Works Contracts under the Public Contracts Regulations 2015 and therefore the full EU procurement procedures do not apply. However, the Council must ensure that it complies with the EU general principles of equality, transparency, proportionality, non-discrimination and mutual recognition when awarding any contract.

6.2.9 Any resultant contracts (and where relevant, ancillary contractual documentation) required in association with this matter must be in a form approved by Legal Services on behalf of the Director of Law and Governance ahead of contract commencement date.

6.2.10 As the contract value for the works exceeds £250,000 the Contract will need to be sealed on behalf of the Council.

6.2.11 Under CPR 1.18 sufficient security from the Contractor for eg by Parent Company Guarantee or Performance Bond should be considered 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.

**Provided by LJS on 15.08.2019 based on a Report circulated on 15.08.2019**

### **6.3 Procurement Implications**

6.3.1 The procurement was undertaken using the London Tenders Portal (ref DN426869).

6.3.2 As the contract is over £250k the service must ensure that sufficient security has been considered.

6.3.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.

6.3.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

8.3.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 05<sup>th</sup> September 2019.*

## **7 PROPERTY IMPLICATIONS**

7.1 No corporate property implications noted by Property Services.

## **8 KEY RISKS**

8.1 Delay to works commencing could increase the risk of the Legionella bacteria developing in Water Tanks.

8.2 The Council would be in breach of a number of health and safety regulations and deemed to be non-compliant. Any occurrence of Legionnaires' Disease would have a detrimental effect to the Council's reputation and costs would significantly increase putting right this wrong.

## **9. INTERNAL DEPARTMENT IMPLICATIONS/CONSULTATION**

9.1 Neighbourhood Services have been informed of the proposed works. Liaison with residents effected by the works will be undertaken by a Resident Liaison Officer from the Major Works team and the relevant patch Neighbourhood Officer.

## **10. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **10.1 Good homes in well-connected neighbourhoods**

The replacement of Water Tanks will provide those residents with clean and unpolluted water.

### **10.2 Sustain strong and healthy communities**

The outcome of these major works will contribute to people's well-being in knowing their water supply is safe

### **10.3 Build our local economy to create a thriving place**

Improving property standards and services ensures better quality accommodation which in turn contributes to a more desirable place to live and work.

## **11. EQUALITIES IMPACT IMPLICATIONS**

11.1 Corporate advice has been sought with 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 award contracts for major works.

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

## **12 Performance and Data Implications**

12.1 The works will provide clean non-polluted water to residents thus ensuring more efficient use of assets within the HRA.

## **13 HEALTH AND SAFETY IMPLICATIONS**

13.1 The proposed works are in line with recommendations from Health and Safety colleagues.

## **14. PUBLIC HEALTH IMPLICATIONS**

14.1 Eliminating the possibility of any Legionnaires' Disease outbreak to residents



**MUNICIPAL YEAR 2019/2020 REPORT NO.**

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cabinet Member for  
Housing

**REPORT OF:**  
Executive Director  
Place

<b>Agenda – Part: 1</b>	<b>KD Num: 4922</b>
<b>Subject:</b> Post Tender – Decent Homes Contract for Bathroom Refurbishments – North Lot	
<b>Wards: All</b>	

Contact officer and telephone number: Bini Shah 07866 921 809

Email: Bini Shah

**1. EXECUTIVE SUMMARY**

**1.1** This project was identified as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.

**1.2** The project is included in the 30-year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD 4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.

**1.3** This report proposes to award the Decent Homes Bathrooms North Refurbishment Contract.

**2. RECOMMENDATIONS**

**2.1** That approval be given to award the Bathrooms North Refurbishment Contract.

**2.2** See part 2 for details

### **3. BACKGROUND**

**3.1** The Asset Management plan has identified the need for a substantial programme of internal refurbishments to ensure Council's stock maintains the 'Decent Homes' standard.

**3.2** This project is made up of approximately 200 properties based predominantly in the North of the Borough. The properties have been following stock condition surveys which identified the element being due for replacement.

**3.3** The scope of works includes bathroom refurbishments and associated building works.

**3.4** The project does not include works to leasehold properties.

**3.5** See part 2 for details.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

**4.1** LBE has a statutory duty to maintain our properties to meet the defined Decent Homes standard. This contract will ensure compliance with that statutory duty.

### **5. REASONS FOR RECOMMENDATIONS**

**5.1** This scheme forms part of the Council's on-going programme to maintain its housing stock and fulfil its landlord obligations.

**5.2** The contract term is for seven months and it is proposed that all works are complete by 31<sup>st</sup> May 2020.

**5.3** See Part 2 for details

### **6. COMMENTS FROM OTHER DEPARTMENTS**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

**6.2.1** The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. Under section 20 of the Landlord and Tenant Act 1985, the Council as landlord has the ability



to recharge leaseholders for major works via service charges, provided that there has been appropriate consultation pursuant to the Service Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Additionally, the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence 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.

**6.2.2** Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government Act 1999.

**6.2.3** The Council must comply with its Contract Procedure Rules (CPR).

**6.2.4** The contract value is under the OJEU threshold for Works, and whilst the Public Contract Regulations 2015 do not apply to this procurement, the Contract must nevertheless be awarded in compliance with TFEU principles of equality, transparency, proportionality, non-discrimination and mutual recognition.

**6.2.5** Any resultant legal contracts or ancillary documentation required in association with this matter must be in a form approved in writing in advance of contract start date and service commencement by Legal Services on behalf of the Director of Law and Governance Services. As the Contract value is over £250,000 it will require sealing on behalf of the Council. It is anticipated that the form of contract will be an Industry standard JCT Measured Term Building Contract 2016.

**6.2.6** As the Contract value is under £1 million sufficient security from the contractor should be considered 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

**6.2.7** The contract value is over £250,000 so the Key Decision process should be followed.

*Provided by LJS on 22.08.2019 based on a Report circulated on 19.08.2019*

### **6.3 Property Implications**

No corporate property implications noted by Property Services.

### **6.4 Procurement Implications**

- 6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN416766).
- 6.4.2 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 18<sup>th</sup> September 2019.*

**6.5 Performance Implications**

Project specific performance measures (KPIs) will be incorporated into the contract to track progress, satisfaction, quality and financial performance. These will be monitored at monthly progress meetings.

**7. KEY RISKS**

The main risks to consider when awarding the contract are:

Risk	Mitigating action	Residual risk High / Medium or Low
Compliance with Public Contracts Regulations 2015	Contract procured via London Tenders Portal	Low
Challenge by any other bidders	Tender evaluation has been carried out fairly and correctly	Low
Supplier performance	Clearly defined key performance indicators (KPI's) have been incorporated into the contract.  Adequate contract management and administration will be	Low

	applied and contract monitoring meetings take place at regular intervals.	
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**8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

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

The programme will improve the quality of existing homes and therefore positively impact on the quality of life for our residents.

**8.2 Sustain strong and healthy communities**

Improving the existing homes where people desire to live will help to create and maintain strong sustainable communities.

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

Ensuring residents are able to fully participate in activities within their neighbourhood.

**9. EQUALITIES IMPACT IMPLICATIONS**

**9.1** These works have been identified on the basis of the condition of the stock in line with the Decent Homes Standard and are therefore not available to all residents in our properties. It is therefore not deemed necessary to carry out an equality impact assessment/analysis at this time.

**9.2** We will work closely with individual tenants throughout the project to ensure all relevant individual circumstances are considered during the works.

**9.3** Any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

**9.4** Individual requirements will be addressed prior to starting on site to identify any adaptation work or specific needs that may be required by residents.

**10. PERFORMANCE AND DATA IMPLICATIONS**

**10.1** The works will benefit circa. 200 properties which will be made decent and others will be prevented from becoming non-decent. 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.

**11. HEALTH AND SAFETY IMPLICATIONS**

- 11.1** The contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

**12. HR IMPLICATIONS**

None.

**13. PUBLIC HEALTH IMPLICATIONS**

- 13.1** The work will contribute to the health and well-being of the residents by improving their living environment and encouraging clean and healthy lifestyles. It will reduce the cost of their yearly maintenance charges.

## MUNICIPAL YEAR 2019/2020 REPORT NO.

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

### PORTFOLIO DECISION OF:

Cabinet Member for Housing

### REPORT OF:

Executive Director Place

**Agenda – Part: 1**

**KD Num: 4922**

### **Subject:**

Post Tender – Decent Homes Contract for Bathroom Refurbishments – South Lot

**Wards: All**

Contact officer and telephone number: Bini Shah 07866 921 809

Email: Bini Shah

### **1. EXECUTIVE SUMMARY**

**1.1** This project was identified as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.

**1.2** The project is included in the 30-year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD 4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.

**1.3** This report proposes to award the Decent Homes Bathrooms South Refurbishment Contract.

### **2. RECOMMENDATIONS**

**2.1** That approval be given to award the Bathrooms South Refurbishment Contract.

**2.2** See part 2 for details

### **3. BACKGROUND**

**3.1** The Asset Management plan has identified the need for a substantial programme of internal refurbishments to ensure Council's stock maintains the 'Decent Homes' standard.

**3.2** This project is made up of approximately 220 properties based predominantly in the South of the Borough. The properties have been following stock condition surveys which identified the element being due for replacement.

**3.3** The scope of works includes bathroom refurbishments and associated building works.

**3.4** The project does not include works to leasehold properties.

**3.5** See part 2 for details.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

**4.1** LBE has a statutory duty to maintain our properties to meet the defined Decent Homes standard. This contract will ensure compliance with that statutory duty.

### **5. REASONS FOR RECOMMENDATIONS**

**5.1** This scheme forms part of the Council's on-going programme to maintain its housing stock and fulfil its landlord obligations.

**5.2** The contract term is for seven months and it is proposed that all works are complete by 31<sup>st</sup> May 2020.

**5.3** See Part 2 for details

### **6. COMMENTS FROM OTHER DEPARTMENTS**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

**6.2.1** The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. Under section 20 of the Landlord and Tenant Act 1985, the Council as landlord has the ability to recharge leaseholders for major works via service charges, provided that there has been appropriate consultation pursuant to the Service

Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Additionally, the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence 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.

**6.2.2** Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government Act 1999.

**6.2.3** The Council must comply with its Contract Procedure Rules (CPR).

**6.2.4** The contract value is under the OJEU threshold for Works, and whilst the Public Contract Regulations 2015 do not apply to this procurement, the Contract must nevertheless be awarded in compliance with TFEU principles of equality, transparency, proportionality, non-discrimination and mutual recognition.

**6.2.5** Any resultant legal contracts or ancillary documentation required in association with this matter must be in a form approved in writing in advance of contract start date and service commencement by Legal Services on behalf of the Director of Law and Governance Services. As the Contract value is over £250,000 it will require sealing on behalf of the Council. It is anticipated that the form of contract will be an Industry standard JCT Measured Term Building Contract 2016.

**6.2.6** As the Contract value is under £1 million sufficient security from the contractor should be considered 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

**6.2.7** The contract value is over £250,000 so the Key Decision process should be followed.

*Provided by LJS on 22.08.2019 based on a Report circulated on 19.08.2019*

### **6.3 Property Implications**

No corporate property implications as noted by Property Services.

### **6.4 Procurement Implications**

**6.4.1** The procurement was undertaken using the London Tenders Portal (ref DN416714).

- 6.4.2 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 18<sup>th</sup> September 2019.*

## 6.5 Performance Implications

Project specific performance measures (KPIs) will be incorporated into the contract to track progress, satisfaction, quality and financial performance. These will be monitored at monthly progress meetings.

## 7. KEY RISKS

The main risks to consider are:

Risk	Mitigating action	Residual risk High / Medium or Low
Compliance with Public Contracts Regulations 2015	Contract procured via London Tenders Portal	Low
Challenge by any other bidders	Tender evaluation has been carried out fairly and correctly	Low
Supplier performance	Clearly defined key performance indicators (KPI's) have been incorporated into the contract.  Adequate contract management and administration will be applied and contract monitoring	Low



	meetings take place at regular intervals.	
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## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

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

The programme will improve the quality of existing homes and therefore positively impact on the quality of life for our residents.

### **8.2 Sustain strong and healthy communities**

Improving the existing homes where people desire to live will help to create and maintain strong sustainable communities.

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

Ensuring residents are able to fully participate in activities within their neighbourhood.

## **9. EQUALITIES IMPACT IMPLICATIONS**

**9.1** These works have been identified on the basis of the stock in line with the Decent Homes Standard and are therefore not available to all residents in our properties. It is therefore not deemed necessary to carry out an equality impact assessment/analysis at this time.

**9.2** We will however work closely with individual tenants throughout the project to ensure all relevant individual circumstances are considered during the works.

**9.3** Any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

**9.4** Individual requirements will be addressed prior to starting on site to identify any adaptation work or specific needs that may be required by residents.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

**10.1** The works will benefit circa. 220 properties which will be made decent and others will be prevented from becoming non-decent. 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.

## **11. HEALTH AND SAFETY IMPLICATIONS**

**11.1** The contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

**12. HR IMPLICATIONS**

None.

**13. PUBLIC HEALTH IMPLICATIONS**

- 13.1** The work will contribute to the health and well-being of the residents by improving their living environment and encouraging clean and healthy lifestyles. It will reduce the cost of their yearly maintenance charges.

**MUNICIPAL YEAR 2019/2020 REPORT NO.**

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cabinet Member for  
Housing

**REPORT OF:**  
Executive Director  
Place

<b>Agenda – Part: 1</b>	<b>KD Num: 4922</b>
<b>Subject:</b> Post Tender – Decent Homes Contract for Heating and Boiler Refurbishments – North Lot	
<b>Wards: All</b>	

**1. EXECUTIVE SUMMARY**

- 1.1 This project was identified as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.
- 1.2 The project is included in the 30-year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD 4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.
- 1.3 This report proposes to award the Decent Homes Heating and Boiler North Refurbishment Contract.

**2. RECOMMENDATIONS**

- 2.1 That approval be given to award the Heating and Boiler North Refurbishment Contract.
- 2.2 See part 2 for details

### **3. BACKGROUND**

**3.1** The Asset Management plan has identified the need for a substantial programme of internal refurbishments to ensure Council's stock maintains the 'Decent Homes' standard.

**3.2** This project is made up of approximately 180 properties based predominantly in the North of the Borough. The properties have been selected following stock condition surveys which identified the element being due for replacement.

**3.3** The scope of works includes heating and boiler refurbishments and associated building works.

**3.4** The project does not include works to leasehold properties.

**3.5** See part 2 for details.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

**4.1** LBE has a statutory duty to maintain our properties to meet the defined Decent Homes standard. This contract will ensure compliance with that statutory duty.

### **5. REASONS FOR RECOMMENDATIONS**

**5.1** This scheme forms part of the Council's on-going programme to maintain its housing stock and fulfil its landlord obligations.

**5.2** The contract term is for seven months and it is proposed that all works are complete by 31<sup>st</sup> May 2020.

**5.3** See Part 2 for details

### **6. COMMENTS FROM OTHER DEPARTMENTS**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

**6.2.1** The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. Under section 20 of the Landlord and Tenant Act 1985, the Council as landlord has the ability to recharge leaseholders for major works via service charges, provided that there has been appropriate consultation pursuant to the Service

Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Additionally, the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence 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.

**6.2.2** Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government Act 1999.

**6.2.3** The Council must comply with its Contract Procedure Rules (CPR).

**6.2.4** The contract value is under the OJEU threshold for Works, and whilst the Public Contract Regulations 2015 do not apply to this procurement, the Contract must nevertheless be awarded in compliance with TFEU principles of equality, transparency, proportionality, non-discrimination and mutual recognition.

**6.2.5** Any resultant legal contracts or ancillary documentation required in association with this matter must be in a form approved in writing in advance of contract start date and service commencement by Legal Services on behalf of the Director of Law and Governance Services. As the Contract value is over £250,000 it will require sealing on behalf of the Council. It is anticipated that the form of contract will be an Industry standard JCT Measured Term Building Contract 2016.

**6.2.6** As the Contract value is under £1 million sufficient security from the contractor should be considered 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

**6.2.7** The contract value is over £250,000 so the Key Decision process should be followed.

*Provided by LJS on 27.08.2019 based on a Report circulated on 19.08.2019*

### **6.3 Property Implications**

No corporate property implications noted by Property Services.

### **6.4 Procurement Implications**

**6.4.1** The procurement was undertaken using the London Tenders Portal (ref DN416786).

**6.4.2** As the contract is over £250k the service must ensure that sufficient security has been considered.

**6.4.3** The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.

**6.4.4** The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

**6.4.5** The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 18<sup>th</sup> September 2019.*

## **6.5 Performance Implications**

Project specific performance measures (KPIs) will be incorporated into the contract to track progress, satisfaction, quality and financial performance. These will be monitored at monthly progress meetings.

## **7. KEY RISKS**

The main risks to consider are:

<b>Risk</b>	<b>Mitigating action</b>	<b>Residual risk High / Medium or Low</b>
Compliance with Public Contracts Regulations 2015	Contract procured via London Tenders Portal	Low
Challenge by any other bidders	Tender evaluation has been carried out fairly and correctly	Low
Supplier performance	Clearly defined key performance indicators (KPI's) have been incorporated into the contract.  Adequate contract management and administration will be applied and contract monitoring	Low

	meetings take place at regular intervals.	
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## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

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

The programme will improve the quality of existing homes and therefore positively impact on the quality of life for our residents.

### **8.2 Sustain strong and healthy communities**

Improving the existing homes where people desire to live will help to create and maintain strong sustainable communities.

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

Ensuring residents are able to fully participate in activities within their neighbourhood.

## **9. EQUALITIES IMPACT IMPLICATIONS**

**9.1** These works have been identified on the basis of the condition of the stock in line with the Decent Homes Standard and are therefore not available to all residents in our properties. It is therefore not deemed necessary to carry out an equality impact assessment/analysis at this time.

**9.2** We will however work closely with individual tenants throughout the project to ensure all relevant individual circumstances are considered during the works.

**9.3** Any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

**9.4** Individual requirements will be addressed prior to starting on site to identify any adaptation work or specific needs that may be required by residents.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

**10.1** The works will benefit circa. 180 properties which will be made decent and others will be prevented from becoming non-decent. 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.

**11. HEALTH AND SAFETY IMPLICATIONS**

- 11.1** The contractor will submit a Pre-Construction Health and Safety Plan once appointed. This will be updated throughout the contract and a Health and Safety File issued upon completion of the works.

**12. HR IMPLICATIONS**

None.

**13. PUBLIC HEALTH IMPLICATIONS**

- 13.1** The work will reduce the cost of their yearly maintenance charges and fuel poverty, creating warmer homes and improving the respiratory health of children and the elderly. Overall the works will contribute to the health and well-being of the residents by improving their living environment.



## MUNICIPAL YEAR 2019/2020 REPORT NO.

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

### PORTFOLIO DECISION OF:

Cabinet Member for  
Housing

### REPORT OF:

Executive Director  
Place

**Agenda – Part: 1**

**KD Num: 4922**

### **Subject:**

Post Tender – Decent Homes Contract for  
Heating and Boiler Refurbishments – South  
Lot

**Wards: All**

## 1. EXECUTIVE SUMMARY

- 1.1 This project was identified as part of the Better Council Homes Workplan and Budgets 2019/20 which was approved by Cabinet on 13 February 2019.
- 1.2 The project is included in the 30-year HRA Business Plan, which was detailed in Housing Revenue Account (HRA) Business Plan Budget 2019/20, Rent Setting and Service Charges report (KD 4741) and was approved by Cabinet on 13 February 2019 and Council on 27 February 2019.
- 1.3 This report proposes to award the Decent Homes Heating and Boiler South Refurbishment Contract.

## 2. RECOMMENDATIONS

- 2.1 That approval be given to award the Heating and Boiler South Refurbishment Contract.
- 2.2 See part 2 for details

### **3. BACKGROUND**

**3.1** The Asset Management plan has identified the need for a substantial programme of internal refurbishments to ensure Council's stock maintains the 'Decent Homes' standard.

**3.2** This project is made up of approximately 190 properties based predominantly in the South of the Borough. The properties have been selected following stock condition surveys which identified the element being due for replacement.

**3.3** The scope of works includes heating and boiler refurbishments and associated building works.

**3.4** The project does not include works to leasehold properties.

**3.5** See part 2 for details.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

**4.1** LBE has a statutory duty to maintain our properties to meet the defined Decent Homes standard. This contract will ensure compliance with that statutory duty.

### **5. REASONS FOR RECOMMENDATIONS**

**5.1** This scheme forms part of the Council's on-going programme to maintain its housing stock and fulfil its landlord obligations.

**5.2** The contract term is for seven months and it is proposed that all works are complete by 31<sup>st</sup> May 2020.

**5.3** See Part 2 for details

### **6. COMMENTS FROM OTHER DEPARTMENTS**

#### **6.1 Financial Implications**

This scheme is included in Major Works Capital Programme for 2019-20. These costs will be funded from HRA capital resources and are included in the HRA 30 year Business Plan.

#### **6.2 Legal Implications**

**6.2.1** The Council has the power to alter, repair or improve its housing stock in accordance with Section 9 of the Housing Act 1985. Under section 20 of the Landlord and Tenant Act 1985, the Council as landlord has the ability to recharge leaseholders for major works via service charges, provided that there has been appropriate consultation pursuant to the Service

Charges (Consultation Requirements) (England) Regulations 2003 (SI 2003/1987). The Council further has power under Section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Additionally, the Council is empowered to enter into contracts for the discharge of its legal powers (section 1 Local Government (Contracts) Act 1997). The Council moreover has a general power of competence 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.

**6.2.2** Throughout the engagement of the service provider, the Council must comply with its obligations with regard to obtaining best value under the Local Government Act 1999.

**6.2.3** The Council must comply with its Contract Procedure Rules (CPR).

**6.2.4** The contract value is under the OJEU threshold for Works, and whilst the Public Contract Regulations 2015 do not apply to this procurement, the Contract must nevertheless be awarded in compliance with TFEU principles of equality, transparency, proportionality, non-discrimination and mutual recognition.

**6.2.5** Any resultant legal contracts or ancillary documentation required in association with this matter must be in a form approved in writing in advance of contract start date and service commencement by Legal Services on behalf of the Director of Law and Governance Services. As the Contract value is over £250,000 it will require sealing on behalf of the Council. It is anticipated that the form of contract will be an Industry standard JCT Measured Term Building Contract 2016.

**6.2.6** As the Contract value is under £1 million sufficient security from the contractor should be considered 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

**6.2.7** The contract value is over £250,000 so the Key Decision process should be followed.

*Provided by LJS on 27.08.2019 based on a Report circulated on 19.08.2019*

### **6.3 Property Implications**

No corporate property implications noted by Property Services.

### **6.4 Procurement Implications**

**6.4.1** The procurement was undertaken using the London Tenders Portal (ref DN416821).

6.4.2 As the contract is over £250k the service must ensure that sufficient security has been considered.

6.4.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.

6.4.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

6.4.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

*Procurement Implications provided by Peter Alekkou on 18<sup>th</sup> September 2019.*

## 6.5 Performance Implications

Project specific performance measures (KPIs) will be incorporated into the contract to track progress, satisfaction, quality and financial performance. These will be monitored at monthly progress meetings.

## 7. KEY RISKS

The main risks to consider are:

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