

MUNICIPAL YEAR 2019/2020 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF:

Executive Director Place

in consultation with the Cabinet Member for Finance and Efficiency, the Cabinet Member for Health & Social Care and Director of Health & Adult Social Care

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Agenda – Part: 1	KD Num: 5034
Subject: Reardon Court Extra Care Housing Scheme – Demolition / Enabling Works – Contract Award	
Wards: Winchmore Hill	

1. EXECUTIVE SUMMARY

- 1.1 This report seeks authority to award the construction works contract to demolish the existing Reardon Court care home including the removal of asbestos and fly-tipped waste as part of the proposed redevelopment of the site for Extra Care Housing.
- 1.2 In July 2019, Cabinet approved funding for the full scheme and delegated authority to the Executive Director Place in consultation with the Cabinet Member for Finance and Efficiency, the Cabinet Member for Health & Social Care and Director of Health & Adult Social Care to award the Construction works contracts for demolition and redevelopment of the site.
- 1.3 A further report will follow seeking authority to award the construction works contract for the new building.

2. RECOMMENDATIONS

- 2.1 To approve the Contract Award to Contractor “A”, for the Demolition/Enabling Works, as set out in Part 2 of this report.
- 2.2 To approve expenditure of £620,000 relating to the Demolition/Enabling Works including post construction professional & technical costs, and security costs.
- 2.3 To note that a further report will follow seeking authority to award the construction works contract for the new building and the balance of expenditure to complete the scheme.

3. BACKGROUND

- 3.1 Reardon Court is the site of a former in-house residential care home; the site is Council owned and vacant with ongoing security costs since late 2015. The site is in poor and deteriorating condition, there have been 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.
- 3.3 To realise the long-term value of this Council owned asset and secure future provision of affordable Extra Care Housing in the borough, a Cabinet decision was made on 25th July 2018 that the Council will retain ownership and develop a minimum of 69 units for Extra Care Housing subject to GLA funding.
- 3.3 Following consultation with the GLA and local planning authority, a successful bid was submitted to the GLA in February 2019, resulting in a significantly increased capital grant resulting in an increase to 91 units and an improved business case.
- 3.4 A Cabinet decision was made on 25th July 2018 (KD4710) (see Appendix 1) which approved funding for the full scheme and gave delegated authority to the Executive Director Place, in consultation with Adult Social Care, Legal and Procurement Services, to award the contract for enabling works.
- 3.5 The construction works have been split into two phases, an enabling / demolition contract followed by the main contract to build the new facility. This strategy should de-risk the main contract to obtain the most competitive prices.
- 3.6 The works comprise the demolition of the existing care home facility including removal of asbestos and fly tipped waste. The works contract is proposed to be the JCT Intermediate Building Contract with Contractor's Design, 2016 Edition where insurance option C is to apply.
- 3.7 Five contractors deemed suitable for the enabling / demolition works were shortlisted and invited to quote via the London Tenders Portal in accordance with the Council's Contract Procedure Rules. The lowest submitted price, which complies with the tender quality requirements of the Council and is in line with the project programme requirements, is recommended. For the detail relating to the quotation evaluation, please refer to the Part 2 report.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not to proceed with this project. This would be contrary to the decision made by Cabinet in July 2019, and would result in loss of GLA funding.
- 4.2 Include the enabling / demolition works in the main contract. The enabling works are essential in order to meet the programme and comply with the conditions as set out in the funding bid approval granted by the GLA, and de-risk the main contract to obtain the most competitive prices.

5. REASONS FOR RECOMMENDATIONS

- 4.1 The quotation from Contractor “A” is compliant and is the most economically advantageous tender; refer to Part 2 for more information.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

See Part 2

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. The provisions of Section 9 of the Housing Act empowers the Council to provide housing accommodation as part 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. The proposed services the Council wishes to provide within this report are in accordance with this power.
- 6.2.3 The Council must ensure compliance with its Constitution. Where required, the Council shall carry out any procurement exercises in accordance with its Contract Procedure Rules and the Public Contracts Regulations 2015 (where procurements are caught by these Regulations) seeking assistance from the Council’s Procurement & Commissioning Hub and Legal Services where required.
- 6.2.4 The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.
- 6.2.5 As this is a Key Decision the Council must comply with the Key Decision procedure.

6.2.6 Any legal agreements (and ancillary documents where relevant) arising from the matters described in this report must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.

6.3 Property Implications

6.3.1 Reardon Court is no longer fit for purpose and has deteriorated significantly since taken out of operation. The ongoing revenue costs relating to security and incursions will be eliminated by development of the site.

6.3.2 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 Procurement Implications

6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN430380).

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.

7. KEY RISKS

7.1 There is a risk that the project will exceed projected timescales for completion. To mitigate this risk, project progress shall be monitored by the Project Board. Foreseeable delays will be escalated to enable a timely response. Contractual provisions shall be put in place to help ensure the timely development of this project.

7.2 There is a risk that planning permission for the development of this site will not be secured. Early consultation with the Local Planning Authority to include pre- planning advice (by way of a pre- planning application)

shall be sought to help mitigate this risk. Notwithstanding, the Demolition can proceed under a Building Act 1984 Section 80 Notice; this has been issued to the Local Authority Control Authority.

- 7.3 There is a risk that development costs will exceed those projected in this report. Officers will put in place contract and review mechanisms to minimise this risk.
- 7.4 A Project Risk Register is maintained and owned by the Project Board to monitor the above-mentioned risks and escalate accordingly.

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

8.1 Good homes in well-connected neighbourhoods

- 8.1.1 The development of Extra Care Housing at Reardon Court will support the creation of thriving, affordable neighbourhoods, through the provision of good quality, accessible and affordable housing options for older people with support and care needs.

8.2 Sustain strong and healthy communities

- 8.2.1 The development of Extra Care Housing at Reardon Court will enable the provision of good quality, affordable housing for those most in need, supporting older people to maintain independent and full lives in the community. It will also support the improvement of public health and wellbeing, through the promotion of healthy, active and ageing, that supports social inclusion and reduces the likelihood of social isolation and loneliness.

8.3 Build our local economy to create a thriving place

- 8.3.1 The development of Extra Care Housing at Reardon Court will provide a vibrant inclusive living environment for older people with support and care needs, that fosters connection with the wider community through shared activity and social space. It supports work on reducing inequalities through the provision of accessible and affordable housing in later life.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 Although we do not need to complete an EQIA for the procurement of this contract, we do need to consider how the organisation awarded the contract will help the Council meet the aims of the Public Sector Equality Duty (s. 149 Equality Act 2010).

This outlines the Council's duty to have "due regard", in the performance of its functions, to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - Advance equality of opportunity between people who share a protected characteristic and those who do not; and,
- Foster good relations between people who share a protected characteristic and those who do not.

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

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The need for appropriate performance measures will be reviewed and implemented as required, aligned with any contractual agreements that may arise from this recommendation.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 Health & Safety measures shall be implemented as required and appropriate to ensure that development on this site adheres to all necessary measures for correct planning implementation for safety. All construction and building work projects have to be managed under the various parts of CDM regulations.

12. HR IMPLICATIONS

Not applicable

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 The Reardon Court Extra Care Housing development will contribute to the improved health and wellbeing of older people with care and support needs in the borough, facilitating prevention and early intervention, the reduction of health inequality and the delivery of high quality, integrated approaches to the delivery of housing with care in the borough.
- 13.2 The scheme will offer a purposefully designed environment to encourage healthy, active and inclusive ageing through for example, accessible allotment/garden space, accessible walkways and shared social space to encourage human connection and socialisation.

Background Papers

KD4710 (attached as Appendix 1)