

MUNICIPAL YEAR 2019/2020 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

Agenda – Part: 1

KD Num: 5047

**Subject: Bury Street West Former Depot
Site N9 9LA – Appointment of contractor**

OPERATIONAL DECISION OF:

Wards: Bush Hill Park

Executive Director of Place

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1. EXECUTIVE SUMMARY

- 1.1 Cabinet agreed on 16th Oct 2019 (KD4791) the appropriation of the site from the General Fund to the Housing Revenue Account. In addition, it agreed to approve the increase of £20.3m to the HRA capital programme to fund the development and land purchase associated with at least 25 Council Homes and 25 private sale units; with an option to increase proportionally at up to £250,000 per additional unit.
- 1.2 Cabinet also agreed to delegate authority to the Executive Director of Place, in consultation with the Cabinet Member for Finance and Procurement, the Director of Housing and Regeneration and the Cabinet Member for Social Housing.
- 1.3 The award of construction work contracts for the demolition and redevelopment of the site, project management and procurement arrangements including operational resourcing, design teams, and appointments for all pre and post contract construction services, and the potential submission of a revised planning application.
- 1.4 This report seeks approval of the award of the works contract to a contractor.

2. RECOMMENDATIONS

- 2.1 Approval for the construction contract award for Bury Street West Former Depot Site to the Contractor named in Part 2 report through the Notting Hill Genesis Framework.
- 2.2 Approval of the remaining scheme expenditure for the project including the Works and all professional & technical costs.
- 2.3 That the Director of Housing and Regeneration has delegated authority to vary the number and tenure mix of the development.

3. BACKGROUND

- 3.1 The provision and growth of good quality, affordable homes are a key priority for the Council as set out in report KD4830 of 13 February 2019. KD4830 confirmed the resolution to deliver additional affordable homes owned by the Council, and Cabinet delegated authority to the Director of Housing and Regeneration in consultation with the Director of Finance to approve third party land and property acquisitions subject to due diligence and valuations.
- 3.2 Following submission of the "Building Council Homes for Londoners" (BCHL) bid to the GLA, the Council were successful in securing c£18.1m of grant. This funding along with RtB receipts and HRA headroom borrowing is planned to deliver 3,500 homes in the next 10 years. £2.5m of this grant funding is allocated to Bury Street West Former Depot Site.
- 3.3 Bury Street West Former Depot Site is a key site to help achieve these affordable homes objectives.
- 3.4 Cabinet agreed on 16th Oct 2019 (KD4791) the following:
- 3.5 Agree to appropriate Bury Street West depot from the General Fund to the Housing Revenue Account at the certified market value of £3.5m plus overage in accordance with the Heads of Terms.
- 3.6 Approve the increase of £20.3m to the HRA capital programme to fund the development and land purchase associated with at least 25 Council Homes and 25 private sale units with an option to increase proportionally at up to £250,000 per additional unit.
- 3.7 Delegate authority to the Executive Director of Place in consultation with the Cabinet Member for Finance and Procurement, the Director of Housing and Regeneration and the Cabinet Member for Social Housing:

The award of construction work contracts for the demolition and redevelopment of the site, project management and procurement arrangements including operational resourcing, design teams, and appointments for all pre and post contract construction services and the potential submission of a revised planning application.

3.8 Budget

Please see part 2 report.

3.9 Start on site / programme

Activity	Date
Cost consultant (Stace) issue latest cost report	04 th Feb. 2020
Preferred contractor issue formal contract sum for BSW Works	28 th Feb. 2020
Enfield Council formally enter into contract with the preferred contractor	11 th Mar. 2020
Preferred Contractor start on site (hoarding, site set up, clearance)	13 th Mar. 2020
Expected Practical Completion	27 th Sept. 2021

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 **Do nothing** - the Council will not be able to place the works contract for this scheme.
- 4.2 It is vital that these homes are delivered to meet the GLA BCHL programme.
- 4.3 The loss of this opportunity would otherwise provide much needed council homes and reduce pressures on the council house waiting list and temporary accommodation budgets.
- 4.4 **OJEU compliant open tender or mini competition through Framework** – these options were considered however the time taken to procure a contractor through these routes would be considerable. A start on site by March 2020 would not be achievable and GLA funding could be lost. This would make the scheme unviable and unable to progress.

5. REASONS FOR RECOMMENDATIONS

- 5.1 A direct award under the framework is being recommended, as a full tender process would exceed the timeframe for GLA.s BCHL programme which requires a start on site by 13th March 2020.
- 5.2 There is a restricted timeframe to draw down the GLA subsidy, resulting in the risk of losing significant funding toward the delivery of the project, if the recommendation is not approved.
- 5.3 The preferred contractor meets the requirements to deliver a scheme within the timescales, to the highest energy efficiency credentials possible within the budget, and with a track record of successfully delivering similar schemes in London within the price and quality required.
- 5.4 As one of the few councils to declare a climate change emergency, a decision was made to use the development as an opportunity to deliver the best possible energy efficient, sustainable development, with low carbon emissions, within the available budget. This will establish Enfield Council's commitment to significantly reducing carbon emissions and delivering sustainable homes. If the project is not progressed these benefits will not be realised.
- 5.5 This proposal contributes to the affordable homes' targets identified in the GLA BCHL programme and meets the 2019/20/21 targets.
- 5.6 The contract price provides good value for money, taking into account the timescales to achieve the drawdown of grant and development programme.
- 5.6 The delivery of the site will provide 50 units, plus the possibility of a further 15 pipeline housing units subject to planning approval.
- 5.7 By entering into construction contract to secure GLA funding this gives the flexibility to negotiate an additional increase in affordable council housing, subject to viability. This will also give the opportunity to review and negotiate the build costs with the appointed contractor.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

Refer to part 2 of this report

6.2 Legal Implications

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to public law principles. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others.
- 6.2.2 Furthermore, pursuant to section 8 of the Housing Act 1985, the Council is required to consider the housing conditions and needs of their area with respect to the provision of housing accommodation. Section 9 of the Act empowers the Council to provide housing accommodation by erecting houses, or converting buildings into houses, on land acquired by them or by acquiring houses, and section 111 of the Local Government Act 1972 gives local authorities the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 6.2.3 The value of the contract exceeds the EU threshold for works, which means that the Public Contracts Regulations 2015 (PCR 2015) apply to the procurement. The use of a framework is a compliant route to award, provided that the procurement process complies with the PCR 2015, the Council's Contract Procedure Rules (CPR), and the terms of the framework itself.
- 6.2.4 As the value of the contract is over £1million, under the Council's CPR the contractor must be required to provide 'sufficient security' as defined in the CPR (including a parent company guarantee or a performance bond).
- 6.2.5 The form of contract must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.
- 6.2.6 The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.
- 6.2.7 As the value of this contract is over £250,000 it is a Key Decision and the Council must comply with the Key Decision procedure set out in its Constitution.
- 6.2.8 With reference to Recommendation 2.2, any such variations would need to be submitted for consideration by the local planning authority and depending on the scale of the change, may need a separate application,

or variation to existing agreement, in compliance with the Town and Country Planning Act 1990.

6.3 Property Implications

- 6.3.1 Strategic Property Services supports the construction and delivery of the additional housing units.
- 6.3.2 Disposal of market for sale homes element of the development will be in accordance with the property procedure rules and will be at best consideration. The remaining homes will be retained by the Council as a part of the housing stock and for rent.
- 6.3.3 The use of a Design and Build construction contract should enable the transfer of significant levels of risk to the contractor in terms of pricing and design. However, to retain control of the build quality, the Employers Requirements should be sufficiently prescriptive ensuring that, where not, that outputs are robustly defined. This has been achieved by developing the design to RIBA Stage 4a and by ensuring the original LBE design team is appointed by the Contractor.
- 6.3.4 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Housing Property Services for input onto the Asset Management Data System, APEX, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 A review of known suitable works framework agreements was undertaken by the Service to identify available agreements to the Council, critiquing each option to narrow down those that can be considered, considering delivery timescales.
- 6.4.2 Due diligence and approval of the Notting Hill Genesis Framework Agreement, the preferred agreement, has been undertaken by the Procurement & Commissioning Hub prior to any procurement.
- 6.4.3 A business case was presented to the Procurement & Commissioning Review Board on 10/09/2019 that reviewed the procurement and approved.
- 6.4.4 The Call-Off from the Framework must be carried out in line with the relevant framework process and via the Councils E-Tendering Portal, with all documentation retained.

6.4.5 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.

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

7. KEY RISKS

7.1 There are a number of risks associated with this project, with the Council taking on the role of developer and directly commissioning a contractor through a Design & Build contract, though the JCT form of contract does pass design risk onto the contractor.

7.2 The key risks are set out in the Part 2 report.

8. INTERNAL DEPARTMENT IMPLICATIONS/CONSULTATION

8.1 Internal departments have been involved and consulted where relevant.

8.2 The building of new homes is a key indicator for the borough and this will continue to be monitored through the appropriate Management teams and Key Performance Indicators.

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

9.1 Good homes in well-connected neighbourhoods

This development will increase the supply of affordable homes, creating sustainable growth. The scheme is of high design and quality; and new homes acquired here will increase the supply of good quality affordable homes in a diverse neighbourhood.

9.2 Sustain strong and healthy communities

Developing and sustaining good quality homes in areas where people desire to live will help to create and maintain strong sustainable communities. The development is located next to a park, lawn bowls club, church, and art centre that offers yoga lessons. This will provide a mixed offer promoting health and wellbeing; and promoting healthy activities and sporting opportunities.

9.3 Build our local economy to create a thriving place

The investment will improve, and provide, an enhanced offer to this part of Enfield. The proposal will create a step change in the local community.

10. EQUALITIES IMPACT IMPLICATIONS

- 10.1 Although there is no requirement to complete an EQIA on the procurement of this contract, we have had due regard to the requirements of the Public Sector Equality Duty
- eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act^[1]
 - advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it
 - foster good relations between people who share a relevant protected characteristic and those who do not share it
- 10.2 We are satisfied that the chosen contractor has an equality policy in relation to employment and will help the council meet its equality duties.
- 10.3 An EQIA will be completed at relevant points in the development of the scheme.
- 10.4 It should be noted that any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010. Projects or work stream deriving from this may be subject to an Equalities Impact Assessment, therefore the work streams will be reviewed to ensure that the council meets the Public Sector Duty of the Equality Act 2010.

11. PUBLIC HEALTH IMPLICATIONS

- 11.1 Housing is fundamental to human health as demonstrated by that life expectancy in the homeless is in the order of 30 years less than the national average. Providing good affordable housing will put in place a basic building block of health.

Background Papers

Appendix 1 – BSW Scheme layout and Block Plan

Appendix 2 – BSW Accommodation Schedule

^[1] Equality Act 2010

Area Schedule

250-KCA-XX-XX-SA-A-0100-ARE

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20/12/2019

Figure	No. Units	Number of	Changeable Units (2) Description	Unit Description	Unit Area (sqm) / Floor			Unit Area (sqm) / Floor	Unit Area (sqm) / Floor	Unit Area (sqm) / Floor
					20	21	22			
Figure 1	4	3	1, 2, 3, 4	100						

MUNICIPAL YEAR 2019/2020 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cllr Ian Barnes, Deputy Leader

REPORT OF:
Executive Director, Place

Agenda – Part:

KD Num: 5109

**Subject: Engagement on the Draft Enfield
Climate Action Plan**

Wards: All

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1. EXECUTIVE SUMMARY

- 1.1 To continue delivering reductions in carbon emissions and meet its target of being carbon neutral by 2030, the Council has drafted a Climate Action Plan (CAP). Prior to Cabinet approval, there is a need to engage with elected representatives, residents and climate change organisations to inform the development of the CAP.

2. RECOMMENDATIONS

- 2.1 To approve publication of the draft Enfield Climate Action Plan with a view to this forming the basis for engagement with elected representatives, residents and climate change organisations.

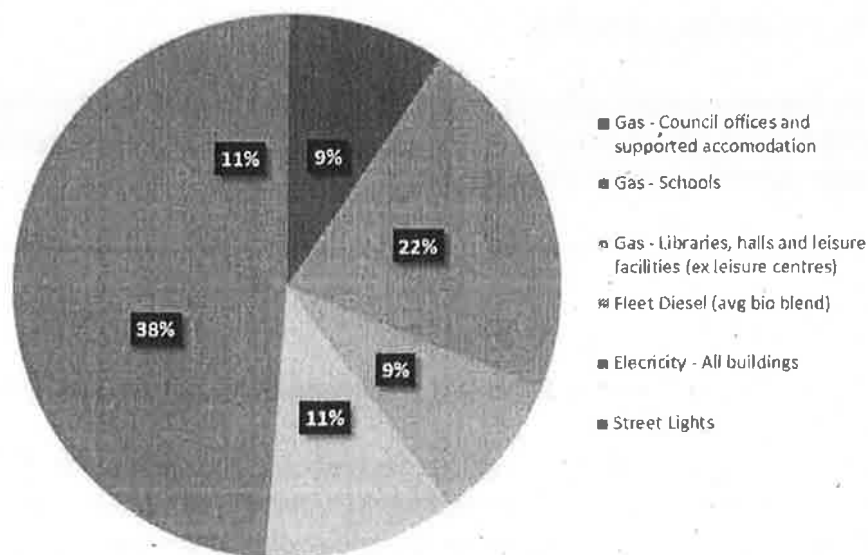
3. BACKGROUND

- 3.1 In July 2019 the Council declared a Climate Emergency and committed to:
- Make Enfield Council a carbon neutral organisation by 2030.
 - Divest the Council from investment in fossil fuel companies.
 - Only use environmentally friendly products where we are able to do so.
 - Make our supply chain carbon neutral through ethical procurement.
 - Work with local partners and communities and positively promote changing behaviours in Enfield to limit activities scientifically linked to climate change.

- 3.2 To deliver against this pledge the first task was to undertake a baselining exercise of the Council's carbon footprint over three 'scopes', an approach recognised globally in carbon management. These are a way of classifying the varied nature of emissions. The table below was presented, which outlines exactly what has been included in Enfield's new baseline:

Scope 1	Scope 2	Scope 3
Gas Council vehicle fleet	Purchased electricity	Council housing Staff business journeys Transmission and distribution losses from the grid Staff commuting Suppliers Outsourced services

- 3.3 Enfield has previously only reported its scope 1 and 2 emissions. Recognising the severity of the climate crisis and the need to work with our partners and across the borough, for the first time Enfield is working to establish the carbon footprint of its suppliers and those who deliver services on its behalf (scope 3). Whilst we are focusing on reducing scope 1 and 2 to zero by 2030, we need to influence others across the borough to do the same.
- 3.4 Enfield's scope 1 and 2 emissions have been calculated at 21,908 tCO₂e. The breakdown of these emissions were reported as follows:



- 3.5 The delivery of the actions within the strategy are based around:
1. Reducing our scope 1 and 2 emissions through direct action
 2. Offsetting the remaining emissions through in borough programmes and investment

3. Undertaking a cultural change programme that places the climate at the heart of our decisions

3.6 Seven priorities have been identified for achieving this:

1. Becoming a carbon neutral organisation.
2. Preparing for a changing climate.
3. Zero carbon investment.
4. Building Enfield.
5. Borough wide low carbon transport.
6. Resilience and the natural environment.
7. Facilitating sustainable business.

3.7 For each priority the Council has identified a number of supporting actions and these are presented along with timescales. There are also performance indicators and targets which will allow progress to be monitored. This reflects our ambition that the CAP is a living document which is regularly reviewed.

3.9 The CAP is also a document which we want to be owned by a range of stakeholders including businesses, residents and organisations with an interest in climate change. The first step to achieve collaborative working is to engage with residents and climate change organisations to further develop the CAP. To do this the Deputy Leader is being asked to approve publication of the draft CAP so that it can inform consultation with residents and climate change organisations.

3.10 In terms of timescales, now we understand the scale of the challenge and have started identifying what we can do to accelerate and augment our existing carbon reduction programme, the Council wants to agree the CAP as soon as possible:

<i>Event</i>	<i>Timing</i>
Delegated authority decision	By 6 th March 2020
Draft Climate Action Plan published	By 13 th March 2020
Date for public meeting	19 th March 2020
Cabinet where final Climate Action Plan will be presented for decision	June 2020 (date to be confirmed post Council meeting in May)

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 None – The Council has committed to tackling the climate change emergency, to do this we need to set out a clear strategy with supporting actions. To be effective and inclusive we need to publish a draft document which can then inform engagement with a range of stakeholders including elected representatives, residents and climate change organisations.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has committed to tackling the climate change emergency, to do this we need to set out a clear strategy with supporting actions. To be effective and inclusive we need to publish a draft document which can then inform engagement with stakeholders.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

There are limited financial implications relating to the publication of the draft Climate Action Plan. These include publication and consultation costs which will be covered using existing corporate revenue sources. The financial implications of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

6.2 Legal Implications

Section 3 LGA 1999 requires an authority "to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness" ("the best value duty"). It also obliges the authority to consult certain groups of persons "for the purpose of deciding how to fulfil the duty" (s.3(2)). In line with this duty, this report seeks authority to publish a draft Climate Action Plan for the purpose of engaging with a range of stakeholders on how to fulfil its commitment to be carbon neutral by 2030.

The Climate Change Act 2008 requires the UK to achieve an 80% reduction in greenhouse gas levels (below 1990 levels) by 2050. The Prime Minister announced on 12th June 2019 that the UK will eradicate its net contribution to climate change by 2050. The Climate Change Act 2008 (2050 Target Amendment) Order 2019 amends the 2008 Act.

The general power of competence (s 1(1) of the Localism Act 2011) allows the Council to do anything that individuals generally, may do. The recommendations within this report are in accordance with this power.

6.3 Property Implications

There are no specific property implications relating to the publication of the draft Climate Action Plan. The property implications of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

7. KEY RISKS

The main risks in relation to the publication or otherwise of the draft CAP is reputational. To not publish the draft CAP would undermine the

Council's commitment tackling climate change and to engaging with stakeholders. Publication of the CAP could lead to criticism of the Council's proposed approach and progress to date. The latter is a risk which will have to be managed by working closely with stakeholders to address their expectations within the constraints faced by the Council.

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

8.1 Good homes in well-connected neighbourhoods

The CAP recognises that buildings, both Council and privately owned, are key carbon emitters and that transport also has a significant impact on climate change. Reducing the impacts of buildings will involve making them more energy efficient including via high quality new homes and the retrofit of existing. Well-connected neighbourhoods will be delivered by improving active and sustainable travel provision to encourage a shift away from private cars, while also encouraging less polluting vehicles.

8.2 Sustain strong and healthy communities

Reducing carbon emissions should be a collaborative effort so there will be opportunities for everyone to be involved and play their part. One of the elements of the CAP is engaging with young people so that they support the long-term delivery of a carbon neutral Enfield. As for health, aside from reducing the occurrences of adverse weather which have direct impacts on residents and the services they receive, reducing carbon emissions is linked to air quality.

8.3 Build our local economy to create a thriving place

Taking the lead on low carbon approaches, for example to construction, will require expertise and a suitably trained workforce so going carbon neutral presents an opportunity for local people.

9. EQUALITIES IMPACT IMPLICATIONS

There are no specific equalities implications relating to the publication of the draft Climate Action Plan. However, there are opportunities during the engagement process to get the views from people who represent the breadth of Enfield's diverse population. The equalities implications of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

10. PERFORMANCE AND DATA IMPLICATIONS

There are no specific performance and data implications relating to the publication of the draft Climate Action Plan. The performance and data implications of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

11. HEALTH AND SAFETY IMPLICATIONS

There are no specific health and safety implications relating to the publication of the draft Climate Action Plan. The health and safety implications of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

12. HR IMPLICATIONS

There are no specific HR implications relating to the publication of the draft Climate Action Plan. The HR of delivering the Climate Action Plan will be assessed in the decision report for Cabinet.

13. PUBLIC HEALTH IMPLICATIONS

Whilst there are no specific Public Health implications in relation to publishing the draft Climate Action Plan, as noted above there are many synergies between actions to reduce climate change and improving the health of the public. This include improved air quality through reduced pollution and increased physical activity through increasing the uptake of active travel.

Background Papers

None.