

# **MINUTES OF CABINET MEMBER SIGNING MEETING HELD ON FRIDAY, 30TH DECEMBER, 2022, 10.00 - 10.05 AM**

**PRESENT:** Councillor Ruth Gordon, Cabinet Member for Council Housebuilding, Placemaking, and Development.

**In attendance:** Andrew Meek, Head of Building Management, Resilience, and Safety, and Fiona Rae, Acting Committees Manager.

## **1. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **3. INTERIM ACCOMMODATION STRATEGY PROGRAMME - GROUND & 3RD FLOOR, 48 STATION ROAD - EXPENDITURE OF APPROVED CONTINGENCY**

The Cabinet Member for Council Housebuilding, Placemaking, and Development considered the report which requested authorisation for the expenditure of contingency funds in the sum of £62,000 to Foster Property Maintenance Ltd - bringing the total value of the contract to £681,082.39 for the refurbishment of offices on the Ground & 3<sup>rd</sup> floors of 48 Station Road pursuant to Contract Standing Orders (CSO) 16.02 and 10.02.1b.

### **The Cabinet Member RESOLVED**

Pursuant to Contract Standing Orders 16.02 and 10.02.1b, to approve the expenditure of contingency funds in the sum of £62,000 to Foster Property Maintenance Ltd, bringing the total value of the contract to £681,082.39.

### **Reasons for decision**

Following commencement of the refurbishment works to the offices at 48 Station Road, the contractor undertook strip out of the existing power and data containment – to facilitate the new installation of layout. When this work started, it became clear that the data containment was not of sufficient quality to be removed and then put back – as it was cracking and split. Therefore, the decision was taken to replace the containment at the same time as replacing the power and data cabling as there was no way to replace the existing system – as this was no longer manufactured.

Works to install the reception in Young Adults Services involved the construction of reception booths, to facilitate meetings with clients and residents. The booths utilised

were reused from the existing fit out to the ground floor in 48 Station Road. Following an inspection by the staff from this department, a request was made to 'fully enclose' the booths with glass screens and a plasterboard bulkhead above. This ensures full separation of the front of house reception area from the offices.

Young Adults Services also requested that an intercom system be fitted to their separate entrance door. This allows for clients to this department to access the YAS reception area without entering other areas of the building – thereby further improving and enhancing the security of the service and the control of the reception environment.

These additional works increased the original contract sum by £62,000.

### **Alternative options considered**

#### **Do Nothing**

The 'do nothing' option was not considered as Fosters Property Maintenance Ltd were on site carrying out the works and instructing a variation to the existing contract reflected the most cost effective and quickest way to implement the works without impacting the delivery of the broader programme of refurbishment.

*As the contingency was approved in the original Cabinet paper, Strategic Procurement has advised that Cabinet level approval is still required in order to approve the expenditure of the contingency – in accordance with the Contract Standing Orders (CSO). Payment is required to be made in December and approval is required to increase the Purchase Order (PO). If this is not paid for on time, the payment terms will not be met.*

*Given the above, it is not practicable to comply with the 28-day notice requirement in Part Four, Section D, Rule 13 of the constitution. This is set out in Part Four, Section D, Rule 16, of the Constitution.*

#### **4. INTERIM ACCOMMODATION STRATEGY PROGRAMME - ALEXANDRA HOUSE AND 48 STATION ROAD - VARIATION TO CONSTRUCTION CONTRACT AWARD**

The Cabinet Member for Council Housebuilding, Placemaking, and Development considered the report which noted that, following the appointment of Alcema Ltd in April 2022 to undertake the refurbishment of 48 Station Road and Alexandra House, it was proposed to vary their contract to include for the refurbishment and upgrade of the three passenger lifts in Alexandra House, Station Road, Wood Green, London, N22 7TR, through novating Apex Lift & Escalators Engineers Ltd.

#### **The Cabinet Member RESOLVED**

Pursuant to Contract Standing Orders 16.02 and 10.02.1(a), to approve a novation of contract to Alcema Ltd for the sum of £247,957 + VAT to undertake refurbishment and upgrade works to the three passenger lifts at Alexandra House, Station Road, Wood

Green, London, N22 7TR. This would increase the budget from £4,031,847 to £4,279,804.

### **Reasons for decision**

The Council engaged a Lift Engineering consultant (Reliable Lifts Ltd) – who have previously carried out remedial works on the installation – to produce an independent specification for the works required to be undertaken on the lifts in Alexandra House.

This specification was quality checked by the Council's in-house lift engineering expert in the Corporate Landlord team – to ensure that it met our requirements for the proposed refurbishment.

The opportunity was then posted on the South-East Consortium Framework which allowed a direct award.

The first contractor noted on the SEC Framework was Apex Lift & Escalator Engineers Limited. Following review of the documentation, they returned a price which was compliant with the agreed baseline specification, and in compliance with procurement legislation and the Council's Contract Standing Orders. This was reviewed and subsequently supported by the Strategic Procurement team and appointed in February 2022.

Following discussions with the Council's CDM (Construction, Design & Management) advisor, it was agreed that – as the main contract refurbishment works would be taking place at the same time – the most suitable way of appointing Apex Lifts Ltd, would be novate them to Alcema Ltd. By doing this, there remains one point of responsibility in relation to Health & Safety under the CDM regulations relating to compliance on site.

The proposed cost to deliver the project has been reviewed for technical compliance and reflects the specification of the council's requirements.

The original cost included within the tender price was £229,240 + VAT. Following investigations and a detailed survey on site, a further £18,717 + VAT of work was identified as required in addition to the works outlined in the original brief prepared by the council. This was to install additional counterbalance weights, replacement floor indicators and new SIM cards to bring the lifts to current required safety standards. The total of these works is £247,957 + VAT (the total amount requested).

### **Alternative options considered**

The alternative would be for the Council not to vary Alcema Ltd's contract to commission Apex Lift & Escalator Engineers Limited to undertake the refurbishment and upgrade works which would place at risk the operation of the building – given the current condition of the lifts.

If the Council appointed Apex directly to comply with CDM regulations, we would have needed to have completed the main refurbishment contract first.

This option was originally investigated and considered but represented a further 12 weeks of work in the building by a separate subcontractor, with further disruption to building users. In turn, this would have resulted in additional contractor overhead costs which would not have been best value to the Council.

*Selection of the lift sub-contractor was made following a competitive procurement exercise – to ensure best value.*

*When the works commenced on site, it was advised that, in order to ensure Health & Safety (H&S) best practice, the lift contractor should be nominated to the main contract – to ensure one point of H&S responsibility. As a result, it is now necessary to vary the main contract sum by the agreed amount in order to pay the sub-contractor.*

*The works will be finished by 16 December 2022; payment is required by this date and approval is required to increase the Purchase Order (PO). If payment is not made by this time, the payment terms will not be met.*

*Given the above, it is not practicable to comply with the 28-day notice requirement in Part Four, Section D, Rule 13 of the constitution. This is set out in Part Four, Section D, Rule 16, of the Constitution.*

CABINET MEMBER: Cllr Ruth Gordon

Signed by Cabinet Member .....

Date ...30 December 2022.....