

NOTICE OF MEETING

CABINET MEMBER SIGNING

**Thursday, 25th July, 2024, 4.00 pm - First Floor, Alexandra House,
10 Station Road, London, N22 7TR (watch the live meeting [here](#))**

Members: Councillor Ruth Gordon

1. FILMING AT MEETINGS NOTICE

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

3. URGENT BUSINESS

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

5. DEPUTATIONS / PETITIONS / QUESTIONS

6. APPROVAL OF CONTRACT FOR MECHANICAL, ELECTRICAL AND PUBLIC HEALTH (MEPH) ENGINEERING SERVICES TO SUPPORT THE BROADWATER FARM NEW HOMES PROGRAMME (PAGES 1 - 8)

7. BROADWATER FARM - NORTHOLT STRIP-OUT CONTRACT (PAGES 9 - 16)

8. CONTRACT EXTENSION FOR THE DEMOLITION OF THE TANGMERE BLOCK, BROADWATER FARM ESTATE (PAGES 17 - 24)

9. EXCLUSION OF THE PRESS AND PUBLIC

Items 10, 11 and 12 is likely to be subject to a motion to exclude the press and public be from the meeting as they contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paras 3 and 5, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

10. EXEMPT - APPROVAL OF CONTRACT FOR MECHANICAL, ELECTRICAL AND PUBLIC HEALTH (MEPH) ENGINEERING SERVICES TO SUPPORT THE BROADWATER FARM NEW HOMES PROGRAMME. (PAGES 25 - 50)

11. EXEMPT - BROADWATER FARM - NORTHOLT STRIP-OUT CONTRACT (PAGES 51 - 54)

12. EXEMPT - CONTRACT EXTENSION FOR THE DEMOLITION OF THE TANGMERE BLOCK, BROADWATER FARM ESTATE (PAGES 55 - 60)

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Wednesday, 17 July 2024

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Report for: Ruth Gordon, Cabinet Member for Housebuilding, Placemaking, and the Local Economy – 25 July 2024

Item number: 6

Title Approval of contract for Mechanical, Electrical and Public Health (MEPH) Engineering Services to support the Broadwater Farm New Homes Programme.

Report Authorised by : David Joyce, Director of Placemaking and Housing

Lead Officer: David Sherrington, Programme Director, Broadwater Farm.
David.Sherrington@haringey.gov.uk. 07977 424813

Ward(s) affected: West Green

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1 The Council is currently working on a transformative regeneration programme across the Broadwater Farm estate. In total, the council has committed to spend over £250m of resources to retrofit existing homes, build new homes and transform the wider environment, better connecting it to the local area and wider facilities.
- 1.2 Construction work is supported by an ambitious set of socio-economic programmes. These aim to better connect residents to each other, support residents into employment and training and maximise health and wellbeing outcomes.
- 1.3 This report seeks authority to award a contract for Mechanical, Electrical and Public Health (MEPH) engineering services for the Broadwater Farm New homes programme which is a key component of the overall regeneration programme. By awarding this contract the council will be able to complete RIBA stage four designs ahead of procuring a contractor to build the homes.

2. Cabinet Member Introduction

N/a

3.0 Recommendation

3.1 It is recommended that the Cabinet Member for House Building, Placemaking and Local Economy, pursuant to Contract Standing Orders 9.07.1 (d) and 16.02 approves the award of a Mechanical Electrical and Public Health Services consultancy contract to the contractor identified in the exempt part of the report for the total value of £663,280.

4.0 Reasons for Decision

- 4.1 In order to build new homes on the Broadwater Farm estate the Council needs to finalise designs ahead of appointing a contractor. The Council appointed a contractor last year to undertake this work but this contract was terminated following a failure to agree a build contract for the first phase.
- 4.2 While design and engineering work on phase one is completed and procurement for a build contractor is underway, design and engineering work for all future phases is required. In order to progress this, and to ensure the council retains control over engineering design quality and design integrity, the council is proposing to appoint a qualified Mechanical Electrical and Public Health consultant. Without this appointment the council is unable to progress the new homes scheme.
- 4.3 As part of the commission the consultant will provide a range of services, including the design, detailed specification, tendering, construction, completion and commissioning of all mechanical electrical installations, and to support the development and delivery of the Broadwater Farm Estate regeneration programme for the remainder of the pre-construction programme and construction programme.
- 4.4 The council is procuring other professional services to complete the design and engineering team. A lead consultant, architect, and structural and civils engineer have been selected and other services will be procured including fire safety, principal designer and clerk of works. These appointments will be subject to separate decisions.

5.0 Alternative Options Considered

- 5.1 The council could have sought to procure a new contractor to complete the RIBA stage four designs. Analysis of market conditions and advice from the procurement team concluded that this approach would not offer the council the best value for money.
- 5.2 The council could have sought to resource the work in-house. Unfortunately, the council does not have the resources in house to do this work.
- 5.3 The council could have decided to not progress the scheme. The council has however committed to residents to deliver new homes and improvements to Broadwater Farm, so this option was discounted.

6.0 Background

- 6.1 In 2022 Broadwater Farm Residents overwhelmingly supported proposals for new homes and wider estate improvements through an estate wide ballot. In total 85% of residents supported the design work completed by the Council's architects. This followed extensive engagement and involvement with residents and wider stakeholders across the estate. The ballot result also unlocked GLA funding to support the delivery of the scheme.
- 6.2 Through the scheme the Council will be delivering 294 new high-quality homes alongside a new park, energy centre and local amenities including new shops, health centre and landscaping. 45% of new homes will be family sized units and will considerably reduce over-crowding across the estate.
- 6.3 The scheme received full planning approval in late 2022 with minimal objections from the local community and strong support from local stakeholders.
- 6.4 Progress onsite is already well advanced, with the demolition of Tangmere nearing completion, enabling works to support the development onsite this month and work with UKPN to install new infrastructure well advanced.
- 6.5 In order to progress the new homes scheme, the Council is appointing a new design team to complete the design work ahead of going to market. By completing RIBA stage 4 itself the council reduces design risk and can work to secure value for money across the scheme. The new design team can also support the council to update designs to ensure they reflect changes to Building Regulations since RIBA 3 was concluded.
- 6.6 A procurement process was commenced in December 2023 and tenders were invited via the council's London Construction Programme Dynamic Purchasing System (DPS) for professional services.
- 6.7 The tenders were returned on January 25th, 2024, and following evaluation and moderation the council is now ready to award the contract.

7.0 Procurement and Tender Process

- 7.1 The Dynamic Purchasing System (DPS) the professional services lot was used for the procurement process in accordance with CSO 9.04.1(b).
- 7.2 The tender documents comprised the following:
- Invitation to Tender document (ITT)
 - Scope of Service document.
 - Construction consultancy contract (draft)
 - Tender Pricing Schedule.
 - Supplier Information Form
 - Tender Return checklist.
- 7.3 The tender is weighted 60% quality to 40% price.

7.4 One compliant tender return was received. The Quality submission was assessed by LBH officers and the Project Manager from Alban LLP. A moderation meeting was held to agree the final quality scores which were then combined with the pricing evaluation to determine the order of the bidders.

7.5 Airey Miller LLP undertook the tender price evaluation and Alban provided the final tender evaluation report, combining the quality and price scoring. The outcome of the evaluation was as follows:

Tenderer	Tender Price/ £	Tender Price Score/%	Quality Score/%	Total Score/%	Rank
Tenderer A		40	45.6	85.6	1 st

7.6 Once appointed, the Mechanical Electrical Public Health (MEPH) engineer will be initially focusing on reviewing and concluding engineering designs of homes to be constructed and replacing the existing Tangmere block which is now 90% demolished in collaboration with other consultants (Lead consultant Architect and Structural and Civils Engineers).

8.0 Financial and Value for Money

8.1 Financial provision for the Broadwater Farm New homes programme is included within the refreshed Housing Revenue Account business plan.

8.2 The total scheme costs for Broadwater Farm increased in the latest refresh due to significant build cost inflation. This has been compounded by increasing interest rates which have negatively impacted the overall scheme Net Present Value (NPV).

8.3 The current NPV has a significantly negative impact on the council's overall Housing Revenue Account which in turn puts pressure on other demands within the HRA.

8.4 As such, the project team are working through all available options to improve this position through the next stages of design. The appointment set out in this paper will play a key role in improving the NPV as we enter into a phase of scheme optimisation to improve the scheme NPV.

8.5 Options to do this include (but are not limited to): changing elements of the design to reduce the build cost; looking at opportunities for additional grant; looking at opportunities to add additional units into the build; tackling some areas of design inefficiencies to improve build cost.

8.6 A detailed timetable to undertake this work will be developed once the design team is appointed.

8.7 In respect of this appointment, it is noted that the Council only received one tender. The Council's Cost Consultants have confirmed that the tendered

price is competitive, and the rates are comparable or lower than current market rates. On this basis the tendered sum is considered to offer value for money,

- 8.8 More information on value for money regards to this tender is provided in the exempt section of this report.

9.0 Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes.

- 9.1 The recommendation in this report contributes to supporting the delivery of the Broadwater Farm programme which contributes to the delivery of the following four priorities set out in the Council's Borough Plan (2019 to 2023) priorities:

- Priority 1 – Housing (“A safe, stable and affordable home for everyone, whatever their circumstances”): the Council wants all its residents to have a safe, stable, and genuinely affordable home, and as such is committed to delivering new Council homes, bringing up the standard of private rented housing, and preventing homelessness. The Council has a strong focus on significantly extending housing options for its residents, including direct delivery of homes and initiatives. The Broadwater Farm new homes will deliver approximately 100 additional council homes and will increase the number of family sized units available, allowing those in overcrowded accommodation to move house.
- Priority 2 – People (“Strong families, strong networks and strong communities nurture all residents to live well and achieve their potential”): As a Borough we are seeking to build the capacity of its communities and focus on a strengths-based approach, which doesn't focus solely on needs and deficits but on assets and qualities at individual, family, and community level. This work is initially focusing on North Tottenham. Early intervention and prevention are at the heart of this, with services being pulled together around the individual linking in with work to integrate health and social care, including through the delivery of Health and Wellbeing Hubs.
- Priority 3 – Place (“A place with strong, resilient and connected communities where people can lead active and healthy lives in an environment that is safe, clean and green”): The Community Safety Strategy 2019-23 sets out how the Council will deliver on its firm commitments to enhanced safety, including support for vulnerable young people from violence, abuse and exploitation in the Young People at Risk Strategy and through programmes such as Haringey Gold. This is complemented by a focus on promoting physical activity which will be delivered through a 'whole system approach', which is proactive in promoting facilities, improved parks and open spaces,

active and safe travel between areas, and direct interventions into schools and communities to promote sports and other activities. Broadwater Farm will strengthen existing public spaces and deliver new ones and include investment into projects which and enable healthy and safe lives for local people.

- Priority 4 - Economy (“A growing economy which provides opportunities for all our residents and supports our businesses to thrive”): Realisation of opportunities for good local business growth and skill and employment growth, in line with the current “community wealth building” approach. The Council approved this approach in October 2019 aimed at supporting the financial and social resilience of the borough’s communities. A new Good Economy Recovery Plan provides a focus on a good economy – good jobs, fairness, health and well-being and environmental sustainability. Broadwater Farm will include significant investment into employment, education, and training opportunities for local people, to connect residents to sustainable and long-term jobs.

10. Carbon and Climate Change

- 10.1 The energy strategy for the Broadwater Farm development has been developed in line with the energy policies of the London Plan and of the London Borough of Haringey Local Plan policies. Broadwater Farm is expected to meet the minimum 35% CO2 reduction from on-site measures as required the London Plan policy. Remaining carbon emissions to reach the zero carbon target will be offset by an ‘over-provision’ of new low carbon heating to serve existing dwellings served by the upgraded energy centre.
- 10.2 The key sustainable design and construction measures incorporated in the BWF new homes scheme are set out below:
- The inclusion of low carbon and renewable technologies through the specifying of air source heat pumps (or alternatively through connection to the Edmonton Energy from Waste centre) and photovoltaics.
 - The promotion of sustainable forms of transport through the provision of 592 cycle parking spaces.
 - An Increase in the urban greening factor of the estate by providing more community parks, play areas, balconies and terraces and the protection of natural features of ecological value and the improvement of biodiversity on site through on-site landscaping as far as possible.
 - Reducing surface water run-off from site through the incorporation of permeable paving and underground attenuation tanks and incorporating large areas of green roofs to enhance the biodiversity and also further reduce surface water run-off. 5. The specification of water efficient fittings to limit water consumption to dwellings to 105 litres/person/day.

- Efficient design of the proposed massing, openings and internal layouts so that spaces benefit from abundant daylight and sunlight levels, whilst overheating and impacts to neighbouring buildings are minimised together with specification of high-performance fabric and glazing to minimise heat losses and insulated pipework and efficient lighting to minimise heat generated internally.
- Minimising on-site NOx emissions and fossil-fuel combustion by specifying low NOx boilers as well as effective pollution management and control.
- The development is not expected to cause any significant adverse effects to air, noise, land, or watercourses.

11.0 Statutory Officers comments (Director of Finance (Procurement), Head of Legal and Governance, Equalities)

11.1 Finance

The report recommends the award of MEPH contract at a maximum sum of £0.66m.

This is based on the amount on the only tender submitted plus stage 3 redesign amount.

This sum can be contained within the approved budget.

Further finance comments are contained in the exempt report.

11.2 Strategic Procurement

Strategic Procurement (SP) note that this report relates to the approval to award a contract to Tenderer A to deliver Mechanical Electrical and Public Health Services for the Broadwater Farm New homes programme.

SP note that this bid opportunity was launched via the LCP's DPS for Professional Services. The adopted procurement is in line with Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contracts Regulations.

We received only one bid which was evaluated in accordance with the scoring methodology contained within the published Invitation to tender document.

The service area's cost consultant has advised that the bid submission received demonstrates value for money.

SP support the recommendation to approve the award in accordance with CSO. 9.07.1 (d)

A further strategic procurement comment is contained in the exempt report.

11.3 Legal

The Assistant Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

A tender process has been carried out using the Council's DPS, professional services lot. Use of a DPS is compliant with the Public Contracts Regulations 2015 (Reg 34) and also with the Council's Contract Standing Orders (CSO 9.04.1 b).

Approval of a contract which is a Key Decision would normally fall to Cabinet in accordance with CSO 9.07.1 (d) (contracts valued at over £500,000).

In between meetings of the Cabinet, the Leader may take any such decision or may allocate to the Cabinet Member with the relevant portfolio (CSO 16.02).

The Assistant Director of Legal and Governance confirms that there are no legal reasons preventing the Cabinet Member for Housebuilding, Placemaking and the Local Economy from approving the recommendations in this report.

11.4 Equalities

Having reviewed the Council's Equality Impact Assessment (EQIA) guidance, the need for an EQIA is not considered necessary as the proposed Mechanical Electrical and Public Health (MEPH) consultancy services on the Broadwater Farm Estate, will not have a negative impact on protected groups, or people who are socio-economically disadvantaged.

12. Use of Appendices

12.1 The following reports are appended.

- EXEMPT Approval of contract for Mechanical, Electrical and Public Health (MEPH) Engineering Services to support the Broadwater Farm New Homes Programme.
- Appendix A. Alban LLP Exempt BWF tender recommendation report for Mechanical, Electrical and Public Health (MEPH) services.
- Appendix B. Airey Miller Exempt BWF MEPH tender evaluation report.

Report for: Cabinet Member Signing – 25 July 2024
Cabinet Member for Placemaking and the Local Economy

Item number: 7

Title: Broadwater Farm – Northolt Strip-Out Contract

Report authorised by : David Joyce – Director of Placemaking & Housing.

Lead Officer: David Sherrington, Director of Broadwater Farm

Ward(s) affected: West Green

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. In line with Contract Standing Order (CSO) 16.02, this report seeks approval from the Cabinet Member for Placemaking and the Local Economy to award a contract to Tenderer A in the sum of £725,345.00 for the strip-out of the Northolt tower block on the Broadwater Farm Estate.

The works are designed to derisk the future demolition of the block by removing asbestos, electrical and water services, decommissioning the passenger lifts, removing all fixtures and fittings, and coordinating the removal of other services with statutory bodies such as UKPN and Thames Water. By undertaking these works now, the Council will remove all risk items when handing over the building to the demolition contractor.

2. Cabinet Member Introduction

- 2.1 Not applicable – Cabinet Member Signing

3. Recommendations

It is recommended that:

Cabinet Member for Placemaking and the Local Economy:

- 3.1 In line with Contract Standing Order (CSO) 16.02, approve the award of contract to Tenderer A (as set out in Appendix A), to a total value of £725,345.00.

- 3.2 Delegate authority to the Director of Broadwater Farm Estate, in consultation with the Director of Finance, to authorise and expend sums as set out within the exempt part of this report.
- 3.3 Delegate authority to the Director of Broadwater Farm Estate in consultation with the Director of Finance, to extend the contract period from July 2026 to December 2026 if required due to unforeseen works and other relevant reasons to extend the contract.
- 3.4 The Cabinet Member for Placemaking and the Local Economy approves issuance of a letter of intent up to the value of £100,000.00 prior to issuing a formal contract. The Letter of Intent will enable the contractor to place an order with their supply chain to enable the programme to be met.

4. Reasons for decision

- 4.1 The regeneration of the Broadwater Farm Estate will see the construction of 294 new homes across the estate. Once demolished, the Northolt block and surrounding areas will see a total of 68 new homes constructed on the site.

The development of the Northolt site will commence May 2028 and complete June 2031. To ensure the block is demolished and the site cleared and ready for hand over to the appointed new homes contractor - the Council needs to ensure that all risks associated with the block and surrounding areas are removed. Therefore, it is suggested that the demolition is carried out in 2 phases i.e., an initial strip-out phase to remove asbestos and services provided by statutory authorities. The second phase which allow for the physical dismantling of the block.

- 4.2 Awarding a contract to Tenderer A in the sum of £725,345.00 for phase one of the demolition programme, will protect the Council against financial and programme risks.

5. Alternative options considered

- 5.1 Do nothing is not an option as the strip-out works to Northolt is essential to remove asbestos and terminate all existing mechanical and electrical services to enable the block to be demolished. The works will also remove risks associated with carrying out these works at a later stage, and the financial and programme impact this could have on the project.
- 5.2 The option to include the strip-out works as part of the second phase demolition was considered, however discussions with several main contractors directed the project team to conclude that developing a standalone strip out programme is the best option for delivering the project.

Reasons include; demolition contractors would rather a project which has been de-risked and free from asbestos and mechanical and electrical services. Cost control on a de-risked project would be easier to manage, and programme

predictability for the client and contractor is more favourable when a demolition project has been stripped and cleared prior to starting the demolition works.

- 5.3 It should also be noted that lessons have been learnt from the demolition of Tangmere, where the project was not de-risked. The failure to de-risk the project resulted in additional works for the removal of asbestos and pigeon guano. There were also the impact of cable diversion and other works with UKPN – all of which resulted in additional costs and time pressures on the project. This forced a review on how best to manage the demolition of Northolt, thus the development of standalone strip-out programme.

6. Background information

- 6.1 Northolt is a nineteen-storey housing block constructed in the early 1970s using a Large Panel System (LPS) method of construction. Following a detailed structural survey, it was found that the building was not compliant with safety regulations.
- 6.2 The building failed key strength tests and was at risk of disproportionate collapse in the event of a gas explosion and would require significant strengthening work or replacement.
- 6.3 It was agreed that the preferred option would be to demolish the building and replace it with new council homes.
- 6.4 Following discussions with Ridge and Partners and their team of structural engineers, it was agreed that the best approach to demolishing the block would be to develop a two-phase programme of works. Phase one would be a soft strip to include asbestos removal, clearance of furniture and other items from the vacant units, decommissioning of the passenger lifts, removal of mechanical and electrical components, and the general clearance of the internal parts of the block.
- 6.5 This approach to the project was not only recommended by Ridge and Partners but came as a result of speaking with several demolition contractors who agreed that the project would be more attractive to the market if it was cleared and presented as a shell i.e., the only works required would be the deconstruction of the block.
- 6.6 The project team also learnt lessons from a current demolition programme on the estate. Tangmere was a six-storey block that was tendered as a single project without an initial strip-out programme. Although the project suffered delays outside the main scope of works, the effect of not removing asbestos, pigeon guano, and clearing the vacant units, had an impact on the programme. Therefore, it was decided that the demolition of Northolt should incorporate a standalone programme of works to derisk the project.

Tender Process & Selection of Contractor

- 6.7 Ridge and Partners LLP were appointed via Haringey's Multi-Disciplinary Professional Services Framework to undertake Project Management, Cost Consultancy and Principal Designer services, to support the procurement of a contractor to undertake the strip-out works.
- 6.8 Ridge & Partners LLP undertook initial market testing and cost analysis to obtain a pre-tender estimate for the works. The estimated cost, including preliminaries, overheads was estimated at £1.2m.
- 6.9 Following completion of the design process, a specification of works and tender documents were written. Open tenders were invited by Haringey Council from contractors using the Dynamic Purchasing System (DPS) on 14 March 2024.
- 6.10 Tenders were issued based on 30% quality and 70% cost. Social Value accounted for 10% of the quality.
- 6.11 The quality assessment included an assessment of the tenderers' technical ability, experience of similar projects and their general approach to the project.
- 6.12 Tenders were received from 5 bidders on 03 May 2024. Ridge and Partners carried out the financial assessment, and Haringey – with support from Ridge and Partners carried out an assessment of the quality submissions.
- 6.13 Clarifications were issued during the tender period, and these covered matters such as requesting an extension of time for the tender returns, providing clarity on items related to the scope of works, and directing bidders to the use of the social value portal.
- 6.14 During the financial assessment, Ridge and Partners noted that some bidders failed to carry forward some of their cost build-ups. These were equalised and formed the final assessment of the cost submissions.
- 6.15 During the quality review, one of the bidders failed to achieve the minimum quality score of 15%. This resulted in their bid being non-compliant, and they were therefore eliminated from the process.
- 6.16 Ridge and Partners submitted their tender report on 28 June 24. The result of the tender review is set out in the table below.

Tenderer	Cost (%)	Quality (%)	Total Score
A	70.0%	20.0%	90.0%
B	65.0%	20.6%	85.6%
C	55.0%	20.0%	75.0%
D	36.0%	21.4%	57.4%
E		13.4%	Non-Compliant Bid

- 6.17 It is therefore recommended that Tenderer A is awarded the contract in the sum of £725,345.00 to carry out the strip-out works to the Northolt block on the Broadwater Farm Estate.

Project Spend Profile

- 6.18 The projected spend profile is shown in the following table. The project will be funded from the Broadwater Farm New Homes Programme. Funding will accommodate all works executed on the project from 24/25 to 26/27 as shown in the table below.

Description	Year 1 (24/25) £'000	Year 2 (25/26) £'000	Year 3 (26/27) £'000
BWF Northolt Strip-Out Programme	£495.2	£212	£18.15

7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'

- 7.1 The strip-out works will prepare the Northolt block for demolition. On completion of the demolition and site clearance, the new homes programme will deliver a total of 68 new homes on the site. Therefore, this project will contribute to the core principles of the Corporate Delivery Plan i.e., a borough where everyone has a safe, sustainable, stable and affordable home.

8. Carbon and Climate Change

- 8.1 Comments on carbon reduction is not considered necessary for this report, as the works will be carried on a tower block where all the units are unoccupied.

9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

9.1 Finance

The report recommends the award of a contract to Tenderer A in the sum of £725,345.00 for the strip-out of the Northolt tower block on the Broadwater Farm Estate.

The works are designed to derisk the future demolition of the block by removing asbestos, electrical and water services, decommissioning the passenger lifts, removing all fixtures and fittings, and coordinating the removal of other services with statutory bodies such as UKPN and Thames Water

The projected spend profile is shown in paragraph 6.18. The project will be funded from the Broadwater Farm New Homes Programme.

Additional finance comments are contained in the exempt report.

9.2 Procurement

- 9.2.1 Strategic Procurement (SP) note that this report relates to the approval to award a contract to Tenderer A to strip-out of the Northolt tower block on the Broadwater Farm Estate

SP note that a competitive tender was launched via the LCP's DPS for Minor Works. The adopted procurement is in line with Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contracts Regulations.

The Tenderers' bid submissions were evaluated in accordance with the scoring methodology contained within the published Invitation to tender document.

Bid evaluation was based on price and quality and the preferred bidder's submission demonstrates value for money.

SP support the recommendation to approve the award in accordance with CSO 9.07.1(d) and 16.02

9.3 The Assistant Director of Legal & Governance (Monitoring Officer)

- 9.3.1 The Assistant Director of Legal and Governance has been consulted in the preparation of this report.
- 9.3.2 The Council has conducted a procurement exercise using the Council's LCP Dynamic Processing System (DPS) for Minor Works. Use of a DPS is an approved tender process under the Public Contracts Regulations 2015 (Reg 34) and is also provided for in the Council's CSO (CSO 9.04.1 (b)).
- 9.3.3 The award of the contract is a Key Decision and, as such, falls to be approved by Cabinet under CSO 9.07.1 (d) (contracts valued at £500,000 or more). In between meetings of the Cabinet, the Leader may take any such decision or delegate to the Cabinet Member with the relevant portfolio (CSO 16.02).
- 9.3.4 The Assistant Director of Legal and Governance confirms that there is no legal reason preventing the Cabinet Member with the relevant portfolio from approving the recommendations in this report.

9.4 Equality

- 9.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The decision is regarding the award of a contract for the strip-out of the vacant block known as Northolt, to prepare the block for future demolition. These works are essential to ensure the block can be demolished to make way for the construction of 68 new homes on the Broadwater Farm Estate.

Having reviewed the Council's Equality Impact Assessment (EQIA) guidance, the need for an EQIA is not considered necessary as the proposed works will be carried out to vacant units and will therefore not have a negative impact on protected groups, or people who are socio-economically disadvantaged.

10. Use of Appendices

Exempt Report – **Appendix A**

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Report for: Cabinet Member Signing for the Cabinet Member for Placemaking and Local Economy – 25 July 2024

Item number: 8

Title: Contract Extension for the demolition of the Tangmere block, Broadwater Farm Estate.

Report Authorised by: David Joyce, Director of Placemaking & Housing

Lead Officer: David Sherrington, Director of Broadwater Farm

Ward(s) affected: West Green

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. This report seeks approval to extend the Tangmere demolition contract by the sum of £580,000.00. The contract extension is required following the unforeseen works required by UK Power Networks (UKPN) and the need to reprogramme the demolition of the block to enable UKPN to relocate high and low voltage cables.

2. Cabinet Member introduction

- 2.1. Not applicable

3. Recommendations

It is recommended that:

- 3.1. The Cabinet Member for Placemaking and the Local Economy:
- 3.2. Pursuant to CSO 10.02.1 (b) and 16.02 approves the extension of the contract in the sum of £2,943,115.00. The original contract was awarded for the sum of £2,043,115.00. A contract extension in the sum of £900,000.00 was approved on 12 April 2023, thus making the total approved sum of £2,943,115.00.

A further contract extension is required in the sum of £580,000.00. This approval will bring the total contract value to £3,523,115.00.

Approval of this extension to the contract will result in a variation in the value and an extension to the programme.

- 3.3. Agrees the total cost contained within the exempt report.

4. Reasons for decision

- 4.1. The extension to the contract will enable the demolition contractor to reprogramme the works to Tangmere to allow UK Power Networks (UKPN) to

decommission the electrical substation in Tangmere, and to relocate the high and low voltage cables from the Tangmere site to the main highway of Willan Road.

- 4.2. The contract extension will also enable the new substation located in Rochford to be energised, thus providing essential power to the estate once the Tangmere substation is decommissioned. On completion of the works by UKPN, the demolition will continue with a view of completing the works by December 2024 to make the site ready for the Council's New Homes Programme.

5. Alternative options considered

- 5.1. **Do nothing** – unless the substation in Tangmere is decommissioned, the high and low voltage cables relocated and the new substation in Rochford is energised, the demolition of Tangmere cannot proceed. Therefore, the site will not be cleared to make way for the Council's New Homes Programme.
- 5.2. The only option available is to extend the current demolition contract to enable the existing contractor to continue to reprogramme the works to provide access to UKPN to carry out the essential works.

6. Background

- 6.1. At the January 2022 Cabinet, it was agreed to award a contract for the demolition of Tangmere in the sum of £2,043,115.00.
- 6.2. Demolition works commenced 19 April 2022 with a proposed completion date of March 2023.
- 6.3. On 12 April 2023, a contract extension was awarded in the sum of £900,000.00, bringing the total contract sum to £2,943,115.00. This extension reflected the cost impact of the contractor having to reprogramme the project to accommodate the removal of the Grade II Listed Mosaic Mural.
- 6.4. The contractor mobilised and began the removal of the Grade II Listed Mural in November 2023. To accommodate the removal of the artwork, the contractor installed specially designed scaffolding to support the front elevation of the block.
- 6.5. At the time, it was agreed with UKPN that the substation could remain in operation whilst the block is demolished. This was the best option to progress the works, as UKPN could not provide a suitable date for when the substation would be decommissioned. Also, the decommissioning of the substation was dependent upon energising the new substation in Rochford, which did not take place until February 2024.
- 6.6. If it was decided to wait until UKPN provided a date for decommissioning the Tangmere and energising the Rochford substation, the project, including the removal of the Grade II Listed Mural, would be put on hold, resulting in an uncontrollable risk of not completing the demolition in time to handover the site to start the New Homes Programme.

- 6.7. Based on the agreement and approval with UKPN, the Contractor proceeded to protect the substation to enable them to continue with the demolition and careful removal of the Grade II Listed Mural.
- 6.8. UKPN and the demolition contractor met in November 2023 to inspect the progress of the works and to agree a date when the substation would be decommissioned.
- 6.9. It was agreed that following the energising of the new substation at Rochford, UKPN would proceed to decommission the Tangmere substation in March 2024.
- 6.10. A meeting was held with UKPN and their subcontractor to agree the steps required to start removing the high and low voltage cables to decommission the Tangmere substation.
- 6.11. During the site visit, UKPN's subcontractor noted that the structural scaffolding installed by the demolition contractor was positioned within less than 5 metres of the buried high and low voltage cables. Due to a revision in their health and safety requirements, UKPN advised that they would be unable to excavate adjacent to the scaffolding – meaning that the decommissioning of the substation could not be completed until the scaffolding was removed, or an alternative method of relocating the cables agreed.
- 6.12. Consideration was given to removing the scaffolding to accommodate UKPN's revised health and safety requirements, however it was noted that the partially demolished building still requires support – meaning some elements of the scaffolding will need to remain in place. This approach if approved by UKPN would still prevent them from accessing the cables, therefore it was ruled out as a possible option.
- 6.13. It was agreed between the parties; UKPN, the demolition contractor and Haringey, that the best option would be to leave the structural scaffolding in place and relocate the high and low voltage cables in the main highway of Willan and Gloucester Road.
- 6.14. Although the relocation of the cables in the highway is considered the best option, UKPN advised that the earliest the works could be carried out is September / October 2024. They also advised that the date/s are dependent upon Haringey approving the costs and the availability of their engineers.
- 6.15. As the substation cannot be decommissioned until the high and low voltage cables are relocated, the contractor is unable to complete the demolition. Therefore, it was agreed that they should continue with the works up to a point, and then demobilise the site to give UKPN an opportunity to decommission the substation and relocate the high and low voltage cables in the main highway.
- 6.16. It was accepted that the demolition contractor would face additional costs for having to demobilise and remobilise the project. They presented their costs which was reviewed by Ridge and Partners to ensure they are justified and reflect the terms of the contract.

- 6.17. Following the financial review by Ridge and Partners, a report was issued to Haringey detailing the items and associated costs. Ridge and Partners concluded that under the terms of the JCT Standard Form of Design and Build Contract 2016 Edition Contract, the contractor is entitled to claim the sum of £580,000.00 for reprogramming the works and other variations to accommodate UKPN's requirements for decommissioning the substation.
- 6.18. The £580,000.00 will pay for the following items not allowed for in the original scope of works:
- Crushing of above ground concrete to be heaped and left on-site
 - Extended site presence for 6-8 months prior to and after UKPN works
 - Demobilisation of plant and equipment
 - Remobilisation of plant and equipment
 - Scaffolding adaptations for electrical and UKPN works
 - Extended preliminaries to complete works after remobilisation
 - Providing concrete core samples
- 6.19. The demolition contractor will continue with the crushing of materials and other operations on site. These works will cease in the coming weeks, and the project will come to a standstill until UKPN completes the works to decommission the substation and relocate the high and low voltage cables.
- 6.20. The spend profile for the extended contract sum will be as follows. As the project will demobilise in July / August 24, the spend profile is shown from December 24 – March 25:

Broadwater Farm Estate Tangmere Demolition and UKPN Impact Spend Profile				
December 2024	January 2025	February 2025	March 2025	Total
£120,000.00	£150,000.00	£180,000.00	£130,000.00	£580,000.00

- 6.21. The additional spend of £580,000.00 for this variation and the £900,000.00 approved on 12 April 2023 will be taken from the £15m risk and contingency budget for the New Homes Programme.

Demolition decision

- 6.22. Subject to approval by the Cabinet Member for Placemaking and the Local Economy, the demolition contractor will be notified that the contract has been extended in the sum of £580,000.00, and they can commence the reprogramming of the project to accommodate the time required to allow UKPN to decommission the substation and relocate the high and low voltage cables.

7. Contribution to strategic outcomes

- 7.1. The demolition of Tangmere will make way for the Council's New Homes Programme.
- 7.2. The New Homes Programme on the Broadwater Farm Estate will contribute to the delivery of the following four priorities set out in the Council's Borough Plan (2019-2023):
 - **Priority 1 – Housing:** A safe, stable and affordable home for everyone, whatever their circumstances.
 - **Priority 2 – People:** Strong families, strong networks and strong communities nurture all residents to live well and achieve their potential.
 - **Priority 3 – Place:** A place with strong, resilient and connected communities where people can lead active and healthy lives in an environment that is safe, clean and green.
 - **Priority 4 – Economy:** A growing economy which provides opportunities for all our residents and supports our businesses to thrive.

8. Carbon and Climate Change

- 8.1 Haringey Council made a commitment to be a Net Zero Carbon Borough by 2041. The demolition works to Tangmere will help to achieve this by firstly ensuring that all materials from the demolition of the block is recycled where possible and used for future construction works on-site or within the wider construction industry. The demolition contractor aims to contribute to the industry standard of achieving over 95% of waste from the site being recycled.
- 8.2 Other carbon reduction measures include encouraging the contractor to use local labour and businesses for the transportation of materials off-site and limiting the repeated use of heavy vehicles and plant to carry out the works. For example, heavy plant will not make repeated trips to the site, as the works will be planned in a manner which ensures that plant such as cranes and crushing machines are only ordered when required.
- 8.3 The demolition contractor is an audited member of the National Federation of Demolition Contractors (NFDC). This gives assurances to the Council that they will operate and deliver the Tangmere demolition project in a safe and environmentally considerate manner.

9. Statutory Officers comments

(Chief Finance Officer, Procurement, Legal and Equalities)

9.1 Finance -

The original demolition contract was for £2.04m. A further variation was requested and approved for £0.90m.

These sums have been fully exhausted, and this report is asking for further variation of £0.58m to cover essential UKPN works.

This will bring the total cost to date to £4.87m, including other potential works to restore the Mural (£1.35m).

This impacts on the total cost of the new build project and must be contained within the overall total cost of new build at BWF as the HRA cannot accommodate additional borrowings.

The additional cost will be funded from the overall contingency in the new build programme at BWF. This means a reduction in the available contingency for new build at BWF.

Further finance comments are contained in the exempt report.

9.2 Strategic Procurement

Strategic Procurement (SP) note that this report relates to the approval to vary a contract with the contractor undertaking the demolition work at Tangmere site

SP recognises the importance of this work and note the reason for this variation.

The service area has stated that the need for this work was out of scope at the time of the initial procurement.

This variation falls outside of regulation 72 of the Public Contracts Regulations 2015.

SP supports the recommendation to approve this variation in accordance with CSO 10.02.1(b) and 16.02.

9.3 Legal

Head of Legal and Governance (Monitoring Officer)

The Assistant Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

The works are below the threshold where the modification rules set out in Reg 72 of the Public Contracts Regulations 2015 apply. The variation is therefore governed by the Council's Contract Standing Orders.

As the variation is a Key Decision, approval would normally fall to Cabinet under CSO 10.02.1 (b) (extensions valued at £500,000 or more). In-between meetings of the Cabinet, the Leader may take any such decision or may allocate to the Cabinet Member with the relevant portfolio (CSO 16.02).

The Assistant Director of Legal and Governance confirms that there are no legal reasons preventing the Cabinet Member for Council Housebuilding, Placemaking and Development from approving the recommendations in this report.

9.4 Equality

This report seeks approval to extend an existing contract to enable additional works to be carried out to enable the demolition of Tangmere.

Having reviewed the Council's Equality Impact Assessment (EQIA) guidance, the need for an EQIA is not considered necessary, as an assessment was carried out and included in Section 6.9 of the original Cabinet Report dated January 2022.

8 Use of appendices

8.2 Exempt Report

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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