

Report for: Cabinet 15 September 2020

Title: Imperial Wharf Estate – External Major Works

Report authorised by: David Joyce, Director of Housing, Regeneration and Planning

Lead Officer: Lee Whitby, Capital Works Delivery Manager, Homes for Haringey

Ward(s) affected: Springfield Hackney

Report for Key/

Non Key Decision: Key decision

1 Describe the issue under consideration

- 1.1 This report requests Cabinet approval for the award of a contract to contractor A to carry out external major works on the Imperial Wharf Estate. This will be for the sum of £4,200,594.50 and once the works are completed, will bring the homes on the estate to up to the Decent Homes Standard.
- 1.2 The report also requests Cabinet approval for the issue of a letter of intent to the preferred contractor. This will be for an amount up to, but not exceeding, £420,059.45. This represents 10% of the contract sum.
- 1.3 It is further recommended that Cabinet approves the professional fees of £323,277.75. which represents 7.7% of the contract sum.
- 1.4 Details of the successful tenderer are outlined in appendix A (exempt information) of the report.

2 Cabinet Member introduction

- 2.1 The proposed works to Imperial Wharf will bring all homes on the estate up to the full Decent Homes Standard as well as ensure compliance with current fire and building regulations. The overall project will contribute to helping to achieve the Borough Plan objectives for housing which include delivering Decent Homes, ensuring all homes are safe and improving resident satisfaction, as set out in more detail in section 10 of the report.
- 2.2 In addition, following extensive consultation with residents, residents will benefit from an improved estate environment that includes designing out crime measures to tackle anti-social behaviour. The aim for this project is to achieve the Silver Award which is a Police initiative that recognises physical security standards have been incorporated into works to prevent crime and anti-social behaviour. The Designing Out Crime Team will attend site to inspect and sign off each block and on successful completion of the works, the Imperial Estate will achieve the Silver Award. The Award will be presented by the Metropolitan Police Designing Out Crime Officer.

3 Recommendations

- 3.1 Pursuant to the Council's Contract Standing Order (CSO) 9.07.1(d), for Cabinet to approve the award of a contract of £4,200,594.50 to the preferred contractor identified in exempt Appendix A for the installation of flat roof covering, windows, resident and main entrance communal doors, external brickwork repairs, fire protection works, redevelopment of children play area and associated estate improvements. This will incorporate the communal internal and external areas of the Imperial Wharf Estate as follows: 228 -270, 304-346 & 378-442 Craven Park Road, 1,2,3,5,6,7,8, 32-51 Maple Close.
- 3.2 For Cabinet to approve the issue of a letter of intent for an amount of up to, but not exceeding £420,059.45, which represents 10% of the contract sum.
- 3.3 For Cabinet to approve the total professional fees of £323,277.75, which represents 7.7% of the contract sum.
- 3.4 For Cabinet to note the total project costs of £4,523,872.25.

4 Reasons for decision

- 4.1 Homes for Haringey requires Cabinet approval to award the contract for the installation of flat roof covering, windows and rear door replacement, resident front entrance doors and main entrance communal doors, external brickwork and concrete repairs, fire protection works, drainage repairs, internal and external decorations, emergency lighting, bins store and recycling storage, resurface walkway and upstands, replacement of paving to identified areas redevelopment of the children's play area, landscaping and associated estate improvements. This will incorporate the communal and external areas of the Imperial Wharf Estate. This will enable essential safety works to commence and the estate to be brought up to the Decent Homes Standard.
- 4.2 The tender process was carried out in accordance with the framework requirements that incorporate price and quality. The successful compliant bidder scored the highest in relation to these criteria in the associated lot 1.1B.

5 Alternative options considered

- 5.1 An alternative option would be for Homes for Haringey to use third party industry frameworks or an OJEU compliant tender process to deliver the construction works to the Imperial Wharf Estate. Homes for Haringey sought support and advice from Haringey Strategic Procurement and determined the London Construction Programme framework as being the optimum route to the market. This was due to the speed of access to quality-checked contractors and focus on companies that focus their resources in the local area.

- 5.2 A do-nothing option would mean the Council is not able to deliver external capital investment works to bring the estate up to the Decent Homes Standard, in accordance with the Asset Management Strategy 2018-23.

6 Background information

- 6.1 Hackney Council own the land for the properties on Imperial Wharf Estate. Craven Park Road and Maple Close form part of Imperial Wharf Estate. The properties listed in 3.1 of this report are owned and managed by Haringey Council. This is the result of a change to the borough boundary between Haringey Council and Hackney Council following a review by the Local Government Boundary Commission for England, which was enacted in 1994.
- 6.2 Imperial Wharf Estate was taken out of the Decent Homes programme, pending consideration of alternative options for meeting the investment needs of the estate. This included potential transfer to a Registered Social Landlord or Redevelopment. During this period, essential repairs and maintenance works only were undertaken to the estate. When none of the aforementioned proved viable, the Council requested Homes for Haringey put the estate back into the programme to receive the full Decent Homes Standard of works that are applicable to the rest of the stock in the borough.
- 6.3 Homes for Haringey commissioned consultants Ridge and Partners LLP, to carry out intrusive condition surveys to identify all condition needs for each block on the estate. It was determined that the components listed in section 4.1 of this report are beyond economical repair.
- 6.4 The residents have raised concerns regarding antisocial behaviour around the estate and expressed the need to feel safe in their homes.
- 6.5 In order to address the issue, Homes for Haringey arranged for a site walkabout with the Metropolitan Police Designing Out Crime Team on 29 November 2019. They have provided their recommendations to help achieve a safe environment for the residents on the estate.
- 6.6 One of the recommendations is to reduce the size of the children's play area and introduce a Multi-Use Games Area (MUGA) next to the play area to allow older siblings to participate and monitor younger siblings.
- 6.7 On completion of the refurbishment works, all the recommendations of the Metropolitan Police will be checked and signed off by the Designing Out Crime Team. This will lead to 'Silver Accreditation' for the Imperial Wharf Estate. This is a Police initiative which recognises that physical security standards have been incorporated into works to prevent crime and anti-social behaviour.
- 6.8 As the Landlord, the Council has a statutory and legislative duty to maintain the housing stock to a good state of repair. Therefore, to undertake these works would help to resolve the concerns raised regarding the lack of investment needed to achieve the required Decent Homes Standard for the Imperial Wharf Estate.

6.9 The project details are as follows:-

Number of dwellings in project	135 units
Anticipated start on site	December 2020
Anticipated completion	December 2021
Contractor	Details in Appendix A (exempt report)

6.10 The projects under consideration will be managed, designed and cost managed by Ridge and Partners and Homes for Haringey.

6.11 There has been a delay in progressing the project in respect of the original planned programme. This is because the original scope of works was expanded to include estate improvement works, following consultation with Ward Members and the Resident's Association.

6.12 Tenders were subsequently invited in April 2020.

7 Consultation

7.1 Residents and key stakeholders, including Ward Members, have been consulted about these works. Letters were sent to all the affected residents on 30 January 2019 and 21 February 2019.

7.2 The project team (Homes for Haringey and Ridge and Partners) met with the Imperial Wharf Resident's Association and the Metropolitan Police Designing Out Crime Team on 29 November 2019. Directly after the meeting, Homes for Haringey carried out a site walkabout with the attendees of the meeting.

7.3 A follow up meeting with Stakeholders was held on 17 April 2019 to report on progress. The meeting discussed the proposed design, the project timetable and the next course of action.

7.4 The project team held a meeting with the Resident's Association on 13 January 2020. They were advised on the proposed plans and delivery process which further outlined the project timetable, proposed design and the next steps.

7.5 A follow up consultation meeting was held on 12 February 2020 which consisted of two drop-in sessions.

7.7 A letter was subsequently issued to residents that did not attend the meetings to update them on progress with delivery of the proposed works. All meetings and letters were supported by a Turkish interpreter/ translator because this is the most spoken second language on the estate.

7.8 The drop-in session arranged on 19 March 2020 was cancelled due to COVID-19. All meetings and letters were supported by a Turkish

interpreter/translator as this is the most commonly spoken second language on the estate

8 Leasehold implications

- 8.1 There are 38 leasehold properties affected by the works described in this report.
- 8.2 Under the terms of their lease, the lessee is required to make a contribution towards the cost of maintaining in good condition the main structure, the common parts and common services of the building. Such contributions are normally recovered by the freeholder through the lessees' service charge account.
- 8.3 In accordance with the Service Charges (Consultation Requirements) (England) Regulations 2003, under schedule 4 Part 2, the statutory Notice of Intention to do Works was issued on 30 July 2020 inviting observations on the works and nomination of an alternative contractor by 1 September 2020. No observations were made, and no alternative contractor was nominated.
- 8.4 The statutory Notice of Estimates was issued on 30 July 2020 inviting observations on the estimates by 1 September 2020. A Schedule of observations made, and officer responses, appears at Appendix C.
- 8.5 The total amount estimated to be recovered £944,518.11.
- 8.6 It is acknowledged that the contribution required will be of concern to the lessees and in view of this, Homes for Haringey's Leasehold Services team have agreed to look into the major works payment options.

9 Conservation areas

- 9.1 None of the properties in this project are within conservation areas.

10 Contribution to strategic outcomes

- 10.1 This project will help to achieve the Borough Plan Outcome 3: 'we will work together to drive up the quality of housing for everyone'. This will include contributing to delivering the following objectives: -
 - Improve the quality of Haringey's Council housing, including by ensuring that a minimum of 95% of homes meet the Decent Homes Standard by 2022.
 - Improve residents' satisfaction with the service they receive from Homes for Haringey to be in the top quartile for London (78%) by 2022.
 - Ensure safety in housing of all tenures across the borough, responding to any new regulations as they emerge.

Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

11 Finance

11.1 This scheme is part of the wider external works programme scheduled for 2020/21. The External Works Programme budget was approved by Full Council in February 2020.

11.2 The cost of this scheme, including professional fees, is estimated at £4.52m and projected to be spent as shown below: -

Financial year	Works	Fees	Total
Up to 31/03/2021	£1,000,000	£90,000	£1,090,000
2021/2022	£3,200,594	£233,277	£3,433,871
Total	£4,200,594	£323,277	£4,523,871

11.3 The projected expenditures of £1.09m in 2020/21 and £3.43m in 2021/22 are all contained in the Capital Works Programme 2020/21 budget and 2020/21-25 MTFS.

11.4 The named contractor was selected following a tender and evaluation process based on price (60%) and quality (40%).

11.5 It is estimated that a total of £0.945m will be recovered from leaseholders as their contribution to the cost of the works.

12 Procurement

12.1 Pursuant to the Council's Contract Standing Order (CSO) 9.07.1 (d). Strategic Procurement support this award through the use of London Construction Programme Major Works framework under housing lot 1.1B.

12.2 This award is in compliance with clause 7.01b of the Contract Standing Orders.

13 Legal

13.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.

13.2 The terms of the Council's standard right to buy lease permit recovery of a proportion of the cost of these works from leaseholders, subject to compliance with the consultation requirements set out in the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the statutory provisions").

- 13.3 The liability of those of the leaseholders who purchased on the terms of the Council's older right to buy lease is limited (with exceptions) to contributions to the cost of those works broadly constituting repair; those under the current form of lease are required also to pay a contribution towards improvements.
- 13.4 The statutory provisions set out a two-stage process for consultation with leaseholders, the first setting out the proposed works and inviting comments thereon and nomination of a contractor from whom to seek an estimate, and the second, after obtaining estimates, setting out estimates and inviting comments; in each case the leaseholder is to be given a minimum of 30 days to respond. The Council must have regard to any comments made, and obtain an estimate from a nominated contractor if one (or more) is nominated.
- 13.5 Where the Council decides to award the contract to a contractor who did not submit the lowest estimate, it must within 21 days of entering into the contract serve a further notice on leaseholders stating its reasons for awarding the contract, and summarising any observations received at the second stage of consultation and its response to them.
- 13.6 Details of the Council's compliance with those provisions are set out in the body of this report under "Leasehold Implications". Legal Services were consulted on and approved the form of the notices served.
- 13.7 Strategic Procurement have confirmed the proposed award of contract is in accordance with the rules of the LCP Major Works Framework.
- 13.8 The Assistant Director of Corporate Governance sees no legal reasons preventing Cabinet from approving the recommendations in the report.

14 Equality

- 14.1 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.
- 14.2 The three parts of the duty apply to the following protected characteristics: Age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.
- 14.3 The decision will primarily impact residents living in properties managed by Homes for Haringey, among whom women, people with disabilities, and BAME people are overrepresented. There is no indication that this decision

will result in any foreseeable negative impacts on any individual or group that shares the protected characteristics.

- 14.4 As a body carrying out a public function on behalf of a public authority, the contractor will be required to have due regard for the need to achieve the three aims of the Public Sector Equality Duty, noted above. Arrangements will be in place to monitor the performance of the contractor and ensure that any reasonably possible measures are taken to address any issues that may occur and may have a disproportionate negative impact on any groups who share the protected characteristics.

15 Use of Appendices

15.1 Appendix A: Exempt information.

15.2 Appendix B1-4: Imperial Wharf Estate map.

15.3 Appendix C: Summary of observations received from leaseholders.

16. Local Government (Access to Information) Act 1985

16.1 Asset Management Strategy 2018-23

<https://www.homesforharingey.org/repairs-and-maintenance/major-works>

16.2 In February 2018 Cabinet agreed to appoint Ridge and Partners LLP as multi-disciplinary professional consultants

Award of contract for multi-disciplinary professional services

<http://www.minutes.haringey.gov.uk/documents/s99594/>