

Report for: Cabinet – 18 January 2022

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

Report

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Lead Officer: David Sherrington, Director of Broadwater Farm, Homes for Haringey

Ward(s) affected: West Green

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1. In 2018 Cabinet agreed, following consultation with residents, to demolish the Tangmere block following the identification of structural defects within the block.
- 1.2. Since this date officers have been working with secure tenants and leaseholders to find alternative secure tenancies within the borough or acquire their properties respectively. This work was concluded in December following the acquisition of the remaining leasehold interests.
- 1.3. In parallel to the rehousing work, officers have been working with residents and stakeholders on designs for new homes on the estate, and in December Cabinet approved officers to ballot residents on the proposed design. The ballot will take place in February. Subject to a successful yes vote, a planning application will be submitted in March.
- 1.4. This report seeks approval to award a contract for the demolition of the Tangmere block on the Broadwater Farm Estate to Tenderer A, following a compliant competitive tender process. The value of this contract is 2,043,115.00.
- 1.5. The demolition is required to allow a start onsite of phase one of the new homes programme later in 2022/2023. The demolition is anticipated to take 10-12 months.

2. Cabinet Member introduction

- 2.1. As a cabinet we are committed to providing a high standard of accommodation for council tenants throughout the borough. Following the identification of the structural issues in Tangmere, we consulted residents on the options and overwhelmingly residents were in favour of demolishing Tangmere and re-providing new, high quality council homes.
- 2.2. We have ambitious plans for Broadwater Farm and replacement of homes being lost through demolition, much of which was set out to Cabinet in December 2021 and will be tested with residents through a ballot process in February 2022.

- 2.3. The demolition of the block is a key step toward the realisation of our ambitions and we are committed to undertaking these works in close collaboration with residents and local stakeholders.

3. Recommendations

Cabinet is asked:

- 3.1. Pursuant to Contract Standing Order (CSO) 9.07.1(d), to approve the award of a contract to Tenderer A for demolition services (as described in the report) for the sum of £2,043,115.00.
- 3.2. To agree an additional contingency budget, as detailed in the exempt report, along with provisional sums, as detailed in the exempt report, in addition to the agreed contract sum for any unforeseen costs arising from the demolition works.
- 3.3. To agree a sum, as set out in the exempt report, for professional fees in relation to Ridge and Partners LLP.

4. Reasons for decision

- 4.1. The demolition of Tangmere was, following consultation with residents, agreed by Cabinet in November 2018. Since then, officers have worked to re-house secure tenants in the block and acquire leasehold interests. This was completed in December 2021 and the block is now vacant.
- 4.2. The building has 24-hour manned security which is costing the Council a significant amount every month, along with other costs associated with keeping an empty building. Timely award of contract and demolition will therefore reduce costs and liabilities for the Council.
- 4.3. Detailed and comprehensive surveys of the block have been undertaken, including asbestos and structural surveys, to ensure that an accurate price can be obtained from contractors and reduce the risk to the Council.
- 4.4. A compliant tender process has been undertaken via The London Construction Programme (LCP) DPS – Minor Works Framework. Five compliant bids have been received and quantitative and qualitative analysis has been undertaken by Officers and supported by Ridge & Partners LLP acting as Project Managers. The winning bid was fully compliant with requirements, scored highly on the quality submission and had the lowest price.

5. Alternative options considered

- 5.1. The option around the timing of these works could be considered – in as much as the demolition could be combined with the new homes programme.
- 5.2. It was agreed that the demolition contract will form a standalone project for the following reasons:

- All residents have been decanted and the cost of maintaining security and managing the health and safety risks proved prohibitive.
 - The new homes programme was not at an advanced stage to enable the Council to meet its commitment to residents to demolish the block, therefore a standalone project was required to maintain programme
 - A standalone demolition programme will enable the Council to engage a specialist contractor to remove hazardous materials and disconnect utilities, which will ultimately de-risk the site when handing over the development contractor
- 5.3. In view of the above, the recommended option is to award a separate contract for the demolition of Tangmere.

6. Background

Demolition decision

- 6.1. The Tangmere block is a six-storey housing block constructed in the early 1970s using a Large Panel System (LPS) method of construction. In 2018, following detailed structural surveys, it was found that the building was not compliant with safety regulations. 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.
- 6.2. In June 2018 Cabinet agreed that the preferred option would be to demolish the building and replace it with new council homes. This decision was confirmed at the November 2018 Cabinet following consultation with residents.

The rehousing programme

- 6.3. In total 88 secure tenants have been rehoused from Tangmere in alternative secure council accommodation in the borough. All secure tenants have the right to return to new council homes once they are built.
- 6.4. In total 25 leasehold interests have been acquired in Tangmere. The Council secured a Compulsory Purchase Order for the block in November 2021 although CPO powers were not required as all mutual agreement was eventually reached with all leaseholders. Resident leaseholders retain the right to return to new homes once they are built.
- 6.5. The Broadwater Farm rehousing team are in contact with former residents of the Tangmere block to ensure they are aware of the progress to build new homes and their options to return should they wish to do so.

New and replacement homes

- 6.6. In December 2021 Cabinet approved a report setting out the high-level principles for new homes on the estate and the Urban Design Framework for the estate.

- 6.7. This followed 16 months of engagement work with local residents and stakeholders to develop designs for almost 300 new homes on the estate.
- 6.8. Procurement for a contractor to deliver new homes is underway and subject to a yes vote, Cabinet will approve a Pre-Contract Services Agreement with a contractor to develop the scheme with a full contract award and start on site anticipated in the Autumn of 2022.
- 6.9. New homes delivery is phased to take account of other works across the estate. Phase one includes the Moselle School, Tangmere and Medical Centre sites.
- 6.10. Phase two includes the Northolt, Stapleford North, and Enterprise units sites.
- 6.11. Demolition of the old Moselle school was completed in November 2021 ensuring that we have a cleared site for the start of works in late 2022.

Resident ballot

- 6.12. Under GLA guidelines, in order to receive GLA funding toward replacement homes Local Authorities are required to ballot residents on the future options for their homes.
- 6.13. Due to the safety concerns in Tangmere, a decision was made to start to decant process and make an application to the GLA for an exemption from the ballot requirements.
- 6.14. The ballot exemption was granted by the GLA, although the Council made a commitment to hold a ballot with affected residents regardless to ensure the proposals for new homes on the site had resident support. The ballot is seeking resident support for the designs of new homes, and the demolition of the building will progress regardless of the outcome.
- 6.15. The ballot is scheduled to take place in February 2022.

Tender Process & Selection of Contractor

- 6.16. Ridge and Partners LLP were appointed via Haringey's Multi-Disciplinary Professional Services Framework to undertake Project Management, Cost Consultancy and Principal Designer services, as well as various surveys including Mechanical and Electrical, structural and transport, to support the procurement of a demolition contractor.
- 6.17. Ridge & Partners LLP undertook initial market testing and cost analysis to obtain a cost estimate for the demolition. The total cost, including preliminaries, overheads, and asbestos removal, was estimated to be between £3,000,000 & £3,500,000.
- 6.18. Following the completion of all surveys and preparation of tender documentation, a tender was issued by Strategic Procurement officers via The London Construction Programme (LCP) DPS – Minor Works Framework. The initial tender period closed on 05 May 2021, however the Council commissioned R&D Asbestos Surveys to de-risk the project, for which the bidders were invited to

submit revised costs. Costs were received on 16 December 2021, and five contractors returned compliant bids, and the results are shown in Section 4.24 of the report.

- 6.19. A detailed tender analysis has been undertaken by Ridge and Haringey officers. The returned tenders were assessed based on price (50%) and quality (50%). Project Officers undertook analysis of the qualitative returns and provided scores for each. These were then moderated by the Procurement Officer. The quantity surveyor from Ridge carried out analysis of the pricing information and sought clarifications from tenderers where necessary. Review and scoring of the contractor's methodology were undertaken by the Ridge structural engineer.
- 6.20. A summary of the resulting tender scores is presented in the exempt section of this report. The winning bidder was Tenderer A.
- 6.21. Tender results are as follows:

Tenderer	Tender Price	Qualitative	Quantitative	Score
A	£2,043,115.00.	33.0%	50.0%	83.0%
B	£2,627,960.74	39.0%	41.5%	80.0%
C	£3,287,289.25	41.5%	34.8%	76.3%
D	£3,551,131.91	41.5%	32.7%	74.2%
E	£3,474,388.42	38.5%	33.2%	71.7%

Social value

- 6.22. As part of the tender process, the Council set out a range of questions to assess the social value commitment of each contractor. The social value element had an overall weighting of 10% within the evaluation.
- 6.23. The project team will work with colleagues and Economic Development to ensure that social value commitments are realised through the course of the contract.

Construction Management plan (CMP)

- 6.24. Once a contract is awarded, the successful contractor will be required to produce a construction management plan.
- 6.25. The purpose of this plan is to set out how the contractor will seek to minimise the impact of their works. It will include the following areas:
- Community liaison
 - Traffic management
 - Site setup and welfare
 - Pedestrian management

- Environment including noise control, dust suppression, air pollution and vibration control
- 6.26. The CMP will take account of all relevant legislation related to the demolition of buildings.
- 6.27. The CMP will be developed in consultation with local residents and stakeholders.
- 6.28. The CMP will need to take account of the emerging Low Traffic Neighbourhood plans and discussions have already started with Transport officers on these issues.

Programme

- 6.29. The demolition works are anticipated to take a maximum of 52 weeks to complete.
- 6.30. A detailed programme of works will be developed by the contractor once appointed and will be shared with residents and stakeholders.

Environmental impact

- 6.31. A pre-demolition audit is included within the scope of services for the demolition contractor. This audit will be used to determine what from the building can be re-used, re-cycled or left in-situ.

Communications and engagement

- 6.32. The process of demolition of the Tangmere block will be disruptive to local residents and those in surrounding streets.
- 6.33. A detailed communications and engagement plan will be developed once the contractor is appointed to ensure the appropriate work is undertaken ahead of the demolition works proceeding. Much of this communication and engagement will be based on the construction management plan, as described in section 4.28 - 4.31.
- 6.34. This plan will include open meetings, targeted communications and ongoing resident liaison throughout the works.
- 6.35. We will also engage and work with the local school and children's centre, and other local stakeholders on the estate, to ensure the impact of the demolition is mitigated as far as is practicable.
- 6.36. Due to amount of waste materials that will be removed from site, engagement will also be required with residents on surrounding streets. Once the Construction Management Plan is complete, we will understand which streets will be most impacted allowing for targeted engagement to take place.

Site security

- 6.37. The building is currently secured and manned with 24-hour security to prevent unauthorised access. Once the contract is awarded, the contractor will take

possession of the site and will be responsible for ensuring the site remains secure.

Demolition methodology

- 6.38. Although the precise detail of the methodology sits with the contractor, structural engineers from Ridge and Partners established through the tender the documentation the broad parameters on the approach to be taken.
- 6.39. Although described as demolition, the actual process will be deconstruction, with the panel system being dismantled and the building propped appropriately while panels are removed and lifted to ground floor level.
- 6.40. Dust suppression will be used to minimise dust and the building will be wrapped to reduce the release of dust into the wider atmosphere.

Timetable – demolition and new homes

- 6.41. The following section sets out key milestones for the Broadwater Farm Improvement programme:
- 6.42. January 2022 – Demolition contract awarded
- 6.43. February 2022 – Estate ballot
- 6.44. March 2022 – opening of decant and acquisition of leasehold interests for Stapleford North (flats 25-36 and 61-72 only) (subject to a yes vote)
- 6.45. March 2022 – Tangmere demolition starts on site
- 6.46. Autumn 2022 – contract award and start on-site for new homes (Moselle School site first)
- 6.47. Early 2023 – Tangmere demolition completed
- 6.48. Early 2024 – first new homes in phase one completed (Moselle School site)

7. Contribution to strategic outcomes

- 7.1. The Broadwater Farm programme 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"): 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.

8. Statutory Officers comments

Finance

- 8.1. The demolition contract is for a sum of £2.04m. This does not include contingency fees and professional fees.
- 8.2. There is provision in the Broadwater Farm capital programme budget for this sum.
- 8.3. Further finance comments are found in the Exempt report.

Strategic Procurement

- 8.4. Strategic Procurement confirms the procurement have been undertaken in line with the authorities Contract Standing Orders and the Public Contract regulations. Strategic Procurement approve the award of contract to Tenderer A for a period of two years and for the value of £2,043,115.00.
- 8.5. The value for money is demonstrated by reduced procurement costs (using council's DPS framework v/s OJEU advertised tender). The tender opportunity went out to 49 contractors under the 'Demolition' category of which we received six submissions. Erith Contractors were eliminated from the process, as their submission was non-compliant. Five compliant bids were assessed against the published evaluation criteria for quality and price and Tenderer A was successful under the 'MEAT' (most economically advantageous tender) criteria.

Legal

- 8.6. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 8.7. The contract which this report relates to has been procured under The London Construction Programme (LCP) DPS – Minor Works Framework. This is compliant with procurement legislation.
- 8.8. Pursuant to Contract Standing Order 9.07.1(d) Cabinet has authority to award contracts valued at £500,000 or more.
- 8.9. The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet from approving the recommendations in the report.

Equality

- 8.10. '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 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 apply 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.

There are several EQIAs that have been completed which relate to this decision. These are:

- June 2018 - Approve consultation on demolition:
<https://www.minutes.haringey.gov.uk/ielssueDetails.aspx?Ild=62998&PlanId=0&Opt=3#AI58198>.

- November 2018 - Approval of Demolition:
<https://www.minutes.haringey.gov.uk/ielIssueDetails.aspx?Ild=63663&PlanId=0&Opt=3#AI58796>.
- Oct 2020 - CPO:
<https://www.minutes.haringey.gov.uk/ielIssueDetails.aspx?Ild=71378&PlanId=0&Opt=3#AI65938>.
- July 2021 - Stapleford Consultation:
<https://www.minutes.haringey.gov.uk/ielIssueDetails.aspx?Ild=76048&PlanId=0&Opt=3#AI69147>.
- September 2021 - Stapleford Demolition:
<https://www.minutes.haringey.gov.uk/ielIssueDetails.aspx?Ild=76699&PlanId=0&Opt=3#AI69733>
- December 2021 – approval of designs for new homes, Landlord offer and ballot programme
<https://www.minutes.haringey.gov.uk/mgAi.aspx?ID=70587#mgDocuments>.

The first five EQIAs consider the impact of rehousing and subsequent demolition on residents. The last EQIA considers the overall impact of the programme, including the impact of demolition and rebuilding works.

The EQIAs identified that demolition could have particular impacts to those with disabilities, elderly residents and those who are pregnant. This is due to changes required to access routes, the impact of dust and noise, and other associated impacts caused by major works. The EQIA highlights the mitigations that will be put in place to avoid any disproportionate impact. This includes:

- Ensuring the appointed contractor sets out a plan for engaging with and informing residents of the works and the impact of these.
- Working with contractors and residents to ensure that the works are phased thoughtfully and access routes are re-provided where necessary to minimise disruption.
- Ensuring there are mitigations in place such as dust suppression and noise reduction.
- Ensuring contractors work during the hours of the day that will cause the least disruption, including consideration of things such as traffic flows caused by the school run.

To ensure that these mitigations are in place, the contractor will be required to have dedicated resident engagement support for residents to contact and the council will work closely with residents to ensure their concerns are fed back to contractors, including through use of the Independent Tenant and Leaseholder Advisor on the estate.

As an organisation carrying out a public function on behalf of a public body, the Contractor will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the major works does not result in any preventable or disproportionate inequality.

9. Use of appendices

9.1. None.

10. Local Government (Access to Information) Act 1985

10.1. The background papers relating to this report are:

Cabinet Meeting June 2018 - Approve consultation on demolition:
<https://www.minutes.haringey.gov.uk/ielssueDetails.aspx?Ild=62998&PlanId=0&Opt=3#AI58198>

Cabinet Meeting November 2018 - Approval of Demolition:
<https://www.minutes.haringey.gov.uk/ielssueDetails.aspx?Ild=63663&PlanId=0&Opt=3#AI58796>

Cabinet Meeting July 2020 - Acquisition Strategy:
<https://www.minutes.haringey.gov.uk/ielssueDetails.aspx?Ild=70641&PlanId=0&Opt=3#AI65204>

Cabinet Meeting Oct 2020 - CPO:
<https://www.minutes.haringey.gov.uk/ielssueDetails.aspx?Ild=71378&PlanId=0&Opt=3#AI65938> Cabinet Meeting