

**Report for:** Cabinet Member Signing

**Title:** Tangmere demolition contract extension

**Report Authorised by:** David Joyce, Director for Placemaking and 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 in the sum of £900,000.00. The contract extension is required following the Grade II Listing of the Mosaic Mural, and the need to reprogramme the works to comply with the Listed Building Consent to carefully remove and relocate the Mural.

**2. Cabinet Member introduction**

2.1. Not applicable

**3. Recommendations**

It is recommended that the Cabinet Member for Council Housebuilding, Placemaking, and Development:

3.1. Pursuant to CSO 10.02.1 (b) and 16.02 approves the extension of the original contract in the sum of £2,043,115.00 due to complete end of March 2023, and approves an additional sum of £900,000.00 to be added to the contract for a period up to the end of September 2023.

3.2. Agrees the total cost contained within the exempt report.

**4. Reasons for decision**

4.1. The extension of the contract will enable the demolition contractor to reprogramme the works to Tangmere for the careful removal and storage of the Grade II Listed Mural.

4.2. Upon removal of the Mural, the demolition programme will continue, with a view of completing the works by September 2023 to make the site ready for the Council's New Homes Programme.

**5. Alternative options considered**

5.1. **Do nothing** – unless the Grade II Listed Mural is removed, 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 and continue with the 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 completion date of March 2023.
- 6.3. On 13 September 2022, Historic England notified the Council that they received an application to list the Mosaic Mural on Tangmere.
- 6.4. It was understood that if the listing was approved; the demolition programme will need to be adjusted to account for the time delay in having to draft and submit an application for Listed Building Consent (LBC) to remove the Mural.
- 6.5. It was also recognised that in the event of the listing, the Council will need to quickly mobilise a team to manage the submission of the LBC. The team will comprise a conservation consultant from Historic England's approved list of contractors, an architect, a planning consultant, and an expert to draft the heritage statement to accompany the LBC.
- 6.6. On 05 October 2022 Historic England notified the Council that they approved the application, and the Mosaic Mural received a Grade II Listing.
- 6.7. As agreed with Historic England, the Council mobilised a team of consultants to draft and submit the LBC to remove, restore and re-erect the Mural.
- 6.8. The LBC was drafted and submitted for consideration at the December 2022 Planning Committee. The Application was supported by Historic England and the Local Planning Authority.
- 6.9. The Planning Committee agreed to grant Listed Building Consent for the removal, restoration, and re-erection of the Mural.
- 6.10. The Listed Building Consent came with several Planning Conditions. The main one being the works to remove the Mural must be completed by the end of April 2023. This date reflected the outline programme that was approved by Historic England and submitted with the LBC Application.
- 6.11. Upon receiving LBC consent, the demolition contractor was instructed to work with DBR Conservation Limited – one of Historic England's approved contractors, to agree on the best approach for dismantling the Mural.
- 6.12. It was agreed that major structural works are required to provide support for the existing building to safely dismantle the Mural.
- 6.13. Structural works include erecting a temporary scaffolding and working platform around the Mural, along with commissioning specially designed cutting equipment and a crane to lift the Mural off the building and placing the sections in storage.
- 6.14. The contractor considered the activities for removing the Mural and provided an updated programme and cost for the works. The costs have been reviewed and

verified by Ridge and Partners – the external cost consultants working on the demolition programme.

- 6.15. The updated costs submitted by the demolition contractor is in the sum of £900,000.00, and include all physical activities for the works, along with the cost of reprogramming the activities.
- 6.16. To meet the Planning Condition to remove the Mural by the end of April 2023, the demolition contractor will need to mobilise to start the works no later than the end of February or early March 2023. Therefore, this report seeks approval to extend the current demolition contract to enable removal of the Mural to comply with the Planning Conditions stipulated at the December 2022 Planning Committee.
- 6.17. In addition to the works identified under this contract extension, it should be noted that other works are required for the removal, restoration, and re-erection of the Mural.
- 6.18. A Delegated Authority Report has been approved in the sum of £350k. This is to commission a specialist contractor to carry out pre-start surveys and works to enable the removal of the Mural. The works will include assisting with the discharge of planning condition, protection, and careful removal of mosaic tiles to enable diamond cutting of the Mural and monitoring the taking down and placing the cut sections into storage. This contractor will also carry out the restoration works when the Mural is in storage and make the artwork ready for re-erection on another block on the BWF Estate.
- 6.19. Other works to comply with the Listed Building Consent include the design and construction of the temporary storage unit to house and restore the Mural. Procurement is currently assisting with seeking competitive tenders for this work, with Ridge and Partners LLP supporting the design and cost management for the project. A pre-tender estimate for the storage unit is £300k. The temporary storage unit will likely be in place for 18 months i.e., until the Mural is re-erected on another block.
- 6.20. There will also be costs associated with re-erecting the Mural. The scope for these works has yet to be identified, however initial estimates suggest a figure of circa £700k. Efforts will be made to ensure the Council receives value for money for this work, therefore there are proposals to incorporate this into the main refurbishment programme, rather than delivering as a standalone project.
- 6.21. To support the delivery of the removal and re-erection of the Mural, we are exploring the possibility of external funding, and will seek to identify potential sources with Historic England and other organisations.
- 6.22. The spend profile for the extended contract sum will be as follows:

Broadwater Farm Estate Tangmere Demolition and Mural Removal Spend Profile								
March 2023	April 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Sept 2024	Total
£180,000	£130,000	£150,000	£150,000	£100,000	£90,000	£50,000	£50,000	<b>£900,000</b>

## Demolition decision

- 6.23. Subject to approval by the Cabinet Member for Council Housebuilding, Placemaking, and Development, the demolition contractor will be notified that the contract has been extended, and they can commence mobilising to dismantle the Grade II Listed Mural on Tangmere.
- 6.24. The Contractor will also be made aware that the works must be carried out in accordance with the Planning Conditions agreed at the December 2022 Planning Committee.

## 7. Contribution to strategic outcomes

- 7.1. The removal of the Mural will enable the block known as Tangmere to be demolished to 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. Statutory Officers comments

### 8.1 Finance -

This recommendation is informed by the additional works required to facilitate the dismantling, restoration and re-erection of the Mosaic Mural.

The additional cost of £900k, which includes a retention sum of £50k, will bring the total cost of the demolition contract to £2.94m.

The additional cost of £900k can be contained within the Broad water farm capital programme budget.

There are further costs implication as a result of the approval of listing of the Mosaic Mural by Historic England. Potential total cost is projected as shown below:

Initial Demolition Contract	£2.04m
Additional cost of demolition	£0.90m

Removal of Mural	£0.35m
Storage of Mural	£0.30m
Re- erecting of Mural	<u>£0.70m</u>
<b>Total Projected Cost</b>	<b><u>£4.29m</u></b>

Further reports seeking approval will be brought at a stage when these additional works are fully costed.

Further finance comments are contained in exempt report

## 8.2 Strategic Procurement

Although below threshold the variation to the contract is less than 50% of the awarded value and would cause significant cost and inconvenience if procured separately. So although below threshold it follows the spirit of Reg 72 of the Public Contracts Regulations and is compliant.

## 8.3 Legal

### Head of Legal and Governance (Monitoring Officer)

The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report. The works are below the threshold where the rules on modification of contracts as set out in Reg 72 of the Public Contracts Regulations 2015 apply. The variation is therefore governed by the Council's Contract Standing Orders.

Where the aggregate value of the contract and the variation is in excess of £500,000, the decision to approve the variation would ordinarily fall to Cabinet in accordance with CSO 10.02.1 (b) (contracts valued at £500,000 or more). In-between meetings of the Cabinet, the Leader may take any such decision or allocate to the Cabinet Member with the relevant portfolio (CSO 16.02).

The variation is a Key Decision and, as such, needs to comply with the Council's governance arrangements in respect of Key Decisions including publication in the Forward Plan.

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

## 8.4 Equality

This report seeks approval to extend an existing contract to enable additional works to be carried out to remove the Mural on 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.

**9 Use of appendices**

Exempt Appendix 1

**10 Local Government (Access to Information) Act 1985**

This report contains exempt and non-exempt information. Exempt information is contained in the exempt report (Appendix 1) and is not for publication. The exempt information is identified in the amended schedule 12 A of the Local Government Act 1972, under category (3), information in relation to the financial or business affairs of any particular person (including the authority holding that information).