

MINUTES OF THE CABINET MEMBER SIGNING HELD ON THURSDAY 25 JULY 2024, 4:00PM - 4:20PM

PRESENT: Councillor Ruth Gordon Cabinet Member for Placemaking, and Local Economy

In attendance: David Sherrington, Programme Director BWF and Nazyer Choudhury, Principal Committee Co-Ordinator

1. FILMING AT MEETINGS NOTICE

The Chair referred to the notice of filming at meetings and this information was noted.

2. APOLOGIES FOR ABSENCE

There were none.

3. URGENT BUSINESS

There were no declarations of interest.

4. DECLARATIONS OF INTEREST

There were none.

5. DEPUTATIONS / PETITIONS / QUESTIONS

There were none.

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

The Council was currently working on a transformative regeneration programme across the Broadwater Farm estate. In total, the Council had 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.

Construction work was supported by an ambitious set of socio-economic programmes. These aimed to better connect residents to each other, support residents into employment and training and maximise health and wellbeing outcomes.

The report sought authority to award a contract for Mechanical, Electrical and Public Health (MEPH) engineering services for the Broadwater Farm New homes programme which was a key component of the overall regeneration programme. By

awarding this contract, the Council would be able to complete RIBA stage four designs ahead of procuring a contractor to build the homes.

The Cabinet Member RESOLVED

That the Cabinet Member, 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.

Reasons for decision

In order to build new homes on the Broadwater Farm estate the Council needed to finalise designs ahead of appointing a contractor. The Council appointed a contractor last year to undertake the work but the contract was terminated following a failure to agree a build contract for the first phase.

While design and engineering work on phase one was completed and procurement for a build contractor was underway, design and engineering work for all future phases is required. In order to progress this, and to ensure the Council retained control over engineering design quality and design integrity, the Council was proposing to appoint a qualified Mechanical Electrical and Public Health consultant. Without this appointment, the Council was unable to progress the new homes scheme.

As part of the commission the consultant would 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.

The Council was 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.

Alternative options considered

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.

The Council could have sought to resource the work in-house. Unfortunately, the council did not have the resources in house to do this work. 5.3 The Council could have decided to not progress the scheme.

The Council had however committed to residents to deliver new homes and improvements to Broadwater Farm, so this option was discounted.

7. BROADWATER FARM - NORTHLAND STRIP-OUT CONTRACT

In line with Contract Standing Order (CSO) 16.02, the report sought 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 were designed to de-risk 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 would remove all risk items when handing over the building to the demolition contractor.

The Cabinet Member RESOLVED

1. In line with Contract Standing Order (CSO) 16.02, to approve the award of contract to Tenderer A (as set out in Appendix A of the report), to a total value of £725,345.00.
2. To 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 the report.
3. To 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.
4. To approve 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.

Reasons for decision

The regeneration of the Broadwater Farm Estate would 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 was demolished and the site cleared and ready for hand over to the appointed new homes contractor - the Council needed to ensure that all risks associated with the block and surrounding areas are removed. Therefore, it was suggested that the demolition was 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 allows for the physical dismantling of the block.

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

Alternative options considered

Do nothing was not an option as the strip-out works to Northolt was essential to remove asbestos and terminate all existing mechanical and electrical services to enable the block to be demolished. The works would 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.

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 was 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 was more favourable when a demolition project has been stripped and cleared prior to starting the demolition works.

It should also be noted that lessons had 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.

8. CONTRACT EXTENSION FOR THE DEMOLITION OF THE TANGMERE BLOCK, BROADWATER FARM ESTATE

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

The Cabinet Member RESOLVED

1. Pursuant to CSO 10.02.1 (b) and 16.02, approve 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.
2. A further contract extension is required in the sum of £580,000.00. This approval would 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. To agree the total cost contained within the exempt report.

Reasons for decision

The extension to the contract would 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.

The contract extension would 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 would continue with a view of completing the works by December 2024 to make the site ready for the Council's New Homes Programme.

Alternative options considered

Do nothing – unless the substation in Tangmere is decommissioned, the high and low voltage cables relocated and the new substation in Rochford was energised, the demolition of Tangmere cannot proceed. Therefore, the site would not be cleared to make way for the Council's New Homes Programme.

The only option available was 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.

9. EXCLUSION OF THE PRESS AND PUBLIC

Items 10, 11, 12 were subject to a motion to exclude the press and public be from the meeting as it contains 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.

The Cabinet Member considered the exempt information.

11. EXEMPT - BROADWATER FARM - NORTHLAND STRIP-OUT CONTRACT

The Cabinet Member considered the exempt information.

12. EXEMPT - CONTRACT EXTENSION FOR THE DEMOLITION OF THE TANGMERE BLOCK, BROADWATER FARM ESTATE

The Cabinet Member considered the exempt information.

CABINET MEMBER: Councillor Ruth Gordon

Signed by Cabinet Member.....

Date29 July 2024.....