

**Report for:** Cabinet Member Signing  
Cabinet Member for Council Housebuilding, Placemaking and Development

**Item number:** 6

**Title:** Broadwater Farm – Contract Extension for Northolt Strip-Out Contract

**Report authorised by:** Jess Crowe, Corporate Director of Culture, Strategy & Communities

**Lead Officer:** David Sherrington, Head of Estate Renewal

**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 10.02.1 (b) and 16.02, this report seeks approval to extend the Northolt Strip-Out Contract by the sum of £794,655.00. The contract extension is required following the decanting of the adjacent Stapleford North Block, and the works required to make the block ready for demolition. The demolition of Stapleford North will be included in the demolition of Northolt.

The extension of contract is also required for additional works not included within the original scope of works and therefore not allowed for within the contractor's tender sum. These works include the removal of asbestos and for the disconnection and removal of mechanical plant throughout the block.

**2. Cabinet Member Introduction**

- 2.1 Not applicable – Cabinet Member Signing

**3. Recommendations**

**It is recommended that:**

**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 contract in the sum of £794,655.00. The original contract was awarded for the sum of £725,345.00. Subject to the approval of the contract extension, the total approved sum will be £1.52m.
- 3.2 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 costs contained within the exempt report.

#### **4. Reasons for decision**

- 4.1 The extension to the contract will enable the strip-out works to continue to make the blocks ready for demolition by a specialist contractor.
- 4.2 The main demolition is programmed to commence from October - December 2025 and will include for the demolition of the Northolt and Stapleford North blocks.
- 4.3 It is essential that the strip-out works to both blocks are completed prior to the start of the main demolition programme, otherwise this could delay the works to demolish the blocks to make the site ready for the construction of 68 new homes.

#### **5.0 Alternative options considered**

- 5.1 Do nothing and programme the additional works as a standalone contract. This was considered but quickly discounted. The reason for this is because there is an incumbent contractor on-site, and procuring a separate contractor will not only delay the works, but render the current project incomplete and result in higher costs due to the procurement timeframe if another contractor was appointed to carry out the works.
- 5.2 The option to include the additional works as part of the main demolition programme was considered. Discussions with the design team directed the decision to include these works as part of the existing contract. This is because pre-market engagement with demolition contractors concluded that contractors would rather a project which has been de-risked i.e., made free from asbestos, mechanical and electrical services and all fixtures and fittings. 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 main demolition works.

#### **6.0 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 At the July 2024 Cabinet, it was agreed to award a contract for the strip-out of the block in the sum of £725,345.00.

- 6.3 The strip-out works commenced October 2024 with a proposed completion and end of defects date of August 2026.
- 6.4 Following a progress meeting held December 2024, it was noted that the original scope of works did not include for the removal of all the mechanical plant throughout the block. This was acknowledged by the Multi-Disciplinary Consultants responsible for drafting the specification and compiling the tender documents. They acknowledged their error and instructed the contractor to provide costs for these works.
- 6.5 It was also noted that the scope of asbestos removal within the tender documents did not identify the full scope of removal. This was also acknowledged by the Multi-Disciplinary Consultants and noted to be an error on their part. Therefore, they instructed the contractor to provide a cost for these works.
- 6.6 The financial impact of the errors made by the Multi-Disciplinary Consultants will be further discussed in Appendix A - Exempt Report.
- 6.7 In addition to the above, the Estate Regeneration Team have been working diligently with the remaining residents of the partially decanted block known as Stapleford North. This block sits alongside Northolt and shares the main entrance.
- 6.8 At the start of the strip-out programme to Northolt, Stapleford North was occupied. Therefore, it was not included within the strip-out works to Northolt, as the Estate Regeneration Team thought that a Compulsory Purchase Order (CPO) would be the only means of guaranteeing vacant possession.
- 6.9 As of 17 February 2025, the Estate Regeneration Team have made significant progress and assured the project team that full vacant possession of the block will be granted before completion of the works to Northolt. Therefore, to ensure the Stapleford North block is made ready for inclusion within the main demolition programme, the incumbent contractor has been instructed to include for the strip-out works to the block to make ready for demolition.
- 6.10 The incumbent contractor has provided costs for the removal of the mechanical plant, asbestos removal and for the inclusion of the strip-out works to Stapleford North. The Multi-Disciplinary Consultants carried out a comprehensive financial review of the rates and associated costs to ensure the value of the works are in line with the original tender. The Multi-Disciplinary Consultants concluded that under the terms of the JCT Standard Form of Design and Build Contract 2016 Edition Contract, the contractor's costs are in line with their original submission and therefore the additional costs for these works are said to be in the sum of £794,655.00.
- 6.11 The sum of £794,655.00 will pay for the following items not allowed for in the original scope of works:

- Removal of all mechanical plant within the Northolt and Stapleford North Blocks.
- Removal of all asbestos to the Northolt and Stapleford North Blocks.
- Strip-out all services, belongings, kitchens and bathrooms and carry out the full clearance and incorporate security measures and works to Stapleford North Block.

6.12 The projected spend profile for the extended contract sum of £794,655.00 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 i.e., all phases of the demolition programme. The table below shows the spend profile for the extended contract sum.

<b>Description</b>	<b>Year 1 (25/26) £'000</b>	<b>Year 2 (26/27) £'000</b>
BWF Northolt Strip-Out Programme	£774.655	£20

- 6.13 The additional spend of £794,655.00 for this extension of contract will be taken from the budget allocated for the phased demolition of Northolt. Details of the budget for the programme is shown in Appendix A - Exempt Report.
- 6.14 Subject to approval by the Cabinet Member for Council Housebuilding, Placemaking, and Development, the contractor will be notified that the contract has been extended in the sum of £794,655.00, and they can commence the reprogramming of the project to accommodate the additional works as identified and approved by the Multi-Disciplinary Consultants.

## **7 Contribution to strategic outcomes**

### **Broadwater Farm Programme contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes.**

- 7.1 The programme will contribute to the 'Responding to the Climate Emergency' theme in the Corporate Delivery Plan (CDP), presented to Cabinet on 17th January 2023. In particular, the ambition for a Low Carbon Place by achieving net zero emissions on the new homes programme on Broadwater Farm. It will also support Haringey's Climate Change Action Plan – which sets out how and why the borough will become net zero carbon by 2041.
- 7.2 The programme is part of the Council's broader Housing Delivery Programme and will play a role in achieving the outcomes under the CDP theme: 'Homes for the Future'. In particular, the targeted outcomes to achieve 'an increase in the number and variety of high-quality and sustainable homes in the borough' and 'an improvement in the quality of housing and resident services in the social rented sector'.

- 7.3 The programme will support housing growth in a key regeneration area and will make a meaningful contribution to the Council's target of 3,000 homes by the end of 2031 and the provision of three-bedroomed and four four-bedroom homes will help to address the acute need for larger affordable homes.
- 7.4 The programme will support social value and placemaking in a key regeneration area (Broadwater Farm) under the CDP theme 'Place and Economy'. The Social Value commitments made by contractors will deliver measurable and impactful training, employment and social opportunities. The Broadwater Farm improvement programme – 302 new homes, public realm improvements, refurbished homes, improved service delivery, embedded co-production approach, 250 homes demolished will help to deliver the placemaking ambitions of the BWF community.

## **8 Carbon and Climate Change**

- 8.1 Haringey Council made a commitment to be a Net Zero Carbon Borough by 2041. The strip-out works to Northolt will help to achieve this by firstly ensuring that all materials removed from 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 and other heavy machinery are only ordered when required.

## **9 Statutory Officers comments**

(Chief Finance Officer, Procurement, Legal and Equalities)

### **9.1 Finance -**

The original contract sum is £0.73m. This report is recommending a variation of contract sum by £0.79m, bringing the total contract cost to £1.52m.

The £0.79m covers the cost of works omitted, in error, from the original contract scope and the cost of strip out works to Stapleford block.

This sum is projected to be spent as shown in table 6.11 above.

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 the approved spend with the appointed contractor.

This variation has arisen due to additional works not included within the original scope of works and therefore not allowed for within the contractor's tender sum.

The variation is required to be able to complete the works.

The contract was procured under the Public Contracts Regulations (PCR 2015). This contract is below the works threshold and therefore falls outside of the regulations.

SP support the recommendation to approve the award in accordance with CSO 10.02.1(b) and 16.02

### **9.3 Legal**

#### **Assistant Director of Legal and Governance (Monitoring Officer)**

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

The contract was procured under the Public Contracts Regulations 2015 (PCR 2015) and therefore any modification is dealt with under this regime rather than the new Procurement Act 2023 in force since 24 February 2025.

The contract is below the works threshold where the modification rules set out in the PCR 2015 apply. It is therefore governed by the Council's Contract Standing Orders.

As this is a Key Decision, approval would normally be by the 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 Cabinet Member for Council Housebuilding, Placemaking and Development has power to approve the recommendation under CSO 10.02.1 b) and 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 strip-out works to be completed to the Northolt Block 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.

### **10.0 Use of appendices**

## 11.0 Exempt Report