

Report for: Cabinet Member Signing, Cabinet Member for Placemaking and Local Economy – 13 August 2025

Title: Contract Variation for UK Power Networks (UKPN) to carry out essential electrical works on the Broadwater Farm Estate

Report authorised by: Jess Crowe, Director of Culture, Strategy and Engagement

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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 pursuant to CSO 2.01 and 18.03.3 to extend the contract for UKPN in the sum of £248,132.00. Approval will extend the contract sum and programme for the works and bring the total contract value to £615,489.95.
- 1.2 The sum of £248,132.00 is for four variations for the diversion of high and low voltage cables on the Broadwater Farm Estate. The named Supplier is the only company authorised to carry out the works, therefore approval is required to extend the programme and contract sum for the works.
- 1.3 Subject to approval, the variation will enable the Supplier to complete the cable diversion, which in turn will allow the electrical substation at Tangmere to be decommissioned, thus making way for the block to be demolished and the site made ready for the construction of 139 new homes and 7 enterprise units commencing March 2026.

2. Cabinet Member Introduction

N/A

3. Recommendations

Cabinet Member for Council Housebuilding, Placemaking and Development:

- 3.1 Pursuant to Contract Standing Order (CSO) 2.01.c (Cabinet Member approves awards of Contract valued at £500,000 or more), approves the extension of the contract sum and programme for UKPN to a total value of £615,489.95 which includes the sum of £248,132.00 for 4nr variations outline in Appendix A, Section 6. Background information of the report.

Notes that pursuant to Contract Standing Order 2.05.1 (O) a Director may authorise any subsequent Contract Extension(s) and/or Variation(s).

- 3.2 Approval to extend the contract sum and programme will enable UKPN to relocate high and low voltage cables and decommission the substation on Tangmere and divert other essential cables across the estate. These works will allow the Tangmere site to be demolished to make way for the construction of 139 new homes and 7 enterprise units. The new homes programme is due to commence March 2026; therefore, it is essential that the Supplier completes the relocation of the cables to avoid significant delays to the new homes programme.

4. **Reasons for decision**

This report seeks approval to authorise 4nr cost variations in the total sum of £248,132.00. Approval of the variations will increase the contract sum to £615,489.95 and allow the Supplier to continue the relocation of high and low voltage cables from within the boundary of Tangmere and reposition them in the main highway of Willan and Gloucester Road.

Works also include decommissioning the substation on the Tangmere site to enable the demolition works to complete. All works will be carried out on the Broadwater Farm Estate.

UKPN is the only contractor / supplier who is authorised to carry out the works, therefore, approval is required to vary the value and programme of the original contract. The original contract was awarded to the Supplier in the sum of £367,378.95 via Delegated Authority on 14 June 2024. Subject to approval – this variation will see the contract increase by £248,132.00 to a total sum of £615,489.95.

5. **Alternative options considered.**

- 5.1 The following options have been considered: -

1. **Do nothing** - This option is not possible, as the substation to Tangmere requires decommissioning to enable the demolition works to continue. There is also a need to relocate the high and low voltage cables from within the boundary of the site and reposition them in the main highway of Willan and Gloucester Road. Failure to carry out these essential works will prevent the demolition of Tangmere and delay the start of the New Homes Programme. UKPN is the only contractor authorised to carry out these works, therefore it is not possible to seek alternative quotations – meaning the only option is to vary the contract sum and programme.
2. **Delay the electrical works until the start of the New Homes Programme –**
These works are essential enabling works for the next phase of new build homes. Delaying these works would in turn delay the start of the new build works.

- 5.2 In view of the above, the only suitable option to approve the variations and instruct the supplier to continue with the essential works.

6. Background information

- 6.1 The Contractor was appointed to divert the high and low voltage cabling and energise a new substation to Rochford on the Broadwater Farm Estate. They were also instructed to decommission the existing substation on Tangmere to enable the block to be demolished to prepare the site for the construction of 139 new homes and 7 enterprise units.
- 6.2 Works commenced January 2025 with a target completion date of March 2025. Due to unforeseen matters, the Contractor could not progress with the works and issued the Council with 4nr variations totalling £248,132.00.
- 6.3 The variations resulted from delays due to illegally parked vehicles and the costs associated with the Contractor being unable to access areas of the site.
- 6.4 Additional expenditure also occurred following the need to divert trenching and cabling to accommodate the underground river on the estate. There was also a need for further extensions due to subsidence-affecting properties on Gloucester Rd - causing substantial rerouting of cabling.
- 6.5 Further costs incurred due to road closures, bus route diversions, and the reinstatement and re-excavation of joint holes for both low- and high-voltage cabling. Additional excavation was necessary to accommodate a high- and low-voltage joint hole within the roadway to allow connection to the cables.
- 6.6 The above additional costs include for all necessary legal fees for the arrangement of Easements in relation to UKPN (UK Power Networks) assets, along with working out of hours on a Sunday / Bank Holiday and for the suspension of the TFL bus route through the Broadwater Farm Estate.
- 6.7 All cost variations have been challenged, and further breakdown of those costs have been requested, however the Supplier's Lead Design Engineer denied this request due to commercial sensitivity. A further breakdown of the 4nr variations is shown in Appendix A – Exempt Report.
- 6.8 It is recognised that the costs associated with relocating the cables will have a significant impact on the budget allocation for the regeneration of the Broadwater Farm Estate. There is a contingency budget within the New Homes Risk and Contingency Budget to cover these variations and further variations as they arise.
- 6.9 The spend profile for the project will be as follows:

Spend Profile	
Financial Year	Project Works Spend
2025/26	£248,132.00
Total Cost	£248,132.00

- 6.11 Subject to approval by the Cabinet Member for Council Housebuilding, Placemaking and Development to waive Contract Standing Order 2.05.1(O), as allowed under CSO 10.01 to extend the contract period and contract sum for the

Supplier in the amount of £248,132.00, the project team will notify the Supplier that their variations 1-4 in the sum of £248,132.00 has been accepted and they can continue to progress with the works as agreed.

- 6.12 The project team considered what lessons could be learnt from this experience. As the Supplier is the only authorised contractor who can legally carry out works on the electrical services on the main highway and within the Broadwater Farm Estate, it's understood that the Council cannot seek competitive quotations, however the Project Team must in the future try to identify all possible variations prior to commencing complex projects, as this will avoid unnecessary delays which in turn could result in uncontrolled costs as allowed under Contract Standing Order 2.05.1.

7. Broadwater Farm Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes’?

- 7.1 The works to decommission the substation in Tangmere and to energise the new substation at Rochford, will enable the Tangmere block to be demolished. The site can then be handed over for the New Homes Programme to construct 139 new homes and 7 enterprise units starting March 2026.
- 7.2 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.
- 7.3 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.’
- 7.4 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.
- 7.5 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 has a total of 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.

8.0 Risk Management

- 8.1 For full transparency and enable effective coordination, formal review meetings will be convened on a fortnightly basis with local council officers and representatives from TfL. These sessions serve to monitor progress, address emerging risks, and ensure that all parties remain aligned with the project's objectives and statutory obligations.

A collaborative, multi-agency approach is being adopted, involving key stakeholders including:

Transport for London (TfL) – to oversee traffic management measures and issue required permits.

Local Authority Departments – encompassing highways, environmental health, and street works.

Resident Communication

- Advance notice letters and signage
- Dedicated contact channels for queries or concerns
- Special provisions for vulnerable residents and access needs.

9.0 Carbon and Climate Change

- 9.1 Haringey Council made a commitment to be a Net Zero Carbon Borough by 2041. The works conducted by the appointed Supplier will enable the substation at Tangmere to be decommissioned, along with the substation at Rochford to be energised. These works will make way for the Tangmere site to be cleared to facilitate the construction of 139 new homes and 7 enterprise units. The new homes will meet modern standards in terms of energy efficiency, thus contributing the Council's 2041 Net Zero Target.
- 9.2 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.

10 Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

10.1 Finance -

The total cost of this variation is £0.25m. It is vital that mitigations are identified to ensure that this does not lead to further cost pressures. At present, this sum can be contained within the overall budget for BFW new build programme.

10.2 Strategic Procurement -

Strategic Procurement (SP) note that this report relates to the approval to vary a contract with the incumbent supplier in the sum of £248,132.00

The variation is necessary for the continuation and completion of the project.

An alternative supplier cannot be used for the work as this will lead to duplication of cost. Additionally, they are the only company that is authorised to do the work

, The initial award of the contract and the variation amount falls outside of the threshold for Works under Public Contracts Regulations 2025 and the Procurement Regulations 2015.

SP support the recommendation to approve this variation in accordance with CSO's 18.03.1, 18.03.3 & 2.01(d)

10.3 Director of Legal & Governance (Monitoring Officer)

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

The works are below the threshold where the tendering requirements set out in the Public Contracts Regulations 2015 apply.

The Cabinet Member for Council Housebuilding, Placemaking and Development has power to approve the variations under CSO 0.08, 2.01 (d) and CSO 18.03.3.

The Director of Legal and Governance confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in this report.

11.0 Equality

11.1 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 protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

10.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/fait, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

11.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

11.4 The decision will primarily impact residents living in properties owned by Haringey

Council, a significant number of whom share the protected characteristics. It is notable that BAME people and disabled people are overrepresented in our council housing stock. It is noted that the scope of these works to properties will be adapted if required where residents have disabilities. Engagement with residents will take place to identify any specific needs.

- 11.5 Overall, as far as this decision will support the Borough Plan objective to drive up the quality of housing for everyone this decision can be expected to have a positive equalities impact.
- 11.6 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 reasonable 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.

12 Use of Appendices

- 12.1 Appendix A - Exempt Report

13 Background papers

- 13.01 None