Report for:	**Cabinet Member for Placemaking**
Title:	Major Works Programme Broadwater Farm Estate
Report authorised by:	Jess Crowe – Corporate Director 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

In line with Contract Standing Order (CSO) 2.01.(d), (CSO) 2.01(e) & (CSO) 18.03.3 this report seeks Cabinet approval to vary the contract sum and programme for the Broadwater Farm - External Major Works Programme.

2. Cabinet Member Introduction

N/A

3. Recommendations

It is recommended that the Cabinet,

3.1 Approves, pursuant to Contract Standing Orders CSO 2.01(d), 2.01(e) and 18.03.3, the variation to the contract sum and programme for the Broadwater Farm External Major Works Programme, as set out in Appendix A (Exempt Report).

3.2 Approves the anticipated final account position, including the principal cost drivers arising from regulatory, technical and contractual requirements, and the commercial controls applied to ensure value for money, as set out in the report.

4. Reasons for decision

4.1 The BWF - External Major Works Programme was brought forward to prevent further deterioration of key external and some internal building elements while the estate-wide refurbishment programme is developed and delivered.

4.2 Works have been identified to eight blocks on the estate and include concrete repairs, balcony waterproofing, renewal of flooring to internal areas, sandblasting to remove existing paint from concrete elements, drainage repairs, and redecorations using an A2 fire-rated coating. These works will ensure the buildings remain safe, weather-tight, and compliant with current fire-safety regulations, helping to prevent increased safety risks, accelerated asset deterioration, and additional pressure on the responsive repairs budget.

5. Alternative options considered

5.1 Do nothing: This option was considered but discounted. A contractor has already been appointed, and works are currently in progress. Any delay in approving the variation to the contract sum and programme would leave the eight blocks incomplete, which would negatively affect the condition of the buildings and lead to further deterioration of key building elements.

Failure to approve the variation would also result in continued water ingress from the balconies, which in turn would lead to increased resident dissatisfaction due to the ongoing issues affecting the blocks.

5.2 The project team also considered pausing the works and completing them as part of the full estate regeneration. This option was discounted due to the lengthy timescales associated with the wider regeneration programme and the unacceptable risk of continued deterioration of the blocks during the interim period.

6. Background information

6.1 The Broadwater Farm External Major Works Programme was developed as a time-limited interim intervention to address deterioration across eight residential blocks, pending the delivery of the wider estate regeneration programme.

6.2 The works were intended to maintain buildings in a safe, compliant and weather-tight condition, reduce responsive repairs, and mitigate risks associated with structural deterioration and water ingress.

6.3 The original scope focused on repair and protection works and was developed based on visual, non-intrusive surveys. Intrusive investigations and full regulatory assessments were not undertaken at tender stage.

6.4 Once on site, with full access enabled (including removal of coatings and scaffold installation), previously concealed defects and constraints became apparent. This required further surveys, revised methodologies and changes to scope to ensure compliance with statutory requirements.

Original Contract Position

6.5 The contract for the External Major Works Programme was approved by Cabinet on 18 June 2025, which included a provisional allowance to address unforeseen works arising during delivery. Further detail on the originally approved contract position is provided in Appendix A (Exempt).

Requested Contract Increase

6.6 During delivery, additional works to meet statutory and fire safety obligations have been identified. Cabinet approval is therefore sought to vary both the contract sum and programme. Financial details are set out in Appendix A (Exempt).

6.7 The requirement for additional expenditure arises primarily from statutory compliance and previously unidentified conditions, including:

- Compliance with fire safety legislation for Higher Risk Buildings
- Changes to specified materials, including adoption of A2-rated fire-compliant coatings
- Intrusive surveys and associated remedial works to address concealed defects
- Programme extension due to revised scope and sequencing

These changes are not enhancements to the original brief but are necessary to ensure the works are compliant, safe and fit for purpose. The cost impact reflects the application of these requirements across all blocks.

Delivery Issues and Key Constraints Identified

6.8 Following site mobilisation and full access to the buildings, additional surveys and works were required which had not been identified at tender stage. These included:

- Asbestos and lead-based paint surveys
- Intrusive concrete testing and structural assessments
- Fire risk mitigation actions
- Security and access control upgrades
- Changes to external materials to meet fire safety standards
- Repairs (rather than replacement) of balcony elements due to planning constraints

These requirements arose due to limitations of the original non-intrusive surveys and the condition of concealed building elements. As a result, the scope of works was revised, sequences were adjusted, and the overall programme has been extended, with completion now anticipated in April 2027.

6.9 These factors collectively resulted in increased costs and programme extension which could not reasonably have been identified at tender stage.

7.0 Observations Identified During Project Development

7.1 Collectively, these matters limited opportunities to plan, obtain approvals, and deliver more efficient solutions—particularly in relation to balcony works and concrete repairs. As a result, revised delivery approaches were required, leading to increased costs.

8.0 **Anticipated Final Account Position and Contractual Considerations**

8.1 The anticipated final account, set out in Appendix A – Exempt Report, reflects variations arising from:

- Previously unidentified defects
- Additional surveys undertaken post-commencement
- Changes to materials and methodologies required for compliance
- Extended programme duration and associated costs

8.2 These factors have materially changed the scope from that originally tendered, resulting in increased costs and a programme extension.

8.3 All costs have been assessed in accordance with the contract and subject to commercial challenge to ensure value for money. Where possible, existing contract rates have been applied, with benchmarking used where required.

8.4 The Council has carefully distinguished between:

- Necessary client-instructed changes for compliance
- Unforeseen defects not identifiable at tender stage
- Contractor obligations not eligible for additional payment

8.5 Although final account discussions are ongoing, the issues encountered and their impact on the cost of the project have informed lessons learned for future projects, including the need for intrusive surveys, early regulatory engagement and clearer risk allocation prior to finalising the scope of works and inviting tenders.

9.0 Risk Management

9.1 The External Major Works Programme operates within a complex and evolving risk environment, driven by the condition and typology of the buildings, their classification as High-Risk Residential Buildings, and an increasingly stringent regulatory framework. The Council's strategic approach has been to prioritise resident safety, statutory compliance and long-term asset protection over short-term cost certainty. Key risks have included the emergence of latent defects, changes in regulatory requirements, and pressures on programme and budget delivery.

These risks have been proactively managed through strengthened governance, including enhanced technical assurance, early and ongoing engagement with regulatory bodies, and rigorous commercial oversight to ensure that all cost increases are justified, controlled and represent value for money. The Council has also adapted delivery methodologies and sequencing to maintain compliance while minimising disruption and safeguarding programme integrity.

At this stage, the overall risk position is considered stable and controlled. The majority of material uncertainties have been addressed through intrusive investigations and scope clarification, and the remaining risks are being actively monitored through established project governance arrangements. The lessons learned from this programme are being embedded into future capital delivery strategies, particularly in relation to early survey investment, risk allocation and regulatory engagement, to strengthen the Council's approach to managing complex estate renewal programmes.

10.0 Carbon and Climate Change

10.1 The project will have a minimal impact on carbon and climate change, however the replacement of external lighting for low-energy components will contribute to carbon reduction in ways that will otherwise not be met if the works were not carried out. Also, with the repair and replacement of fractured drainage, this will reduce the amount of water that could be recycled via the main water distribution network.

11.0 Statutory Officers comments (Director of Finance (procurement), Director of Legal and Governance (Monitoring Officer), Equalities)

11.1 Finance

The proposed contract variation arises from statutory compliance requirements, fire safety obligations, and latent defects identified following site mobilisation, which have required revisions to the scope of works and an extension to the programme.

These changes are not discretionary and are considered necessary to ensure the works remain compliant, safe and fit for purpose, while mitigating further asset deterioration.
The financial implications are set out in the exempt report and have been subject to commercial review and validation.

The position will continue to be monitored as part of ongoing capital programme management, and any further variations will be reviewed as necessary.

11.2 Strategic Procurement

Strategic Procurement notes the contents of this procurement. The contract sum was based on the Council's scope at the time of the procurement. It is noted that provision was made to cover for unforeseen works. However, the amount was not sufficient to cover for the additional works that had arisen following further intrusive works.

There is a risk of scope creep and significant increase in cost where the requirement of the Council has not been fully defined from the onset.

The additional works are critical to addressing health and safety concerns that have been identified during project delivery. Should these works not be undertaken, there is a significant risk to residents, together with the potential for reputational and operational consequences for the Council.

Additionally, the professional services contract with Ridge and Partners must be varied due to the added scope to the works contract.

Strategic Procurement recommends approving this variation in accordance with CSO's 18.03.3 & 2.01(d)

11.3 Director of Legal & Governance (Monitoring Officer)

The Director of Legal and Governance has been consulted in the preparation of this report. Legal Services has been advised that the original works were tendered via Lot 2.2 of the London Construction Programme Framework Agreement. Framework Agreements are a compliant way of procurement under the Public Contracts Regulations 2015 (the Regulations), the legislation in force at the time the framework agreement was established.

The variation to the initial contract means that the value is above the threshold where the modification rules set out in Reg 72 apply.

Under Reg 72 .1 (b) a contract may be modified without carrying out a new procurement process for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority,

provided that any increase in price does not exceed 50% of the value of the original contract;

Cabinet has power to approve the recommendations under CSO 2.01 (d) and CSO 18.03.3.

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

11.4 Equality

11.4.1 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.

11.4.2 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.

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

11.4.4 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.

11.4.5 This project will help to contribute to the Corporate Delivery Plan by creating a solid resident experience and enabling success for all residents impacted by the project.

11.4.6 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

12.0 Use of Appendices

12.1 Exempt Report - Appendix A

13.0 Background papers

None