

Report for: Cabinet 11 February 2020

Title: Installation of Automatic Fire Detection (AFD) and associated fire safety works to scattered Victorian & Edwardian street dwellings.

Report authorised by: Dan Hawthorn, Director of Housing, Regeneration and Planning.

Lead Officer: Malcolm Peek, Interim Head of Major Works, Homes for Haringey.

Ward(s) affected: North Tottenham, South Tottenham, Hornsey, Wood Green

**Report for Key/
Non Key Decision: Key decision**

1 Describe the issue under consideration

- 1.1 This report seeks approval for the award of a contract for the installation of Automatic Fire Detection (AFD) and associated works to converted scattered Victorian and Edwardian street dwellings. This will be to ensure they are compliant with current fire safety requirements and regulations. The works include: replacement of non-compliant flat entrance doors, the provision of emergency lighting and upgrade of electrical installations.
- 1.2 The report also seeks approval to issue a letter of intent to the preferred contractor for an amount up to, but not exceeding, £787,625.99. This represents 10% of the contract sum.
- 1.3 It is recommended that Cabinet approves the professional fees of £594,658 which represents 7.55% of the contract sum.
- 1.4 Details of the successful tenderer is outlined in Part A (exempt information) of the report.

Cabinet Member Introduction

- 2.1 Street Property Victorian Houses that were converted into flats in the late 1960s and 1970s, would not meet current Building Regulation Standards or conform to The Regulatory (Fire Safety) Order.
- 2.3 Guidance recommends that where full compartmentation cannot be assured these type of properties would be best served by the installation of an Automatic Fire Detection system. This system with the appropriate upgrade of the fire doors and means of escape route will allow early simultaneously evacuation of the building in case a fire breaks out in any flat.

3 Recommendations

- 3.1 Pursuant to the Council's Contract Standing Order (CSO) 9.07.1 (d), for Cabinet to approve the award of contract to the successful tenderer (named in the exempt part of the report) for the installation of Automatic Fire Detection (AFD) and associated works, in the sum of £7,876,259.98.
- 3.2 For Cabinet to approve the issuing of a letter of intent for an amount of up to, but not exceeding, £787,625.99. This represents 10% of the contract sum.
- 3.3 For Cabinet to approve the total professional fees of £594,658, which represents 7.55% of the contract sum.
- 3.4 For Cabinet to note the total project cost of £8,470,918.

4 Reasons for decision

- 4.1 Homes for Haringey requires Cabinet approval to award the contract for installation of Automatic Fire Detection (AFD) and associated works to scattered Victorian and Edwardian street dwellings. This will enable the essential fire safety works to commence. This is following a tender process in conjunction with Haringey Council's Procurement team via the London Construction Programme (LCP) framework and processes.
- 4.2 The tender process was carried out in accordance with the framework requirements that incorporate price and quality. The successful bidder scored highest in relation to these criteria.

5 Alternative options considered

- 5.1 For Homes for Haringey to either use third party industry frameworks or an OJEU compliant tender process to deliver the works. Homes for Haringey sought support and advice from Haringey's Strategic Procurement team and determined the LCP (London Construction Programme) Major Works framework as being the optimum route to the market. This was due to the LCP framework being leasehold compliant, the speed of access to quality-checked contractors and companies that focus their resources in the local area.
- 5.2 The option of using Haringey Repairs Service (HRS) was considered. However this was discounted because of the urgency in delivering the scheme, the specialist nature of the works and they are currently delivering significant internal works programmes and as such could negatively impact on delivery in respect of the urgency of these works.
- 5.3 The option of not undertaking this work would leave Haringey Council open to legal challenge because the properties need to be improved to comply with current fire regulations.

6 Background information

6.1 Homes for Haringey has completed Fire Risk Assessments (FRAs) within communal areas of circa 487 scattered Victorian and Edwardian street properties. The FRAs are based on the LACORS (Local Authorities Coordinators of Regulatory Services) guidance; which helps manage the landlord’s responsibility between the Housing Act 2004 and the Regulatory (Fire Safety) Order 2005. It includes the standard approach for managing fire risk within street property conversions. It is accepted that these houses when originally converted, were not generally completed to the current recommended guideline compartmentation standards, between the flats. The guidance recommends the installation of AFD systems to allow early and simultaneous evacuation in the event of a fire to all flats within the building.

6.2 The communal areas and dwellings require the installation of a fire alarm system, with heat and smoke detectors, to comply with current fire safety requirements, Building Regulations and British Standards. The following work will be carried out to the communal areas to provide further fire protection to these dwellings in the event of a fire:-

- The replacement of non-compliant flat entrance door sets to individual flats with fire certified door sets.
- The provision of emergency lighting.
- The upgrading of electrical installations.
- Decorations and associated works.

6.3 In February 2018 Cabinet agreed to appoint Ridge & Partners LLP as Homes for Haringey’s multidisciplinary construction related consultant. The scheme under consideration will be designed, costed and project managed, by Ridge in partnership with Homes for Haringey.

6.4 Detailed surveys of a 10% sample of the properties have been carried out by Ridge & Partners. In addition, a feasibility study has been completed and this sets out considerations for the delivery of the project with budget costings. The budget costings reported, exceed the budget set for this project by £43,260, to give a total project estimated cost of £7,833,000.

6.5 The project details are as follows:

Number of dwellings in project	1,196 dwellings (incl. 487 houses)
Anticipated start on site	March 2020
Anticipated completion	November 2020
Contractor	Details in Appendix A (exempt report)

6.6 Number of communal areas by storey:

Number of storeys	Number of communal areas
2 storey	271
3 storey	131

4 storey	85
Total	487

7 Consultation

- 7.1 Residents and key stakeholders, including Ward Members have been consulted about these works. Letters were issued to all the affected residents in September 2018 and October 2019, to inform them about the proposed programme of works. A frequently asked questions (FAQ) sheet has been provided to pre-empt some of the questions that may arise about the works and reduce the number of queries during the section 20 process.
- 7.2 The next residents' newsletter, which is due to be issued February 2020, will update residents about progress and inform them about the appointment of the contractor.

8 Leasehold implications

- 8.1 There are 464 leaseholders living in the properties affected by the works described in this report.
- 8.2 Under the terms of their lease, the lessee is required to make a contribution towards the cost of maintaining in good condition the main structure, the common parts and common services of the building. Such contributions are recovered by the freeholder through the lessees' service charge account.
- 8.3 The works are to be carried out under a Qualifying Long Term Agreement. In accordance with the Service Charges (Consultation Requirements) (England) Regulations 2003, Schedule 3, the Notice of Intention was served on 21 November 2019 requiring observations by 22 December 2019. This provided a description of the proposed works and details of the costs of the works.
- 8.4 The Council is obliged to have regard to any observations from leaseholders on the Notice. Homes for Haringey received 116 observations from leaseholders and a summary of these are shown as appended to this report.
- 8.5 The total amount estimated to be recoverable from the 464 leaseholders is £2,685,941.
- 8.6 More individual surveys and targeted consultations will take place once the contractor has been appointed.
- 8.7 Homes for Haringey will be working closely with any leaseholders affected by the works to ensure they have as much information as possible prior to commencement.

9 Conservation Areas

- 9.1 Some of the properties in this project are within Conservation Areas. However, because the works will be carried out within the internal areas of the dwellings, no conservation area conditions are applicable.

10 Contribution to strategic outcomes

- 10.1 This project will help to achieve the Borough Plan Outcome 3: *we will work together to drive up the quality of housing for everyone*. This will include contribution to the delivery of the following objectives: -

- *Improve the quality of Haringey's Council housing, including by ensuring that a minimum of 95% of homes meet the Decent Homes Standard by 2022.*
- *Improve residents' satisfaction with the service they receive from Homes for Haringey to be in the top quartile for London (78%) by 2022.*
- *Ensure safety in housing of all tenures across the borough, responding to any new regulations as they emerge.*

Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

11 Finance

- 11.1 The 2019/20 Fire Safety works programme budget of £6.6m is adequate for the projected expenditure of £0.321m in this year.

- 11.2 The total cost of this scheme is estimated at £8.47m and it is projected to be spent as shown below:

Financial year	Works	Fees	Total
2019/2020	0	£321,241	£321,241
2020/2021	£7,679,353	£218,693	£7,898,046
2021/2022	£196,907	£14,866	£211,773
Total	£7,876,260	£594,658	£8,470,918

- 11.3 The projected expenditure of £7.89m in 2020/21 and £0.21m in 2021/22 provision has been made in the current 2020/21-25 capital programme MTFS to be approved by Cabinet in February 2020.

- 11.4 There 1196 dwellings affected by this project, of which 464 are leasehold dwellings. It is estimated that £2.68m will be recovered as leaseholders' contributions to the cost of these works.

- 11.5 The named contractor has been chosen following an evaluation process based on quality and price.

12 Procurement

12.1 Strategic Procurement agree with this tendered award through the new LCP (London Construction Programme) Major Works framework, permitted under the Contract Standing Order 7.01 (b) and compliant with the PCRs 2015.

13 Legal

13.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.

13.2 The terms of the Council's standard right to buy lease permit recovery of a proportion of the cost of these works from leaseholders, subject to compliance with the consultation requirements set out in the Landlord and Tenant Act 1985 and the Regulations ("the provisions").

13.3 The liability of those of the leaseholders who purchased on the terms of the Council's older right to buy lease is limited (with exceptions) to contributions to the cost of those works broadly constituting repair; those under the current form of lease are required also to pay a contribution towards improvements. It is open to the Council, where appropriate, not to require payment in full or in part under those provisions in the leases and instead to absorb the cost itself.

13.4 As the works are proposed to be carried out by a contractor under a qualifying long term agreement (QLTA), the provisions set out a single-stage process for consultation with leaseholders, setting out the proposed works and likely cost and inviting comments on both the works and the costs (the leaseholders are not entitled to nominate an alternative contractor where the Council proposes that the works be carried out under a QLTA). The leaseholder is to be given a minimum of 30 days to respond. The Council must have regard to any comments made and respond to them within 21 days.

13.5 Details of compliance with the provisions are set out in the body of this report under the heading "Leasehold Implications". Legal Services were consulted on and approved the form of the notice served.

13.6 Entry into the QLTA itself was subject to a separate consultation process under the Regulations.

13.7 The procurement has been carried out under the London Construction Programme Major Works framework (the "Framework").

13.8 The Framework has been established by Haringey Council and is compliant with procurement legislation.

13.9 The Assistant Director of Corporate Governance sees no legal reasons preventing Cabinet from approving the recommendations in the report.

14 Equality

- 14.1 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 those protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 14.2 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 apply to the first part of the duty.
- 14.3 The decision will primarily impact residents living in properties managed by Homes for Haringey. There is no indication that this decision will result in any foreseeable negative impacts on any individual or group that shares the protected characteristics.
- 14.4 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 reasonably possible measures are taken to address any issues that may occur that may have a disproportionate negative impact on any groups who share the protected characteristics.

15 Use of Appendices

- 15.1 See appendices 1a, 2a, 1b, 2b 1c and 2c for a summary of observations.
- 15.2 Appendix A Exempt information