

Minutes of the meeting of the Cabinet

Date: Tuesday, 17 May 2016

Time: 19:00

Venue: The Liz Cantell Room, Town Hall, New Broadway, Ealing, W5 2BY

Attendees:

[no attendance published]

Apologies for Absence:

[no attendance published]

Absent:

[officer and guest attendees]

Also Present

In accordance with paragraph 2.6(a) of the Constitution, Councillors Seema Kumar, Malcolm, Proud and G Stafford addressed the Cabinet with regard to the following items:

Item 07 - Children's Services Capital Approvals (Councillor G Stafford)

Item 11 - Gurnell Leisure Centre Re-development Update Funding Strategy (Councillor Proud)

Item 13 - Appointment of Supplier for Council Houses at Hurst Close (Councillor Seema Kumar)

Item 15 - Temporary Accommodation Placement Policy (Councillor Malcolm)

Also In Attendance

There were no additional councillors present at this meeting.

New Cabinet Membership

Councillor Mason was welcomed to his first Cabinet meeting as Portfolio Holder for Prosperity, Skills, Employment and Transformation.

Councillor Hynes was thanked for his services to Cabinet.

1 Apologies for Absence

Apologies for absence were received from Councillor Johnson.

2 Urgent Matters

There were none.

3 Matters to be Considered in Private

Items 7, 11, 12, and 14 contained confidential appendices but were not taken in private as it was not necessary to discuss the confidential information provided.

Item 13 contained a confidential appendix and was taken in private.

4 Declarations of Interest

There were none.

5 Minutes

Item 05 - Cabinet Minutes - 22 March 2016

Resolved:

That the minutes of the Cabinet meeting held on 22 March 2016 be agreed and signed as a true and correct record.

6 Appointments to Sub Committees and Outside Bodies

There were none.

7 Children's Services Capital Works Approvals

Resolved

That Cabinet:

i) approves the statutory proposals for the enlargement of the premises

of Greenford High School to increase the school's Published Admission Number by 60 pupils, to admit 300 pupils into each Year 7 group from September 2018. This is conditional on the grant of planning permission under Part 3 of the Town and Country Planning Act 1990 by 31st of May 2017;

ii) approves the establishment of an Additionally Resourced Provision (ARP) at Greenford High School to support pupils with statements of SEN or Education Health and Care Plans for 4 pupils per year group, totalling 20 places once full;

iii) authorises the Executive Director for Children and Adults to seek all necessary planning and statutory consents and approvals for the works relating to the enlargement of Greenford High School;

iv) authorises the Executive Director for Children and Adults to invite and evaluate tenders for all contracts required for the expansion for Greenford High School to be funded from the Secondary Schools Expansion Greenford High 2016/17 capital scheme budget of £9.000m;

v) awards a contract in the sum £1,114,590.31, and approves the award of contract to Woodbar Ltd for the refurbishment works and extension at the former Ken Acock Centre to provide accommodation for vocational education for young people with learning difficulties and disabilities as part of Belvue School, to be funded from the £1.835m Belvue School – Vocational Education at Ken Acock Youth Centre capital scheme budget.

vi) authorises the Executive Director for Children and Adults to undertake a further review of the borough's Special schools provision and following initial consultation publish statutory proposals as required;

vii) awards a contract in the sum of £2,052,463.29 to ARJ Construction Limited for the proposed extension and refurbishment works at St Mark's Primary School to provide three bulge classrooms and associated improvements to the school's facilities to be funded from the £2.600m Primary School Expansion 2014/15-16/17 St Mark's Bulge capital scheme budget.

viii) awards a contract in the sum £754,943.00 to T&B Contractors for the internal alterations at Beaconsfield Primary School as part of the permanent expansion of the school capital scheme budget.

Reasons for Decisions and Options Considered

Cabinet approval is required to implement statutory proposals and award the contracts for the projects described in the report.

The decision to undertake a further review of the borough's Special schools provision is required to enable the Council to meet its statutory duty to secure sufficient school places in the context of the changing demographic in the SEN population and the preparing for adulthood agenda.

Resolved

That Cabinet:

- i) delegates the authority to call-off and award contracts for semi-independent accommodation services from the WLA Hounslow Council led Semi-Independent Accommodation for Care Leavers framework to the Executive Director of Children, Adults and Public Health, using a competitive bidding approach where possible or through a direct award of contract in accordance with the rules of the framework.
- ii) delegates authority to the Executive Director of Children, Adults and Public Health to make spot purchases for Semi-Independent Accommodation for Care Leavers where it is not possible to make a call off from the Hounslow Council led Semi-Independent Accommodation for Care Leavers in Partnership with West London Alliance (WLA) Authorities.

Reasons for Decisions and Options Considered

Ealing Council has a number of statutory duties relating to the provision of social care and education services to children and young people. Services are provided on the basis of an assessment of individual eligible need.

The range of services purchased to meet these needs include: Semi-independent services. However, there is one key category of provision, semi-independent accommodation, where there are significant levels of purchasing outside of these types of arrangements.

For semi-independent accommodation, Ealing is working with other Boroughs via the West London Alliance to establish an approved list of providers. Once completed this should enable most purchasing of this type of service to be done from an approved list. There may be situations though where spot purchasing will continue to be necessary, for example if a young person is living in an area of the country where we do not have any providers on this list.

There are likely to remain other services that will need to be spot purchased. The reasons for this include:

- Framework contracts and other contractual arrangements being unable to deliver on the capacity that is needed;
- Services are required in emergency situations;
- Services are needed that are very specific to individual need, for example some residential placements and placements that are purchased on a bespoke basis.

The Council provides semi-independent living services to enable young people to make a successful transition from being looked after to becoming a care leaver and then on to living independently. A Project Group of key stakeholders has reviewed current arrangements and developed a Semi-independent Living Commissioning Strategy for Looked After Children aged 16/17 and Care Leavers that will deliver improved quality and outcomes for this cohort

9 Parking Strategy Report

This item was withdrawn from the agenda.

10 Controlled Parking Zone (CPZ) Consultation Programme 2016-2019

This item was withdrawn from the agenda.

11 Gurnell Leisure Centre Redevelopment Update Funding Strategy

Resolved

That Cabinet:

- i) notes the financial modelling, within the report, in relation to the estimated cost for the redevelopment of Gurnell leisure centre as summarised in table 1.3 of the report.
- ii) notes the funding strategy, outlined in table 1.3 of the report, for the replacement of Gurnell Leisure Centre, including the assumptions behind the modelling, which that are outlined in section 2 of the report.
- iii) notes that the enabling development contribution, from the Gurnell site, is subject to a planning application for which the implications, once determined, will be reported back to cabinet, as part of future Gurnell Leisure Centre updates.
- iv) agrees in principle that £12.500m will be sought to be funded from mainstream borrowing through the 2017-18 budget process.

Reasons for Decisions and Options Considered

Gurnell Leisure Centre was built in the early 1980s as is nearing the end of its operational life, with a typical operational range for a building of this nature being up to 30 years. The building is experiencing deterioration of the main building fabric and plant, which will require significant investment over the next 5 years. It should be noted that any capital investment not covered by the current Facilities Management arrangements remains the responsibility of the council under the Leisure Operational contract. Therefore there is a residual risk to the council for major works required to the site, under the contractual arrangements , such as roof repairs, currently estimated at up to £1.000m

Gurnell Leisure Centre, once transferred to SLM in 2018, contributes significantly to the Medium Term Financial Strategy (MTFS) via the removal of subsidy for leisure provision in the borough. A refurbished facility would provide the opportunity to offer further contributions to the MTFS, via a high performing commercial focused facility mix, offering a high quality customer experience.

Gurnell Leisure Centre facilitates the largest 'learn to swim' school in London, with over 3,300 members; a membership base significantly

larger than the London Aquatic Centre; and is a major foundation for the future provision of a surplus generating leisure portfolio for the borough. Gurnell Leisure Centre has the opportunity to be a regionally significant facility, given it offers a 50m pool, for which there is a limited provision in London and is currently home to Ealing Swimming Club, the largest swimming club in the country with over 1,650 members

Faced with the above risk of an aging building, revenue generating demands, as part of current contractual arrangements and the very high number of users, officers explored a range of options for the replacement of Gurnell Leisure Centre, which did not simply require the council to replace Gurnell Leisure centre at solely its own direct cost, given the current financial challenges facing local authorities

The outcome of reviewing this range of options resulted in a report being taken to Cabinet in March 2015 to proceed with a Regeneration project via the SCAPE framework, with Willmott Dixon, and that the facility would include a 50m pool provision.

The SCAPE framework is a national framework that may be accessed by all local authorities. Willmott Dixon is the sole provider under this framework for “major projects” such as the reprovision of the Gurnell Leisure Centre. In this way, Willmott Dixon has been pre-procured on behalf of the Council and therefore there is no requirement to run a formal procurement exercise in order to secure Willmott Dixon as the fit out contractor.

The reasons for using the SCAPE framework, as indicated in the March 2015 report; the SCAPE framework does offer value for money to local authorities. Public sector organisations have the ability to re-provide public assets through SCAPE, cross-funded by residential development. SCAPE is an OJEU and Public Contract Regulation compliant framework, where Willmott Dixon scored the highest overall for cost and quality for the major works framework. SCAPE enables local authorities and the public sector to deliver new facilities, such as schools, leisure centres, town halls, libraries and other uses, in a transparent manner that adheres to best value criteria. SCAPE has been proven to save local authorities time and money, with a current average of 14p for every £1 spent saved across all projects through procurement, supply chain and early risk reduction savings. A recent example of this method is Westminster Council, for the redevelopment of Moberly Sports & Education Centre & Jubilee Sports Centre.

The facility mix for the leisure centre in March 2015, was based upon both income generating facilities and sporting facilities, such as a sports hall which are largely subsidised within a standard facility business model.

Officers have reviewed the facility mix in conjunction with the design development and business modelling since March 2015. As a result, facilities such as the Sports hall have been removed, whilst increasing

the income generating areas of the facility, such as the Gym, Studios, Soft Play and flexible water space. This has allowed officers to maximise the income generating potential of the facility significantly beyond the current MTFS modelling for Leisure; which was of 2018 goes subsidy free for the borough, as part of the Tri-Borough Leisure Contract.

The confidential financial summary contained within the March 2015 report, highlighted a range of Enabling Development to meet the full cost of the leisure centre. For the purpose of illustration, it was prudent to take a mid-range, at the time of the March 2015 cabinet report, which showed the construction costs will not be met entirely by enabling development alone and indicated a circa £13.000m contribution from the council, which represented 39% of the development cost of the new leisure centre.

12 Approval of Works Tender - Peterhead Court - Council New Build Programme

Resolved

That Cabinet:

i) approves revised funding for the Peterhead Court New Build works scheme with a budget of £21.677 m allocated into the existing 2016/17 New Build Capital Programme. Funding shall be as follows;

- a. £6.031m of S106
- b. £1.875m of Capital Receipts (Shared ownership)
- c. £3.815m of Right To Buy Receipts
- d. £9.956 (£3.507m in 2016/17 and £6.449 in 2017/18) of HRA Borrowing.

ii) authorises awarding a contract not exceeding the value of £18.527m (total costs including 17% on-cost is £21.677m) to Higgins Construction PLC to construct 54 flats and 4 houses for a mix of affordable rent and shared ownership, and 10 flats for outright sale on land at Peterhead Court, Golf Links Estate, Southall,

Reasons for Decisions and Options Considered

Peterhead Court is a maisonette block of 20 units built in the 1970s using the Jespersen Panel System, and is located on the Golf Links Estate in Southall, one of the thirteen “high intervention” estates. Adjacent to this block are two single storey prefabs, one used as a successful Community Centre and Nursery, and another as a temporary office by the Council’s repairs contractor. In July 2014, Cabinet agreed to commission the detailed design of a new housing scheme, and new Community Centre, and planning permission for a mixed use development of 68 homes for rent and sale along with a new community centre was granted on 26th August 2015.

Cabinet approved the seeking of tenders for the development of new homes and Community Centre at Peterhead Court and adjoining land at its meeting of 15th September 2015. This project is the next phase of development

of the Golf Links Estate, and follows on from the current scheme completing at Dormers Rise for 57 Council new build homes.

Following that approval the Council issued an Invitation to Tender via the Network RP (Registered Provider) Framework. Three Contractors returned tenders however upon assessment it became clear that only one bid was compliant. Higgins Construction submitted the only compliant bid.

The tender sum has been analysed by the Council's cost consultant's Baily Garner LLP and in their assessment the tender received is a reasonable reflection on market value for the works given the site constraints and the resulting, relatively lengthy, construction period envisaged. The details of each of the tenders and their analysis is set out in the consultant's report by Baily Garner appended (Confidential Appendix 1).

13 Appointment of Supplier for Council Houses at Hurst Close

Resolved

That Cabinet authorises the award of a contract to BuildEco Ltd for the construction of 2 x 3-bedroom modular homes on land at Hurst Close in Northolt at a cost not exceeding £0.520m.

Reasons for Decisions and Options Considered

Members will be aware of the Council's on-going and successful programme for the construction of new council homes for rent, which has so far delivered more than 200 new homes.

Members may recall that in delivering the new homes the Council was exploring modern methods of construction (MMC) to establish whether any of the promised benefits of reduced construction time and cost, and increased quality can actually be realised. Some of the recently completed schemes have been built using off-site manufactured bespoke structural components, others using an innovative timber frame method, and investigations are being made into the potential of whole-house modular techniques.

The Hurst Close project is a further venture into MMC and we are seeking to establish if the proposed product is suitable for wider council house use.

14 Award of Housing Contracts - Fire Safety Works Phase II

Resolved

That Cabinet

i) notes the Summary of Responses received from Leaseholders which (appendix 4 of the report).

ii) awards the term contract for Fire Safety Works Phase II (West Area) to the highest ranking successful tenderer Diamond Build Plc and awards the term contract for Fire Safety Works Phase II (East Area) to the second highest ranking tenderer Lakehouse Contracts Limited both for a term of four years with the option to be extended by up to two years) at an estimated value of £2m p.a. (£1m per area/contractor) to commence in July 2016. This is to be funded from existing approved budgets from 2015/16 to 2018/19 (funding from Major Repairs Allowance)

iii) approves an additional £2.000m into the 2019/20 HRA Fire Safety Works Phase II Capital programme (Mechanical and Electrical Works) to be funded from Major Repairs Allowance.

iv) as per the approved Key Officer Decision from 20 April 2016 (Award of Housing Contracts) Electrical (Fire Safety) New Installations & Upgrade Contract, approves an additional £1.500m to the 2019/20 HRA Capital programme (Mechanical and Electrical Works) to be funded from Major Repairs Allowance.

Reasons for Decisions and Options Considered

The existing contract was procured in October 2010 following competitive tendering, the most economically advantageous tenderer was Mitie Property Services Ltd and the contract was awarded accordingly.

The Fire Safety Works Contract with Mitie expired in March 2014; much consideration was given to a number of options to replace the existing contract including the option of procuring the new contract from an existing framework.

After investigation it was not felt this was an appropriate option for the works the Council required.

A review of the works required took place and has been included within the new Fire Safety Works Phase II to deliver the new contract commencing in July 2016.

It was previously proposed in the report to Cabinet on 21 January 2014 (Item 17), authority was sought to invite and evaluate tenders, to take advantage of those benefits and procure a contract, with the added advantage of two stage procurement process which will also save the Council time, resources and money and ensuring competent contractors which specialise on scope of works.

The tenders were based on a series of schedules of rates, so there is no fixed tender sum. In order to enable comparative evaluation of the Contractors' bids, estimated quantities were applied to each of the schedule of rates items. The resulting comparative sums are described as "Notional Tender Sums"

The tender evaluation criteria was set out in the Council's Invitation to Tender and used a weighted scoring system based on 60% price and 40% quality.

The tender of Diamond Build Plc was ranked highest after the tender

evaluation process as the most economically advantageous tender to the Council and it is therefore to be awarded the term contract for Fire Safety Works Phase II (West Area) and the tender of Lakehouse Contracts Limited was ranked second highest after the tender evaluation process as the second most economically advantageous tender to the Council and it is therefore to be awarded the term contract for the Fire Safety Works Phase II (East Ward).

The tender report setting out the results of the tender evaluation is contained in Appendices A and A1 inclusive (Confidential Appendices) of this report.

The successful Contractors have been checked by the Contractor's Health and Safety Assessment Scheme (CHAS) with regards to Health and Safety, and to Construction Line with regards to financial standing and references.

The successful Contractors were also checked via a Pre-Qualification Questionnaire (PQQ) which assessed their capability in terms of technical knowledge, experience, capacity, organisational and financial standing to see if they met the Council's requirements.

A financial analysis was carried out by Finance alongside a credit report produced by Procurement.

No issues of concern were raised by any of these checks and they are therefore deemed to be compliant with financial standing and references.

15 Temporary Accommodation Placement Policy

Resolved

That Cabinet

- i) notes and approves the Temporary Accommodation Placement Policy (appendix 1 of the report)
- ii) notes and approves the Temporary Accommodation Acquisition Policy (appendix 2 of the report).
- iii) Authorises the Executive Director of Regeneration and Housing to purchase up to 20 properties on the open market to a maximum total purchase and other cost of £5m.

Reasons for Decisions and Options Considered

The report seeks members approval to the Council's proposed policies on acquiring temporary accommodation and placing households that approach as homeless into that temporary accommodation. Increasing levels of homeless applications along with rising costs to buy and rent housing has meant that acquiring temporary accommodation locally is becoming more difficult. The Placement Policy sets out the principles on

how the Council will place households into available temporary accommodation, and which will be used alongside the Acquisition Policy for temporary accommodation, which sets out the options utilised for obtaining accommodation including leasing, purchasing and managing a variety of accommodation to meet the needs of homeless households.

Additionally the report requests funding to continue the property purchase scheme originally agreed by Cabinet in September 2013. The initial £21m funding to purchase up to 83 units is close to being fully spent and a further request is made for £5m additional funding to purchase up to additional properties which would assist the Council meeting its temporary accommodation requirements.

16 Date of Next Meeting

Resolved

The next meeting of Cabinet will be held on 14 June 2016 at 7pm