

# **Report to the Cabinet**

**Report reference: C-006-2022-23**

**Date of meeting: 30th September 2022**



**Portfolio: Housing & Community – Councillor H Whitbread**

**Subject: Limes Farm Estate - Tender Report Update**

**Responsible Officer: Jordan Dapaah**

**Democratic Services: Adrian Hendry (01992 564246).**

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## **Recommendations/Decisions Required:**

- 1. That Cabinet agree to appoint Equans Regeneration Ltd;**
- 2. That Cabinet note the SWOT analysis, in particular, the risk to both EDFC and Leaseholders in delaying the project; and**
- 3. That Cabinet note the contribution EDFC is making to leaseholder costs (funding the replacement of front doors).**

## **Executive Summary:**

EDFC were informed of the need to undertake a Major works project at Limes Avenue and Copperfield Estates through their existing stock condition survey information and planned maintenance strategy. Baily Garner were initially appointed as Contract administrators to ratify the existing data, that proved many components were life expired or nearing the end of their life cycle. In addition, significant Health & Safety and Fire Safety works were identify.

Baily Garner utilised the existing stock data and undertook detailed surveys of each of the blocks to formulate a comprehensive specification. EDFC approved the use the SEC Framework to competitively tender the works. The framework utilises contractors who are ideally placed to undertake works on a scale and budget of the Limes estate. On return of the tenders, they were evaluated on a 40% cost & 60% quality basis. Baily Garner undertook the assessment in conjunction with EDFC to provide impartial and unbiased comments. The result of the tender is that Equans were financially the lowest and had returned the best overall quality submission providing the most economically advantageous tender overall.

Residents have had significant input into the works on the estate, they were given the opportunity to shape the estate in terms of outdoor spaces, this is significant as early indications are that the new decent homes standard will be about taking a place based approach. Moreover, the enhancement of outdoor spaces has been proved to reduce ASB and increase the positive mental health of individuals.

## **Decisions Required:**

Following the competitive tender and evaluation of said tenders on Wednesday 7<sup>th</sup> June 2022 it is requested that Equans Regeneration Limited are appointed to deliver the regeneration works at Limes Farm Estate. The total value of the contract is anticipated to be £6.5 Million (inclusive of contingency).

## Background:

In July 21 EFDC appointed chartered construction consultants Bailly Garner LLP (BG) to assist in the design and delivery of the proposed regeneration works at Limes Farm Estate. Following completion of the specification and works information by BG the scheme was competitively tendered on 22<sup>nd</sup> April 2022 for a period of five weeks via the Southeast Consortium (SEC) framework.

### Cost of Living Crisis

Members will be fully aware of the cost-of-living crisis, and the impact that carrying out works will have on Leaseholders. EFDC have committed to get the best value for Leaseholders while balancing this against protecting our assets, maintaining compliance and giving our tenants choice and opportunity as set out in the Social Housing White Paper. EFDC have made a committed to help with the costs of leaseholders by funding the capital cost of the replacement front doors. A SWOT analysis has been prepared.



The remainder of this report will set out a summary of the tender process and recommendations for appointment.

## Report:

### 1.0 Description of the Works

The works comprise of repairs and refurbishment works to 13no. blocks of flats in the District of Epping Forest, these works include roof repairs, external repairs to façade, replacement of doors and windows, external redecorations, external area repairs, gym equipment installation and Landscape Architecture to the 3no. horseshoe blocks.

## **2.0 Expression of Interest**

This project was sent out to tender via the Southeast Consortium (SEC), the SEC's Expression of Interest was issued to the following framework Contractors:

1. Mulalley & Co
2. Amber Construction Services Ltd
3. United Living Ltd
4. Axis Europe
5. Osbourne Property Services
6. Kier Services
7. Breyer Services
8. Equans Evidence
9. Morgan Sindall Property Services
10. CLC Contractors

## **3.0 Basis of Tender Invitation for the Regenerations works**

Tendering contractors were invited based upon the following documentation:

- Invitation to Tender covering letter
- Invitation to Tender document
- Specification of Works
- Quality submission
- Form of Tender

The tender competition was assessed on the basis of:

- Cost 40% (BG)
- Quality 60% (BG, EFDC, SEC)

BG undertook a cost assessment of all returned bids to ensure any arithmetical errors were captured. This included a value for money assessment against their pre-tender estimate and in-house cost data published by the BCIS (Building Cost information Service).

The quality assessment equating to 60% of the submission was reviewed by BG, EFDC and SEC.

## **4.0 Summary of Qualitative Element Scoring**

Assessment and scoring of the qualitative element were based on six questions that equated to 60% of the tenderers final score. The questions were broken down into the following categories:

1. Management structure and resources
2. Planning and programming works

3. Quality control
4. Customer care
5. Health and Safety
6. Social value and Environmental issues

The marks from the quality assessment are summarised below in **section 5**.

## 5.0 Tenders Received from Contractors

The deadline for the tender return was Monday 9th May 2022 at 12:00 noon. Out of the 10nr. contractors invited to tender 5nr. contractors submitted a bid before the deadline:

- Equans Regeneration Limited
- Axis Europe
- United Living Ltd
- Mullaley & Co
- Breyer Services

Details of the tender sums and qualitative scoring are set out in the below tables.

**Table 1** – Summary of priced tender submission

Tendering Contractor	Tender Sum (£)	Contract Period
Equans Regeneration Ltd	£5,716,989.98	49 Weeks
Axis Europe	£6,157,424.12	60 Weeks
United Living	£6,797,510.07	52 Weeks
Mullaley & Co	£6,799,416.00	44 Weeks
Breyer Services	£6,956,436.02	43 Weeks
<b>Baily Garner – Pre-Tender Estimate</b>	<b>£5,472,411.55</b>	<b>50 Weeks</b>

**Table 2** – Summary of Quality Submission Scores

Quality Scores		Equans Evidence	Axis Europe	United Living Ltd	Mullaley & Co	Breyer Services
Technical and Quality Criteria	Section Criteria Weight	Score	Score	Score	Score	Score
MANAGEMENT STRUCTURES AND RESOURCES	10.00%	8.00%	6.00%	8.00%	6.00%	4.00%

PLANNING, PROGRAMMING & RESOURCING THE WORKS	15.00%	12.00%	9.00%	6.00%	9.00%	9.00%
QUALITY CONTROL	10.00%	8.00%	10.00%	4.00%	6.00%	6.00%
CUSTOMER CARE	10.00%	10.00%	8.00%	6.00%	8.00%	6.00%
ENVIRONMENTAL ISSUES	10.00%	8.00%	6.00%	8.00%	8.00%	8.00%
SOCIAL VALUE	5.00%	4.25%	2.75%	3.25%	4.25%	3.25%
<b>QUALITY TOTALS</b>	60.00%	<b>50.25%</b>	<b>41.75%</b>	<b>35.25%</b>	<b>41.25%</b>	<b>36.25%</b>
<b>QUALITY RANKING</b>		1	2	5	3	4

**Table 3 – Overall combined scores**

## 6.0 Recommendations

Having competitively tendered the works and undertaken the analysis of returned

Overall Scores	Equans Evidence	Axis Europe	United Living Ltd	Mullaley & Co	Breyer Services
<b>Weighted Price Score</b>	40.00%	37.14%	33.64%	33.63%	32.87%
<b>Weighted Quality Score</b>	50.25%	41.75%	35.25%	41.25%	36.25%
<b>Overall Score</b>	<b>90.25%</b>	<b>78.89%</b>	<b>68.89%</b>	<b>74.88%</b>	<b>69.12%</b>
<b>Overall Ranking</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>4</b>

submissions it is recommended the Council appoint Equans Regeneration Ltd to undertake the regeneration works at Limes Farm Estate. Their bid is considered to be the most economically advantageous tender and represents the best value for money to the Council.

### Reasons for Proposed Decision:

The proposed major works form part of the Councils planned preventative maintenance strategy and are required to be undertaken to ensure the buildings at Limes Farm estate remain compliant, structurally sound and free from water ingress. Delay to the proposal will lead to further deterioration of the building fabric and will increase the cost of remediation.

By executing all works under one contract the Council can recharge Leaseholders under Section 20 of the Landlord and Tenant Act 1985.

### Other Options for Action:

None

### Resource Implications:

The project will be funded through the capital budget for 2022.

### Legal and Governance Implications:

Appointment of a successful Contractor must take place in line with Councils Procurement rules. It is intended to utilise a JCT 16 Contract for the construction works.

Under the JCT 16 Intermediate Building Contract w/Contractors Design Portion (contract to be used) the Contractor will legally be responsible for insuring all the works for the duration of the project. EFDC will be responsible for continuing to insure the dwellings on Limes Farm estate.

In line with the above the successful Contractor will be legally responsible for Health and Safety parameters on the site for the duration of the project.

There will be a formal project governance structure to oversee the decision making and performance of the project including cost control. The Regeneration Project Manager will be responsible for the management of all Contractors and Consultants involved in the project.

### **Safer, Cleaner and Greener Implications:**

The project will be delivered in line with the Councils safer, cleaner and greener agenda. Some of the project sustainability targets can be found below:

- Use of Ecobins for site welfare.
- Use of a bespoke Green Transport Plan for the project. This will highlight the best transport routes to Contractors and sub-contractors with the aim to encourage use of public transport.
- A zero waste to landfill pledge.
- An overall recycle rate of 98% throughout the duration of the project.

Ways in which the project is aiming to make Limes Farm Estate a safe place are listed below:

- The upgrade of controlled access to include for video entry.
- The introduction of signage
- The upgrade of all front entrance doors

### **Consultation Undertaken:**

Director of Housing and Property – Deborah Fenton

Head of Procurement – Shane McNamara

### **Background Papers:**

Appendix A – Baily Garner Tender Report

### **Risk Management:**

A risk assessment has been undertaken which includes cost, time, quality, and health and safety risks.

The most significant risks include:

- Working within occupied properties
- Managing Health and Safety on site
- Working at height and providing a safe working environment
- Completing all specified works within the timeframe provided
- Labour and material shortages throughout the construction phases
- The presence of further undetected asbestos containing materials and subsequent delays caused as a result with regards to its removal.

All construction projects entail managing risk and it will be the Contractors responsibility to mitigate these. Some project risks may affect programme, i.e., exceptionally adverse weather, but may not impact on project costs. All stakeholders and regulatory authorities will be kept regularly updated with costs and programme via the Regeneration Project Manager.





## Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, i.e., have due regard to:
  - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
  - advancing equality of opportunity between people who share a protected characteristic and those who do not,
  - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
  - age
  - disability
  - gender
  - gender reassignment
  - marriage/civil partnership
  - pregnancy/maternity
  - race
  - religion/belief
  - sexual orientation.
3. In addition to the above protected characteristics, you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. **All Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA.** An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
  - Factsheet 1: Equality Profile of the Epping Forest District
  - Factsheet 2: Sources of information about equality protected characteristics
  - Factsheet 3: Glossary of equality related terms
  - Factsheet 4: Common misunderstandings about the Equality Duty
  - Factsheet 5: Frequently asked questions
  - Factsheet 6: Reporting equality analysis to a committee or other decision-making body

<b>Section 1: Identifying details</b>
Your function, service area and team: <b>Regeneration Project Manager</b>
If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: <b>Property Services</b>
Title of policy or decision:
Officer completing the EqIA: Tel:07951100289 Email: jdapaah@eppingforestdc.gov.uk
Date of completing the assessment: 17/06/22

<b>Section 2: Policy to be analysed</b>	
2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? No, this forms part of EFDC's planned maintenance program.
2.2	Describe the main aims, objectives and purpose of the policy (or decision): To ensure Limes Farm Estate dwellings remain compliant, structurally sound and free from water ingress.  What outcome(s) are you hoping to achieve (i.e., decommissioning or commissioning a service)? To regenerate the Limes Farm Estate, creating place where people want to live.
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul> <p>Yes, the project will affect residents of Limes Farm Estate. It is intended to regenerate the area.</p> <p>Will the policy or decision influence how organisations operate? No</p>
2.4	Will the policy or decision involve substantial changes in resources? No
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?

	<p>Yes, this project falls in line with the Councils policy to 'create places where people want to live'. The proposed works will uplift the aesthetic appearance of Limes Farm Estate whilst providing additional regeneration benefits.</p>
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### Section 3: Evidence/data about the user population and consultation<sup>1</sup>

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, e.g., service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	<p>What does the information tell you about those groups identified?</p> <p>Through the project resident consultation incl. Section 20 consultation the project can confirm there is overwhelming resident support for the scheme. All client-side stakeholders have been informed of the project intentions and support the business case.</p>
3.2	<p>Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?</p> <p>Yes, as above.</p>
3.3	<p>If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:</p>

## Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (Explain why)	Extent of impact Low, medium, high (Use L, M or H)
Age	Positive. The work will have a positive effect on all of the identified equality groups as both the tenants and visitors to the property will benefit from well maintained and safe properties.	L
Disability		L
Gender		L
Gender reassignment		L
Marriage/civil partnership		L
Pregnancy/maternity		L
Race		L
Religion/belief		L
Sexual orientation		L

## Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If 'YES', use the action plan at <b>Section 6</b> to describe the adverse impacts and what mitigating actions you could put in place.

**Section 6: Action plan to address and monitor adverse impacts**

<b>What are the potential adverse impacts?</b>	<b>What are the mitigating actions?</b>	<b>Date they will be achieved.</b>

**Section 7: Sign off**

**I confirm that this initial analysis has been completed appropriately.  
(A typed signature is sufficient.)**

Signature of Head of Service:

Date:

Signature of person completing the EqIA:

Date:

**Advice**

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqIA you undertake to the director responsible for the service area. Retain a copy of this EqIA for your records. If this EqIA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.