

Cabinet

Agenda

MONDAY
13 MAY 2013
7.00 pm

COURTYARD ROOM
HAMMERSMITH
TOWN HALL
KING STREET
LONDON W6 9JU

Membership

Councillor Nicholas Botterill, Leader (+ Regeneration, Asset Management and IT)

Councillor Greg Smith, Deputy Leader (+ Residents Services)

Councillor Helen Binmore, Cabinet Member for Children's Services

Councillor Mark Loveday, Cabinet Member for Communications (+ Chief Whip)

Councillor Marcus Ginn, Cabinet Member for Community Care

Councillor Andrew Johnson, Cabinet Member for Housing

Councillor Victoria Brocklebank-Fowler, Cabinet Member for Transport and Technical Services

Date Issued
01 May 2013

If you require further information relating to this agenda please contact: David Viles, Committee Co-ordinator, Governance and Scrutiny, tel: 020 8753 2063 or email: David.Viles@lbhf.gov.uk

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PUBLIC NOTICE

The Cabinet hereby gives notice of its intention to hold part of this meeting in private to consider items (17-23) which are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972, in that they relate to the financial or business affairs of any particular person, including the authority holding the information.

The Cabinet has received no representations as to why the relevant part of the meeting should not be held in private.

Members of the Public are welcome to attend.
A loop system for hearing impairment is provided, together with disabled access to the building

DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on non-exempt item numbers **4-14** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to David Viles at the above address, must be signed by at least ten registered electors of the Borough and will be subject to the Council's procedures on the receipt of deputations. **Deadline for receipt of deputation requests: Wednesday 8 May 2013.**

COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 15 May 2013**. Items on the agenda may be called in to the relevant Scrutiny Committee.

The deadline for receipt of call-in requests is: **Monday 20 May 2013 at 3.00pm**. Decisions not called in by this date will then be deemed approved and may be implemented.

A confirmed decision list will be published after 3:00pm on **Monday 20 May 2013**.

Cabinet Agenda

13 May 2013

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	<p>If a Councillor has any prejudicial or personal interest in a particular report he/she should declare the existence and nature of the interest at the commencement of the consideration of the item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a prejudicial interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken, unless a dispensation has been obtained from the Standards Committee.</p> <p>Where members of the public are not allowed to be in attendance, then the Councillor with a prejudicial interest should withdraw from the meeting whilst the matter is under consideration, unless the disability has been removed by the Standards Committee.</p>	
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16.	EXCLUSION OF PRESS AND PUBLIC	

The Cabinet is invited to resolve, under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

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|------------|---|--|
| 17. | TRI-BOROUGH TOTAL FACILITIES MANAGEMENT - AWARD OF CONTRACT - EXEMPT ASPECTS (E) | |
| 18. | LINFORD CHRISTIE STADIUM : GENERAL INTERNAL AND EXTERNAL REFURBISHMENT OF CHANGING ROOM PUBLIC FACILITIES AND MAJOR UPGRADE OF COMMERCIAL KITCHEN : EXEMPT ASPECTS (E) | |
| 19. | APPOINTMENT OF A CONTRACTOR TO DELIVER STREET OUTREACH SERVICES IN HAMMERSMITH & FULHAM : EXEMPT ASPECTS (E) | |
| 20. | LETTING OF A SERVICE CONCESSION CONTRACT TO ALLOW NETWORK EQUIPMENT TO BE FITTED TO LAMP POSTS, STREET FURNITURE AND OTHER COUNCIL-OWNED ASSETS (AS APPLICABLE) : EXEMPT ASPECTS (E) | |
| 21. | DELEGATED AUTHORITY TO EXTEND SUPPORTING PEOPLE CONTRACTS : EXEMPT ASPECTS (E) | |

- 22. CONTRACT AWARD - BI-BOROUGH PAY AND DISPLAY MACHINE MAINTENANCE SERVICES : EXEMPT ASPECTS (E)**
- 23. PARKING PROJECTS & POLICY PROGRAMME FOR 2013/14 AND 2014/15 : EXEMPT ASPECTS (E)**

Agenda Item 1



London Borough of Hammersmith & Fulham

Cabinet Minutes

Monday 8 April 2013

PRESENT

Councillor Greg Smith, Deputy Leader (+ Residents Services)
Councillor Mark Loveday, Cabinet Member for Communications (+ Chief Whip)
Councillor Marcus Ginn, Cabinet Member for Community Care
Councillor Andrew Johnson, Cabinet Member for Housing
Councillor Victoria Brocklebank-Fowler, Cabinet Member for Transport and Technical Services

ALSO PRESENT

Councillor Michael Cartwright

183. MINUTES OF THE CABINET MEETING HELD ON 4 MARCH 2013

RESOLVED:

That the minutes of the meeting of the Cabinet held on 4th March 2013 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

184. APOLOGIES FOR ABSENCE

RESOLVED:

Apologies for absence were received from Councillors Nicholas Botterill and Helen Binmore.

185. DECLARATION OF INTERESTS

There were no declarations of interest.

186. REVENUE BUDGET 2012 - 13 : MONTH 10 AMENDMENTS

RESOLVED:

1. That approval be given to the General Fund carry forward of £3.7m of 2012/13 underspends into 2013/14 budgets as outlined in Appendix 1 of the report.
2. That approval be given to write off an Adult Social Care debtor of £0.118m.
3. That £0.458m of the HRA budget be transferred to an earmarked reserve to cover future HRA redundancy costs.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

187. TRI-BOROUGH ICT TARGET OPERATING MODEL

RESOLVED:

1. That approval be given to undertake a process to appoint a new Tri-borough Director for ICT, to be in post by October 2013, and to note that at their meeting on 8 February 2013, Tri-borough Leaders agreed that London Borough of Hammersmith & Fulham be the employer for the Tri-borough ICT Director post.
2. To note the draft 2014 Target Operating Model (TOM) for ICT to be in fully in place by November 2014, subject to a final report in April 2014.
3. That the currently identified savings be noted and that the newly appointed Tri-borough ICT Director undertakes a review of the organisation and proposed savings with a view to bringing back a comprehensive report prior to April 2014.
4. That approval be given to the establishment of a shadow management team for ICT, chaired by the Tri-borough lead for ICT and consisting of the Chief Information Officers (CIOs) and their deputies, to begin functioning from April 2013 until April 2014.
5. That approval be given to the immediate secondment of staff to key posts, for an interim period until April 2014, to fill the strategic relationship

manager, problem and change manager posts in the Target Operating Model.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

188. HAMMERSMITH LIBRARY REFURBISHMENT AND OPTION FOR ARCHIVE SERVICE

RESOLVED:

1. That the scheme to refurbish Hammersmith Library at a cost of £1.99m which is fully funded from section 106 (£1.65m) and the existing planned maintenance budget (£0.34m), be approved.
2. That the draw-down of £925,000 section 106 funding that has already been received by the London Borough of Hammersmith and Fulham from the Hammersmith Car Park Construction scheme, be approved.
3. That approval be given to temporarily forward funding and bearing the risk of the balance of section 106 funding associated with the Hammersmith Car Park Construction scheme (£725,000) that is currently outstanding but expected to be available in April 2014, and to the draw down of that sum to spend or reimburse as required, the temporary finance being sourced from the corporate capital reserve and only used in the event that the outstanding S106 financing is not received prior to a requirement to fund expenditure as per the accounting cycle.
4. That approval be given to the proposal to relocate the Archives Service to Hammersmith Library and to undertake additional works to the library on the proviso that £700,000 Section 106 funding is secured as set out in paragraph 5.8 onwards of the report (of which £510,000, including fees, will relate to the creation of the new Archives location, £50,000 to move the service to the new location, a £50,000 allowance made for alternative service provision during the closure period, and the remainder used to purchase new stock).
5. That approval be given to temporarily forward funding and bearing the risk of £700,000 of additional section 106 funding associated with the Kings Mall Car Park development and to the draw-down of that sum on the

proviso that planning permission is granted on the site with the associated section 106 agreement included in the Head of Terms, the temporary finance being sourced from the corporate capital reserve and only used in the event that the outstanding S106 financing is not received prior to a requirement to fund expenditure as per the accounting cycle.

6. That approval be given to the provision of £55,000 one off revenue contingency funding from April 2013 to allow the continued delivery of an Archives and Local Studies service and to prepare and rationalise the collections prior to transfer to their new location.
7. That approval be given to the delegation of the authorisation of the future spend of the drawn down Section 106 monies to the Deputy Leader and Cabinet Member for Residents Services, in consultation with the Executive Director for Environment, Leisure and Residents Services and the Executive Director of Finance and Corporate Governance.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

189. PARKS CAPITAL PROGRAMME 2013/16

RESOLVED:

1. That approval be given to the Parks Capital Programme 2013/14 budget and indicative budget forecasts for 2014/15 and 2015/16, as set out in Appendix 1 of the report, subject to any amendments as agreed for operational reasons by the Cabinet Member for Residents Services and the Executive Director of Environment Leisure and Residents Services (the Council funding allocation to Parks of £500,000 for 2013/14 and £500,000 for the next 2 years is subject to future amendment by the Executive Director of Finance and Corporate Governance).
2. That in accordance with the provisions contained in the Council's Contracts Standing Orders, all schemes with estimated values of £100,000 or greater be approved by the Cabinet Member for Residents Services, provided that the actual contractual sum comes within the estimated budget.
3. That the result of the public consultation for each of the parks be considered when undertaking the works specified in paragraph 5.6 of the report.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

190. CEMETERIES - VARIATION TO GROUNDS MAINTENANCE CONTRACT

RESOLVED:

That approval be given to vary the Grounds Maintenance contract and require Quadron to manage the cemeteries function, which includes implementing an adequate staffing structure.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

191. FULHAM PALACE TRUST - PROPOSED FINANCE ARRANGEMENTS

RESOLVED:

1. That approval be given to a payment of £367,500 (£350,000 plus anticipated loan interest of £17,500) to Fulham Palace Trust as a one off grant to repay the Architectural Heritage Fund loan, therefore enabling the Trust to use the annual rental income from the lodges to balance their budget each year.
2. That approval be given to a loan of £250,000 to Fulham Palace Trust to create reserves, to be held in a separate bank account, to be repaid to the Council once the Trust starts to make a surplus.
3. That the approval of the final conditions of the grant and loan be delegated to the Cabinet Member for Residents Services, in consultation with the Executive Director for Environment, Leisure & Residents Services.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

192. MENTAL HEALTH PARTNERSHIP AGREEMENT UNDER SECTION 75 NHS ACT 2006 LONDON BOROUGH OF HAMMERSMITH AND FULHAM (H&F) AND WEST LONDON MENTAL HEALTH TRUST (WLMHT)

RESOLVED:

1. That approval be given to the updated Partnership Agreement with West London Mental Health Trust for the provision of Mental Health Services.
2. That the Tri-borough Executive Director for Adult Social Care be authorised to sign the new agreement.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

193. CONTRACT EXTENSION OF CHILDREN'S CENTRE SPEECH AND LANGUAGE SERVICES

RESOLVED:

1. That the requirement contained in the Council's Contract Standing Orders (CSOs) to seek competitive tenders be waived, in accordance with CSO 3.1, and that approval be given to negotiate a new contract for Speech and Language Therapy Services for Children's Centres with the existing provider Central London Community Health Care NHS Trust in accordance with CSO 9.11.

2. That this interim contract with the Central London Community Health Care NHS Trust shall be consistent with the decisions approved by Cabinet on 11 February 2013 regarding the Children's Centres contracts as the provision is delivered via these sites – that is, for the interim contracts to run for a period for no more than 2 years, with a break clause after 1 year in order to ensure service continuity whilst navigating through Children's Centre remodelling.
3. That officers explore ways in which efficiencies can be achieved during this interim contract, in particular savings opportunities which do not impact on front-line provision.
4. That the interim contract with the existing provider incorporates a revised performance management framework that clearly reflects national developments, the Council's priority outcomes for children and families, and the statutory duty of Best Value, taking into account cost and quality.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

194. AWARD OF CONTRACT FOR INDEPENDENT NHS COMPLAINTS ADVOCACY SERVICE

RESOLVED:

1. That the Council calls off from a framework agreement for the provision of an independent NHS Complaints Advocacy Service let by the London Borough of Hounslow and enters into a contract with the preferred supplier, Voiceability Advocacy (Charity number 1076630), for two years (with options to extend for a third and then fourth year).
2. That delegated authority be given to the Tri-borough Director for Adult Social Care in consultation with the Bi-borough Director of Law to finalise the contract arrangements.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

195. HRA ASSET MANAGEMENT PLAN 2013 -16 AND HOUSING CAPITAL PROGRAMME 2013 - 14

RESOLVED:

1. That the HRA Asset Management Plan as set out in Appendix 1 of this report be endorsed and that approval be given to the underlying principles, broad objectives, and specific service priorities identified therein.
2. That the updated HRA 30 year business plan be endorsed, and it be noted that this now includes the updated and validated stock condition survey information which underpins the HRA Asset Management Plan and assumes the backlog identified by the stock condition survey is caught up within 5 years.
3. That approval be given to the projects and schemes identified in this report as set out in Appendix 2 which form the 2013/14 Housing Capital Programme to the value of £37.037 million (the envelope of £37.037m having previously been agreed at Budget Council on 27 February 2013).
4. That approval be given to the budget envelope of £44.691 million for 2014/15 and £46.194 million for 2015/16 together with contributions of £22.5 million for 2014/15 and £22.263 million for 2015/16 from the decent neighbourhoods fund and to note that revenue contributions are starting to be made to the programme (this recommendation is subject to future quarterly / annual changes to the overall Council capital programme).
5. That delegated authority be given to the Cabinet Member for Housing, in conjunction with the Executive Director of Housing and Regeneration, to award contracts over £100,000 and, if appropriate, exercise built-in options to extend such contracts in respect of any individual projects and schemes under the Housing Capital Programme identified in Appendix 2 of this report, in accordance with Contract Standing Order 9.4 and 9.4.1.
6. That delegated authority be given to the Cabinet Member for Housing, in conjunction with the Executive Director of Housing and Regeneration, to approve future amendments to the 2013/14 programme for operational reasons where such amendments can be contained within the overall approved 2013/14 – 2015/16 budget envelope and available resources.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

196. AWARD OF NEW HOUSING REPAIRS AND MAINTENANCE CONTRACT

RESOLVED:

1. That officers' recommendation that the Repairs and Maintenance contract be awarded to MITIE Property Services (UK) Ltd be noted.
2. That approval be given to delegate authority to the Cabinet Member for Housing in conjunction with the Executive Director for Housing & Regeneration to:
 - (i) award a borough wide sole supply contract under Lot 1, Housing Repairs and Maintenance Contract(s) 2013-2023 to MITIE Property Services (UK) Ltd, to provide works and services for a 10 year period (2013-2023), with the option to extend for a further 5 year period, subject to due regard being taken of the outcome of the section 20 consultation described in paragraphs 7.2.1 and 7.2.2. of this report.
 - (ii) approve any necessary amendments to the contract in light of the consultations.
3. That the notional Annual Contract Value¹ in the region of £17.9m, subject to annual indexation, and including revenue works (HRA), capital works and some further call off provision for capital schemes, be noted (this figure assumes that all KPIs are achieved and full incentivisation payments made).
4. That the TUPE transfer of approximately 41 Council staff to the new contractor be noted and that approval be given for the Council to enter into any necessary ancillary agreements as a result of such transfer.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

¹ See paragraph 5.1.1 of the report for explanation of the difference between notional annual contract value & annual budget

Note of dispensation in respect of any declared conflict of interest:

None.

197. MARKET TESTING OF HOUSING SERVICES - ESTATE SERVICES (LOT 1)

RESOLVED:

1. That officers' recommendation that the contract for estate services be awarded to Pinnacle Housing Limited be noted.
2. That authority be delegated to the Cabinet Member for Housing, in consultation with the Executive Director for Housing and Regeneration, to:
 - (i) award the contract for Estate Services to Pinnacle Housing Limited in the initial sum of £2.8M per annum, subject to due regard being taken of the outcome of the section 105 and section 20 consultations described in paragraphs 7.16 to 7.21 of the report.
 - (ii) approve any necessary amendments to the contract in light of responses to the consultation.
3. That the submission of the in-house proposal described in paragraphs 6.11 to 6.22 be noted and that this proposal be not pursued.
4. That the TUPE transfer of approximately 92 Council staff to the new contractor be noted and that approval be given to the Council entering into any necessary ancillary agreements as a result of such transfer.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

198. MARKET TESTING OF HOUSING SERVICE - HOUSING MANAGEMENT (LOT2)

RESOLVED:

1. That officers' recommendation that the contract for housing management services for the south of the borough be awarded to Pinnacle Housing Limited be noted.

2. That authority be delegated to the Cabinet Member for Housing, in consultation with the Executive Director for Housing and Regeneration, to:-
 - (i) award the contract for housing management services for the south of the borough to Pinnacle Housing Limited in the initial sum of £1.348M per annum, subject to due regard being taken of the outcome of the section 105 consultation described in paragraphs 7.3 to 7.6 and the consent of the Social Housing Regulator as described in paragraph 7.23 of the report.
 - (ii) approve any necessary amendments to the contract in light of the consultations or as may be required by the Social Housing Regulator.
3. That the management of higher level ASB remains in-house for the time being whilst noting that the proposed contract with Pinnacle Housing Limited will contain an option to vary the contract to include this service within the contract for housing management services.
4. That the TUPE transfer of approximately 25 Council staff to the new contractor be noted and that approval be given to the Council entering into any necessary ancillary agreements as a result of such transfer.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

199. HOME BUY ALLOCATION SCHEME

RESOLVED:

That the Home Buy Allocation Scheme as set out in Annex A to the report, be adopted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

200. EXTENSION OF CONTRACT FOR THE MAINTENANCE OF PAY AND DISPLAY MACHINES

RESOLVED:

1. That the provisions of Contracts Standing Orders requiring the Council to obtain three quotations be waived, and it be noted that negotiations have taken place with the current provider to provide continuing support for a period not exceeding 2 months.
2. That the contract for the maintenance of pay and display machines with Metric Group Ltd be continued on the existing terms and conditions until the commencement of the proposed joint contract with RBKC which is scheduled to start on 01/06/13, with a notional value of £80,000.², be approved.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

201. SUBMISSION OF A BID TO THE MAYOR OF LONDON'S AIR QUALITY FUND

RESOLVED:

1. That the Council pledges to take action on improving air quality in the borough, thus enabling the Council to access the Mayor of London's Air Quality Fund, including the Leader signing up to the Exemplar Borough qualifying criteria as set out in Appendix 1.
2. That approval be given to the submission of an application to the GLA to fund local air quality improvement measures, including joint bids with other partners such as neighbouring boroughs, subject to joint funding.

² Based upon current monthly invoices.

3. That any bid made by the Council, which will be capped at a total of no more than £500,000, be approved by the Cabinet Member for Transport and Technical Services prior to submission to the GLA.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

202. KEY DECISIONS LIST

The Forward Plan was noted.

203. EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the remaining items of business on the grounds that they contain information relating to the financial or business affairs of a person (including the authority)] as defined in paragraph 3 of Schedule 12A of the Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

[The following is a public summary of the exempt information under S.100C (2) of the Local Government Act 1972. Exempt minutes exist as a separate document.]

204. EXEMPT MINUTES OF THE CABINET MEETING HELD ON 4 MARCH 2013 (E)

RESOLVED:

That the minutes of the meeting of the Cabinet held on 4 March 2013 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

205. TRI-BOROUGH ICT TARGET OPERATING MODEL : EXEMPT ASPECTS (E)

RESOLVED:

That the report be noted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

206. MENTAL HEALTH PARTNERSHIP AGREEMENT UNDER SECTION 75 NHS ACT 2006 LONDON BOROUGH OF HAMMERSMITH AND FULHAM (H&F) AND WEST LONDON MENTAL HEALTH TRUST (WLMHT) : EXEMPT ASPECTS (E)

RESOLVED:

That the report be noted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

207. AWARD OF NEW HOUSING REPAIRS AND MAINTENANCE CONTRACT : EXEMPT ASPECTS (E)

RESOLVED:

That the report be noted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

208. MARKET TESTING OF HOUSING SERVICES - ESTATE SERVICES (LOT 1): EXEMPT ASPECTS (E)

RESOLVED:

That the report be noted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

209. MARKET TESTING OF HOUSING SERVICE - HOUSING MANAGEMENT (LOT 2) : EXEMPT ASPECTS (E)

RESOLVED:

That the report be noted.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

Meeting started: 7.00 pm

Meeting ended: 7.31 pm

Chairman

Tri-Borough Executive Decision Report

[Note: For the purposes of the statutory record, this report will be accompanied by the relevant sign-off sheet used at each authority that is party to this decision. Such record will be retained at each such authority.]

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	Cabinet Date of decision: 13 May 2013 Forward Plan reference: N/A	
	Cabinet Date of decision: 02/05/2013 Forward Plan reference 03962/13/K/B	
	Committee of the Cabinet Date of decision: 13/05/2013 Forward Plan reference: 297	
Report title (decision subject)	TRI-BOROUGH TOTAL FACILITIES MANAGEMENT AWARD OF CONTRACT	
Reporting officer	Derek Myers, Joint Chief Executive, RBKC and H&F Mike More, Chief Executive, WCC	
Key decision	Yes	
Access to information Classification	Public report. A separate report on the exempt Cabinet agenda provides information on the detailed evaluation of the tenders.	

1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval fully to outsource the provision of 'Total Facilities Management' (TFM) and to award a Tri-Borough contract accordingly.
- 1.2 For the purposes of the Public Contracts Regulations 2006 (as amended) London Borough of Hammersmith & Fulham (H&F) is the contracting authority and the Royal Borough of Kensington and Chelsea (RBKC) and Westminster City Council (WCC) were named in the Official Journal of the European Union (OJEU) as "Participating Authorities".
- 1.3 These abbreviations are used throughout the report:
- H&F London Borough of Hammersmith & Fulham
 - RBKC Royal Borough of Kensington and Chelsea
 - WCC Westminster City Council
 - TFM Total Facilities Management
 - ICF Intelligent Client Function
 - FM Facilities Management
 - OJEU Official Journal of the European Union
 - PA Project Agreement
 - FA Framework Agreement
 - IAA Inter-Authority Agreement
 - TBAMPB Tri-Borough Asset Management and Property Board
 - PMS Performance Management System
 - KPIs Key Performance Indicators
 - OPI Operational Performance Indicators
 - TOC Tri-Borough Owned Company
- 1.4 The Business Case approved by the three Cabinets set a target of £2 million of savings per annum to be achieved at the conclusion of the tendering exercise. This target has been exceeded and, based upon current arrangements the solution proposed by Amey Community Ltd has identified average net savings of approximately £6 million in the first year and more when further contracted efficiencies are realised.
- 1.5 The report also sets out the Intelligent Client Function (ICF) that will manage the contract and requests approval to commit £1.7 million p.a. for the establishment of an ICF.
- 1.6 Finally, the report details and seeks approval to spend £750,000 (£250,000 per Authority) to mobilise the TFM contract and cover external costs from May to September 2013. The intention is that this should be from existing budgets. For H&F, source of funding will be the Efficiency Projects Reserve.

2. RECOMMENDATIONS

- 2.1 That Cabinet:

1. Awards the Tri-Borough contract for the provision of TFM (“the Project Agreement”) to Amey Community Limited with the services commencing on 1 October 2013 for a period of 10 years (with an optional 3 year extension).
2. Awards a London-wide Framework Agreement for the provision of facilities management services to Amey Community Limited for a period of four years.
3. Notes that the initial £2 million savings identified in the Business Case have been met and that the potential net savings over the life of the contract could now significantly exceed this.
4. Authorises the Bi-Borough Executive Director of Transport and Technical Services at H&F and RBKC in conjunction with the bi-borough Head of Legal Services at H&F and RBKC, the Director of Corporate Property at RBKC and the WCC Strategic Director Housing Regeneration and Property with the Head of Legal Services to agree to any final amendments to the PA and FA deemed necessary and to conclude the PA and FA accordingly.
5. Approves the structure of the ICF at a net annual cost of £1.7 million to be funded from existing FM budgets.
6. Agrees that RBKC will be the host employer for the ICF.
7. Approves the proposed high level Governance arrangements and principles of the Tri-Borough Inter-Authority Agreement, subject to any other report thought necessary at a later date.
8. Authorises the Executive Director of Finance and Corporate Governance (LBHF), the Town Clerk and Executive Director of Finance (RBKC) and the Chief Operating Officer (WCC) to enter into a Tri-Borough agreement in respect of TFM underpinned by a s113 agreement for the client function.
9. Notes the methodology for allocating costs and indicative costs of TFM for each Borough.
10. Gives approval to spend £750,000 (£250,000 per Authority) required to mobilise the TFM contract from May to September 2013, to be split equally between the boroughs on the basis that the work required to deliver the TFM project in each borough is broadly the same. (It is anticipated that the £250,000 can be met from existing facilities management budgets but in the event that this is not possible, it may be necessary to call on funding from borough contingency budgets. For H&F in particular, this will need to be funded from the Efficiency Projects Reserve).
11. Reviews the structure and form of the ICF at a future date (no earlier than 12 months from contract commencement) with a view to considering a Tri-Borough Owned Company (TOC), should that prove to be commercially and operationally advantageous.

3. BACKGROUND

Aims and Objectives of the Tri-Borough TFM

- 3.1 The TFM project is designed to standardise the delivery of FM services across RBKC, H&F and WCC. This alignment is aimed at optimising costs and headcount, improving the standards of service and improving management information.
- 3.2 The services would be fully outsourced¹. Please see Appendix A for scope of functions and services to be delivered.
- 3.3 The Tri-Borough Councils manage their estates in different ways. WCC already operate as a very 'thin' in-house client whilst H&F are a 'mixed economy' of in-house and outsourced contracts and RBKC have mainly in-house property functions. Consequently a programme is required to align FM provision in each borough. To succeed, the provider will be required to work collaboratively with a single client team establishing a unified delivery and management model across the Councils.
- 3.4 The Councils will be purchasing an end-to-end managed service rather than a simple contracted labour force for delivery with the aim of using common processes in comparable ways to reduce costs, improve compliance and increase flexibility of service across the Councils.
- 3.5 This approach should generate significant efficiencies for FM operations, providing opportunities for convergence and further rationalisation. It also provides a credible option for all other 30 London boroughs ("Participating Bodies") and Greater London state schools (including schools maintained by other London boroughs, free schools and academies) to call-off services via a Framework Agreement that has been procured simultaneously with the main contract. London Boroughs and Schools will each have the opportunity to buy into this in order to benefit from the procurement cost savings, speed of implementation and economies of scale.

Proposals and Options

- 3.6 The current FM functions across the three authorities deliver the following main services with the support of other borough resources:
- Repairs and Maintenance
 - Facilities Management of 'soft services' such as cleaning, security and catering/vending
 - Minor projects (of up to £250,000 per project)
- 3.7 The current budget for the Tri-Borough FM function (the "baseline budget") is £26.166 million:

¹ TFM Services Specification Definition document

Tri-Borough Authority	Annual Cost £(000)
Westminster City Council	11,127
Royal Borough of Kensington and Chelsea	7,111
London Borough of Hammersmith & Fulham	7,929
TOTAL BASELINE BUDGET	26,166

- 3.8 Following centralisation of property functions in H&F in April 2010 and RBKC in June 2011, it was nevertheless likely that further efficiencies could be achieved through the outsourcing of their FM services whilst WCC were already considering a retender of their FM contract(s). A 'High Level Options Appraisal'² was undertaken reviewing the various procurement models, including the option of retaining independent arrangement in each Borough. This recommended a joint procurement to realise savings in both procurement and service delivery and to contribute to Tri-Borough working.
- 3.9 Such a solution requires a major FM provider to rationalise and deliver a range of services of high quality. Consequently, it was decided not to pursue the limited supply chain framework provided by Buying Solutions (a predecessor of the Government Procurement Service) but the procurement would focus on as broad a range of providers as possible.
- 3.10 As anticipated, the level of interest in this initiative has been intense and embarking on a tendering exercise using the Competitive Dialogue procedure has enabled the Project Team to identify the key issues and develop an effective solution in close collaboration with the best-in-class range of contractors available.
- 3.11 Subsequent interest from other Partnering Authorities has driven the need to consider a wider application of the procured benefits. So that these external interests could be accommodated, the decision was made to create a two-tier procurement. As such the Councils were seeking an innovative private sector partner to develop and provide a fully outsourced, managed solution for FM, through a strategic partnering arrangement (the Project Agreement) for the Councils' estate and schools maintained by the Councils, and a separate framework (the Framework Agreement) for Participating Bodies who can 'call off' the same services for their own estate. The proposal is made to ensure benefits are reaped by the Councils. Please see Appendix B for the contractual set-up.
- 3.12 The Framework Agreement will allow other Participating Authorities and their educational establishments that are maintained from the public purse (including educational establishments in the Tri-Borough Councils' areas), to call off services, as required, during the framework period. This will allow

² The Tri-Borough FM Service Review - High Level Options Appraisal, 7 May 2011

those boroughs and schools to contract with the TFM supplier. There is no obligation on schools to purchase services through these contracts.

- 3.13 A number of TFM briefing sessions have been held with London Boroughs, highlighting the opportunity to call off FM services through the Framework Agreement. To-date, there has been considerable interest from other boroughs.
- 3.14 The 'Business Case'³ and the 'Statement of Decision'⁴ report outlining the proposals for a fully outsourced managed solution for corporate facilities management and detailing the procurement proposals benefits, risks and potential savings to be achieved were approved by the Tri-Borough Cabinets in January 2012. The report also gained approval to draw down budget provision to fund identified external costs and other internal costs to be met from existing budgets.
- 3.15 H&F acted as the Contracting Authority for the purposes of the Public Contracts Regulations 2006 (as amended) and was named as such in the Contract Notice published in the OJEU. The tendering of the contract and the framework agreement has been undertaken in accordance with H&F's Contract Standing Orders. Consequently, Cabinet Member approvals have been sought at all key stages from selection of the bidders taken forward through Expression of Interest stage, reduction of bidders at the end of stage 1 of Competitive Dialogue and Invitation to Submit Final Tenders⁵.
- 3.16 This programme has been a major initiative for the Tri-Borough Councils. It has been regularly reviewed and endorsed by the various tri-borough fora.

TFM Benefits

- 3.17 Contracting with an outsourced shared services provider offers several financial and non-financial benefits to the three boroughs.
- 3.18 The TFM project had an initial savings target of £2 million pounds per annum across the three councils and an analysis of the pricing submissions from all the bidders indicate that this target will be exceeded. Consequently targeted savings for each of the three councils of at least £333k in 2013/14 (part year), increasing to £667k in 2014/15 and onwards will be met.
- 3.19 The financial case comprises:
(a) Procurement cost reductions – arising from joint Tri-Borough procurement compared to the three boroughs undertaking separate procurements.

³ Tri-Borough Total Facilities Management Business Case, February 2012

⁴ WCC Statement of Decision Report – Tri-Borough Total Facilities Management', 30 January 2012

⁵ H&F TFM Procurement Report – Stage 4, 14 November 2012

- (b) Operational cost savings – a minimum £2 million (6 per cent) annual saving in operational costs across Tri-Borough.
- (c) Income generation – opportunities for additional income and or cost savings as a result of associated economies of scale arising from the Framework being offered. This would be dependent on the number of Partnering Authorities who decide to buy into the framework.

3.20 The non-financial benefits of TFM comprise:

- 3.20.1 Process and system standardisation across Tri-Borough – consistent service quality standards, systems, processes and data sets to yield significantly more capital and revenue savings, facilitating rationalisation of the estate through better space utilisation and sharing of assets
- 3.20.2 Statutory compliance – a consistent and robust auditable approach to the management of statutory compliance across the Tri-Borough estate
- 3.20.3 Transparency and visibility – effective and real time delivery of management information enabling improved control of the estate.
- 3.20.4 Scalability – the improved ability to flex both the estate and head count matching operating costs to the demands of the estate.

3.21 All of these benefits were secured for the Tri-Borough Councils through the dialogue process with provisions built into the contract and performance management system.

3.22 At service commencement, the Tri-Borough Councils will experience very little change in service, albeit a new single TFM service provider and a single Help Desk number for queries and service requests.

3.23 However, over the next 18 months, the service provider, in partnership with the ICF, will be looking to introduce further efficiencies and where new business can be won to spread overheads and consequently reduce costs overall.

4. PROCUREMENT APPROACH AND OUTCOME

4.1 Statutory notices were sent for publication in the OJEU. On 26 July a Prior Information Notice (Reference: 2011/S 141-234373) appeared and on 5 November 2011 the Contract Notice (Reference: 2011/S 213-347911) was published. Expressions of interest were received from 143 organisations of which 11 submitted responses to the Pre-Qualification Questionnaire (PQQ).

4.2 The top five shortlisted Bidders were invited to participate in Competitive Dialogue which commenced in mid May 2012. The Bidders' interim detailed solutions were received on 6 July 2012.

- 4.3 Following evaluation, three of the Bidders were shortlisted for the next stage of dialogue (these being Amey Community Ltd, Carillion LGS Ltd and Interserve [Facilities Management] Ltd) which began in August 2012. The dialogue officially closed on 14 December 2012 when all outstanding issues and queries had been resolved and the Councils issued an “Invitation to Submit Final Bids” (ITSFB).

5. THE TFM CONTRACT

Contract Outline / Key Provisions

- 5.1 The TFM Contract will be let jointly by the three Authorities for a period of ten years with an option to extend for a period or periods of up to a further three years.
- 5.2 All three Authorities will jointly let the Framework Agreement which will be available for the Participating Bodies and educational establishments for a period of four years. It is anticipated that call-offs under the Framework Agreement may be for periods that are longer than four years, but will have co-terminus expiry dates with the main Tri-Borough contract.
- 5.3 This is in effect a “fixed price” model that effectively manages the estates of the Tri-Borough Authorities as a single estate, delivering a consistent level of service.
- 5.4 The “fixed price” will be adjusted annually in line with the indexation in line with the Retail Prices Index excluding mortgage interest payments (RPIx). The first adjustment will be at the anniversary of service commencement and then on the same day annually.
- 5.5 The fixed price will also be subject to the contractual change control allowing for changes in the estate and services i.e. if the Tri-Borough Councils decide to remove a building from the TFM scope, then the fixed price would be reduced accordingly.
- 5.6 Within the fixed price, Amey have allowed for £2.8 million per annum to be utilised to deal with minor works. The annual programme for minor works will be developed in conjunction with the ICF and signed-off by the Strategic Partnership Board.
- 5.7 The TFM supplier will work to a suite of output based specifications that meet the requirements of the Tri-Borough Councils. These were subject to consultation and sign-off by the relevant officers prior to commencement of dialogue. Any minor variations in requirements will be absorbed by the supplier.

- 5.8 The contractual payment mechanism (“paymech”) defines the process of supplier invoicing, payment and reconciliation.
- 5.9 The ICF will then allocate the service (and ICF operational) costs to the individual authorities based on the agreed cost allocation methodology⁶.
- 5.10 The agreed cost allocation methodology is dependent on the completion of a detailed Service Matrix by the service provider which allows the all-in fixed price to be broken down into separate services and buildings as required by the Tri-Borough Authorities.

Contract Performance Management

- 5.11 The performance management framework comprises a balanced scorecard populated with a set of agreed Key Performance Indicators (KPIs) and Operational Performance Indicators (OPIs) upon which the performance of the contractor will be judged.
- 5.12 The KPIs reflect the strategic requirements of the Councils. They will be used to calculate a deduction in the fees paid to the Service Provider where agreed standards are not achieved. Conversely, the Councils have agreed to additional payments for performance considered above the levels expected and delivering additional savings or innovations to the Councils that align with its strategic requirements.
- 5.13 Regular market testing and benchmarking reviews have been built into the contract to ensure value for money is achieved throughout the lifetime of the contract. In addition, there will be an option to exit the contract early in the unlikely event of failure or continual poor performance by the supplier.
- 5.14 With the PMS, a continuous service failure below an acceptable level over a 3 month period can escalate to a ‘Critical Service Failure’ which is deemed to be a breach of contract within the Project Agreement. If the issue is not resolved, it can lead to termination of the Project Agreement.

Remedies

- 5.15 In addition to the performance management framework, the Project Agreement permits the Councils to reclaim direct losses in accordance with common law, statute that are incurred from service failures. This allows the Councils to reclaim losses where there has been a major impact for which a performance deduction would not represent adequate compensation.
- 5.16 The Councils have the ability to “step-in” to perform the contract in the case of breach or for some other reason.

⁶ Tri-Borough Total Facilities Management Cost Allocation Methodology, March 2013

- 5.17 The Councils have the right to terminate the Project Agreement early even if the service provider is not in breach. In that case, the Councils would be liable to pay breakage costs which would include items such as the costs (if any) of the service provider extracting themselves early from contracts it has entered into in respect of this project; redundancy costs; any unrecovered mobilisation costs; and the cost of demobilisation. The service provider has submitted a profile of these costs which would decrease during the lifetime of the contract. There is no payment made for loss of profit.
- 5.18 The Project Agreement includes extensive monitoring and audit provisions so that the Councils can ensure that the management information the service provider is supplying is accurate.

6. CONTRACT MANAGEMENT AND GOVERNANCE

Intelligent Client Function (ICF)

- 6.1 The purpose of the ICF is to provide a means of directing and managing the performance of the Service Provider and managing the Performance Management System. A single team will do this on behalf of the Tri-Borough Councils. The ICF will also be responsible for stakeholder engagement, complaints resolution and managing the communications between Councils and the service provider. The proposed structure of the ICF is provided in Appendix C.

Governance between ICF and TFM Supplier

- 6.2 The TFM Project Agreement describes the governance arrangements that will be established between the ICF and TFM Supplier post service commencement.
- 6.3 There will be two Partnership Boards attended by both Amey and Tri-Borough staff. The Operations Partnership Board will focus on day-to-day operational issues and risks. The Strategic Partnership Board represented by senior managers / directors from Amey and Tri-Borough Authorities will focus on strategic issues and risks including maximising opportunities presented by TFM. During mobilisation, the Strategic Board will oversee the delivery of the integrated mobilisation plan. Appendix D outlines the high level arrangements that will be in place.

Governance between ICF and Tri-Borough Authorities

- 6.4 Consistent with the arrangements for other services there will be no executive committee made up of councillors from the three Authorities but progress, opportunities and problems will be reported to the relevant Tri-Borough Member Steering Group. Any formal decisions will be taken under each Council's constitution. Appendix E describes the options that were considered.

The Tri-Borough Inter-Authority Agreement

- 6.5 Work has commenced on developing a Tri-Borough Inter-Authority Agreement which sets out the principles by which the Tri-Borough Authorities will work together for the duration of this contract.
- 6.6 This agreement is in draft form and will be developed and agreed during May/June 2013. The agreement, together with the various schedules, will provide a suitable framework to operate a combined service to manage the TFM contract.
- 6.7 The agreement will follow the same format as existing Tri and Bi-borough legal agreements being the parties' aspirations for a "high trust" model and is intended to represent a prudent minimum to ensure the parties have a clear understanding of the arrangements and to provide suitable processes to resolve any disputes. The key principle underpinning the agreement is the sharing of staff using s.113 of the Local Government Act 1972 under which staff of one authority can be treated as the staff of another for the purposes of their statutory functions.
- 6.8 The three Cabinets are requested to authorise the Executive Director for Finance and Corporate Governance (LBHF), the Town Clerk and Executive Director of Finance (RBKC) and the Chief Operating Officer (WCC) to enter into a Tri-borough Inter authority agreement for TFM. Please see Appendix F for the IAA timeline and Appendix G for proposed "high level" principles that will form the basis of this Agreement.

7. FINANCIAL AND RESOURCES IMPLICATIONS

- 7.1 The original TFM project budget, including mobilisation and transition costs, was originally estimated to be £1.31m. This comprised £981k representing the costs for external professional consultancy, legal costs and IT development costs and £330k representing "internal" costs (such as recruitment costs, room bookings, costs of back filling internal staff) that were expected to be funded from existing revenue budgets across the three Councils. It was also assumed that a fully operational ICF would be in place by the time of contract award and would undertake most of the mobilisation activity. Please see the table below for the funding requirement as agreed in the original business case.

TFM Funding requirement⁷				
Borough	Funding £(000)			Comments
	External costs	Internal costs	Total	
LB Hammersmith & Fulham	327	110	437	£327,000 from the Efficiency Projects Reserve to fund external costs; other costs to be met from internal FM budgets
RB Kensington & Chelsea	327	110	437	£327,000 from the transformation reserves to fund total project costs
Westminster City Council	327	110	437	£327,000 from Council resources to fund total project costs
TOTAL	981	330	1,311	

- 7.2 It was noted in the Cabinet report in January 2012 that there was a risk that a proportion of the internal costs identified would need to be back filled via external resources as the programme workload increased. Regular finance reports have been presented to the Tri-Borough Asset Management and Property Board which have shown the need to back fill internal costs because of the complexity and high levels of technical and professional advice required during the procurement phase of the project.
- 7.3 Additional external costs have also been incurred due to the work required to determine how the ICF should be set up in order to run the contract and maximise all commercial opportunities associated with the framework.
- 7.4 Overall £250,000 per Authority additional external funding is required across the three Councils to fund the mobilisation and transition costs. This has arisen for the following reasons :-
- 1) The need to backfill internal resources with external resources.
 - 2) Additional external costs incurred on the Client side set up and implementation.
 - 3) Additional external costs required for the completion of the mobilisation and transition phase of the project due to the fact that the ICF will not be operational until service commencement date.
- 7.5 It is anticipated that the £250,000 for each Council can be met from existing facilities management budgets but in the event that this is not possible, it may be necessary to call on funding from borough contingency budgets. For H&F in particular, this will need to be funded from the Efficiency Projects Reserve.
- 7.6 Initially it was expected that the TFM project would deliver at least £20 million over the ten year life of the contract. The project could now significantly exceed this when contracted efficiencies are delivered.

⁷ Executive summary- Cabinet Report 9th January 2012.

- 7.7 A contingency fund will be set up across all three boroughs for the duration of the contract which would be normal for a contract of this magnitude and complexity. This will provide for any unspecified work which the Councils need to agree to supplement the contracted arrangements.
- 7.8 This is set at 15% of the fixed price submission from year 1 onwards. If this contingency sum does not need to be applied, each borough will get additional savings from non-utilisation of this provision. The contingency sum can be adjusted in the light of experience
- 7.9 The evaluation criteria was structured in such a way that throughout the detailed solution stages 60% of the evaluation criteria related to the qualitative aspects of the proposals and 40% to commercial aspects (finance and legal documentation). At the ITSFB, the percentages changed to 70% commercial and 30% quality. This approach was intended to encourage bidders to submit innovative solutions during the early dialogue before obtaining the best commercial proposals at the conclusion of the tender.
- 7.10 Three final bids were received and evaluated. The results following the completion of the scoring of the ITSFB stage are shown in the Part B report.
- 7.11 As noted above, this is a “fixed price” model that manages the estates of the Tri-Borough Authorities as a single estate. A cost allocation methodology has been agreed by the Tri-Borough Finance Directors, the principles of which are outlined in Appendix H.
- 7.12 The agreed cost allocation methodology depends on the completion of a detailed Service Matrix by the service provider which allows the all-in fixed price to be broken down into separate services and buildings as required by the Tri-Borough Authorities. The contractor must make this service matrix available to the Councils by September 2013, before contract commencement.
- 7.13 It is expected that there will be changes to the allocation of costs at the end of the mobilisation period and therefore the allocation of savings across each of the Boroughs may change accordingly. The extent of any changes cannot be determined until September 2013. The overall savings for the three Boroughs will not change as the price for year one (and subsequent years) is a fixed contract price.
- 7.14 As the detailed Service Matrix is not currently available, the Finance Directors have agreed to split the cost of the TFM service in 2013-14 in the ratio: 40:30:30 (WCC:RBKC:H&F) as this sufficiently represents the split of the baseline budget by Authority. This will be subject to reconciliation at service commencement.

- 7.15 Based on this split, each Tri-Borough Authority should be able to meet its committed savings targets for 2013/14 (as shown in the table below). The Service Matrix, once completed, will provide accurate costing by building which will determine borough cost allocation for 2014/15 onwards.

Borough	Committed savings target (£m)	
	2013/14	2014/15
Westminster City Council	0.6	0.6
Royal Borough of Kensington & Chelsea	0.2	0.7
London Borough of Hammersmith & Fulham	0.33	0.67
TOTAL	1.13	1.97

- 7.16 The Finance Directors believe that the scale of savings achievable under the contract outweighs the disadvantage of the uncertainty of their allocation between boroughs from 2014-15 onwards. They recommend agreement.

- 7.17 The development of a detailed plan for the delivery and effective mobilisation has been undertaken. Five months has been allocated for this mobilisation phase with a team consisting of 15 FTEs. The costs of the mobilisation (shown in the table below) will be £750,000 divided equally across all three Boroughs (i.e. £250,000 each).

Mobilisation activity	Cost	ftes
Technical	96,000	2
HR	32,000	1
Commercial	72,000	1
ICT	20,000	1
Communications and Consultation	16,000	1
Programme Management and PMO	80,000	3
Schools and other external activity	10,000	1
Legal and Governance	34,000	3
Finance	40,000	1
ICF Mobilisation including recruitment costs	150,000	1
ICF Operational costs	200,000	n/a
TOTAL	750,000	15

8. STAFFING AND EQUALITY IMPLICATIONS

- 8.1 Across the Tri-Borough Authorities, approximately 150 Council staff and over 500 third party suppliers' staff will be affected.

- 8.2 It is anticipated that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply. If it does, the Councils will ensure that that where relevant they adhere to all TUPE and other related employment legislation including statutory consultation with the affected staff and trade unions. Staff and Trade Union briefings and consultations have been on-going since autumn 2012.
- 8.3 It is expected that the majority of the impacted staff will transfer to the TFM Supplier on service commencement and a lesser number may secure roles within the ICF. The key principle underpinning the ICF will be the sharing of staff using s.113 of the Local Government Act 1972 under which staff of one authority can be treated as the staff of another for the purposes of their statutory functions.
- 8.4 An Equalities Impact Assessment⁸ has been undertaken and maintained during this project.

9. LEGAL AND PROCUREMENT IMPLICATIONS

- 9.1 The procurement has been carried out in accordance with the competitive dialogue procedure set out in Regulation 18 of the Public Contract Regulations 2006.
- 9.2 In accordance with the Tri-Borough Procurement Protocol this tendering exercise has been undertaken using H&F's Contract Standing Orders who have acted as the Contracting Authority in this procurement.
- 9.3 Legal advice on the procurement process has been provided through the project's legal advisors, Sharpe Pritchard.
- 9.4 The project has been audited by the appointed auditors Deloitte⁹ who have confirmed that due process has been followed and that the timescales for completion of the procurement exercise are on schedule.
- 9.5 Whilst the risk of challenge cannot be ruled out, the risk of a successful challenge is believed to be low, based upon knowledge of how the Councils conducted the procurement overall.
- 9.6 The dialogue with bidders resulted in an amended suite of contracts. The mark-ups of the project agreement, framework agreement and call-off contract received from all three bidders were substantial with most provisions accepted as drafted. Through dialogue, further commercially favourable

⁸ Tri-Borough Total Facilities Management Equalities Impact Assessment

⁹ Internal Audit Report: Total Facilities Management Procurement Stage 1, December 2012

positions for the Councils have been secured. This particularly applies to Amey Community Limited who were the leading bidder in the legal evaluation

- 9.7 Officers will continue to work with the Preferred Bidder in order to finalise the contract and associated documentation to ensure a successful contract closure.

10. RISK MANAGEMENT

- 10.1 A full programme risk register¹⁰ has been in place since the start of the programme. Risks have been assessed for probability and impact and actions agreed and undertaken to mitigate these risks.
- 10.2 The top level risks have been reported on the weekly Flash and other regular programme reports.
- 10.3 The risk register continues to be updated in line with the different stages of the programme.
- 10.4 The procurement proposal contributes positively to the management of budgets and areas of risk are incorporated in the body of the report. Risk Management of the Programme has been the ongoing responsibility of the Programme Board for the procurement and risk management will need to be successfully maintained through the mobilisation and transition stage. Whilst the proposal outlines the contractual remedies, in the event of service or performance failure, the Councils' resilience plans should be amended to reflect the changes that will be necessary during transition and develop a managed exit strategy.

11. APPENDICES

- Appendix A: Scope of functions and scope of services
- Appendix B: Contractual Set-up
- Appendix C: ICF Organisation Structure
- Appendix D: Governance Arrangements
- Appendix E: Inter-Authority Governance Options
- Appendix F: Inter-Authority Agreement Timeline
- Appendix G: Principles of the Inter-Authority Agreement
- Appendix H: Tri-Borough TFM Cost Allocation Methodology
- Appendix I: Background Information on Amey Community Limited

¹⁰ Tri-Borough Total Facilities Management Risk Register

12. BACKGROUND PAPERS

None

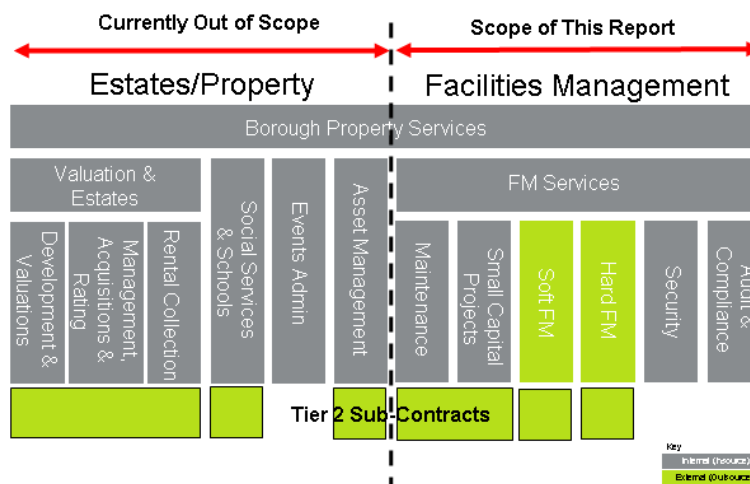
If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

Glenn Woodhead (WCC FM Strategy Manager) Email: gwoodhead@westminster.gov.uk Tel: 020 7641 6270	Raj Patel (Transformation Programme Manager) Email: rajesh.patel@rbkc.gov.uk Tel: 020 7361 2853
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Appendix A - Project Scope

The following diagram represents the current generic arrangement of what is in-scope and what is out of scope for the project. These include related Property areas of Asset Management, Investment and Business Assurance (i.e. Health and Safety, environmental, business support, audit & procurement etc). These FTE's and their costs have not been included within the scope of this project being limited to the scope FM Services only. Changes to the delivery model will, in all likelihood have an impact on these adjacent areas. As such whilst the scope of this project is the FM services only, it is understood that there exists a close interrelationship between FM with other related Property services and the benefits of these synergies may prove beneficial in future. Such interrelationships have been recognised within the programme by the 'Tri-Borough Asset Management and Property Board' as represented by the 'Asset Strategy' and 'Office Accommodation' work streams.

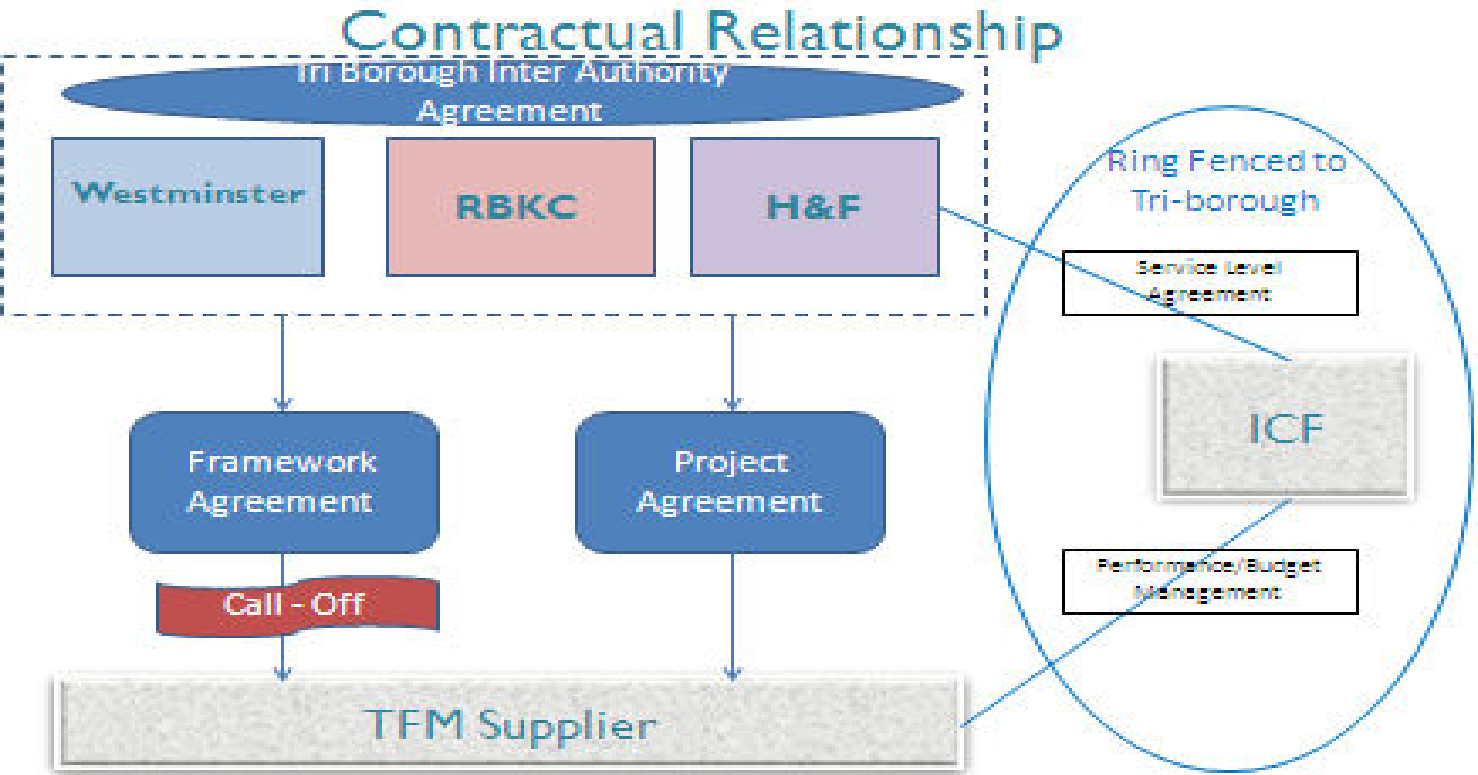
Generic Property Model (Block Diagram)



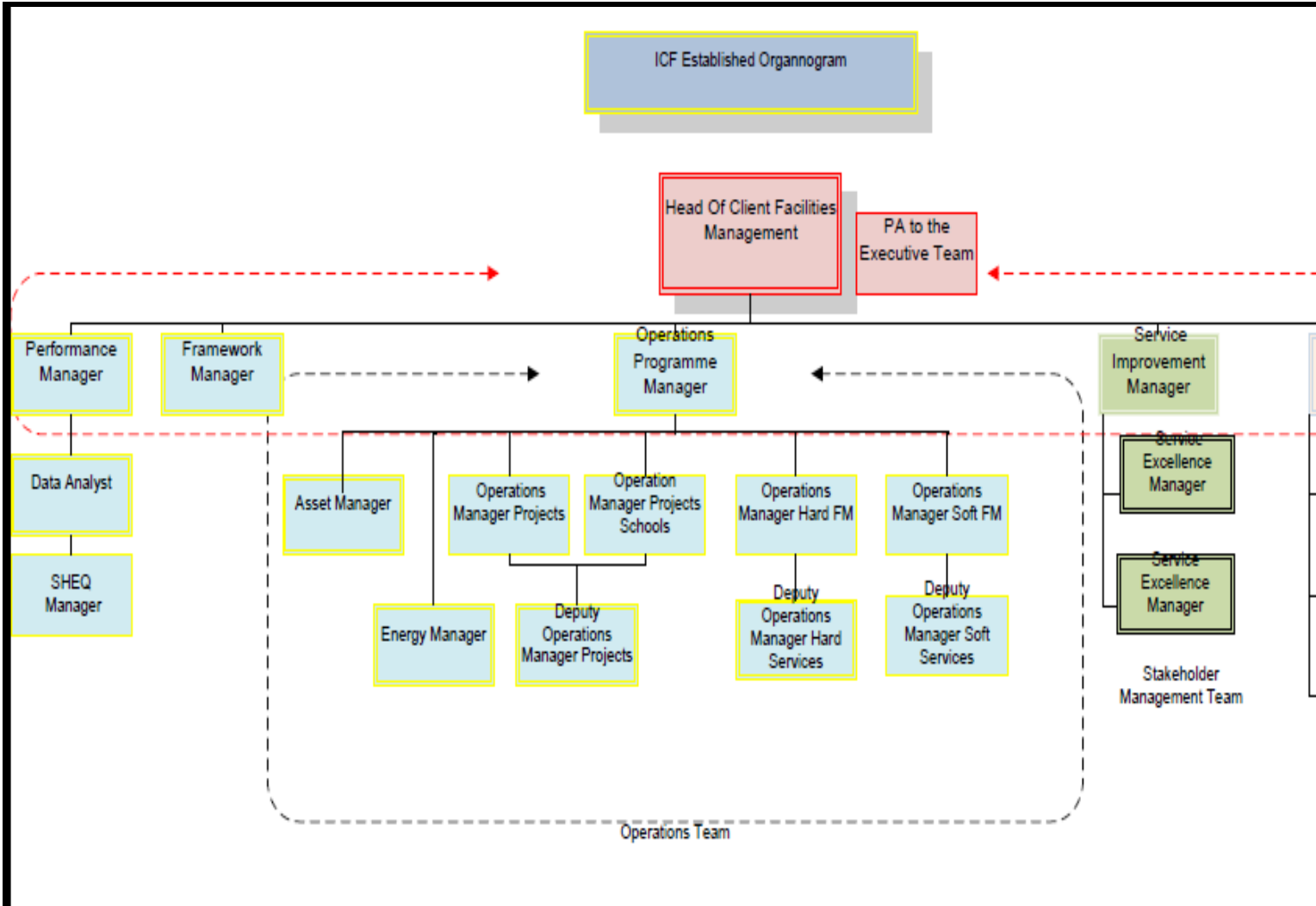
The following table lays out the generic scope of FM service being procured in both the Project and Framework agreements. Further, these service lines will be delivered to varying standards as allowed for in the output specifications. For instance, cleaning services will be procured to variable standards as required to meet customer service requirements in Council administrative buildings, to reflect their multiple uses and purposes. However, other service lines and/or building will not require such a complex service specification.

GENERIC & HIGH-LEVEL SCOPE OF SERVICES	
MANAGEMENT & ADMINISTRATION	<ul style="list-style-type: none"> Performance Monitoring Management of Sub-Contractors
MANAGED SERVICES	<ul style="list-style-type: none"> Health and Safety Management Risk Management Environmental Management Business Continuity Planning
HELPDESK & CAFM	<ul style="list-style-type: none"> Room Booking / Lettings Management Computer Aided FM (work scheduling, management reporting)
HARD AND SOFT FM SERVICES	<ul style="list-style-type: none"> Reactive Repairs and Maintenance Planned Repairs and Maintenance Cleaning Post, Reception, Mail, Portering
STATUTORY COMPLIANCE	<ul style="list-style-type: none"> Health & Safety Legislation e.g. asbestos, legionella, gas management Environmental Legislation

Appendix B: Contractual Set up

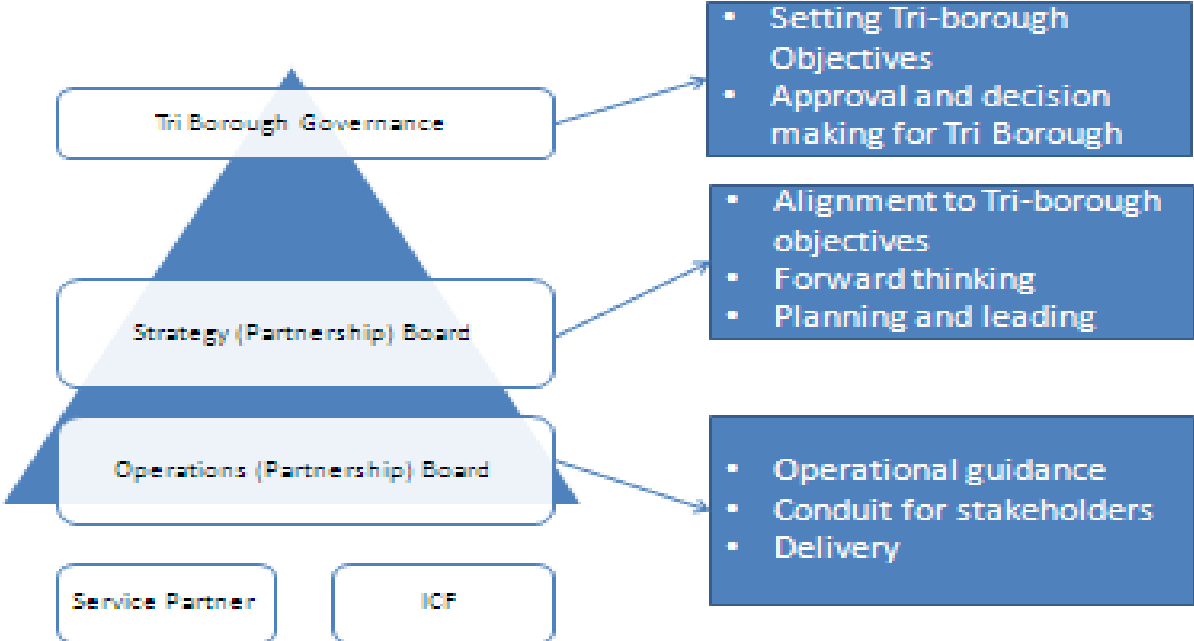


Appendix C: ICF Organisation Structure



Appendix D: TFM Governance Arrangements

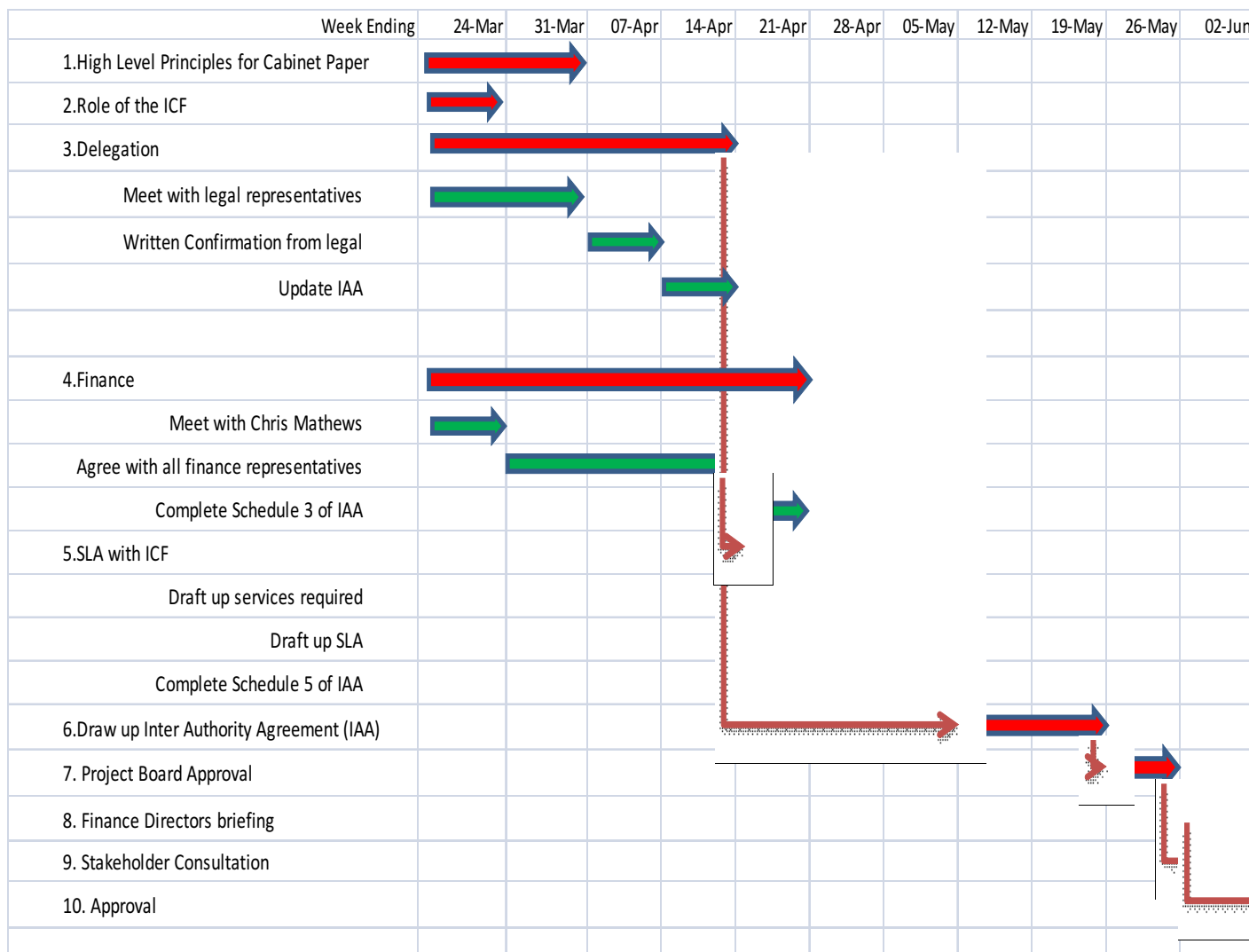
Governance



Appendix E: Inter-Authority Governance Options

	OPTION 1: LEAD MEMBER STRATEGY BOARD	OPTION 2: DELEGATION OF POWERS	OPTION 3: JOINT COMMITTEE
CAN THE BODY MAKE CONSTITUTIONALLY BINDING DECISIONS?	No	Yes	Yes
IMPACT ON SOVEREIGNTY	No impact on sovereignty.	The day to day responsibility for the areas delegated would be exercised by the local authority or officer to which the powers have been delegated.	The day to day responsibility for the areas delegated would be exercised by the joint committee.
COST CONSIDERATIONS	Least costly	More costly than Option 1 but cheaper than Option 3.	Most expensive but the costs should be covered by the savings delivered under the TFM contract.
EASE OF TRANSFER TO COMPANY STRUCTURE	N/A	N/A	The joint committee structure could easily be transferred into a company structure at a later date.

Appendix F: Inter-Authority Agreement Timeline



Appendix G: Principles of the Inter Authority Agreement

A. Initial Set Up

- The services which the client-side will provide to the Tri-Borough Authorities will be stated in Schedule 5 of the Inter Authority Agreement, in summary they include:
 - Contract performance management in line with the Project Agreement
 - Invoice checking, validation and cost apportionment by Borough
 - Management reporting
 - Complaints resolution
 - Ensure compliance with all H&S and relevant legislative requirements
 - Manage the minor capital works programme within the scope of TFM
 - Auditing, benchmarking, agreeing common standards and best practice in the management of FM services

- Stakeholder engagement to ensure TFM service meets requirements
 - FM Advice
 - Management of the ICF team in accordance with host borough's policies
 - Support the appropriate Tri-Borough policies and objectives
 - Assist the TFM supplier in growing the Framework as agreed at the Strategic Partnership Board
2. RBKC will host the service and will provide fully furnished office accommodation, ICT infrastructure and all support services required by the ICF.
 3. The initial set up costs will be divided up equally between the Tri-Borough Authorities.

B. Member Steering Group Details

4. The exact make-up of and Terms of Agreement for the Member Steering Group is to be agreed, however, there will be at least one member from each of the Tri-Borough Authorities. Any changes to its Terms of Agreement will be subject to approval by the Cabinets of the Tri-Borough Authorities.
5. Whilst the Member Steering Group will not have any decision making powers, its functions will be:
 - Advisory body to direct the Director of Corporate Property (RBKC)
 - Review annually the ICF Performance
 - Review and recommend to each Cabinet the:
 - annual capital expenditure
 - any additional expenditure requirements
 - Recommend to Director of Corporate Property to approve any major changes to contract or service delivery
 - Resolve deadlock at Tri-Borough
 - Strategic Risk management at Tri-Borough level
6. A procedure for allowing other councils to become members of the Member Steering Group will be proposed.
7. One or more of the Tri-Borough Authorities will be permitted to withdraw from the Inter Authority Agreement, subject to the agreed lock-in period, notice period and payment of costs to the other boroughs

C. Commercial Matters

8. The costs of running the TFM client side be recorded using the existing Hosting Authority systems and processes
9. Each of the Tri-Borough Authorities will contribute equally to the running costs of the ICF and also split equally any intellectual property rights. All losses, claims, expenses and

demands incurred in relation to the operation of the ICF will also be shared equally. The hosting Authority will not make a profit from running the ICF.

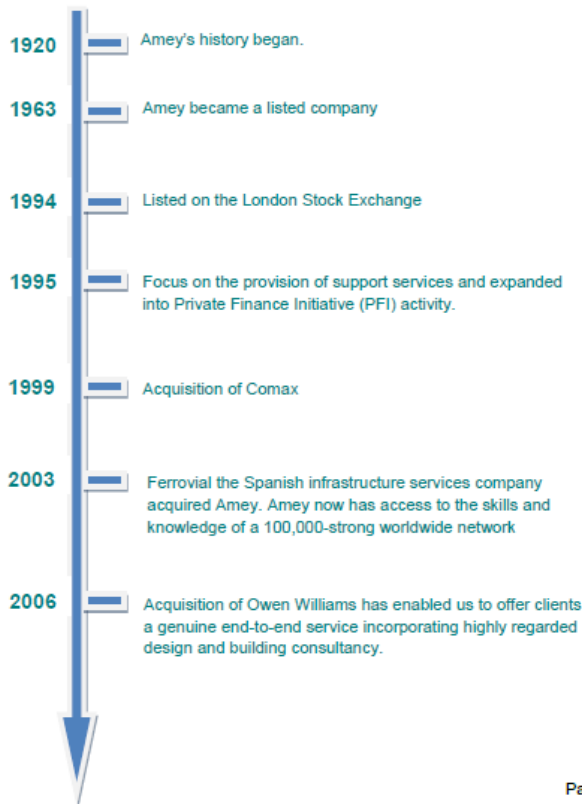
10. The hosting authority will require an indemnity from the other two boroughs, details of which will be covered in the IAA
11. The allocation of TFM supplier costs will be determined by the agreed Cost Allocation Methodology and is subject to the TFM supplier actual allocation costs at October 2013.
12. If other councils or schools wish to purchase the clienting service they will be charged 12% of total TFM value subject to a minimum cap of £200k
13. Any of the Tri-Borough Authorities will be permitted to stop receiving the client service, subject to:
 - An initial 2 year lock in period
 - 12 months notice
 - Payment of any redundancy or associated costs
14. A client side SLA will be developed and agreed and reviewed annually
15. The Hosting Authority's policies will govern issues such as audit, FOI, data protection and confidentiality.
16. If capital expenditure is needed, each Authority's contribution will be:
 - Specific to each borough
 - Or equally for investments relating to the ICF
17. Staff will to be seconded to the ICF under Section 113. Any employment claims which pre-date the hosting model to be dealt with by the relevant Authority

Appendix H: Tri-Borough TFM Cost Allocation Methodology

Service Line	Allocation Methodology	Mechanism
Hard Services including Revenue Small Works	By Building	Service Matrix
Soft services	By Building	Service Matrix
TFM Suppliers Central Management Costs	Allocated by same % as hard and soft services spend	Service Matrix
Help Desk & CAFM	Allocated by same % as hard and soft services spend	Service Matrix
ICF Costs	Equal	Equal
Print	Specific per Borough	Actual costs allocated to Borough
Capital Works	Spending by specific capital project	Allocated to relevant Borough

Appendix I: Background Information on Amey Community Limited

Amey is one of the UK's foremost integrated service providers, specialising in end-to-end solutions in the local authority, central government, schools and aviation sectors. With approximately 21,000 staff, Amey offers their clients a wide range of services such as consultancy design, intelligent transport management and facilities management and have been providing services within the UK since 1920.



As one of the leading integrated public service providers in the country, Amey operate from over 130 offices across the UK and over 1,000 client sites and depots. Amey have a well-established presence in London and the Home Counties and have a corporate office in London with their headquarters located in Oxford.

Amey pride themselves on being able to support organisations by delivering effective solutions underpinned by leading-edge technology and a genuine partnering philosophy.

Amey's primary business can be summarised as:

Page 2

- Integrated FM Services: Provide a full range of high quality FM services in order to maintain healthy, productive and efficient working environments in order for clients to receive the maximum benefits from their facilities.
- Effective Public Services: Transforming frontline public services, including the local and central government sector specifically, where Amey deliver effective solutions to drive transformation and efficient outcomes.
- Transport: Providing passenger services and the freedom to move around quickly and safely using the nation's motorway, trunk road and rail networks and airport terminals.
- Local Communities: Shaping places, connecting communities and supporting local economic development.
- Education: Enabling opportunities for learning and attainment through improved environments.

In 2003 Amey was acquired by Ferrovial - One of the world's leading infrastructure companies, with a workforce of approximately 70,000 employees and operations in more than 15 different countries.

It is present in sectors such as construction, airports, toll roads and services. Over the years, Ferrovial has secured its position as a global firm thanks to its sound performance and a strong commitment to society, innovation and the environment.

Ferrovial Services is a major European player in the areas of both management and maintenance of transport infrastructure and environmental services.

The Ferrovial business model focuses on sustainable growth, underpinned by a portfolio of high quality, long term businesses. This approach to sustainable development is starting to be recognised in financial markets. For the seventh consecutive year, Ferrovial has been included in the DJSI World and the DJSI STOXX, and for the fourth year in a row, it is part of the FTSE4Good index and is listed in the Madrid Stock Exchange.

Ferrovial's activities focus on four business lines:

Services

- Amey: The U.K.'s leader in infrastructure upkeep and facility management for public administrations and companies.
- Cespa: One of the leading Spanish companies in waste management and street cleaning services, leader in parks and green areas maintenance.
- Ferroser: One of the leading companies in the Spanish and Portuguese markets in infrastructure upkeep and facility management services.

Highways

- Cintra: One of the largest private toll highway developers in the world in terms of the number of projects as well as investments.

Construction

- Ferrovial Agroman: Engages in civil works, building, and industrial projects and is one of the world's leaders in infrastructure development.
- Cadagua: The company is recognized as a pioneer and leader nationwide in the field of engineering and the construction of Water Treatment Plants.
- Webber: One of the main road construction companies in the State of Texas (United States)
- Budimex: Is the leading Polish construction company in terms of business volume and market capitalization.

Airports

- LHR Airports, formerly known as BAA: The owner of Heathrow Airport, one of most important in the world in terms of air traffic, as well as Southampton, Glasgow and Aberdeen airports providing services to more than 109 million passengers in 2011.

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">13 MAY 2013</p>
<p>REVENUE BUDGET 2012/13 AND CLOSURE OF ACCOUNTS</p>	
<p>Report of the Leader of the Council – Councillor Nicholas Botterill</p>	
<p>Open Report.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Jane West – Executive Director of Finance and Corporate Governance</p>	
<p>Report Author: Gary Ironmonger</p>	<p>Contact Details: Gary Ironmonger Tel: 020 (8753 2109) E-mail: gary.ironmonger@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The general fund is reporting a favourable variance of £4m.
- 1.2. In order to produce the final accounts to statutory deadline of 30 June, a significant amount of activity is under way. As a result of this activity there will be a number of areas where actions are required that need Cabinet level approval (final budget carry forwards, use of reserves, budget virements, level of bad debt provision etc). In order to meet the deadline, it is therefore proposed that decision making in relation to these issues is delegated to the Executive Director of Finance Governance in consultation with the Leader of the Council .
- 1.3. There are no virement requests this month.

2. RECOMMENDATIONS

- 2.1. That the Executive Director of Finance and Corporate Governance in consultation with the Leader of the Council be authorised to take the necessary decisions required to ensure the Council's accounts are closed by 30 June 2013.

3. REASONS FOR DECISION

- 3.1. The decision is required to enable timely closure of the 2012/13 statutory accounts.

4. 2012/13 REVENUE BUDGET AMENDMENTS MONTH 11

- 4.1. The General Fund is forecast to underspend by £4m in 2012/13.
- 4.2. In order to produce the final accounts to statutory deadlines a significant amount of activity is under way. As a result of this activity there will be a number of areas where actions are required that need Cabinet level approval (final budget carry forwards, use of reserves, budget virements, level of bad debt provision etc). The process of taking these decisions via Cabinet is too long to enable these decisions to be agreed and get the final accounts produced to the statutory deadlines. It is therefore proposed that decision making in relation to all issues in relation to closing the accounts is delegated to the Executive Director of Finance and Corporate Governance in consultation with the Leader of the Council .

5. CONSULTATION

- 5.1. Not applicable.

6. EQUALITY IMPLICATIONS

- 6.1. It is not considered that the adjustments to budgets will have an impact on one or more protected group so an EIA is not required.

7. LEGAL IMPLICATIONS

- 7.1. Not applicable.

8. FINANCIAL AND RESOURCES IMPLICATIONS

- 8.1. This recommendation will enable officers to ensure that the Council's 2012/13 Accounts are closed within the statutory deadlines.
- 8.2. Implications verified/completed by: Gary Ironmonger

9. RISK MANAGEMENT

- 9.1. Budget Risk will be managed and reported via Corporate Revenue Monitoring.


10. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 10.1. Not applicable.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Corporate Revenue Monitoring Papers	Gary Ironmonger 020 8753 2109	FCS

Agenda Item 6

	<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">13 MAY 2013</p>
<p>LINFORD CHRISTIE STADIUM : GENERAL INTERNAL AND EXTERNAL REFURBISHMENT OF CHANGING ROOM PUBLIC FACILITIES AND MAJOR UPGRADE OF COMMERCIAL KITCHEN.</p>	
<p>Report of the Leader of the Council – Councillor Nicholas Botterill – and the Deputy Leader (+ Residents Services) – Councillor Greg Smith</p>	
<p>Open Report A separate report on the exempt part of the Cabinet agenda provides exempt information about this contract.</p>	
<p>For Decision : Yes Key Decision: Yes</p>	
<p>Wards Affected: College Park & Old Oak</p>	
<p>Accountable Executive Director: Nigel Pallace - Transport & Technical Services</p>	
<p>Report Author: Pat Nolan – Project Manager (ECH Framework Contract) Building Property Management Transport & Technical Services</p>	<p>Contact Details: Tel: 020 (8753 4516) E-mail: patrick.nolan@lbhf.go.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 The proposed works are to be carried out at Linford Christie Stadium and consist of the upgrading of the clubhouse kitchen, general internal refurbishment of changing rooms, remedial works to the roof coverings, plus refurbishment and upgrade of toilets and washing areas to the male changing room. The facilities and catering equipment supporting the clubhouse kitchen, are in an extremely poor condition and are no longer fit for purpose. All of the proposed works are essential and need to be undertaken to improve the standards, avoid the loss of potential income and to safeguard the reputation of the facility. The works initially identified as part of the Planned Maintenance Programme have been amalgamated with the minor improvement works required by the client department to mitigate disruption to the centre users. Consequently these works are to be funded jointly from the 2012/2013 Corporate Planned Maintenance Programme and Section 106 contributions in the total sum of £304,117 (inc professional fees of £39,667). The works are to be procured via the Council's Measured Term Contract for Non Housing Projects 2011/2015 with Mulalley & Company Limited and they are the contractor that offers the maximum discount of the three framework contractors.

2. RECOMMENDATION

- 2.1 That approval be given for an order to be placed under the Measured Term Contract for Non-Housing Projects 2011/2015 with Mulalley & Company Limited, based on a framework agreement with three contractors, at an estimated works cost of be £264,450 which includes a contingency sum of £22,470 to which fees of £ 39,667 will be added, making a total cost of £304,117.

3. REASONS FOR DECISION

- 3.1 On the 30 January 2012 Cabinet (Key Decision) approved funding for the Corporate Planned Maintenance Programme 2012/2013. This report also included the preliminary schedule of works proposed for the coming year. The previously agreed works identified for Linford Christie Stadium have subsequently been reviewed, following a detailed site survey by the Council's consultant surveyors EC Harris LLP. The scope and extent of works required have now been fully established and in consultation with the client department (ELRS) the works as detailed within this report are now recommended by the Director of Building and Property Management. Due to the extent of the works required having an overall value in excess of £100k and the magnitude of the variations to the original programmed works, Cabinet approval to commit these works is required.

4. INTRODUCTION AND BACKGROUND

- 4.1 The proposed works are to be carried out at Linford Christie Stadium and consist of the upgrading of the clubhouse kitchen facilities, which are currently in an extremely poor condition and in need of essential works. The project will also deliver the general internal refurbishment of the male changing rooms, toilets/washing areas to the male changing rooms, plus urgent remedial works to the roof coverings.
- 4.2 The works will be funded jointly from the Corporate Planned Maintenance Programme and from Section 106 contributions (S106CATA01 and S106RENA01) allocated to support works at Linford Christie. It is recommended that these works are procured via the Measured Term Contract for Non-Housing Projects 2011/2015 and the contract be awarded to Mulalley & Company Limited.
- 4.3 The existing facilities at the Linford Christie Stadium and Wormwood Scrubs include provision for a wide range of sports activities including UK Athletics certified athletics, football, rugby and hockey. The facility has for many years been considered as the key West London outdoor Sports facility for club development and organised sport. The Football Foundation recognises the site as the second largest Football green field site in the London Region. The buildings that support this comprehensive list of sport facilities were built in the 1960's and have received minimal improvement development works other than responsive and planned maintenance works. In recent years the site has benefited from a number of external funding applications; two of which established a new Barclays Spaces for Sport floodlit football and hockey complex and a Community Athletics Refurbishment Programme grant

to upgrade the track and field facilities.

4.4 The facility currently has a footfall of circa 100,000 customers per annum and is regularly used by over 50 schools. In Financial Year 2011/12 the site supported 800 grass Football/Rugby matches and over 3,200 all weather pitch matches plus sports days, netball games, athletics events and other external sports activities. Income for 2011-12 was £160,760 supported by a contribution from Wormwood Scrubs Charitable Trust of £74,544 giving a total annual income of £235,304.

4.5 The Council's Property condition surveys of the site have identified a range of technical shortcomings to the structural fabric, welfare facilities, electrical and plumbing systems. The facilities to the clubhouse kitchen have been identified as posing potential H&S compliance risks. These works now need to be undertaken to maintain standards, mitigate potential loss of income and to safeguard the reputation of the centre. The individual works elements previously agreed as part of the CPMP have been amalgamated into one project to mitigate disruption to centre users and to ensure best overall value.

5. PROPOSALS

5.1 Proposed Works

5.1.1 Refurbishment and upgrade of the clubhouse kitchen.

5.1.2 Refurbishment and upgrade of toilets and washing areas to the male changing rooms.

5.1.3 The application of a liquid membrane to the existing asphalt roof covering to the changing rooms and the kitchen to the London Nigerians' clubhouse.

5.2 Funding, Cash flow and programme of works

5.2.1 The 2012/2013 Corporate Planned Maintenance Programme (CPMP) was approved at the Cabinet meeting of 30 January 2012. The programme includes various capital works at Linford Christies Stadium, the funding set aside for which is £232,300. There is also funding provision set aside for Linford Christie Stadium from Section 106 contributions (S106CATA01 and S106RENA01) in the sum of £138,000. Consequently the total available funding for this programme of works is £370,300.

5.2.2 The anticipated cash flow for these works is as follows;

	<u>2012/2013</u>	<u>2013/2014</u>	<u>Totals</u>
Works:	£40,690	£201,290	£241,980
Contingency	£3,592	£18,878	£22,470
Sum:			
Fees:	£6,642	£33,025	£39,667
Total:	<u>£50,924</u>	<u>£253,193</u>	<u>£304,117</u>

5.2.3 The resulting £66,183 underspend against the 2012/2013 CPMP will be reallocated in accordance with the agreed protocol for change and scheme substitution, by the Director of Building & Property Management and the Executive Director of Finance and Corporate Services in conjunction with the Corporate Asset Delivery Team (CADT).

5.2.4 Cost Code: 999207 / PLE001 / CAP005 / CENV00853
Project Ref: ECH595366

5.3 Fees

5.3.1 The professional services previously provided by Building & Property Management (Transport and Technical Services) are now, following market testing, being provided by EC Harris LLP. Consequently fees are calculated on the basis of the tendered schedule of rates plus the cost of the Client Agent Team, which is funded via a percentage fee to the value of the commissions placed. Fees are charged on the basis of 15% with final account reconciliation at the end of each financial year. Therefore fees are applicable to the proposed works at a rate of 15% which is an amount of £39,667.

5.4 Programme of works

5.4.1 The anticipated programme of approval and work is as follows:-

Cabinet:	13 May	2013
Start on Site:	28 May	2013
Completion:	25 October	2013

6. OPTIONS AND ANALYSIS OF OPTIONS

6.1 The Leader's Urgent decision of the 22 December 2010 gave approval to the acceptance of the three most economically advantageous tenders to carry out Non-Housing works under a Measured Term Contract (MTC) from 1 February 2011 for a period of four years. The three contractors appointed were Mulalley & Company Limited, Kier Support Services Limited and Philiam Construction & Development Limited.

6.2 The tenders are to carry out works to non housing properties on an order by order basis using the National Schedule of Rates as the pricing mechanism. This MTC is appropriate to undertake the required work and its use will save the time required to invite and obtain approval of building tenders. This approach to procurement allows projects to be processed quickly without recourse to a separate tender, whilst at the same time maintaining value for money, as the completed works are paid for at competitively tendered rates. The inherent flexibility of this MTC is well suited for a project of this nature which requires some design development as the works progress.

6.3 The tender documents set out that the subsequent choice of contractor to be recommended for each individual project allocated to these Framework Agreements will be appraised by a panel of officers from Building & Property Management and Client department for each scheme. The

selection would be based on price, financial limits, available resources, performance and ability to meet the Council's requirements for the particular project including timescales.

- 6.4 Officers from Building & Property Management) have reviewed the project requirements and programme timescale and agree that the appointment of Mulalley & Company Limited is appropriate in this case. The contractor has been approached and agrees that they can meet the specific requirements of this project in accordance with the criteria for this MTC framework appointment.

7. CONSULTATION

- 7.1 These works form part of the approved Corporate Planned Maintenance Programme which has been developed in conjunction with Local ELRS officers.
- 7.2 Energy Savings implications - There are no energy saving implications.
- 7.3 Landlord's Licence - The London Borough of Hammersmith and Fulham own the premises and it is not necessary to seek landlord's approval.
- 7.4. The comments of the Director of Planning are:

The Council currently holds the funds stated. The relevant obligations are:

28 North Pole Road 2005/00701/FUL Agreement states-£10k "towards the provision and/or improvement of public open space within the vicinity of the Property to compensate future occupiers of the Development for the lack of amenity space within the Development."

731 - 761 Harrow Road 2007/02889/FUL Agreement states "the improvement and/or provision of education, sport and open space in the area and/or crime reduction in the area."

The proposed use of the funds would appear to fall within the purpose of the agreements, because it would enhance a public recreation facility, enabling it to contribute more effectively as an amenity space for use by the community.

8. EQUALITY IMPLICATIONS

- 8.1 An Equality Impact Assessment has been completed and accompanies this report.
- 8.2 There are no key/relevant equalities issues highlighted following the completion of the form.

9. LEGAL IMPLICATIONS

- 9.1 This award of the works contract would be in compliance with the Council's Contract Standing Orders in this below EU public contracts threshold

procurement and the Director of Law endorses the recommendation in this report.

- 9.2 Implications verified/completed by: Cath Irvine Principal Contracts Lawyer
020 8753 2774

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 The total anticipated cost of the proposed scheme £304,117 (including contingency and fees) will be contained within the revised planned maintenance budget for 2012/13 and the Section 106 funding. The under spend against available funding of £66,183 will be reallocated to the 2012/2013 Corporate Planned Maintenance Programme.
- 10.2 Other comments are in the separate report on the exempt Cabinet agenda.
- 10.3 Implications verified/completed by: Jade Cheung: Finance Manager: 0208
753 3374

11. RISK MANAGEMENT

- 11.1 Risks relating to the project's pre-construction processes have been ascertained, and the project will not commence until the necessary actions identified on the register have been undertaken. A post-contract risk register will be developed jointly with the contractor once they have been appointed, in order that risks can be managed throughout the duration of the project
- 11.2 Implications verified/completed by: Pat Nolan: Project Manager (ECH Framework Contract) 020 8753 4516 Paul Chapple : Project Manager EC Harris 020 7812 2359

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1 There are no procurement related issues as the work is being awarded under an existing measured term contract. The Council's Contracts Standing Orders (CSOs) require this to be awarded as a Cabinet Decision as the estimated value of the proposed works agreed in the Capital Programme have been exceeded. Therefore the matter cannot be dealt with as a Cabinet Member Decision in accordance with paragraphs 9.4 and 9.4.1 of the CSOs.
- 12.2 Implications verified/completed by:
Alan Parry : Corporate Procurement Team 020 8753 2581

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Tender documents (exempt)	Pat Nolan – Project Manager (ECH Framework Contract) Tel. 020 8753 4516	Transport & Technical Services

(Final : Rev 11 24.04.13

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">13 MAY 2013</p>
<p>APPOINTMENT OF CONTRACTOR TO DELIVER STREET OUTREACH SERVICES IN HAMMERSMITH & FULHAM</p>	
<p>Report of the Deputy Leader (+ Residents Services) – Councillor Greg Smith</p>	
<p>Open report A separate report on the exempt Cabinet agenda provides exempt information about the results of the tender evaluation process.</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Lyn Carpenter, Executive Director Environment, Leisure and Residents Services</p>	
<p>Report Author: Pat Cosgrave, Community Safety Commissioning & Performance Officer</p>	<p>Contact Details: Tel: 020 8753 2810 E-mail: pat.cosgrave@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 It is a statutory obligation for local authorities to provide an outreach service to engage with street homeless people and direct them into appropriate services. This service is contracted out to specialist service providers and funded by Housing and Regenerations (HRD) Preventing Homelessness Grant, which is allocated from central government to a level of £200,500 per year.
- 1.2 The existing contract, which expires on 31 May 2013 was awarded to Thames Reach (registered charity) in 2008/09 at an annual cost of £212,404. In the period since the contract was awarded there have been reductions in the allocation received from the HRD Preventing Homelessness Grant across London, as well as a loss of local funding from the Drug & Alcohol Action Team. In Hammersmith & Fulham the

impact of these reductions led to amendments being made to the contract, reducing the value of it from £212,494 in 2008/09 to £159,100 in 2012/13. This resulted in the loss of some functions of the contract including a dedicated mental health/complex needs worker.

- 1.3 The contract has been retendered and the recommendation is that the award should be made to *Broadway Homelessness & Support* (registered charity) at an annual cost of £199,898. The service specification has been amended so that the reconnection of A8 nationals will be carried out as part of the street outreach contract (as opposed to being carried out by the BARKA foundation at an additional cost of £41,400 per annum) and mental health assessment provision is once again built into the service. The consolidation of these provisions have resulted in the overall contract amount increasing from £159,100 to £199,898 per year (this is further detailed in Section 3).
- 1.4 Despite the apparent increase in the overall proposed contract amount, the total cost to the Council to deliver single-person homelessness provisions has reduced by £64,400 since awarding the contract to Thames Reach in 2008/09. The total cost of managing homelessness in Safer Neighbourhoods in 2008/09 was £347,800 compared to £283,400 in 2013/14. By consolidating some of the services delivered and revisiting the service specification for the outreach contract the same service provisions will now be delivered as were in 2008/09.
- 1.5 In order to ensure a continuation in service delivery between the award of the contract and the successful provider being able to commence the service, a request was made to the Cabinet Member for Residents Services to allow us to vary the existing contract on a month by month basis. The variation is for a period of up to six months to allow for any new service provider to have a mobilisation period, although we anticipate that mobilisation will not take as long as six months. This request was agreed by the Cabinet Member on 18 February 2013.

2. RECOMMENDATIONS

- 2.1. That Broadway Homelessness & Support be appointed to deliver street outreach services in Hammersmith & Fulham from June 2013 for a period of four years, with a break clause in the contract whereby the Council can terminate with three months' notice at any time after the second anniversary of the commencement of the contract.
- 2.2. That authority be delegated to the Cabinet Member for Residents Services to extend the contract in line with the options contained in the contract documentation, if it is considered appropriate at the time.
- 2.3. To note that the Cabinet Member for Residents Services has agreed to allow the Council to vary the existing contract with Thames Reach by extending it for a period of up to 6 months on a month by month basis to

allow for negotiations between Thames Reach and Broadway Homelessness & Support in relation to staff transfers (i.e. TUPE) and other matters.

3. FUNDING BACKGROUND

- 3.1. When the street outreach contract was previously retendered in 2008/09, the total spend allocated to Safer Neighbourhoods Division to manage homelessness was £347,800:

2008/09 HRD allocation to SND	Provider	Allocation
Street Population Coordination	LBHF	£ 22,300
Market Lane Day Centre	Broadway	£ 63,096
Street Outreach Services*	Thames Reach	£212,404*
A8 reconnection project	Barka	£50,000
TOTAL		£347,800

**of which £33,000 was allocated for a Mental Health Worker within the Street Outreach Team.*

- 3.2 Owing to reductions in HRD's Preventing Homelessness Grant allocation in 2011/12 and the loss of partnership funding from the DAAT, the overall budget allocated to Safer Neighbourhoods for managing homelessness in LBHF decreased to £283,400:

2011/12 HRD allocation to SND	Provider	Allocation
Street Population Coordination	LBHF	£ 19,800
Market Lane Day Centre	Broadway	£ 63,100
Street Outreach Services*	Thames Reach	£159,100
A8 reconnection project	Barka	£41,400
TOTAL		£283,400

**As a result of the reduced contract amount, Thames Reach's Mental Health Worker post was deleted.*

- 3.3 In 2013/14 HRD's allocation to Safer Neighbourhoods to manage single-person homelessness is £283,400 (see table below). In order to increase the contract amount to allow for those required provisions (i.e. Mental Health and Reconnection functions) other historically funded projects such as Barka's A8 Reconnection project shall no longer be funded and those monies reallocated into the overall street outreach contract.

2013/14 HRD allocation to SND	Provider	Allocation
Street Population Coordination	LBHF	£ 19,800
Market Lane Day Centre	Broadway	£ 63,100
Street Outreach Services	Broadway	£200,500*
TOTAL		£283,400

**This amount reflects HRD's allocation to Safer Neighbourhoods for the Street Outreach Service, not the actual contract amount which is £199,898. The new service specification has built in provision for mental health and complex needs outreach.*

3.4 In summary, whilst the budget for managing homelessness in the Safer Neighbourhoods Division has reduced by £64,400 since 2008/09, we are still able to provide the same breadth of service provision in 2013/14 as we did then. This has been achieved by reviewing the street outreach service specification and consolidating other aspects of the management of homelessness into one contract.

4. AWARD CRITERIA

- 4.1 **Scoring:** Tenders were evaluated on an 80% weighting for quality, and a 20% weighting for cost. The contract was awarded on the basis of the most economically advantageous tender, with a score obtained from adding together marks for cost and quality.
- 4.2 **Price:** The cost score was calculated upon the highest number of annual hours provided for up to the maximum contract value (£200k per year). The highest number of hours achieved the maximum score (20) with other tenderers cost/hours scored in inverse proportion to the tender with the highest number of hours. The methodology is set out in Table 1 below.

Table 1

Maximum score = Highest number of annual staffing hours delivered at a contract value of £200,000 or under				
Each tenderers amount of hours for the contract value will be divided by the highest amount of hours submitted, then multiplied by the price weighting percentage (20) and rounded to two decimal places to give each tenderers price score. (i.e. tenderers hours/highest hours x price weighting) A worked example is shown below based on a fictional submission where the highest annual hours submitted were 9000.				
Tenderer	Column 1 (highest hours)	Column 2 (tenderer hours)	Column 2, divided by column 1, (to be multiplied by price weighting 20)	Price score
A	9000	9000	1	20
B		7500	0.833333	16.66
C		8600	0.955555	19.11
D		8000	0.888888	17.77
E		8250	0.916666	18.33

- 4.3 Please note that the figures were given by way of example only and were not intended to indicate the range of figures expected from Tenderers.
- 4.4 **Quality:** The 80% quality mark was evaluated on the basis of the Tenderer’s response to the quality criteria (see Table 2), in accordance with the evaluation criteria (see Table 3):

Table 2

<p>1. Service implementation plan and staffing. Please provide a service implementation plan from the award of the contract to the end of the first six months of the contract term. Please describe what staffing arrangements you will provide for the contract including the number of front line staff and manager(s), staff cover arrangements and how staff will be deployed to achieve maximum effect for the support and safety of service users. Your answer should include information relating to the staffing establishment, TUPE, office facilities, service transfer issues, opportunities for identifying new referrals, etc. (500 word maximum. Appendices with service plans of up to 4 sides A4 will not be counted against the overall word count). Score – out of 16</p>
<p>2. Service user focus Demonstrate how service users will be at the centre of your service model and provide one example of innovative service user involvement that you will introduce to the model. (500 words maximum). Score – out of 16</p>
<p>3. Partnership working and intelligence sharing How will you work in partnership with the borough and other agencies to ensure that the needs of service users are met and positive outcomes achieved? Score – out of 8 How will you ensure that the service contributes to the Mayor’s and the boroughs strategic response to rough sleeping. Score - out of 8. (500 words maximum). Total score – out of 16</p>
<p>4. Mental health and substance misuse issues It is likely that most of the service user group will have a range of complex needs. Please demonstrate, giving an example through a case study, how you would work with a client with complex needs and ensure that they remained engaged with the service. (600 words maximum). Score – out of 16.</p>
<p>5. Enforcement and resettlement Please demonstrate how the service will deal with behaviour from service users that causes alarm, distress or harassment to other rough sleepers, members of the outreach team or the wider community. Score – out of 8 Please outline what actions you would undertake to reconnect rough sleepers to their country of origin, where appropriate. Score – out of 8 (600 words maximum). Total score – out of 16.</p>

4.5 Each of questions in the Tenderer’s Proposals were scored out of 5 on the basis set out in Table 3 below. All questions were scored separately by 4 markers (the Tender Assessment Panel) and then the moderated scores, once agreed by the TAP, were multiplied by 3.2 to give a total out of a possible 16 for each criterion.

- 4.6 Tenderers were informed that tenders received by the Council above £200,000 per annum for the services would not be accepted.
- 4.7 Following initial scoring and moderation, further information was requested from tenderers. Non receipt of this information resulted in the tenderer being scored zero for that element of their tender.

Table 3

Excellent	Meets all criteria in a full and comprehensive manner and exceeds some requirements.	5 points
Good	Generally meets the requirements of the criteria to the satisfaction of the Council.	4 points
Satisfactory	Satisfactory, but with aspects which give the Council concern because either the responses are incomplete, or differ from Council on the requirement necessary to meet the criteria.	3 points
Poor	Indications that the response meets some of the requirements but either the Council has serious doubts about aspects of the response, or inadequate information has been provided.	2 points
Unacceptable	The response given is unsatisfactory as it fails to address the question.	1 point
	No information provided.	0 points

5. REASONS FOR DECISION

- 5.1. Service providers were invited to submit a tender to deliver the street outreach service via the London Tenders Portal. The deadline for submission of these tenders was 13 March 2013.
- 5.2. Fourteen expressions of interest were received via the London Tenders Portal. Four of the companies who expressed an interest submitted a tender.
- 5.3. Each response was individually scored by the four members of the tender appraisal panel (TAP). Following this the scores were moderated at a meeting of the members of the TAP where a consensus was reached on the scoring of each key competency.
- 5.4. In terms of ranking providers following moderation (based on their total cost and quality scoring), the results are shown in the table below:

Rank	Tenderer
1 st	Broadway Homelessness & Support
2 nd	St Mungos
3 rd	Thames Reach
4 th	CRI

- 5.5 The full results of the evaluation of the tenders are included in Appendix 1 of this Report.
- 5.6 On the basis of the scores, the TAP recommend that Broadway Homelessness & Support is awarded the contract for a period of up to 4 years (with a break clause where the council can terminate the contract with a notice period of three months at any time after the second anniversary of contract commencement) at an annual cost of £199,898 as it achieved the highest overall score 90.2/100.

6. CONTRACT IMPLEMENTATION

- 6.1 The current street outreach service is delivered by Thames Reach. The contract runs until 31st May 2013.
- 6.2 Any new service provider will require a mobilisation period to commence the service after the contract award is agreed by Cabinet. As such, a report requesting permission to vary the existing contract was submitted to the Cabinet Member of Residents Services. The report requested permission to extend the current contract on a month by month basis (for a period of up to six months). This was agreed on 18 February 2013.
- 6.3 The last time there was a change of contractor for the street outreach service a mobilisation period of three months was required to allow the service provider to undertake all its responsibilities under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and prepare to deliver the service. We anticipate a similar period will be required in this instance. However, this cannot be confirmed until Cabinet has agreed to the recommendation to award the contract and we can enter into formal discussions with the service provider.
- 6.4 It is the intention of the Council to request that Thames Reach (the incumbent provider) continue to provide the outreach service until such time as Broadway Homelessness & Support is in a position to commence service delivery.
- 6.5 The variation to the contract will be costed pro rata at the current contract level. Payments to the new service provider will not commence until the mobilisation period is finished, meaning there are no negative budgetary implications for the Council.

7. EQUALITY IMPLICATIONS

- 7.1. While it is not possible to give precise numbers due to the fact that people enter and exit homelessness in Hammersmith & Fulham, around 90% of the service user group is male and 42% of the service user group has a mental health condition, which means that they are protected under the Equality Act 2010 as disabled people. This service user group is more likely to comprise of men than women, which means that provision of this service helps to take account of the needs of men who are homeless, as well as the needs of disabled people. Helping these service users, and all in this service user group, may help to advance equality of opportunity.
- 7.2. Implementation of this service will have a positive impact on all groups, especially single homeless people, many of whom will have a disability such as a mental health need. Existing providers were consulted and a subsequent service model designed that was appropriate to those key client groups (male and female single homeless with mental health needs from predominantly British and Central Eastern European [CEE] origins) and specific functions (i.e. Dual Diagnosis and Polish Speaking Reconnection provisions) written into the service specification.

8. LEGAL IMPLICATIONS

- 8.1. The proposed award of the Service Contract would be in the compliance of the Council's Contract Standing Orders and the Public Contracts Regulations.
- 8.2. The recommendations set out in this report will support the Council in complying with its statutory duties. Accordingly the Bi-Borough Director of Law endorses the recommendations in this report.
- 8.3. Legal Services will be available to assist the client department with preparing and completing the necessary contract documentation.
- 8.4. Implications verified/completed by: Kar-Yee Chan, Solicitor, 020 8753 2772.

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1 This contract is funded from the Preventing Homelessness Grant, allocated from central government to a level of £200,000 per year. The existing contract costs £159,100 a year, and the new contract will cost £199,898 a year. Given that the new annual contract value is within the maximum allowable grant that funds it, and that payments to the new service provider will not commence until the mobilisation period is finished, there are no negative budgetary implications for the council.

9.2 Implications verified by: Kellie Gooch, Head of Finance ELRS, 0208 753 2203.

10. PROCUREMENT AND IT STRATEGY IMPLICATIONS

10.1. The Corporate Procurement Team has been involved in the retendering of this service. The Council's Contracts Standing Orders and the Public Contracts Regulations 2006 have been complied with. A contract award notice must be sent to the European Commission once the contract has been awarded.

10.2. The Director supports the recommendations contained in the report.


10.3. Implications verified/completed by: Alan Parry, Procurement Consultant (020 8753 2581)

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet member decision to vary existing contract (published)	Pat Cosgrave – Ext 2810	ELRS/CSU

Agenda Item 8

	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>13 MAY 2013</p>
<p>LETTING OF A SERVICE CONCESSION CONTRACT TO ALLOW NETWORK EQUIPMENT TO BE FITTED TO LAMP POSTS, STREET FURNITURE AND OTHER COUNCIL - OWNED ASSETS (AS APPLICABLE)</p>	
<p>Report of the Deputy Leader (+ Residents Services) – Councillor Greg Smith</p>	
<p>Open report</p> <p>A separate report on the exempt part of the Cabinet agenda provides exempt information regarding the outcome of the procurement process and recommends that a concession contract be awarded to the highest scoring tenderer.</p>	
<p>Classification - For noting Key Decision: Yes</p>	
<p>Wards Affected: ALL</p>	
<p>Accountable Executive Director: Lyn Carpenter, Executive Director of Environment, Leisure and Residents' Services</p>	
<p>Report Author: Sharon Bayliss, Director for Customer and Business Development</p>	<p>Contact Details: Tel: 020 8753 1636 E-mail: sharon.bayliss@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Since July 2012, H&F has been part of a pan London procurement initiative for the letting of a service concession contract to allow networking equipment to be fitted to Council - owned assets, namely lamp posts, street furniture and other Council - owned assets as agreed with the Council (eg buildings).

- 1.2. The benefits of adopting a pan London approach to procurement was to obtain an increased interest from the market; seventeen authorities participated in the process.
- 1.3. The report outlines the outcome of the tender process and seeks approval to award the concession contract to the highest scoring tenderer.

2. RECOMMENDATION

- 2.1 That the report be noted.

3. REASONS FOR DECISION

- 3.1. The recommended provider was fully compliant with the tender requirements for the following areas: price, weighted at 60% of the total marks available, and quality, weighted at 40%, (criteria were grouped under operational, health & safety, technical, coverage, and customer engagement). A confidence factor was applied on the estimated revenue income. The highest scoring tenderer scored the highest marks in the evaluation.

4. INTRODUCTION AND BACKGROUND

- 4.1. Since July 2012, H&F has been part of a pan-London procurement initiative for the letting of a service concession contract to allow network equipment to be fitted primarily to lamp posts and other street furniture, but the devices may be installed on other Council-owned assets by mutual agreement with the borough.
- 4.2. There are a range of direct and indirect benefits associated with the award of a service concession contract to the recommended provider. These include:
 - Increased wifi coverage throughout the borough
 - Access to wifi for anyone with a wifi enabled device, eg a smartphone, tablet or PC
 - Free access to the Council's choice of three websites (eg www.lbhf.gov.uk) for residents and visitors to the borough, within range of the network
 - Free access to all other internet sites for residents and visitors, within range of the network, for the first 30 minutes of use each day
 - H&F branded 'landing pages', which will guide users to the H&F website and promote council services, events and commercial services as required by the Council
 - A flexible pay as you go model without any commitment from users to spend after the first 30 minutes free has finished

- An online portal for the Council with access to statistics on usage of the network, types of devices accessing the network and more.
 - Potential to support economic regeneration and customer channel shift objectives through increased access to the internet for local businesses and residents
- 4.2. This proposal will assist the Council with achieving MTFs savings. A target of £300k per annum from 2013/14 had been assigned to this project.

5. PROPOSAL AND ISSUES

- 5.1 It is proposed that the contract is for a period of ten years. The contract is expected to commence on 1 June 2013, following the ten day cooling off period.
- 5.2 The deployment of the mobile devices will be scheduled in three phases. The deployment timetable will be agreed with the Council once the cooling off period and contract has commenced.
- 5.3 Monitoring of the contract will be carried out by an H&F officer from the Transport and Technical Services Department (TTS) to ensure that the concession is delivered at key milestones, on time and against agreed targets. Quality checks will be carried out periodically to ensure all specifications are adhered to. A risks and issues register will be maintained to manage and mitigate any risks or issues that occur.
- 5.4 Consultation with key stakeholders will be undertaken by the recommended provider, and as agreed by the Council, using various methods such as: community drop in sessions and consultation forums, training with local businesses and the customer service helpline, available 24/7 for 365 days per year.

6. PROCUREMENT ARRANGEMENTS, OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. In accordance with the Council's procurement process, a Tender Appraisal Panel (TAP) was established to oversee the procurement process for the letting of a service concession to allow network equipment to be fitted primarily to lamp posts and other street furniture as set out in the Contract Notice placed on 19 September 2012 in the Official Journal of the European Union (OJEU) (reference 2012/S 180-296448) by the London Borough of Camden on behalf of the participating councils.

- 6.2. The London Borough of Camden was the lead authority in procuring services on behalf of 16 other participating local authorities. The procurement exercise was conducted by means of competitive dialogue (CD) which took place in two and three stages (dependant on each council's choice). Camden used an online portal for communications with bidders and to manage the receipt and issue of tender documentation.
- 6.3. A total of ten bidders submitted compliant Pre-Qualification Questionnaires (PQQs). Of these four successfully succeeded to competitive dialogue stage which commenced in January 2013.
- 6.4. The financial standing, insurance, technical capability, quality and capacity of the four accepted tenders were assessed by members of the H&F TAP. All four tenderers met the minimum standards set out in the tender documents and proceeded to the next stage of the procurement exercise.
- 6.5. The first stage of CD commenced week beginning 28 January 2013 and the second stage of CD commenced week beginning 11 February 2013. Closing date for receipt of final proposals (ITSFTs) from all bidders was 18 March 2013.
- 6.6. Three final bids were submitted on 18 March 2013. Of the three bids received, all three were deemed to be satisfactory.
- 6.7. The bidders' responses to the proposal were then evaluated by the TAP on a basis of a 60:40 Price/Quality Model in accordance with the evaluation criteria set out in the Invitation to Submit Final Tenders (ITSFT).
- 6.8. Evaluation of quality and price was undertaken on 19 March 2013. All bidders underwent a qualitative assessment by the panel. Technical advice was provided by Regional Networks Solutions, an organisation specialising in local authority installations of network equipment.
- 6.9. A confidence factor was applied to the non-guaranteed revenue offered by each bidder to reflect the risk of non-delivery of the estimated revenue. This rating was determined using 24 criteria to ascertain the robustness of the business model.
- 6.10. The results of the evaluation are set out in the exempt report.

7. CONSULTATION

- 7.1. Consultation has not been carried out with residents or members of the public as yet as the concession was commercially sensitive.

8. EQUALITY IMPLICATIONS

- 8.1. There are no equality implications associated with this report.

9. LEGAL IMPLICATIONS

- 9.1. It is noted that it is proposed to award the contract to the highest scoring tenderer.
- 9.2. Implications verified/completed by: Catherine Irvine, Principal Contracts Lawyer telephone: 020 8753 2774

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 The financial benefits expected to flow to the Council are set out in the exempt report.
- 10.2 Other financial and resources implications are set out in the exempt report.
- 10.3 Implications verified/completed by: Mark Jones, Director for Finance and Resources (020 8753 6700) and Andrew Lord. Head of Strategic Planning and Monitoring. Corporate Finance (Ext 2531).

11. RISK MANAGEMENT

- 11.1. The Wifi programme is included on the Market Management portfolio register and is monitored at the Market Management Board and Transformation Board.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS


- 12.1. The Director for Procurement and IT Strategy and her team have been actively involved throughout this project. This award relates to a service concessions contract and the tendering of such contracts is exempt from the regulated provisions of the Public Contracts Regulations 2006 (as amended). However, in order to demonstrate transparency in letting a pan-London service concession contract the principles of the Regulations were adopted by the London Borough of Camden (as lead Council) including the publication of a voluntary Contract Notice in the OJEU (see paragraph 6.1 above for details).

- 12.2. Being a multi-Council procurement exercise has produced its own challenges mainly due to the varying requirements by the other participating councils. These have been overcome, but it has had an impact on the overall timetable leading up to the award.
- 12.3. Implications verified/completed by: Alan Parry, Procurement Consultant (020 8753 2581).
- 12.4. There are no IT strategy implications.
- 12.5. Implications verified/completed by: Howell Huws, Head of Business Technology, (020 8753 5025).

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	CMDs were taken on 25/6/12 and 9/7/12 respectively.	S Bayliss x 1636	ELRS

Agenda Item 9

	London Borough of Hammersmith & Fulham CABINET 13 MAY 2013
DELEGATED AUTHORITY TO EXTEND SUPPORTING PEOPLE CONTRACTS	
Report of the Cabinet Member for Community Care, Councillor Marcus Ginn; and the Cabinet Member for Children's Services, Councillor Helen Binmore	
Open Report A separate report on the exempt Cabinet agenda provides exempt information relating to current contracts.	
Classification - For Decision Key Decision: YES	
Wards Affected: All	
Accountable Executive Director: Rachel Wigley Interim Executive Director of Adult Social Care	
Report Author: Julia Copeland Commissioning Manager for Supported Housing	Contact Details: Tel: 020 8753 1203 E-mail: julia.copeland@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. In order to streamline the approval processes and to enable officers to focus on delivering further service improvements and efficiencies, this report asks the Cabinet to delegate the authority to extend a contract where there is an option to do so, or vary the contractual terms in order to extend the contract period, for the housing support contracts listed in Appendices 1 and 2 and any future contracts called off the West London Housing Related Support Framework 2012-16 (the Framework) to the Cabinet Member for Community Care.
- 1.2. Delegated authority to the Cabinet Member for Community Care and the Cabinet Member for Children's Services is sought to extend a contract where there is an option to do so, or vary the contractual terms in order to extend the contract period for the housing support contracts listed in appendix 3 and any future young people leaving care service contracts called off the Framework.

- 1.3. Contracts 1 to 11 in Appendix 1, contracts 1-11 in Appendix 2 and contracts 1-3 in Appendix 3 (in the separate exempt report) are let for an initial period of three years with the option to extend for a further two periods of one year each. In order to deliver further savings and service improvements officers would like to utilise the extension provisions in the contracts as part of the wider H&F housing support services commissioning and procurement plan.
- 1.4. The extension provisions in contracts 12 to 31 in Appendix 1 (exempt report) have been exhausted and there are no extension provisions in contracts 32 & 33; the plan is to procure the majority of these services from the Framework. It may be necessary to extend these contracts by varying the contract term in the event of any delays to the procurement process of calling off the Framework or delays to any other procurement exercise outside of the Framework.
- 1.5. As the majority of the contracts are over £100,000, per annum it will be necessary to seek Cabinet approval to extend or vary the contractual terms in order to extend the contract period at frequent intervals during the period 2013-16.

2. RECOMMENDATIONS

- 2.1 That authority be delegated to the Cabinet Member for Community Care, in conjunction with the Executive Director of Adult Social Care and the Executive Director of Finance and Corporate Governance, to extend a contract where there is an option to do so, or vary the contractual terms in order to extend the contract period for:
 - i. All existing housing support contracts listed in Appendix 1 of the exempt report; and
 - ii. All contracts called-off the West London Housing Support Framework Agreement 2012-16, including those already called-off listed in appendix 2 of the exempt report.
- 2.2 That authority be delegated to the Cabinet Member for Community Care and the Cabinet Member for Children's Services, in conjunction with the Executive Director of Children's Services and the Executive Director of Finance and Corporate Governance, to extend a contract where there is an option to do so, or vary the contractual terms in order to extend the contract period for:
 - i. All existing supported housing contracts for young people leaving care, listed in Appendix 3 of the exempt report; and
 - ii. Any future contracts for young people leaving care that are called off the Framework.

- 2.3 That each of the proposed Cabinet Member Decision reports seeking approval to extend or vary a contract as set out in recommendations 2.1 and 2.2 above shall detail the financial, legal and procurement implications and include details of savings and service improvements.

3. REASONS FOR DECISION

- 3.1 Officers work with providers throughout the year to ensure that they are delivering high quality services, responding to emerging needs and offering continuous improvement whilst achieving the best value for the Council. Through this, we are able to achieve significant savings and vary contracts to ensure their continued strategic relevance. It is important that any agreed changes to services are effected in a timely way in order to maximise opportunities financial or otherwise.
- 3.2 In order to streamline the processes required to extend a contract where there is provision or vary the contractual term to extend a contract, we are recommending that the authority to extend the housing support contracts set out in section 2.1 above, be delegated to the Cabinet Member for Community Care and for the contracts set out in 2.2 above to the Cabinet Member for Community Care and the Cabinet Member for Children's Services. This will enable officers to concentrate on key activities that are essential to delivering savings and service improvements.
- 3.3 Furthermore, the Council intends to use the recently established West London Housing Support Framework 2012-16 to procure the majority of new contracts over the period 2013-16. Contracts 11 & 12 are unlikely to be procured from the Framework, as one is a community alarm service and the other an extra care sheltered service. On 5 March 2012, Cabinet delegated the authority to award all contracts procured from the West London Framework Agreement to the Cabinet Member for Community Care in conjunction with the Executive Director of Adult Social Care and the Executive Director of Finance and Corporate Governance. Therefore, if approved, the recommendations in this report will align all the approval processes for housing support contracts and will enable the Cabinet Member for Community Care to have a complete overview of the commissioning and procurement activity for housing support contracts.

4. INTRODUCTION AND BACKGROUND

- 4.1 Housing support services, commonly referred to as Supporting People services assist a wide range of vulnerable individuals and families to develop and maintain their independence in the community and increase social inclusion. The responsibility for the commissioning, contracting and procurement of housing support services transferred to local authorities in

2003, with the inception of the Supporting People programme. Since 2006, there has been significant commissioning and procurement activity in the supported housing programme; the number of contracts has reduced from over 150 in 2005 to the current 36¹; these 36 contracts comprise approximately 70 services to over 1650 H&F residents. The housing support budget has reduced from £14.2m in 2003 to £9.2m in 2013. From 2003-2010 all decisions to award, vary or extend contracts was delegated to the then Director of Community Services.

- 4.2 Further considerable commissioning and procurement activity will be necessary over the period 2013-16 as the majority of existing contracts will expire during this period and Cabinet approval will be required to extend these contracts where there is provision.
- 4.3 In many cases, new contracts will need to be re-procured from the West London Framework Agreement. Due to the complexities of the tender processes, delays can occur and it can be necessary at short notice to extend contracts to maintain service continuity to vulnerable residents whilst we conclude the procurement activity. In these circumstances, officers have been required to seek approval to extend contracts via a Leader's Urgent Decisions on a number of occasions in the past. Delegating authority to the Cabinet Member for Community Care and the Cabinet Member for Children's Services, where relevant would obviate Leader's Urgent Decisions in these circumstances, in the future.

4. PROPOSAL AND ISSUES

- 4.1. In line with the Contract Standing Orders and Financial Regulations, currently officers are required to obtain Cabinet approval to extend or vary a contract where the value of the extension or new business is £100,000 or more.
- 4.2. Officers will be required to seek Cabinet approval to extend a contract where there is provision or vary the contractual terms in order to extend housing support contracts at frequent intervals during 2013-2016, for the following reasons:
- i. Where there is provision to extend in the contract, separate Cabinet approval is required to issue each of the extension periods, where the value of the extension is £100,000 or more; there are 25 contracts listed in appendices 1-3, which still have extension provisions.
 - ii. All the current 36 housing support contracts listed in Appendices 1& 3 in the exempt report will expire during the lifetime of the West London Framework Agreement 2012-16.

¹ In addition to these 36 contracts listed in appendices 1 and 3, there are three council managed contracts where there are service level agreements in place and two Extra Care Sheltered 25 year contracts.

- iii. Due to the volume of contracts expiring during the period 2013-16, there will be considerable procurement and commissioning activity during this time. Although it is always officers' ambition to complete procurement and commissioning projects on time, due to the nature of the services and complexities of the tender processes unfortunately, delays can occur and it may be necessary to extend a contract where there is provision or vary the contractual terms in order to extend to maintain service continuity whilst we conclude activities.

5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1 For the reasons outlined in this report, delegating the authority to the Cabinet Member for Community Care to extend the contracts set out in recommendation 2.1 and to the Cabinet Members for Community Care and Children's Services for the contracts set out in recommendation 2.2 where there is provision or vary the contractual term in order to extend where there is not provision, will enable officers to focus more on key activities to deliver savings and service improvements, in future.
- 5.2 Furthermore, as approved by Cabinet, the Cabinet Member for Community Care already has the delegated authority to award all new housing support contracts from the West London Framework Agreement 2012-16. The recommendations contained in this report therefore will align all the approval processes for existing and future housing support contracts called off the Framework.
- 5.3 The recommendations do not seek approval for a blanket delegation of authority to extend all housing support contracts indefinitely. The delegated authority is restricted to existing contracts included in Appendices 1 -3 of the exempt report and any other contracts called off the West London Housing Support Framework Agreement 2012-16.
- 5.4 All future recommendations to extend a contract where there is provision or to vary the contractual term order to extend a contract will have been approved by the Tri-Borough Adult and/or Children's Contracts and Commissioning Board prior to seeking Cabinet Member approval. All Cabinet Member Decision reports recommending an extension or variation will include finance, procurement and legal comments.

6. CONSULTATION

- 6.1. No consultation has been carried out in relation to the recommendations contained in this report.

7. EQUALITY IMPLICATIONS

- 7.1. There is no equality implications associated with the recommendations contained in this report.

8. LEGAL IMPLICATIONS

- 8.1. It is noted that it is recommended to delegate authority to vary in order to extend and extend existing housing support contracts and contracts called off the West London Housing Support Framework Agreement 2012-16 to the Cabinet Member for Community Care and the Cabinet Member for Children's Services, where relevant for the reasons set out in this report.
- 8.2. There are no direct legal implications from this recommendation.
- 8.3. Implications verified/completed by: Cath Irvine, Senior Contracts Lawyer,

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1. The recommendation to delegate authority to the Cabinet Member for Community Care and Cabinet Member for Children's Services (where relevant) to extend a contract where there is an option to do so or vary the contractual terms in order to extend the contracts for all those contracts listed in Appendices 1-3 is in line with the previous Cabinet decision to delegate to the Cabinet Member for Community Care authority to award all new housing support contracts from the West London Framework Agreement 2012-16. This report's recommendations therefore align all the approval processes for all existing and future housing support contracts called off the Framework.
- 9.2. There are no direct financial implications from this report's proposals.
- 9.3. Implications verified/completed by: (Cheryl Anglin-Thompson, Principal Accountant,

10. RISK MANAGEMENT

- 10.1. There are no direct risks associated with this recommendation.
- 10.2. Implications verified/completed by: Julia Copeland, Supported Housing Commissioning Manager

11. PROCUREMENT AND IT STRATEGY IMPLICATIONS


- 11.1 The Director supports the recommendations in the circumstances described above that the extension of a contract where there is still an option to extend and/or varying the contractual terms in order to extend the contract

period is delegated to the Cabinet Member(s). Detailed procurement comments relating to each contract will be provided in subsequent Cabinet Member reports.

- 11.2 Implications verified/completed by Joanna Angelides, Procurement Consultant, Tel No 020 8753 2586 5th April 2013

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet Report – 5/3/12 (published)	Jenny Platt	Tri-B ASC

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">13 MAY 2013</p>
<p>HOUSING ESTATE INVESTMENT PLAN UPDATE</p>	
<p>Report of the Cabinet Member for Housing, Councillor Andrew Johnson</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: Askew, Sands End and Town</p>	
<p>Accountable Executive Director: Melbourne Barrett, Executive Director of Housing and Regeneration</p>	
<p>Report Author: Jo Rowlands, Director of Housing Services Stephen Kirrage, Director of Property Services and Asset Management Matthew Rumble, Service Transformation Manager</p>	<p>Contact Details: Tel: 020 753 2337 E-mail: matthew.rumble@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report updates Cabinet on progress against the Housing Estate Investment Plan (HEIP) for Fulham Court and Barclay Close estates and recommends allocation of additional ring-fenced budget from the decent neighbourhoods fund for the delivery of the detailed investment proposal.
- 1.2. The report also recommends that a further three estates, Sullivan Court, Becklow Gardens and Emlyn Gardens, should be taken forward as a second phase of HEIP and that consultation should begin with residents and stakeholders on a detailed investment plan for these estates.

2. RECOMMENDATIONS

- 2.1. That approval be given, subject to section 20 leaseholder consultation, to the full scope of works for Fulham Court and Barclay Close Estates as described in section 5 and Appendix 1 and to the allocation of a further £1.82m from the total budget for this project held in the Decent

Neighbourhoods fund of £3.469m to deliver phase two of the works and that Cabinet notes that the first phase of works came in £0.15m under budget. (Cabinet should note that the £3.469m represents the balance remaining of the original budget of £4.057m approved by Cabinet on 11 January 2010 following the construction of the Tudor Rose Centre).

- 2.2. That Cabinet notes that, with the exception of lighting and CCTV improvements, work in phase two of the Fulham Court and Barclay Close project will be delivered by Mitie under the existing Planned Maintenance contract. Lighting and CCTV elements of the scheme will be taken forward by the appropriate council departments.
- 2.3. That approval be given to the development of draft investment plans for Sullivan Court, Becklow Gardens and Emlyn Gardens as phase 2 estates for HEIP investment and approves a budget of £50k funded from the 2013/14 Housing Services Budgets held in the Housing Revenue Account to develop proposals for the three estates with residents.

3. REASONS FOR DECISION

- 3.1. The decisions recommended by this Cabinet report will enable much needed investment in the physical environment of Fulham Court, Barclay Close, Becklow Gardens, Emlyn Gardens and Sullivan Court. The proposed works will improve the quality, safety and sustainability of these housing estates and at the same time support the council's aims of integrating council housing estates with the neighbouring streets and communities.
- 3.2. The programme will promote low cost home ownership opportunities for existing H&F residents through the sale of void properties as Discount Market Sales, also supporting the council's aim to create mixed communities on estates, moving away from single tenure housing as set out in Councils agreed Housing Strategy, Building a housing ladder of opportunity.

4. INTRODUCTION AND BACKGROUND

- 4.1. The policy framework for the Housing Estates Investment Plan (HEIP) was agreed by Cabinet on 18 April 2011. It was agreed that officers should consult on the basis of this policy framework.
- 4.2. On 7 November 2011, Cabinet approved the policy and resolved that officers would undertake an assessment of all housing estates with 100 or more units, using the selection criteria under the HEIP and report back to Cabinet with a recommended estate to be the first to benefit from the HEIP.

- 4.3. On 23 April 2012 Cabinet considered the results of assessments and agreed that Fulham Court and Barclay Close Estates would be taken forward as a pilot HEIP site, approving the framework of the draft investment plan for the Estate. Cabinet approved a first phase of physical works which form part of the investment plan for Fulham Court and Barclay Close Estates funded from the £3.469m (the balance remaining from the original budget of £4.057m approved at Cabinet on 11 January 2010 following the construction of the Tudor Rose Centre) set aside within the Decent Neighbourhoods fund in 2012/13 and 2013/14 for Fulham Court.
- 4.4. Cabinet also delegated authority to the Cabinet Member for Housing, the Executive Director of Housing and Regeneration and the Executive Director of Finance and Corporate Governance to develop an initial pilot project to oversee the disposal of up to 10 void properties to the Council's Local Housing Company as low cost homeownership units, following which a report will be brought to Cabinet.
- 4.5. This report updates Cabinet on the progress made in taking forward the physical works to both estates, on the establishment of a local housing company and disposal of void properties on the estate. It also seeks approval for further capital spend on the Fulham Court and Barclay Close estates and requests approval to consult with residents on the next phase of HEIP estates.

5. PROPOSAL AND ISSUES

- 5.1. By agreeing to the recommendations in this report, Members will be approving:
- The delivery of the works as described in the detailed investment plan for Barclay Close and Fulham Court Estate.
 - The allocation of a further £1.82m of the capital Decent Neighbourhoods budget for estate improvement works on Fulham Court and Barclay Close estates, bringing total spend to up to £2.42m (including a 10% contingency budget and excluding the Tudor Rose Centre) from a budget of £3.469m currently held in the Decent Neighbourhoods fund as part of the capital programme.
 - The delivery of phase two of works under an existing Council planned maintenance contract with Mitie.
 - The commencement consultation on Sullivan Court, Becklow Gardens and Emlyn Gardens Estates. These will form phase two of the HEIP and a further report to Cabinet in October 2013 will describe the outcome of consultation, the detailed investment plan for both estates and the funding mechanism.

- The development of Investment plans to meet the same aims as the Fulham Court and Barclay Close plan which will be capped at £2.5m capital investment.

6. OPTIONS AND ANALYSIS OF OPTIONS

6.1. Physical Improvements

Fulham Court & Barclay Close Estate Improvement Works

- 6.2. Following the Cabinet decisions of 23 April 2012 the Council commissioned Groundwork London to develop the investment proposal for the estates and consult with residents and stakeholders on the proposal.
- 6.3. The extensive consultation which took place in developing the HEIP for both estates was taken further by Groundwork. Residents of both the estates were contacted again to discuss the investment options through a 'door knocking' exercise and two further estate based consultation events took place in the summer of 2012. Groundwork also engaged key services involved on the estate including Council departments responsible for parking, planning, environment, community safety and highways in developing the investment proposal.
- 6.4. The final investment proposal includes a range of physical and environmental works totalling an estimated £2.42m, including a 10% contingency budget. The proposed works will meet both the draft investment plan for the estate, considered by Cabinet in April 2012, as well as the improvements identified by residents and stakeholders. The aim being to:
- open up and better integrate the estate with the surrounding areas;
 - improve access to, and flow through, the estate;
 - facilitate better use of the Tudor Rose centre;
 - improve parking for bicycles and vehicles;
 - deliver general public realm improvements including paving and landscaping which harmonises with the surrounding area; and
 - Improve safety through lighting improvements, CCTV upgrades and play area improvements which support constructive diversionary activity.
- 6.5. The package of works has been split into two phases. Phase one is currently underway. The first phase delivers the primary elements of the works described in the April Cabinet report, starting from the main entrance to Fulham Court at Shottendane Road.
- 6.6. This phase of works includes improvements to the entrance point from Shottendane Road through to the central area of the estates which currently separates Barclay Court from Fulham Court. The work involves a programme of resurfacing, repaving, de-cluttering, lighting upgrades and

will deliver improved traffic flow and road safety. Phase one removes part of the wall and railings between Barclay Close and Fulham Court in the central area. Tree and hedge works commenced first in February 2013 improving the sight lines through the estate. The entry gate to Fulham Court on the corner of Fulham Road and Shottendane Road is being removed and the entry point improved. The retained play area, north of the Tudor Rose centre, will be redeveloped.

- 6.7. These works as set out in Appendix 1 of this report are being completed by the Council's existing term contractors from the approval given in April 2012. The total cost of phase one is £0.6m compared to an original budget of £0.75m.
- 6.8. Subject to Cabinet approval and s20 Consultation with leaseholders, the other elements of the investment proposal, to deliver wider public realm improvements on the Fulham Court Estate, will be delivered through a second phase of works. This will include final boundary improvements, estate-wide paving and streetscape improvements, soft landscaping works, lighting, road surfacing and layout, concluding works to entry points, cycle and car parking and the ball court. The outline of proposed works is described in more detail on Appendix 1.
- 6.9. Phase two is expected to cost £1.82m. This will bring the total cost of the physical improvements to £2.42m. The balance of works in phase two would be met from the total budget allocated to Fulham Court (which is currently £3.469m after deducting expenditure on the Tudor Rose Centre), leaving £1.05m for ring-fenced further improvements and the pilot voids project.
- 6.10. It is proposed that the second phase of works will be delivered by the Mitie Ltd under the Council's recently tendered Planned Maintenance contract and directly project managed by the Council's Housing and Regeneration Department.
- 6.11. The table below describes the proposed project timetable

Phase one	
February 2013	Tree, hedge works - estate wide preliminary works for resurfacing and landscaping
March – June 2013	Resurfacing, landscaping, lighting - Shottendane entrance to central green area.
March – June 2013	Works to the boundary between Fulham Court and Barclay Close
March – June 2013	Works to wall behind the car park next to 61-106 Barclay Close

May/ June 2013	Play area improvements next to Tudor Rose
Phase two	
13 May 2013	Cabinet decision on phase two
24 May 2013	Implement decision
28 June 2013	Conclude detailed specification of works
12 July 2013	Issue section 20 notices (leaseholders)
12 August 2013	Expiry of section 20 notices (leaseholders)
mid-August 2013	Mobilise contract
end September 2013	Start on site – phase 2
May 2014	Finish phase two works
Local lettings plan	
April 2013	Adopted

6.12. Economic Improvements

Community Trust and Tudor Rose Centre

- 6.13. In order to generate demand for the community space at the Tudor Rose Centre, there is an identified need for an on-site manager to manage the centre, including ensuring that income generation opportunities are appropriately maximised.
- 6.14. For the first six months the costs of an on-site manager will be funded from underspend against the neighbourhood services budget. The worker would be managed by the Director of Housing Services. The future intention is that the on-site manager will be funded from income generated from letting the Tudor Rose Centre and a revenue contribution if required from either the Council or if funds are available from the charitable arm of the Local Housing Company; H&F Housing Ltd. An options appraisal is currently being carried out.
- 6.15. The Locality Team were commissioned to carry out a feasibility study into the creation of a community trust for Fulham Court and Barclay Close. The study concluded that a community trust would be an appropriate vehicle for promoting and funding community development activity and managing the Tudor Rose Centre. Although the report concluded that these roles could be carried out, it expressed concern that the low levels of community engagement on the estates would make a community trust hard to sustain at the current time. The report highlighted that a further option which could meet the same objectives was to carry out these activities under H&F Housing Ltd (the currently dormant charitable arm of the Council Housing Company). Further work is currently being carried out on the capital and revenue implications of this proposal and how we could generate capacity within the community to enable a successful community Trust to be created.

Local Lettings Plan

- 6.16. As set out in the 23 April 2012 Cabinet report, a draft Local Lettings Plan has been developed in order to address issues of overcrowding and allocation of void properties on the two estates. This draft policy will be the subject of consultation in March 2013. Subject to the comments made, the Local Lettings Plan will be adopted in April 2013.

Voids for Disposal

- 6.17. Consideration has been given to a pilot programme of void sales to Hammersmith and Fulham Developments in order to generate discount market sale homes. The financial and legal implications of this proposal are being considered as part of the Council's Housing Development Programme Business Plan. This Business Plan will be considered by Cabinet in June.

Shop leases

- 6.18. At the time of writing the 18th April 2011 Cabinet report it was considered that there would be market interest in acquiring the head lease of the shops units fronting Fulham Court. This transfer of interest would have led to more effective management of the rear of these properties through a rationalisation of responsibilities. Following the marketing of these shops as part of a portfolio an acceptable offer was received, however this offer was subsequently withdrawn in the light of the situation in the Eurozone and the volatility of the investment markets. A revised strategy for the management of the shops was subsequently agreed in a Cabinet Member Decision dated 25th June 2012. . Discussions have therefore continued to take place with the occupiers of the shop units in order to improve the management of the rear of the buildings. On 2 of the properties, it has been agreed that the lease plan will be redrawn to include the yard area. On a further 2 properties, discussions are underway with the tenant and the 1 property that is vacant has had its new lease plan redrawn to include the yard.

Future HEIP estates

- 6.19. The Cabinet report of April 2011 included the complete list of potential HEIP estates in priority order based on the HEIP policy framework and agreed that Emlyn Gardens, Queen Caroline, Flora Gardens, Riverside Gardens, Sullivan Court, Becklow Gardens, Lytton, Springvale and Charecroft Estates were suitable for inclusion in the HEIP. Analysis identified three estates, Emlyn Gardens, Becklow Gardens and Sullivan Court, which could be taken forward under a second phase of the HEIP.
- 6.20. Following approval by Cabinet, the proposal is to develop a more detailed specification for three estates and then to begin consultation with residents around the physical improvements. The physical improvements will form

part of the wider investment proposal including social and economic programmes and would be funded from void sales to the council's housing company for future sale as low cost homes.

- 6.21. Emlyn Gardens is in the north of the borough located in Askew Ward. The estate is made up of 14 three or five storey blocks, with 246 properties 188 tenanted properties and 58 leasehold properties. Works to Emlyn Gardens could focus on improvements to community facilities, development of surplus land for discount market sale housing and public realm improvements. The estate needs to be considered in parallel with the Genesis Factory Quarter development which could potentially assist in providing space for community activities..
- 6.22. Sullivan Court was built between the late 40s and mid 50s there are 432 properties on the low rise estate, of which 266 are tenanted and 166 leasehold properties. The estate is in the south of the borough in the Sands End ward. Works to Sullivan Court could include general public realm improvements and could address issues around vacant garages and pram sheds which have been raised by local residents. There is scope to provide a significant amount of discount market sale housing on surplus land on the estate.
- 6.23. Becklow Gardens is also in the north of the borough located in Askew ward. There are a total of 6 blocks of four or five storey blocks. The size and tenure mix of the estate is similar to Emlyn Gardens with 247 properties of which 193 are currently tenanted and 54 leasehold properties. Works to Becklow Gardens could include public realm improvements and the adoption of void sales for discount market sale housing as applied at Fulham Court and Barclay Close. Becklow Gardens is already included in the Hidden Homes programme with 12 discount market sale homes being provided on surplus sites.
- 6.24. The scope of physical improvement works, funded from the decent neighbourhoods pot, primarily from the Asset based limited HRA voids disposals programme, would be developed along the same lines as for Fulham Court and Barclay close. The aim being to harmonise the estates with the surrounding neighbourhood, improving lighting, safety and the use of existing estate facilities.
- 6.25. The physical improvements will also need to be developed to complement any future opportunities to develop new homes on the estates and with the Council's new estate parking and garage policies.
- 6.26. It is proposed that following consultation the proposed investment plan for estates, as well as the budget and funding mechanism, would be reported to Cabinet for consideration in October 2013.

7. CONSULTATION

7.1. Fulham Court and Barclay Close Estates

7.2. As described in section 5 of this report extensive consultation has taken place with residents of both estates and with council departments and wider service providers throughout the development of the investment proposal. Consultation leading up to development of the Draft Investment Plan is included in the cabinet report of the 23 April 2012.

7.3. In developing the final detailed investment plan the Council and Groundwork consulted residents again with a further door knocking exercise and two estate-based consultation events. The result of this and previous consultation has been taken into consideration when developing the proposed works in phase one and two.

7.4. Feedback from residents focused on the following items:

- General improvements to the Cassidy Road entrance to Barclay Close including improving the amount of green space, improving lighting, and better defining the entrance;
- Improvements to the vehicle entrance on Shottendane Road, with improved signage, a more inviting appearance, and further measures to slow vehicles;
- Improved pedestrian friendliness and general paving across the estates;
- Improvements to block entrances including better security;
- Improved equipment in the play areas and general modernisation of the ball court;
- Secure/fobbed access to the enclosed courtyard areas, with a variety of shared communal facilities including informal play, food growing, seating and nice planting;
- general aesthetic improvements to the space between Fulham Court and Barclay Close;
- Creation of 'defendable space' (to give privacy to ground floor flats) adjacent to some blocks, especially on Barclay Close;
- General improvements to the space in between 1-20 and 21-40 Barclay Close.
- Creation of secure bicycle storage facilities;
- Retention of pram shed storage facilities;
- A gardening project on the estates.

7.5. Future HEIP proposals

7.6. The same consultation plan will be used to develop the investment proposals for Sullivan Court, Becklow Gardens and Emlyn Gardens. This is likely to include a combination of estate based events, written consultation, door knocking exercises and target consultation with recognised tenant residents associations and youth forums on both estates. Consultation is likely to take place between July and August of 2013 and the outcomes of

this consultation exercise will be reported to Cabinet in October along with the investment plan proposals.

7.7. Implications for leaseholders

7.8 It is likely that some limited elements of the planned works would be chargeable to leaseholders. There are currently 50 leaseholder properties on Fulham Court and 46 on Barclay Close.

7.9 Phase one of works to Fulham Court and Barclay close estate is underway and therefore leaseholder recharges will be capped at a maximum of £250. The precise detail of chargeable works under phase 2 of the scheme will not be known until the project has been fully developed through consultation with all residents, including leaseholders. The Council will need to comply with Section 20 of the Landlord and Tenant Act 1985 (as amended by section 151 of the Commonhold and Leasehold Reform Act 2002) in determining the charges for each individual leaseholder. The estimated costs are described in the table below. As noted in the legal comments in the Cabinet report of 23rd April 2012 in general, where improvements are capable of being re-charged to leaseholders, the Council has a fiduciary duty to do so (subject to limited discretion to waive some charges, primarily in cases of hardship, and to leaseholders' statutory right to service).

7.10 Estimated leaseholder recharges for Phase two.

Estate	Estimated average cost	Estimated maximum cost	Estimated minimum cost
Fulham Court	£3,094	£4,541	£2,126
Barclay Close	£7,323	£8,478	£5,102

7.11 Recent Leaseholder S20 statutory notices of estimates and final accounts issued.

7.12 Fulham Court: range of works including windows, doors, roofing, loft insulation, drainage, CCTV, draining, staircase and walkways works.

7.13 S20 notices were issued on 25/07/2008 and final invoice issued on 06/07/11 to 50 leaseholders.

7.14 Final account totalling £734,850.27; leaseholders contributions of £702,552.17 Average leaseholder contribution of £13,510.62

7.15 Barclay Close Water tank South 2011/12; S20 notices issued on 23/11/11

	Estimated Contract Sum	Leaseholder contributions	Average Leaseholder Contributions
01-20 Barclay Close	£10,901.12	£6,446.92	£537.24
21-40 Barclay Close	£10,901.12	£7,333.18	£564.09
41-60 Barclay Close	£13,384.78	£7,361.63	£669.24
61-106 Barclay Close	£14,372.75	£3,173.50	£317.35

7.16 Barclay Close Control Access S20 notice of estimates issued on 07/12/12

	Estimated Contract Sum	Leaseholder contributions	Average Leaseholder Contributions
01-20 Barclay Close No of leaseholders- 12	£10,328.96	£6,054.67	£504.56
21-40 Barclay Close No of leaseholders 13	£10,328.96	£6,948.29	£534.48

7.17 Barclay Close Lift Modernisation S20 notices of estimates issued on 05/12/12

	Estimated Contract Sum	Leaseholder contributions	Average Leaseholder Contributions
01-20 Barclay Close No of leaseholders- 12	£115,343.00	£68,213.85	£5,684.49
61-106 Barclay Close No of leaseholders 10	£293,303.00	£64,731.30	£6,476.13

8. EQUALITY IMPLICATIONS

- 8.1. A full EIA has previously been completed for the HEIP. A full EIA has been completed for the Fulham Court and Barclay Close Investment Plan. The main findings of this EIA are that the proposals in the investment plan would have a positive impact on all residents with a particular effect on young people and BME groups due to the extensive consultation proposed.
- 8.2. An EIA on phase two of the HEIP will be produced alongside as the investment proposals, without first understanding the range of improvements work it would not be possible to fully understand the impact of on protected groups.

9. LEGAL IMPLICATIONS

- 9.1 The Council has a statutory obligation to consult with secure tenants who are likely to be substantially affected by a matter of housing management and this may include improvement works. The report highlights in sections 6 and 7 that there have been extensive consultation with the residents of Fulham Court and Barclay Close. It is intended to carry out consultation with the residents of Emlyn Gardens, Becklow Gardens and Sullivan Court after a more detailed specification for the physical improvement works has been developed.
- 9.2 Implications verified/completed by: Janette Mullins, Head of Litigation telephone 020 8753 2744 and Catherine Irvine, Principal Contracts Lawyer telephone 020 8753 2774)

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. Following Cabinet approval on 11th April 2010 to earmark resources of £4.057m from the Decent Neighbourhoods fund for phase 1 of the Fulham Court Estate Improvement Strategy, the subsequent construction of the Tudor Rose Centre has reduced the balance available to £3.469m.
- 10.2. As stated in section 6.9, the total cost of works at Fulham Court and Barclay Close Estate is £2.42m (0.6m having been incurred on phase 1; plus a further £1.82m for phase two as outlined in section 5 and Appendix 1). These costs will be met from the total remaining balance of resources allocated to Fulham Court (£3.469m).
- 10.3. A review of the nature of the planned works for phase two will be undertaken to ensure that they are in accordance with the Council's capital accounting and funding guidance. Any costs subsequently identified as revenue would have to be identified from savings.
- 10.4. The remaining balance of £1.05m will be ring-fenced for further improvements and to provide potential seed funding for the pilot voids project, which as stated in section 4.4 will be the subject of a further report to Cabinet.
- 10.5. The revenue cost of the development of draft investment plans of £50k will be financed from Housing Services budgets held in the Housing Revenue Account (the code on which this budget is held is 38030 HSC500).
- 10.6. Additional revenue costs associated with the soft landscaping will be applicable. Initial estimates provided by the contractor indicate an annual maintenance cost of c.£8k. These costs will be financed from existing budgets (13110 ESS500). Further consideration will need to be given to

arrangements on renewal of the Council's existing grounds maintenance contract in 2015.

- 10.7. Officers have confirmed that there will no additional revenue cost to the HRA arising from the maintenance and monitoring of the CCTV improvements.
- 10.8. The result of further expansion of the HEIP to cover the Sullivan Court, Becklow Gardens and Emlyn Gardens Estates will be the subject of a further report to Cabinet in October 2013 and will provide full detail of the investment plan for both estates and the funding mechanism.
- 10.9. An additional £5 million provision phased over 2013/14, 2014/15 and 2015/16 has been accommodated, on top of allowances already made via the Councils Housing and Regeneration Asset Management Plan, within the latest draft 30 year business plan for the type of works encompassed by this programme. However, it should be noted that the timing of the works may ultimately differ from the phasing in the model as a result of the approach being taken. This cannot be quantified currently for the prospective estates as the exact nature of the works may not be known until after the consultation period has concluded.
- 10.10. The net contribution from the resources of £3.469m made available in the Decent Neighbourhoods pot will reduce by the amount due to be recovered from leaseholders, the process for which is set out in paragraph 7.7.
- 10.11. Implications verified/completed by: Kathleen Corbett, Director of Finance and Resources, Housing and Regeneration Department, telephone 020 8753 3031 and Daniel Rochford, Head of Finance, Housing and Regeneration Department , telephone 020 8753 4023)

11. RISK MANAGEMENT

- 11.1. The Regeneration and Housing Services Teams will monitor the strategic risks associated with the Investment plan in accordance with the Council procedures. The proposal contributes to the management of the corporate opportunity risk 7 associated with maintaining and improving service for local residents.
- 11.2. An individual risk register will be completed for both projects.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1 There are no procurement implications as the work under Phase 2 (described in Appendix 1) is to be carried out under the Council's current existing Planned Maintenance contract with Mitie Property Services Limited.

LOCAL GOVERNMENT ACT 2000 LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Cabinet 23/04/2012 Housing Estate Investment Plan	Neil Kirby x1772	Housing and Regeneration
1.	Cabinet 18/04/2011. Housing Estates Investment Plan	Neil Kirby X 1722	Housing and Regeneration
2.	Cabinet 07/11/2011. Outcome of consultation on the Housing Estates Investment Plan.	Neil Kirby X 1722	Housing and Regeneration
3.	Cabinet 11/01/2010. Fulham Court Estate Improvement Strategy: Phase 1: Physical improvements	Neil Kirby X 1722	Housing and Regeneration

LIST OF APPENDICES:

Appendix 1 Fulham Court and Barclay Close investment proposal

APPENDIX 1 – PHASE ONE PROPOSED WORKS

Proposed works

- Improvements to the Shottendane Road vehicle entrance of Fulham Court to open it up and improve the general appearance. This includes removing the piers, installing a raised crossover for pedestrians walking along Shottendane Rd, and using raised planters to alight the road with Elmstone Road and incorporate an estate name sign.
- Improvements to the street leading from this entrance to the 'central green' between the estates; this includes installing a shared surface from the entrance up to the crossroads, narrowing the road in places to calm traffic; widening pavements in front of entrances, introducing cycle hoops, introducing parking in the central section, replacing gates to both courtyard spaces with high quality fobbed access gates (in advance of proposed renovations under Phase 2), and creating a further shared surface area to aid pedestrian movement between estates at the junction between the street and the 'green'.
- Works to the boundary between Fulham Court and Barclay Close; this comprises reducing the wall height down to retaining level and repairing as required, installing new railings along the wall allowing for a future additional access point under Phase 2, and installing a bespoke pedestrian chicane to prevent vehicle access between estates.
- Works to improve the pedestrian entrance at the northern end of Shottendane Road, removing the redundant vehicle gate and section of road and replacing with a pedestrian only opening and chicane to prevent mopeds.
- Works to the wall behind the car park next to 61-106 Barclay Close, removing existing concrete panel fencing and replacing with a visually permeable weld-mesh fence to the same height.
- Renovation of the existing children's play area outside the Tudor Rose centre, to improve the public realm and provide much-needed facilities for

children and young people; this includes realigning the boundary fence and access points, installation of all new equipment and surfacing, and some paving work at entrances as required.

- Some lighting improvement work (where possible as constrained by potential future works under Phase 2) to improve public safety – this will likely comprise work on the central ‘avenue’ leading from the Shottendane entrance, and across Barclay Close.
- Some CCTV installation across Barclay Close to improve public safety (where possible as constrained by potential future works under Phase 2).
- Tree works to remove dead or dying trees, tree causing existing problems (e.g. fruit dropping) and trees that will present obstacles to Phase 2 works.

Proposed works – phase 2

- Outstanding lighting improvement work.
- Outstanding CCTV installation across Barclay Close.
- Improvements to the remaining Fulham Court streetways including the play area street and car park and the youth area streetway, incorporating sections of shared surface, realigned parking, and widened pavements.
- Improvements to all Barclay Close streetways, also incorporating sections of shared surface and realigned parking.
- Renovation of the ‘central green’ between the two estates including realigning parking provision, providing defensible space immediately in front of 21-40 Barclay Close, and creating a ‘focal point’ feature.
- Improvements to the entrance to Barclay Close and to the area in front of 1-20 Barclay Close.
- Renovation of the three Fulham Court courtyard spaces.
- Renovation and realignment of the ball court.
- Introduction of a parkour trail linking the play area and the ball court.
- Improvements to the archway entrance on Fulham Road and the adjacent street in the estate.
- Two years’ expert soft landscaping maintenance.

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">13 MAY 2013</p>
<p>HOUSING DEVELOPMENT PROGRAMME – NEW BUILD INNOVATIVE HOUSING</p>	
<p>Report of the Cabinet Member for Housing, Councillor Andrew Johnson</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: Avonmore & Brook Green, Askew, and Town</p>	
<p>Accountable Executive Director: Melbourne Barrett, Executive Director of Housing & Regeneration</p>	
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1. EXECUTIVE SUMMARY

- 1.1. Further to Cabinet approval in December 2012 to establish the Framework for Innovative Housing Built Using Modern Methods of Construction & Associated Development Management Services, this report seeks approval to invest £3.4m (to be funded from the decent neighbourhoods fund) in the Pilot Site on the Spring Vale Estate which will allow ten new properties to be built (60% Discount Market Sale), utilising the Rational House product, by Autumn 2014 and return a development surplus of £0.7m (20% on cost¹) for housing and regeneration purposes (with additional retained equity of £1.4m). Approval is also sought for £0.2m to develop detailed development proposals for two additional sites at Becklow Gardens and Barclay Close.

2. RECOMMENDATIONS

- 2.1. To note the work completed to date on the Pilot Site at Spring Vale Estate to develop a detailed development proposal; and that approval be given for further expenditure of £3,394,000² (to be funded from the decent neighbourhoods fund) comprising:
- Construction costs (£2,504,000)
 - Scape framework fee & pre-construction fees (£70,000)
 - City House Projects Limited's professional fees (£240,000³)

¹ Assumes nil land value

² Excludes previously approved £50,000

³ Excludes previously approved £50,000

- Sales and marketing fees (£82,000)
 - Statutory fees and project contingency (£498,000).
- 2.2. That approval be given to appoint Willmott Dixon Capital Works Limited, through the SCAPE Framework, as building contractor for the Spring Vale scheme.
 - 2.3. That authority be delegated to the Cabinet Member for Housing in conjunction with the Executive Director of Housing and Regeneration to appoint a sales and marketing agent following completion of the procurement process.
 - 2.4. To note the initial appraisals undertaken to date to identify two additional development sites at Becklow Gardens and Barclay Close; and that approval be given for expenditure of £230,000⁴ (to be funded from the decent neighbourhoods fund, or should the schemes prove to be abortive - due to unforeseen costs; issues specific to site which makes development risk too high; or the development does not get planning consent - the cost would fall to revenue funded from s106) for professional fees for City House Projects Limited (appointed under the Council's Framework for Innovative Housing Built Using Modern Methods of Construction and Associated Development Management Services) to undertake resident consultation, site investigation surveys, and design of the two sites to planning (RIBA Stage D); and to note that this work will be let in phases, ensuring that funds are not expended if a feasibility issue emerges.
 - 2.5. To note that a further Cabinet report will be presented setting out detailed development proposals – including construction methodology options - for the Becklow Gardens and Barclay Close sites and approval for further funding to proceed with the schemes, following consideration of the Housing Development Programme Business Plan.

3. REASONS FOR DECISION

- 3.1. To seek Cabinet approval for full development costs for the Council to deliver the new build scheme at Spring Vale Estate and professional fees to develop detailed development proposals for two further schemes at Becklow Gardens and Barclay Close, subject to consultation and planning..

4. BACKGROUND

- 4.1. The Council has an ambition to create a ladder of housing opportunity through increasing levels of home ownership for local people, especially low cost home ownership. The broader objective is to treat affordable housing as a valued, integrated, and more accessible part of the housing market, playing a greater role in regenerating local communities and local economies. It seeks to create more genuinely mixed-use communities in standards of accommodation fit for the 21st Century.
- 4.2. The Council is currently pursuing the following three main strands of direct housing development to achieve its housing aims and objectives set out in the Housing Strategy *Building a Housing Ladder of Opportunity*:

⁴ Includes building regulation and planning fees of £25,000

- a. Hidden Homes – a programme for small conversions, generally less than 5 units per site
- b. New Build Innovative Housing – focused on sites of between 5 – 50 units, built using Modern Methods of Construction (MMC) where it provides better value for money and ease of construction.
- c. Housing & Regeneration Joint Venture – partnership with a private sector partner to redevelop selected larger Council owned development sites, delivering 50+ units per site.

4.3 Hidden Homes

- 4.3.1 A pilot programme was approved by the Cabinet in January 2012 to build 25 new affordable homes. Expenditure of £2.7 million was approved from the decent neighbourhoods fund.
- 4.3.2 The first development was completed at Becklow Gardens Estate, where two new units were built and sold to applicants on the Council's HomeBuy register. Sale proceeds of £468,000 were realised against development costs of £123,000, producing a positive gross return of £345,000 (including retained equity).
- 4.3.3 Planning consent has been secured for six further sites and applications submitted for one more. Three schemes are due to start on site from spring 2013 subject to final approvals in line with the Cabinet report of 30 January 2012: *Housing Company Development – Delivering Affordable Housing*. Residents at each of the estates have been notified and consulted regarding the proposals and have contributed to the design process.

4.4 New Build Innovative Housing

- 4.4.1 In December 2012 Cabinet approved the establishment of a Framework for Innovative Housing Built Using MMC with City House Projects Limited (CHPL) as the single provider. CHPL is a subsidiary company of Rational House and was created to provide all the services and commercial expertise necessary to deliver the Rational House product. The CHPL partners, Davis Langdon (cost consultancy, project & development management) and AECOM (engineering, site surveys, design and planning) are established in their respective fields. This Framework now allows the Council to build innovative new housing using the Rational House model (see Appendix A for further detail).
- 4.4.2 The Cabinet authorised expenditure of £50,000 for professional services to undertake resident consultation, site investigation surveys, and design of the Pilot Site at Spring Vale Estate to planning stage (see Section 6 of the report for further detail). It was agreed that the building contractor will be appointed through the SCAPE Framework, which is a single contractor framework, set up by Scape System Build Limited (a wholly owned local authority company based in the Nottingham & Derby areas).
- 4.4.3 Subject to feasibility work and resident consultation a further Cabinet report was required setting out detailed development proposals for the Pilot Site and approval for funding to undertake detailed design and construction. In order to devise a new build development pipeline it was agreed that officers will review potential for additional development sites and report back to Cabinet with a development and funding programme.

4.5 Housing & Regeneration Joint Venture

- 4.5.1 Following Cabinet approval on 12 November 2012, the Council initiated an OJEU procurement exercise to identify a private sector partner to establish a long term Joint Venture.
- 4.5.2 Following receipt of the Pre-Qualification Questionnaires in January 2013, the Invitation to Negotiate (ITN) was sent out to seven shortlisted bidders in February 2013 and five bids were received on 15 April 2013. Three bidders will be shortlisted to go forward to the final stage in May 2013. The final submissions from the three bidders are expected in July 2013 and it is anticipated that a Cabinet report identifying the preferred bidder will be prepared for consideration in December 2013.
- 4.5.3 The initial two sites that are to be redeveloped through the Joint Venture are Watermeadow Court and Edith Summerskill House. These two sites combined are expected to generate total return to the Council of at least £24.2million (land receipt and share of development profit) and development of more than 186 new homes (including approximately 40% affordable low cost home ownership housing).
- 4.5.4 The Joint Venture will comprise a governance structure within which the Council can retain equal control and influence site delivery, whilst also enabling the Council to access the skills, resources and capacity of the private sector partner. This approach will reduce the level of risk to which the Council is exposed and enable the Council to access funding from the private sector. This route allows the Council to derive greater value from disposal of surplus land through the sharing in development profits, in addition to attracting land value.

5. INTRODUCTION

- 5.1 This report sets out a detailed development proposal for the Pilot Site at Spring Vale Estate as part of the New Build Innovative Housing programme and seeks approval for further funding to proceed to detailed design and construction phase (subject to planning approval). It also provides details of two further sites, where development of new housing would be possible as part of this programme, and seeks approval to undertake work to develop detailed development proposals, including design and resident consultation up to planning submission stage for each.

6. PILOT SITE – DETAILED DEVELOPMENT PROPOSAL

- 6.1 The Pilot Site is located on the Spring Vale Estate in Brook Green. The site comprises c.1,310sqm low quality hard standing on the corner of Ceylon Road and Porten Road, which has historically been underutilised as estate parking and garages. Surrounding the development site is a mix of residential apartment blocks and late Victorian terraced houses within a Conservation Area. A site plan and photographs are included in Appendix B.

6.2 *Design & Planning*

- 6.2.1 Following Cabinet approval in December 2012 to appoint CHPL to provide professional services to undertake consultation, site investigation surveys, and design for the Pilot Site, a detailed development proposal has been produced. A summary of the scheme design is presented in Appendix B.
- 6.2.2 The proposal is for ten new properties, which comprises a four storey block providing eight flats and two family houses. A schedule of the properties is provided in the table below:

Table A: Spring Vale Schedule of Properties

Property Type	No. of units	Size (m²)	Tenure
Ground Floor Flat (1b2p)	2	52	DMS
First Floor Flat (2b4p)	2	61	DMS
Second Floor Flat (2b4p)	2	61	DMS
Top Floor Maisonette (2b4p)	2	87	Private
House (3b6p)	2	142	Private

- 6.2.3 Six of the properties will be affordable which will be sold on a Discount Market Sale (DMS) basis to applicants on the Council's HomeBuy register (see section 6.6), and four will be private for sale to cross-subsidise the affordable housing. All dwellings will fully comply with London Housing Design Guidelines and Lifetime Homes Standards.
- 6.2.4 The development will be set back from Ceylon Road, to create an area of open space and parking, accessed from Ceylon Road. Private space will be provided for each of the new units where possible, including patios and terraces, in addition to the communal open space/garden. The existing trees surrounding the site will be retained and additional planting is proposed, which will be agreed in consultation with local residents. A second parking area is proposed to the east of the development providing replacement estate parking.
- 6.2.5 An application for the formal planning pre-application was submitted on 5 February 2013 and a meeting held with planners on 20 March 2013. A full planning application is scheduled to be submitted on w/c 29 April 2013 and a decision is expected at the September 2013 Planning Application Committee.
- 6.2.6 The scheme design is based on the Rational House model and will be built using MMC. A summary of the key characteristics of Rational House model is set out below:
- Can deliver high density low rise developments.
 - Is capable of rapid assembly using modern MMC in a variety of configurations to create family dwellings and/or flats of different sizes.
 - Can be aggregated to form pleasant and familiar urban forms, including terraced streets, town squares and mews courts, but can also be inserted individually or in small numbers into existing difficult and dimensionally challenging infill sites.
 - Is highly flexible in its fitting-out, capable of accommodating changing family structures and ages, and permitting subdivisions and re-combinations of tenancies.

- Is easily adaptable to other uses both at the outset of development and also later in the life cycle of the fabric (i.e. small offices, retail and/or live work accommodation).
- Provides generous standards for internal floor space, high ceilings and natural light, and provides an essential minimum of private outdoor amenity space, whilst maintaining relatively high density.
- Has a high-quality external appearance which is clean and modern, but also compliments the existing street scene in Hammersmith and Fulham.
- Conforms to current Building Regulations and complies with important non-mandatory standards, including the London Housing Design Guide, the Code for Sustainable Homes (min. Level 4), Lifetime Homes and Secure by Design, making it a product which is endorsed by mainstream mortgage and other lenders.
- Can be provided to a cost which is competitive in the context of new urban housing, offering different levels of quality, both in build form and fit-out, that make it suitable for affordable and private for sale units.

6.3 Resident Consultation

- 6.3.1 An important part of the scheme development is resident and stakeholder engagement which has been undertaken with residents of the Spring Vale Estate and wider area (Ceylon Road and Porten Road). This has included a resident drop-in event on 25 February 2013, briefing South Hammersmith Area TRA Forum on 11 March 2013, presentation to Spring Vale Estate TRA meeting on 27 March 2013, a questionnaire survey of local residents, and a newsletter. In addition there has been active engagement with the ward member and the Chair of the TRA.
- 6.3.2 There has been an excellent response to the consultation both in terms of attendance at meetings, and drop-in events (c. 40 attendees), and also questionnaire returns (29 responses). In general the responses have been positive, in particular regarding:
- Provision of new affordable accommodation for low cost homeownership
 - Improvements to public realm and surface parking
 - Retention of trees and additional greenery on the estate
 - Design of the new properties
 - Proposal to create a safer neighbourhood
- 6.3.3 There were also a number of concerns raised through the consultation process, which have resulted in design modifications. These included:
- Possible reduction in estate parking provision
 - Vehicle access to Ceylon Road
 - Impact of the new development on daylight/sunlight levels for existing residents
 - Height of the new buildings
 - Possible reconfiguration of open space
- 6.3.4 The design process has taken on board resident feedback and incorporates the following key principles and design considerations:
- Protection of mature trees
 - Minimal impact on daylight/sunlight levels

- No increase in on-street parking
- Re-provision of surface parking where required
- Provision of improved landscaped open space
- Design to integrate into the existing street scene
- Provision of high quality architecture
- Built using MMC (reduce impact of construction work for existing community)
- Provision of affordable low cost home ownership housing targeting local residents

6.4 Financial Appraisal

6.4.1 A detailed financial appraisal has been undertaken for the Pilot Site to assess scheme viability. The key highlights are:

(a) Construction Costs

A detailed Cost Plan has been received from Willmott Dixon Capital Works Limited (through the SCAPE framework). This has been reviewed and agreed with CHPL. Details of the Cost Plan are included in Appendix B. Further cost engineering will be undertaken to reduce costs where possible and subject to Cabinet approval a fixed price contract will be entered into with Willmott Dixon Capital Works Limited for the construction of the scheme for a total fixed price fee, currently valued at £2.5m (c£2,600/m²) for construction costs. The Council sought advice from Lambert Smith Hampton (LSH) for an independent view on the level of costs proposed by reference to Building Cost Information Service (BCIS). The index reflects the regional impact of the Hammersmith location but other site and scheme specific adjustments have to be made to make a reliable like for like comparison. LSH have adjusted the BCIS figures to reflect site abnormal expenditure, fit out specification of the houses, high floor/ceiling heights, supply chain risk premium (Pilot Site) and small volume fabrication premium. LSH have applied a 40% uplift to BCIS pricing to reflect these factors. The construction cost plan provided by Willmott Dixon Capital Works Limited exceeds the adjusted BCIS price by c10% at this stage, however further value engineering is expected to reduce this premium.

(b) Professional Fees

CHPL have provided a fee schedule for all professional services required to deliver the Pilot Site scheme (excluding sales and marketing services) as part of the procurement exercise to establish Framework. Based on the approved fee of £50,000 CHPL have provided the necessary professional services relating to resident consultation, site investigation surveys and design to planning for the Spring Vale scheme, including the production of detailed development proposal⁵. The total CHPL fee to deliver the Pilot Site is £290,000.

(c) Sales Valuations

Savills have provided an assessment of sales values for all units built on the Spring Vale scheme (a valuation report is attached at Appendix C), and also provided initial advice on fit out specifications required to match the value aspirations for the private for sale units. Further specification reviews will be undertaken - taking on board Savills advice where relevant - as the detailed design for the scheme is progressed with the view to achieving values in the higher end of the Savills estimated sales value range. Going forward the Council

⁵ The original £50,000 represented a discount on actual cost to take to planning on the basis that CHPL agreed to do 50% at risk for the Pilot Site

will require a sales and marketing agent for the private for sale units and further detailed advice on specification. A procurement exercise to appoint an agent is currently being undertaken and it is recommended that authority be delegated to the Cabinet Member for Housing and the Executive Director of Housing & Regeneration to appoint an agent following the procurement exercise. The DMS properties will be sold through the Council's HomeBuy Team (see section 6.6).

- 6.4.2 A summary of the scheme development appraisal (as set out in Appendix D) is presented in the table below.

Table B: Spring Vale Appraisal Summary – Central case

Gross Development Value ⁶	£5,550,000
Development costs	£3,444,000
Available return:	
Development surplus (additional cash for reinvestment)	£687,000
Retained equity (by the Council)	£1,419,000

- 6.4.3 Based on the central business case assumption the surplus is £0.7m (20% surplus on cost). This is subject to site survey, consultation, planning, procurement, construction and sales risks (further details are presented in appendix B).
- 6.4.4 The central business case assumptions include a 10% project contingency (£0.3m) and 5% construction contingency (£0.1m) and assume DMS household income of £36,000 per annum. A further £0.2m cash surplus could be realised by raising the DMS household income to £43,300⁷.
- 6.4.5 The table below sets out the surplus on cost in £'000 and % terms of changes in Savills Open Market Valuations (OMV) to the private units and total scheme costs.

⁶ Gross Development Value (GDV): The aggregate Market Value of the proposed development assessed on the special assumption that the development is complete as at the date of valuation in the market conditions prevailing at that date. i.e. the sales values. GDV is based on the mid-point value provided by Savills.

⁷ See paragraph 6.6.3 for an explanation

Change in private OMV			Change in total scheme costs				
2B M'nette	3B House	Change	10.0%	5.0%	0.0%	(5.0%)	(10.0%)
£'000	£'000		3,789	3,616	3,444	3,272	3,100
495	990	(10.0%)	20.9 0.6%	192.8 5.3%	364.6 10.6%	536.5 16.4%	708.3 22.9%
523	1,045	(5.0%)	181.9 4.8%	354.0 9.8%	526.0 15.3%	698.0 21.4%	870.0 28.1%
550	1,100	0.0%	342.9 9.1%	515.1 14.2%	687.4 20.0%	859.6 26.3%	1,031.8 33.3%
578	1,155	5.0%	503.9 13.3%	676.3 18.7%	848.7 24.6%	1,021.1 31.2%	1,193.5 38.5%
605	1,210	10.0%	664.9 17.5%	837.5 23.1%	1,010.1 29.3%	1,182.7 36.1%	1,355.2 43.6%

Assumptions:

- Private for sale units comprise two maisonettes & two family houses
- OMV central case is based on Savills mid-range valuation
- Total scheme costs include:
construction costs, professional & statutory fees, sales & marketing fees & contingency
- Assumes a nil site value and excludes grant

6.4.6 In the event that sales values are realised at the lower end of the Savills range, the development surplus would be reduced to £365,000. In addition, should the construction costs also increase by 10% the scheme would still breakeven, achieving a surplus of £20,000, excluding the retained equity and assuming DMS household income of £36,000.

6.4.7 Mortgage advice has been secured from Halifax and JDC Financial Services to ensure that the new properties will meet bank standard lending criteria for the DMS properties JDC have confirmed that there are four mainstream mortgage lenders currently willing to lend on these homes within the scheme.

6.5 Programme

6.5.1 A detailed programme is attached at Appendix B and a summary of key milestones is set out in the table below.

Table C: Spring Vale Timetable

Tasks	Timetable
Submit planning application	w/c 29 April 2013
Cabinet approval	13 May 2013
Commission pre-contract detailed design	20 May 2013
Planning Applications Committee	September 2013
Start on site	November 2013
Practical completion from	August 2014

6.6 Affordable Housing

- 6.6.1 The Council prefers to see low cost home ownership housing delivered on a DMS basis, to improve the mid-market offer and deliver a more flexible product. DMS is preferable to Shared Ownership as no rent is charged to the purchaser on the unsold portion of the equity. This has the advantage of making homeownership more affordable by reducing the proportion of household income which is spent on housing costs and in some cases allows the purchaser to buy a bigger percentage share of the property.
- 6.6.2 House prices and market rents are high in the borough which means that low cost home ownership housing needs to be affordable to a broad range of incomes. It also needs to be on average affordable by the midpoint income set by the Mayor in the London Plan.
- 6.6.3 The Council's HomeBuy register has around 4,700 people (who are either residents of the borough and/or work in the borough) on its database and analysis shows us that the majority of these have income between £20,000-£40,000. Generally the Council would target a third of the low cost home ownership housing developed to be affordable to households with an annual gross incomes of up to £30,000, a third to be affordable to households with an annual gross income of up to £40,000 with the remaining third to be developed for annual gross household incomes of up to £60,000⁸. This equates to an average household income of £43,300. The viability of the Pilot Site has allowed the average household income to be reduced to £36,000 .
- 6.6.4 The Council's HomeBuy Team offers a service to identify and enable individuals to move into low cost home ownership in the borough, through acting as the mediator between the housing providers and residents seeking affordable home ownership. The HomeBuy Team will undertake the process of identifying suitable applicants from the HomeBuy register. It is intended that for the Spring Vale scheme targeted marketing and communication will be undertaken to maximise take up by the residents of the Spring Vale Estate and the surrounding area who are seeking to get on to the housing ladder.

6.7 Next Steps

- 6.7.1 Based on scheme design and viability assessments undertaken to date, endorsement of the Housing Development Programme Board has been secured to seek Cabinet approval for the balance of the full development costs of £3,394,000⁹, from the decent neighbourhoods fund, to build out the Pilot Site scheme at Spring Vale Estate. The full development costs comprise the balance of £240,000¹⁰ CHPL fees (design, project management, surveys, CMDC, etc); construction costs of £2,504,000; Scape framework and pre-construction fees of £70,000; sales and marketing costs of £82,000; and statutory fees and contingency of £498,000. A nil value is assumed for the site and finance costs. The total return to the Council is projected to be £2,106,000 (surplus and retained equity).

⁸ Upper limited increase to £77,200 for 3+ bedroom units

⁹ Excludes previously approved £50,000

¹⁰ Excludes previously approved £50,000

- 6.7.2 In the December 2012 Cabinet report, it was anticipated that the development will be undertaken through H&F Housing Development Ltd (HFD). This would require the Council to dispose of the development site to HFD and for HFD to secure a loan, at a commercial interest rate from the Council, to undertake the development. However, recent legal advice from Eversheds has confirmed that the Council is able to undertake the development activity directly. Pricewaterhouse Coopers have also provided taxation advice looking at SDLT, VAT and corporation tax which confirms that there is no financial disadvantage to the Council if the housing development activity is undertaken directly and administratively it is more efficient.
- 6.7.3 Whilst the Council's housing development company structure remains an appropriate delivery mechanism, the freedoms and flexibilities introduced through the Localism Act and HRA Reform – together with the Council's clear policy articulation through the adopted Housing Strategy - allows the Council to now undertake a greater range of housing development activities directly. This includes the Council directly developing - without the need to undertake through an arm's length development company - private for sale and low cost home ownership housing (such as Discount Market Sale) to achieve its aims and objectives of creating a ladder of housing opportunity as set out in the Housing Strategy. A further Cabinet report detailing the housing development programme business plan and programme delivery mechanism will be presented separately.

7. DEVELOPMENT PIPELINE

- 7.1 In addition to the Pilot Site, the Cabinet agreed that officers will review potential for a pipeline of new build development opportunities and report back with a development and funding programme for approval. Two potential schemes have been identified at Becklow Gardens and Barclay Close. CHPL have undertaken initial appraisals which are detailed below.

7.2 Becklow Gardens

- 7.2.1 The proposed development site in Becklow Gardens Estate (Shepherds Bush area) presents an infill development opportunity by redeveloping the existing estate garages. The site comprises 20 garages (c.1,300sq m) on Askew Crescent, which have historically been underutilised and require modernisation. It would be possible to convert the site to create twelve new homes and also re-provide an element of car parking with a revised layout. The new housing development would create an opportunity to rebuild the traditional street scene and provide much needed new affordable housing. Further site details are provided in Appendix E.
- 7.2.2 As part of the Hidden Homes programme initial designs were produced for this site and a resident engagement exercise was undertaken. A drop-in event was held on 14 November 2012 (24 attendees) and questionnaires were sent to all estate residents, garage licensees and residents of the wider area. Twenty responses were received to the questionnaire and in general residents supported the proposals to improve the area and provide new affordable housing. In addition to the consultation exercise a detailed parking assessment, including garage inspections is currently being undertaken.
- 7.2.3 Due to the constrained nature of the site and inherent design challenges (based on initial feedback from Planning) it is proposed that this scheme be considered

for the Rational House model, which is better suited for developments of this nature.

7.2.4 CHPL have completed an initial appraisal for an indicative twelve unit scheme (see Appendix E for the outline design concept) which comprises:

- 6 flats (1 bedroom)
- 6 maisonettes (2/3 bedroom).

7.2.5 Valuation advice has been provided by Savills (valuation report attached at Appendix C). An indicative development appraisal is presented in Appendix F and a summary is presented in the table below. The construction costs used within the development appraisal are based on the rate used for the Spring Vale scheme (£2,600m/2).

Table D: Becklow Gardens Appraisal Summary

Gross Development Value ¹¹	£4,090,000
Development costs	£3,043,000
Available return:	
Development surplus (additional cash for reinvestment)	£307,000
Retained equity (by the Council)	£740,000

7.2.6 Based on the CHPL fee schedule (agreed as part of the Framework agreement) it is estimated that the professional fees required to undertake all necessary resident consultation, site investigation surveys and design to planning (RIBA stage D) for the Becklow Gardens site is £140,000¹². Therefore, approval is sought to commission CHPL to develop detailed development proposal for this site, including detailed sensitivity analysis. However, prior to commissioning CHPL (which will be in phases) the Housing Development Programme Board will also consider options for construction methodology to ensure value for money is achieved and where appropriate the work will be let in phases to minimise abortive costs.

7.3 Barclay Close

7.3.1 A second site at Barclay Close (Fulham Broadway area) has been identified for development. As part of the Housing Estate Improvement Programme (HEIP) the Council is proposing to undertake a package of environmental works to Barclay Close and Fulham Court estates, to improve the quality, safety and sustainability whilst also supporting the Council's aim of integrating Council housing estates within the neighbouring streets and communities. In particular the HEIP scheme will:

- open up and better integrate the estate with the surrounding areas
- improve access to, and flow through the estate
- facilitate better use of the Tudor Rose centre
- improve parking for bicycles and vehicles
- deliver general public realm improvements

¹¹ Gross Development Value: The aggregate Market Value of the proposed development assessed on the special assumption that the development is complete as at the date of valuation in the market conditions prevailing at that date. i.e. the sales values. GDV is based on the mid-point value provided by Savills.

¹² Includes building regulation and planning fees of £15,000

- improve safety through lighting improvements, CCTV upgrades and play area improvements which support constructive diversionary activity
- 7.3.2 Resident engagement has been undertaken, through both a door knocking exercise and resident drop-in events, to promote and consult on the HEIP proposals.
- 7.3.3 In addition to the HEIP proposals, there is an opportunity to build six new homes on an area of the estate amenity land, which has historically been underutilised for parking. The site comprises c.300sqm low quality hard standing adjoining Cassidy Road. It would be possible to convert the site to create new homes and also re-provide an element of car parking with a revised layout. The new housing development would provide much needed new affordable housing, and support the wider HEIP scheme. Further site details are provided in Appendix G.
- 7.3.4 CHPL have completed an initial appraisal for an indicative six unit scheme (see Appendix G for outline design concept) which comprises:
- 3 flats (1 bedroom)
 - 3 maisonettes (2/3 bedroom)
- 7.3.5 Valuation advice has been provided by Savills (valuation report attached at Appendix C). An indicative development appraisal is presented in Appendix H and a summary is presented in the table below. The construction costs used within the development appraisal are based on the rate used for the Spring Vale scheme (£2,600m²).

Table E: Barclay Close Appraisal Summary

Gross Development Value ¹³	£2,520,000
Development costs	£1,498,000
Available return:	
Development surplus (additional cash for reinvestment)	£312,000
Retained equity (by the Council)	£710,000

- 7.3.6 Based on the CHPL fee schedule (agreed as part of the Framework agreement) it is estimated that the professional fees required to undertake all necessary resident consultation, site investigation surveys and design to planning (RIBA stage D) for the Barclay Close site is £90,000¹⁴. Therefore, approval is sought to commission CHPL to develop detailed development proposal for this site, including detailed sensitivity analysis. However, prior to commissioning CHPL (which will be in phases) the Housing Development Programme Board would also consider options for construction methodology to ensure value for money is achieved and where appropriate the work will be let in phases to minimise abortive costs.
- 7.3.7 In summary, for the Becklow Gardens and Barclay Close sites approval is being sought at this stage only for the professional fees (£230,000 from the decent neighbourhoods fund) to commission CHPL to undertake design, consultation

¹³ Gross Development Value: The aggregate Market Value of the proposed development assessed on the special assumption that the development is complete as at the date of valuation in the market conditions prevailing at that date. i.e. the sales values. GDV is based on the mid-point value provided by Savills.

¹⁴ Includes building regulation and planning fees of £10,000

and viability assessments to submission of planning stage. A further report will be brought before the Cabinet requesting approval to proceed with the development, which will contain a full development appraisal with full sensitivity analysis and a cash flow forecast for both (which requires schemes to achieve a 20% surplus on cost). It will also set out in detail financial and development risks and delivery mechanisms.

8. EQUALITY IMPLICATIONS

- 8.1 See Appendix I for the full Equalities Impact Assessment.

9. LEGAL IMPLICATIONS

- 9.1 There are no legal implications at this time.

Comments completed by Cath Irvine, Senior Contracts Lawyer, telephone X2774.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 Approval is requested to commit a further £3,394,000 for investment in Spring Vale to develop 10 new properties and £230,000 to develop detailed development proposals for Becklow Gardens and Barclay Close. Funding for both of these workstreams will be provided from the decent neighbourhoods fund.
- 10.2 The Housing Development Board will re-review the viability of the Spring Vale scheme before finally approving the appointment of Willmott Dixon Capital Works Limited on a fixed price contract to complete construction to ensure it remains in line with expectations as this appointment will be subject to planning consent being received and a detailed cost plan being produced following a CHPL value engineering exercise. This will reduce the risk of construction cost overruns subject to Council-led specification changes during construction. A credit check will be carried out on Willmott Dixon Capital Works Ltd prior to entering into the proposed construction contract.
- 10.3 In addition to a contingency of £102,000 to engage the construction contractor, the development appraisal for the Spring Vale scheme includes a project contingency of £313,000 (approximately 10% of costs). This project contingency will be closely monitored throughout the development with any movements requiring prior approval from the Housing Development Board.
- 10.4 Section 6.4 refers to the detailed financial appraisal and sensitivity analysis which has been carried out to provide the Council with assurance of the proposal's financial viability within a range of sensitivities. For example, increasing the Spring Vale scheme total costs by 10% reduces the development appraisal surplus to £0.3m (from £0.7m).
- 10.5 Additionally, Savills have provided advice regarding the anticipated range of sales values for the private units in the Spring Vale scheme. The development appraisal assumes the mid-point in the Savills' range and demonstrates a surplus of £0.7m. A 10% shortfall in values (broadly the bottom end of Savills range) would reduce the development surplus to £0.4m.

- 10.6 If the Spring Vale scheme uses the entire project contingency of £0.3m, the costs overrun by 10% (£0.3m) and the private sale values are at the lower end of Savills range the scheme would make a surplus of £0.02m.
- 10.7 A fixed price contract will be entered into with Willmott Dixon Capital Works Ltd for the construction of the Spring Vale scheme at an estimated value of £2.5m (c£2,600/m²) subject to value engineering. The Council sought advice from Lambert Smith Hampton (LSH) for an independent view on the level of costs proposed by reference to Building Cost Information Service (BCIS). The index reflects the regional impact of the Hammersmith location but other site and scheme specific adjustments have to be made to make a reliable like for like comparison. LSH have adjusted the BCIS figures to reflect site abnormal expenditure, fit out specification of the houses, high floor/ceiling heights, supply chain risk premium (Pilot Site) and small volume fabrication premium. LSH have applied a 40% uplift to BCIS pricing to reflect these factors. The construction cost plan provided by Willmott Dixon Capital Works Limited exceeds the adjusted BCIS price by c10%. Further value engineering is expected to reduce this premium.
- 10.8 Preliminary mortgage advice has been obtained from Halifax and JDC Financial Services which confirms that the new properties will meet bank standard lending criteria and that at least four mainstream mortgage providers will currently lend on the DMS properties. However it should be noted that there remains a risk that the mortgage market may change and that, especially due to the non-traditional methods of construction, mortgages may become difficult to raise for these properties at the time of the proposed sale.
- 10.9 There is a risk that the costs of £230k relating to the development proposals for Becklow Gardens and Barclay Close may be revenue in nature due to the fact that they will be incurred before the development of the sites have been approved by Cabinet, because of the nature of the expenditure to be incurred, and as a result of the potential for these costs to be abortive. This risk will be minimised by letting this work in tranches ensuring that expenditure is limited in the event that a feasibility issue emerges.
- 10.10 The Council currently holds a series of Section 106 agreement funds of £791k, which are ringfenced for use for affordable housing and regeneration purposes. The cost of £230k, together with existing approved calls on this balance, bringing the total potential call on these funds to £1,199k. In the event that costs charged against this pot all crystallise, and prove not to be capitalisable or rechargeable, then there would be a net under budgeted charge to the HRA of £408k in 2013/14, the risk of this is being managed and it is currently considered unlikely to crystallise but continue to be monitored on an on-going basis.
- 10.11 The Becklow Garden scheme is currently only showing a surplus of 10%. As noted in 7.3.7 above a further report to Cabinet will be required to approve the Council's commitment to proceed with the scheme - which will need to demonstrate the schemes viability. It is expected that the viability of the scheme will be improved by a combination of value engineering and GLA grant funding.

Comments completed by Danny Rochford, Head of Finance, telephone X4023

11. RISK MANAGEMENT

- 11.1 A risk log is provided for the Pilot Site (Appendix B) and the proposed two further development schemes at Becklow Gardens (Appendix E) and Barclay Close (Appendix G).
- 11.2 Following Cabinet approval in December 2012 detailed site due diligence and scheme viability assessment has been undertaken for the Pilot Site. In addition, resident and other stakeholder consultation has been undertaken along with the formal pre-application process with Planning, which has assisted in developing the scheme design. A detailed cost plan has been developed with the contractor for the full development costs and advice has been secured from a market leading agent in terms of sales values.
- 11.3 In terms of future sites similar phased approach is proposed to financial commitment for the development, which is intended to minimise Council's exposure to financial and any reputation risks.
- 11.4 The Rational House prototype building in Hammersmith (Biscay Road) has been successfully built (within a very constrained urban residential site) and sold on the open market. This development was welcomed by the GLA and has received considerable interest recently from other authorities including Westminster City Council. As part of the tender appraisal process to establish the Framework the Council has undertaken a financial check on CHPL, whose partner organisations, Davis Langdon and AECOM are established in their respective fields.
- 11.5 Management of risk relating to the proposal are the responsibility of the Housing and Regeneration Department. A risk register exists for the purpose of recording and monitoring the departmental risks and this will be updated to reflect the report content.

Comments completed by Matin Miah, Head of Regeneration & Development, telephone X3480

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1 There are no procurement related issues at this time as the Council intends to call off services from an existing framework agreement, which was approved by Cabinet in December 2012.

Comments completed by Alan Parry, Procurement Consultant (Contracts), telephone X2581

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Housing Development Company (Cabinet Report, April 2011)	Eric Holroyd	HRD
2.	Establishment of Framework for Innovative Housing Built Using Modern Methods of Construction (Cabinet, Dec 2012)	Eric Holroyd	HRD
CONTACT OFFICER:		NAME: Eric Holroyd EXT. 2734	

Schedule of Appendices:

- Appendix A: Rational House Brochure
- Appendix B: Spring Vale Update Report
- Appendix C: Savills Open Market Valuation Report
- Appendix D: Spring Vale Development Appraisal
- Appendix E: Becklow Gardens Initial Appraisal Report
- Appendix F: Becklow Gardens Development Appraisal
- Appendix G: Barclay Close Initial Appraisal Report
- Appendix H: Barclay Close Development Appraisal
- Appendix I: Spring Vale Equalities Impact Assessment



Rational House™ has established City House Projects® Ltd to ensure the successful delivery of Rational House™ projects of all sizes.

CHP Ltd is formed of companies renowned for their expertise in managing and delivering world-class developments. Together they apply their collective and extensive knowledge and expertise to provide bespoke solutions to clients, using the Rational House™ product.

The CHP partners comprising Rational House™, Davis Langdon, an AECOM Company, AECOM and 3DReid are leaders in their respective fields of Masterplanning; Project, Cost & Consultancy; Engineering Design and Architecture.

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For further information please contact:
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M: +44 (0) 7508 021 084

A new family dwelling for the 21st century



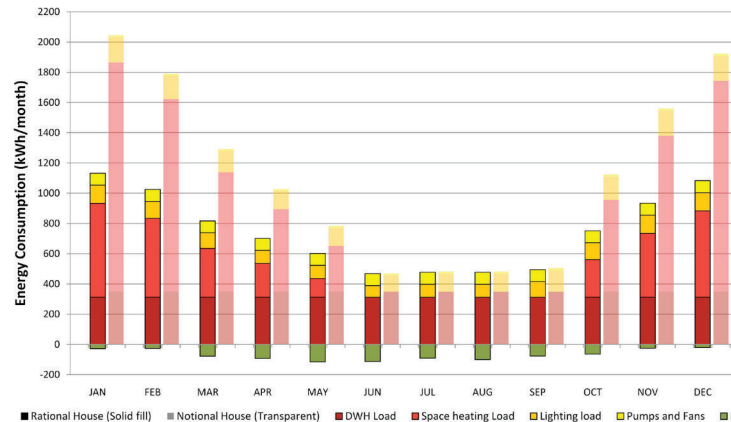
Rational House™

Rational House™ has created a new city dwelling for the 21st century. We offer high quality homes at affordable cost, providing a unique response to contemporary urban challenges including the need for a sustainable future.

www.rationalhouse.com
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Comparison of a Rational House™ energy consumption with a Notional House (UK):



Rational House™ responds to the needs of our fast-changing society. By providing homeowners with a highly flexible housing model that can adapt to suit their family needs, we have designed a true home for life. Other companies offer standardised residential buildings at competitive costs, but they do not combine all the features that set Rational House™ apart;

- **Flexibility and adaptability**
- **Speed of construction**
 - Panels erected approx 1 per hour = One house shell can be erected in two weeks
 - Panels connected by standard fixings
 - Modular construction = lower risk of over runs compared to traditional methods
- **Affordable cost of delivery and lifecycle value**
 - Affordable cost: £95 per shell, £145psf fully fitted (average)
 - Economies of scale enable percentage cost savings as number of units increases
 - High densities: equivalent to 4/5 storey flats, achieved at low-rise
- **Superior build quality and finishes**
 - High quality cast stone finish is achieved by off-site manufacture
- **Sustainability, meeting Code for Sustainable Homes Level 4**
 - Unique thermal mass system ensures increased thermal efficiency (see graph above)
 - Sustainable materials: include industrial by-product aggregates, recycled zinc and facing bricks.
- **Complies with the new London Housing Design Guide and exceeds current Building Regulations requirements.**

Tomorrow's
modern classic





C I T Y
H O U S E
P R O J E C T S

SPRING VALE UPDATE REPORT. MARCH/2013

SPRING VALE

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3 /	Programme + Risk Register	15



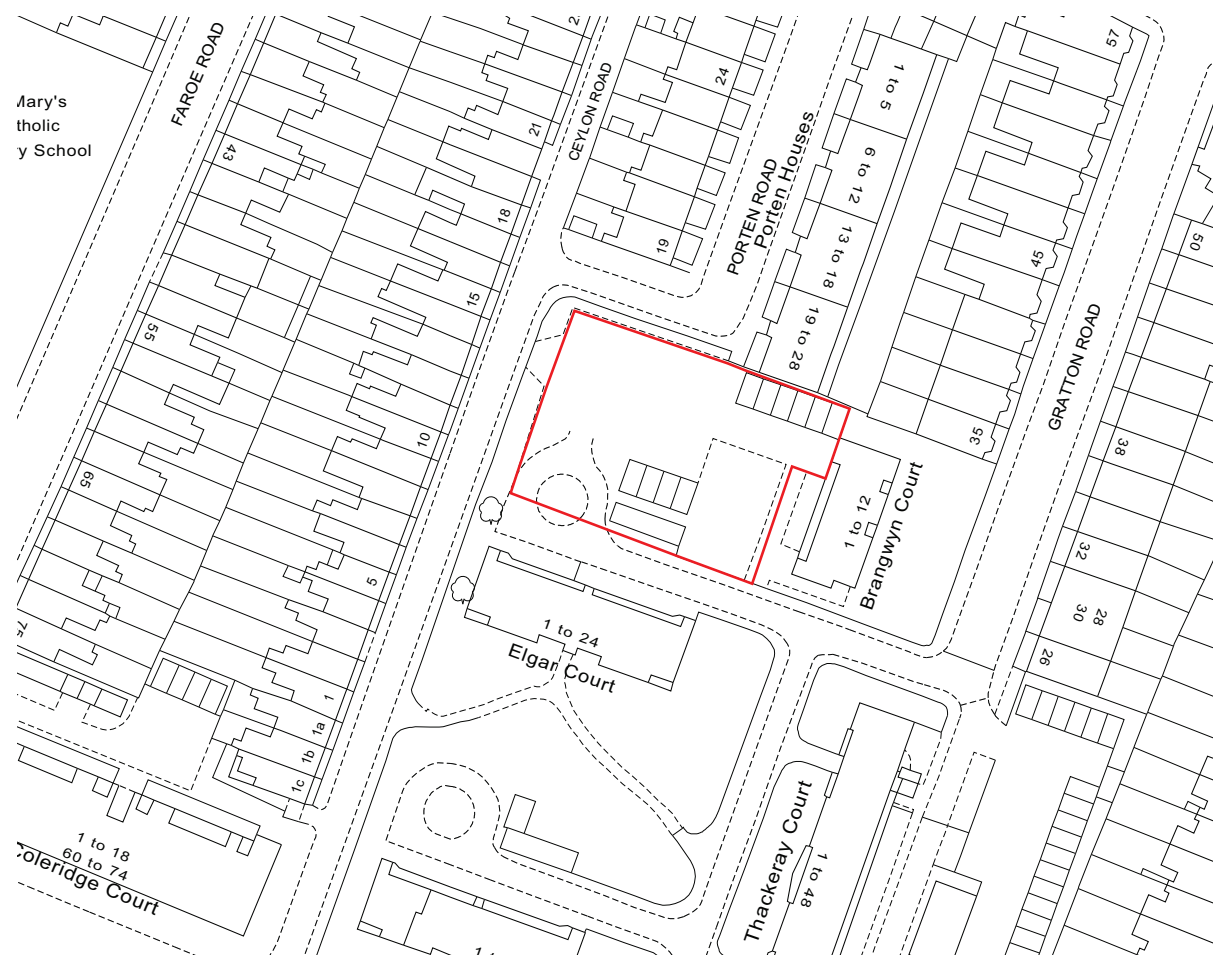
RATIONAL HOUSE SPRING VALE

PROPOSED DEVELOPMENT

PROPOSED DEVELOPMENT

KEY DESIGN PRINCIPLES:

- protection of mature trees
- minimal impact on day light for existing residents
- no increase to on-street parking
- re-provision of surface parking
- provision of a new area of landscaped open space
- integration into the existing street scene respecting heights and character of nearby buildings
- provision of very high quality exterior architecture, adding value to the community



RED LINE BOUNDARY



PROPOSED SITE PLAN

PROPOSED AREA SCHEDULE AND DWELLING MIX:

DWELLING	DMS / OMS	PROPOSED GIA	LHDG MINIMUM GIA	PRIVATE AMENITY SPACE
1 bed flat (GF east)	DMS	52 sqm	50 sqm	18 sqm
1 bed flat (GF west)	DMS	52 sqm	50 sqm	18 sqm
2 bed flat (1st FL east)	DMS	61 sqm	61 sqm	6 sqm
2 bed flat (1st FL west)	DMS	61 sqm	61 sqm	6 sqm
2 bed flat (2nd FL east)	DMS	61 sqm	61 sqm	6 sqm
2 bed flat (2nd FL west)	DMS	61 sqm	61 sqm	6 sqm
2-3 bed maisonnette (3rd FL east)	OMS	87 sqm	87 sqm	23 sqm
2-3 bed maisonnette (3rd FL west)	OMS	87 sqm	87 sqm	23 sqm
3-4 bed house south	OMS	142 sqm	113 sqm	39 sqm
3-4 bed house north	OMS	142 sqm	113 sqm	39 sqm
Circulation		145 sqm		
TOTAL DEVELOPMENT	6 DMS + 4 OMS	951 sqm		184 sqm



CEYLON ROAD ELEVATION

PROPOSED DEVELOPMENT





3D VIEW



RATIONAL HOUSE SPRING VALE

FINANCIAL APPRAISAL

INITIAL ORDER OF COST ESTIMATE

Build Type	GIA m2	GIA SF	Rate £/SF	Rate £/m2	Total £	Notes
Residential Units						
North Block - Apartments						
Ground Floor One bedroom flats (2 nr) including circulation - shell & Core	153.00	1,647	122	1,313	200,919	NIA= 52m2 each unit
Fit Out to above	153.00	1,647	47	506	77,403	
First & Second Floor One bedroom flats (4 nr) including circulation - shell & core	312.00	3,358	122	1,313	409,717	NIA= 61m2 each unit
Fit Out to above	312.00	3,358	47	506	157,842	
Third & Fourth floor Maisonettes including circulation - shell & core	202.00	2,174	122	1,313	265,266	NIA= 87m2 each unit
Fit Out to above	202.00	2,174	80	861	173,945	
South Block - Houses fronting Ceylon Road						
Three bed two storey houses (2nr) - Shell & Core	284.00	3,057	122	1,313	372,948	NIA= 142m2 each unit
Fit Out to above	284.00	3,057	80	857	243,284	
Total Gross Internal Area including common areas	951.00	10,236.47				
Allowance for Site specific abnormal, roadworks, car parking, utilities & infrastructure charges					146,981	
Total					2,048,304	
Contingency			5.0%		102,415	
					2,150,719	
Preliminaries			12.5%		268,840	
					2,419,559	
Overheads & Profit			3.5%		84,685	
					2,504,244	
TOTAL CONSTRUCTION COST @ MARCH 2013 (EXC VAT & FEES)				SAY	£2,504,000	
Professional Fees - see attached schedule					359,383	
TOTAL COSTS INCLUDING FEES					£2,863,383	

FEE COST SCHEDULE

FEE COST SCHEDULE - HAMMERSMITH & FULHAM: SPRING VALE											
Project Stage	Desk top assessment	GATEWAY 1	Initial Appraisal	Preparation of Pre-App	Submission of planning	GATEWAY 2	Pre-contract detailed design	GATEWAY 3	Post contract	Defects	Total
RIBA Stage	A		A/B	B/C	C/D		E-H		J-K	L	
Framework Specification Stage	Pre-framework		Stage 3	Stage 3/4	Stage 3/4		Stage 4		Post contract	Defects	Total
SCAPE Stage	Pre-SCAPE		Stage 2	Stage 2	Stage 2		Stage 3/4		Stage	Defects	Total
CHPL - Project Fee			£6,065	£16,152	£77,569		£112,049		£66,624	£6,541	£285,000
CHPL - Equalities Impact Assessment							£1,500				£1,500
CHPL - Sales values advice							£3,000				£3,000
INTRUSIVE SURVEYS							£12,500				£12,500
SCAPE COSTS											
Pre-construction fees							£45,411				£45,411
Scape fee							£5,986		£5,985		£11,971
TOTAL COSTS	£0		£6,065	£16,152	£77,569		£180,446		£72,609	£6,541	£359,383
TOTAL GATEWAY COSTS			£99,787				£180,446		£79,150		
CUMMULATIVE COSTS			£99,787				£280,233		£359,383		

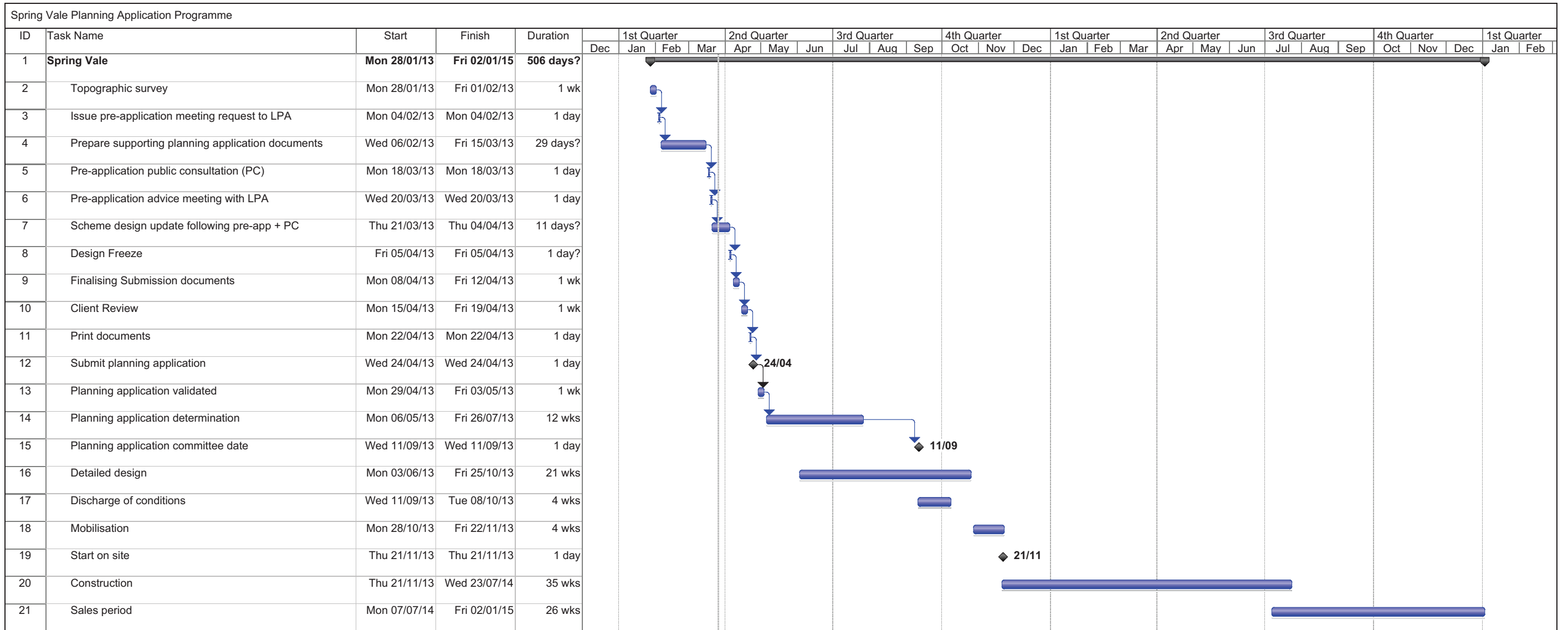
* to date £50,000 of the CHPL fee has been approved to take to planning out of a total CHPL fee of £285,000. The balance of £235,000 is now sought to take through to detailed design and construction. The original £50,000 represented a discount on actual cost to take to planning on the basis that CHPL agreed to do 50% at risk for the first project



RATIONAL HOUSE SPRING VALE

PROGRAMME + RISK REGISTER

PROGRAMME



Project: Spring Vale Planning
Date: Tue 26/03/13

Task Progress Summary External Tasks Deadline
 Split Milestone Project Summary External Milestone

RISK REGISTER

	Risk Identification					Risk Analysis					Comments	
	No	Risk Description	Consequence	Management Actions Taken	Management Actions Planned	Risk Status	Likelihood	Impact	Risk Matrix	Risk Rating Calculation		Risk Rating
PRE-CONSTRUCTION	1	Planning timescales for resolution to grant	Potentially impact on programme.	Ensure realistic planning timescales programmed	Monitor progress of planning deadlines	Live	M	H	MH	4000	AMBER	
	2	Car access and parking arrangements and potential impact on values	Potentially impacting on sales values of the OMS dwellings		Further input from Savills and instruct transport surveys	Live	L	M	LM	200	YELLOW	
	3	Implications of intrusive surveys, programme delay	Additional works required, programme delay	Identification of intrusive surveys required	Identify and instruct intrusive surveys as soon as feasible	Live	H	H	HH	6000	RED	Critical path item requires 8-10 weeks to procure survey results. Programme critical.
	4	Delay in order from H&F to proceed with Scape stage 3 to CHPL and Willmott Dixon	Delay in programme, supply chain not properly engaged	Advise client to instruct Scape stage 3 following cabinet meeting	Monitor and deliver all requirements for cabinet meeting	Live	L	L	LL	20	GREEN	
	5	Access to and demolition of both sets of garages	Delay in programme and review of site logistics by contractor	Ensure H&F survey garage access and seek approval to demolish	Monitor progress with H&F	Live	M	H	MH	4000	AMBER	
	6	Detailed design completion ~ (impact upon procurement > construction)	Delay in programme, cost consequences	Appoint all relevant consultants, contingency set at appropriate level	Monitor progress of design and ensure sign off is received when required	Live	M	M	MM	400	YELLOW	
	7	Supply chain tender pricing risk	Cost increase	Request Contractor obtain prices timeously, competitive tendering. The form of contract ensures transparent competitive tendering	Changes to be monitored and instructed without delay, broaden Rational House supply chain	Live	M	M	MM	400	YELLOW	
	8	Timely discharge of prior to commencement planning conditions/third party approvals prior to SoS	Delay in detail design completion	Request additional funding for pre-commencement condition contamination intrusive survey	Obtain approval and instruct	Live	M	M	MM	400	YELLOW	
CONSTRUCTION	9	Timely client approvals (samples etc) / Instructions	Delay in programme	Developed an instruction process with timeframes	Programme design team meetings regularly and obtain client approvals at meetings	Live	L	M	LM	200	YELLOW	
	10	Protection of residents and surrounding properties	Objection from residents		Residents consultation prior to construction to approve logistics	Live	L	M	LM	200	YELLOW	
	11	Security measures (out of hours)	Site security compromised		Review contractors logistics plan	Live	M	M	MM	400	YELLOW	
	12	Access/site set up (unimpeded access - therefore no access for residents to garages)	No car parking for existing residents	Reviewed a car parking strategy	Provide car parking in alternative locations	Live	H	M	HM	600	AMBER	
	13	Unforeseen/unknowns anomalies (ground contamination/services etc not picked up within surveys etc)	Programme delays and possible cost consequences if additional works are required	Request intrusive surveys be carried out early, programme and cost contingency	Seek approval of instructing intrusive surveys	Live	H	H	HH	6000	RED	Willmott Dixon to make early investigation into these risks.
	14	Crane usage/delivery frequency	Increase costs and objection from residents	Review usage period of crane	Contractor to provide a logistics plan and programme of crane usage	Live	L	M	LM	200	YELLOW	
SALES	15	Sales risk and associated cost of finance	Sales and sales value dependant on economic conditions	Requested early release of show unit. Requested top end and bottom end sales values	Monitor sales values and implement early marketing	Live	M	M	MM	400	YELLOW	
	16	Selection process for DMS units	Status gap	Carry out sensitivity analysis	Review process. Request early DMS show unit and initiation of the sales marketing process early	Live	L	L	LL	20	GREEN	
	17	Access and carparking	Sales value drop	Discuss different options with planners	Push for parking access off Ceylon road for OMS	Live	M	M	MM	400	YELLOW	

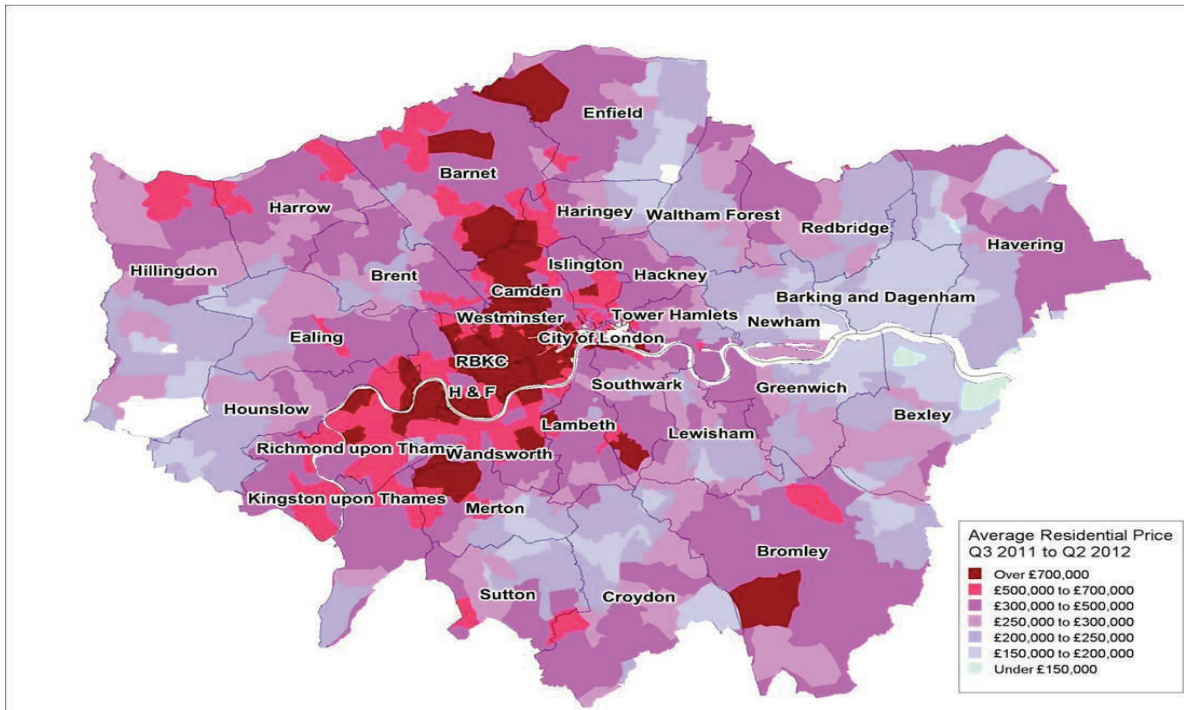
HAMMERSMITH AND FULHAM ON MARKET VALUES MARCH 2013



INTRODUCTION

Savills have been instructed by Rational House to provide On Market Values (OMV) for their forthcoming schemes in Hammersmith and Fulham, situated on Spring Value, Basuto Road, Barclay Close and Becklow Gardens. This report analyses OMV ranges for these schemes, whilst further reporting current regional and London wide market trends.

LONDON MARKET COMMENTRY



Source: Savills Research

Mainstream London Residential Market

The London residential market has outperformed the rest of the UK significantly since the downturn. Prices in London now stand some 2.8% above the previous 2007 peak, compared England and Wales as a whole which remains 13% below peak values.

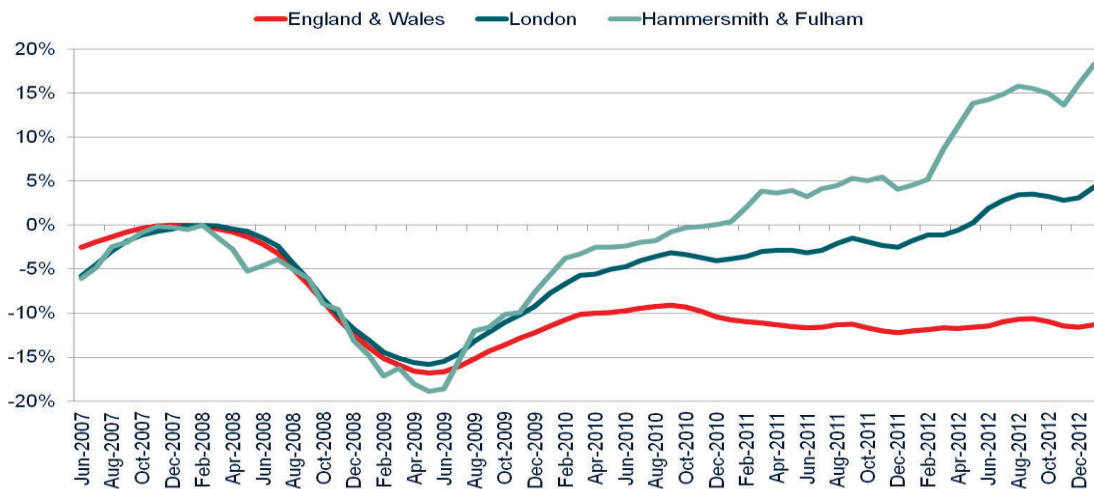
There is a variation in performance across the London boroughs. Boroughs more dependent on equity rich cash buyers are performing best, with most Inner London boroughs now well above peak in price terms. More periphery, equity poor boroughs are performing more in line with the national norm. The concentration of equity in the London housing market has started to create divisions within the London market. At one extreme, the value of housing stock in Kensington and Chelsea has risen by over 40% to £65 billion over 5 years, while that of Barking and Dagenham has fallen by 2% to just under £7.5 billion.

The impact of equity purchasers, particularly from overseas, has served to sustain the market at a time of restricted debt finance and affordability constraints. Funding is still heavily constrained with the deposit requirement for first time buyers to enter the owner occupier market reaching levels in excess of 100% of annual incomes.

LOCAL MARKET COMMENTRY

London's prime residential values rose by an average of 0.9% to the thirdquarter of 2012, and annual price growth slowed to 6.0%, as some of the heat came out of the market in the early summer. Price growth in Prime Central London slowed to just 0.4%. That headline figure masks a divergence between areas. Prices in Chelsea, Mayfair, Belgravia and Knightsbridge rose by over 1%. This reflects how different parts of the market have reacted differently to key market drivers. Overseas buyers remained committed to the very best central locations, accounting for 58% of buyers in the first half of 2012. Here buyers looking for safe haven investments have underpinned demand.

By contrast, there has been a general lack of urgency among other buyers because of uncertainty over both the global economic outlook and the effect of the stamp duty and associated tax changes introduced in the budget. In higher price bands the effect of this increased tax burden has had less of an effect. There were more than 100 sales of £5million+ residential properties in the three months to the end of June 2012, the total value of which exceeded £1billion in a quarter, for only the fourth time in the past five years. International demand is less of a market driver in other prime locations and this has resulted in a slower, but less volatile recovery to date.

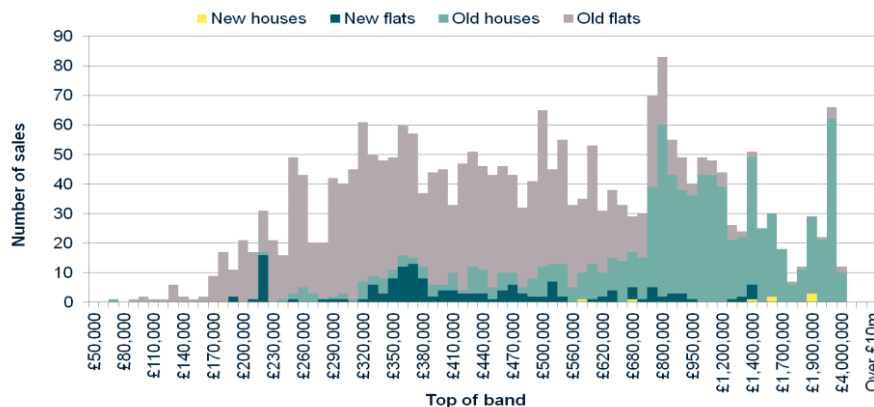


Source: Land Registry

Hammersmith and Fulham has been one of the strongest performing London boroughs and was one of the first to return to peak values following the credit crunch, led by demand both internationally and domestically. Prices in Hammersmith and Fulham now stand some 17% above their previous 2007 peak.

Depth of the Hammersmith and Fulham Market ,March 2013

- 2,559 sales were recorded by the Land Registry from Q4 2011 to Q3 2012.
- 6.6% of sales (168 sales) were new build properties, all but 8 of which were flats, spread in value between £190k and £1.4m.
- The second hand market was dominated by flats, at 59.9% of all sales.
- 19.8% of all market sales recorded were over £1m.



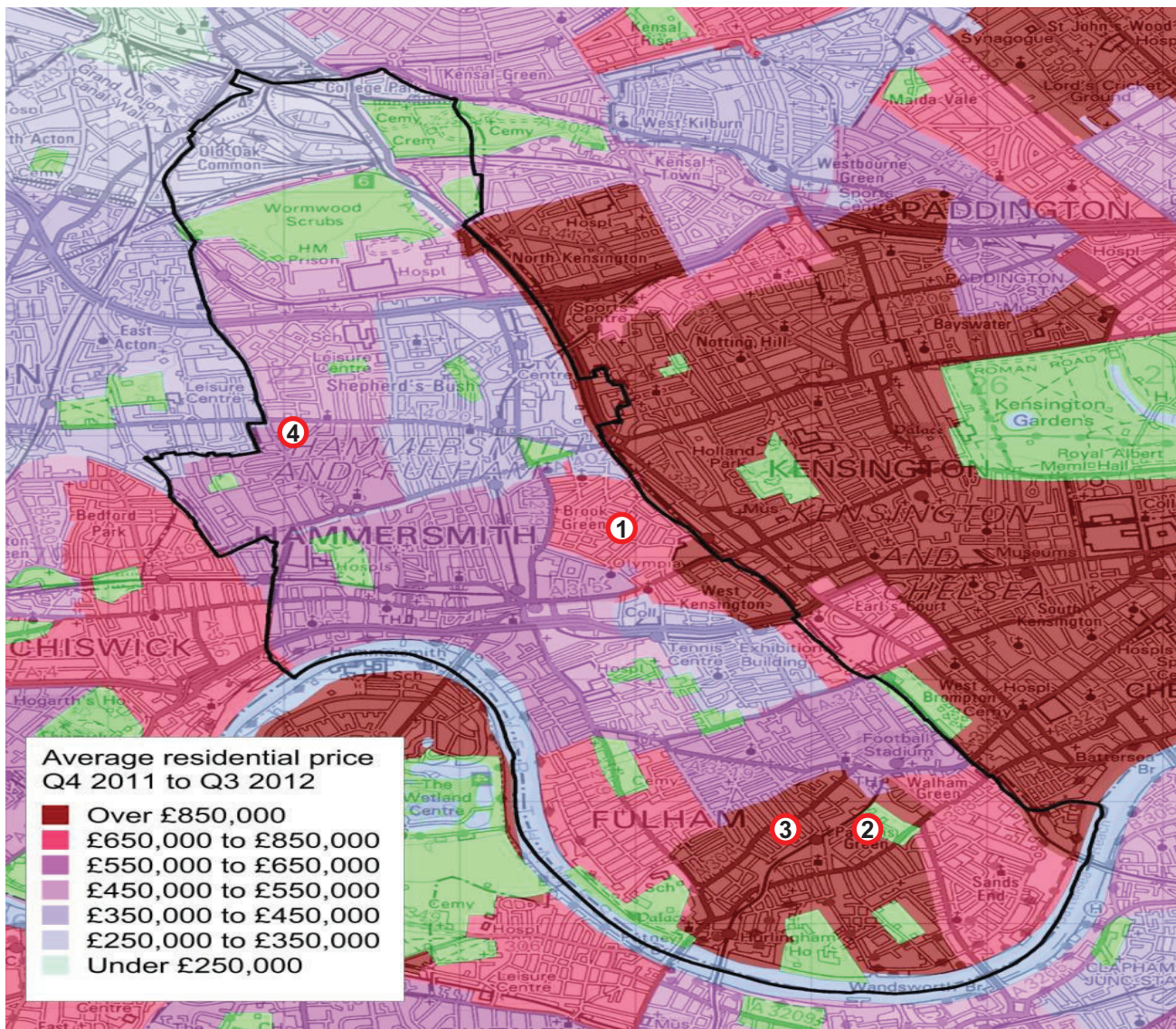
Source: Land Registry

LOCAL MARKET COMMENTRY

Hammersmith and Fulham lies adjacent to prime central London, with values falling off from neighbouring Kensington and Chelsea, although areas surrounding Parsons Green show values significantly above those in the immediate area.

The hot spot map below shows average property values in 2012 by post code. The sites are situated in areas of areas of with varying average values:

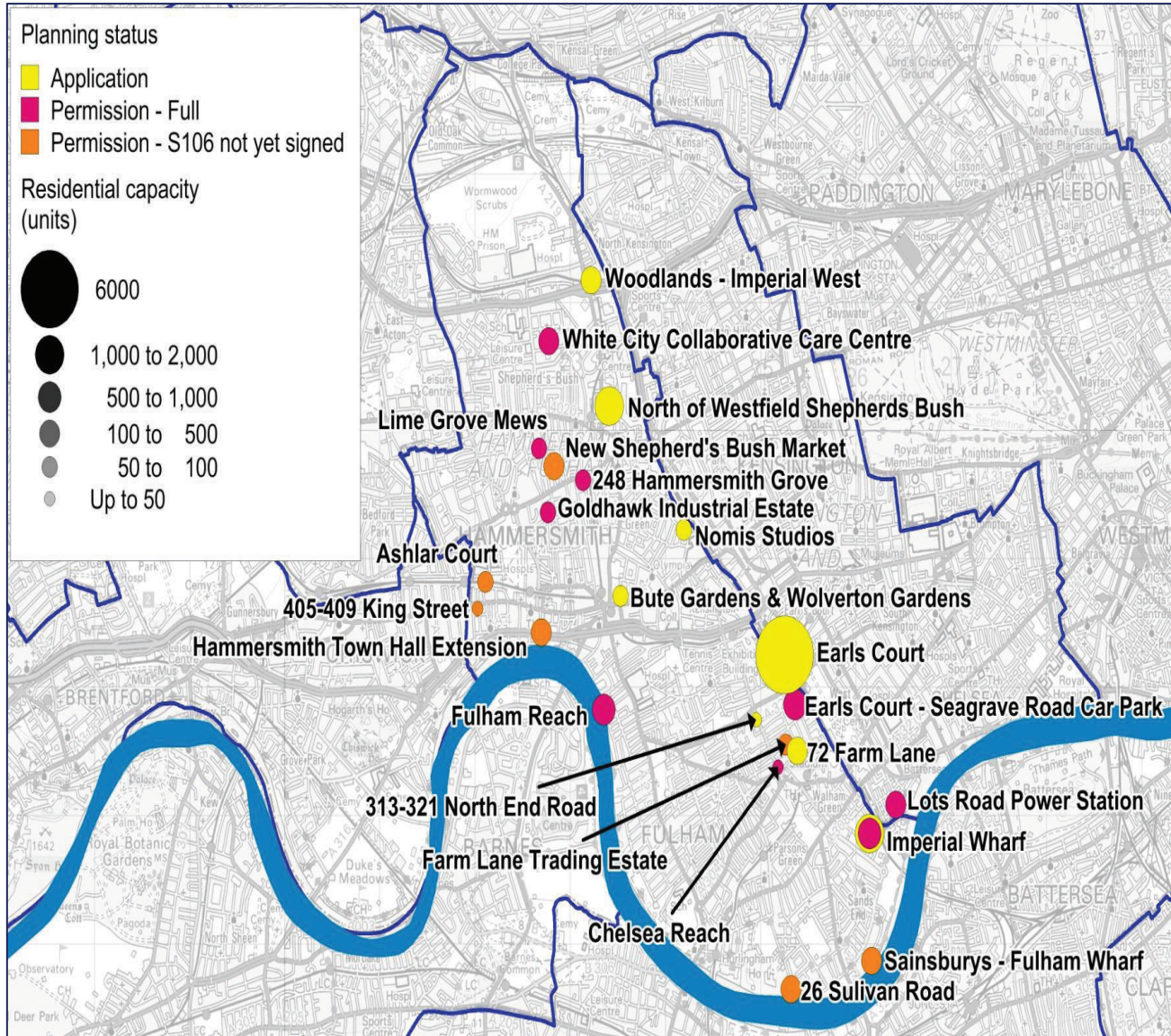
- ① Spring Vale - £650,000 - £850,000
- ② Basuto Road - Over £850,000
- ③ Barclay Close - Over £850,000
- ④ Becklow Gardens - £550,000 - £650,000



Source: Land Registry

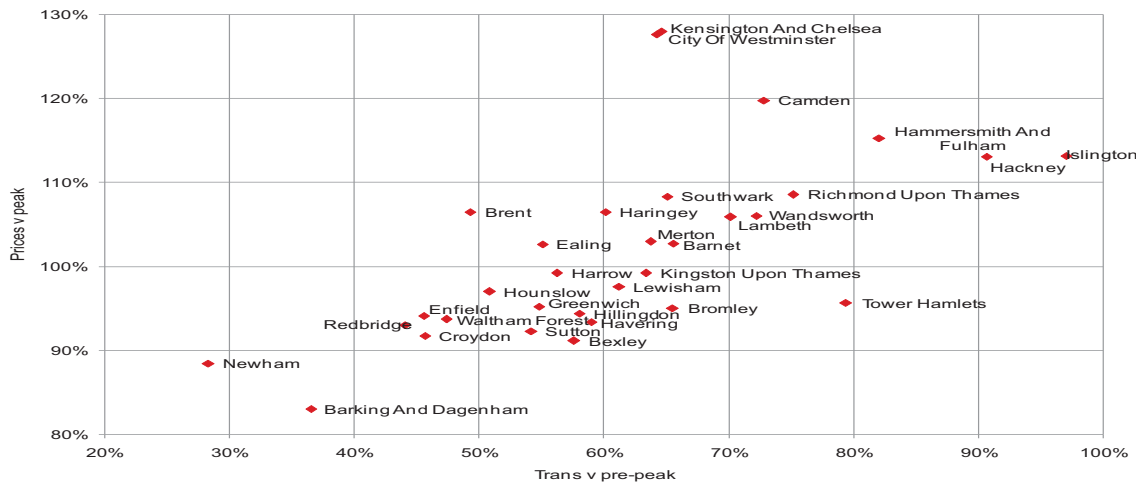
LOCAL PLANNING PIPELINE

Hammersmith and Fulham shows relatively modest levels of consented future residential supply, although an application was submitted for circa 7500 new homes as part of the Earls court regeneration in August 2011. There are also a number of other developments at application stage. Berkeley Groups (St. George) 744 unit Fulham Reach represents the largest consented scheme in the area.



MARKET FORECASTS, MARCH 2013

It is now over four years since the markets bottomed out. On average prices currently exceed their September 2007 levels in central London. This has been delivered on the back of a strong rebound in prices over a three year period. The continuing relatively weak economic outlook, both domestically and globally is likely to prevent a repeat in the short to medium term. Within central London we expect to see relatively static prices, though this is dependent on a continued inflow of international wealth. With low interest rates we expect the supply of property within central London to be kept in check. This is expected to support current pricing, though without city bonus money to bolster demand, there seems little capacity for significant price growth over the next 12 months.



Source: Savills / Land Registry.

That leaves less capacity for further price growth in the short term. Stamp duty changes over £2million, means buyers are finding it more difficult to structure transactions in a way that protects their wider tax position. Additionally, the currency play that acted as a catalyst for price growth has been eroded. However, the longer term fundamentals for the central London market, constrained stock and global wealth generation, look sound. Whilst we therefore expect the market to plateau for a period, five year growth is forecast to be around 21%. The lull in price growth in central London is likely to affect the other prime markets and contribute to weaker buyer sentiment that flows from the wider economic outlook.

	2012 actual	2013	2014	2015	2016	2017	2013-2017
London	0.8%	1.5%	4.0%	4.5%	5.0%	4.5%	21.0%
UK	-1.1%	0.5%	1.5%	2.0%	3.5%	3.5%	11.5%

Residential forecasts. Source:

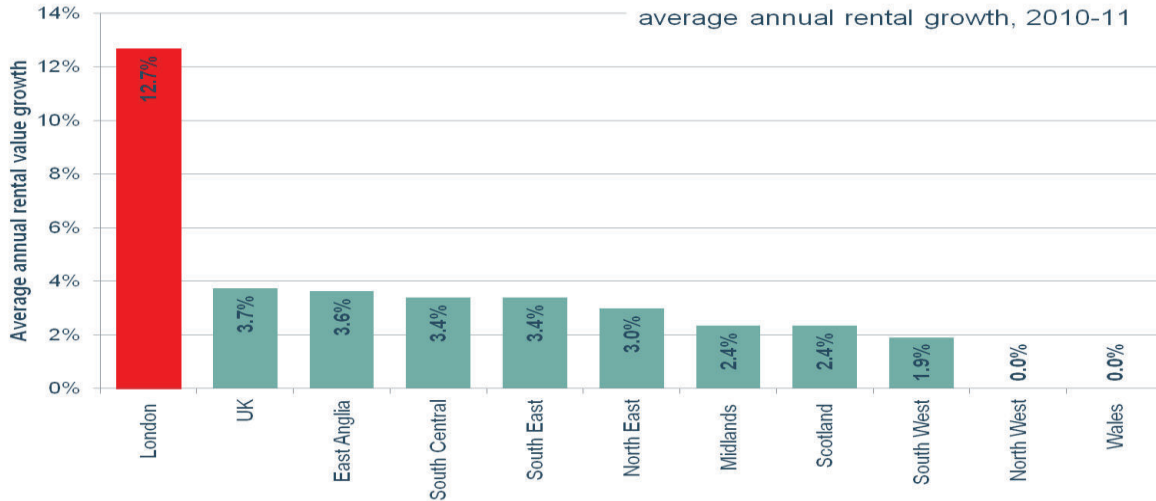
Savills.

The availability of debt shows little sign of improving in 2013 with the CML forecasting that gross mortgage lending will fall remain static this year. Wealthy individuals are likely to continue investing in overseas assets, such as London property, to safeguard their cash and provide themselves with an alternative living option. In the long term, the status property ownership in the most sought-after addresses will continue to be important among individuals from emerging / newly industrialised economies. Chinese and Pacific Asian investment will continue, though probably at a lower level than previously seen.

The government has recently released details of the Help to Buy purchasing scheme. Although the new initiative is not aimed exclusively at first-time buyers, Savills calculates that the £3.5 billion Equity Loan part of the deal, which comes into play on 1st April, will help 25,000 purchasers a year over the next three years. The Mortgage Guarantee part of the scheme could support a further 190,000 sales a year once it is launched in 2014, assuming mortgage lenders play ball. The main impact will be to increase transaction levels and there may be a nudge up in house prices. However, the increased activity is likely to instigate more house building which will keep prices rises in check. The Equity Loan component of Help to Buy has wider appeal than the existing FirstBuy as it is not means tested and is available on purchases up to £600,000. It is also more generous to home builders as it removes the need for builder's contribution. The fact it runs for three years will also give developers a chance to plan ahead and increase construction which could help alleviate some of the housing shortfall.

RENTAL MARKET

With restricted mortgage finance, larger deposits required for first time buyers and continuing economic uncertainty, rental values across London have grown strongly by some 32.3% in the last five years. From 2010 to 2011 the average London rental showed exceptionally strong growth 12.7% as demand continued to vastly outstrip supply.



Source: Savills / Rightmove.

There has been significant growth in the private rented sector, fuelled by lack of accessibility for first time buyers to home ownership where the average FTB deposit in London now stands at £56k, up from just £19k in 2007, and the subsequent creation of 'Generation Rent'.

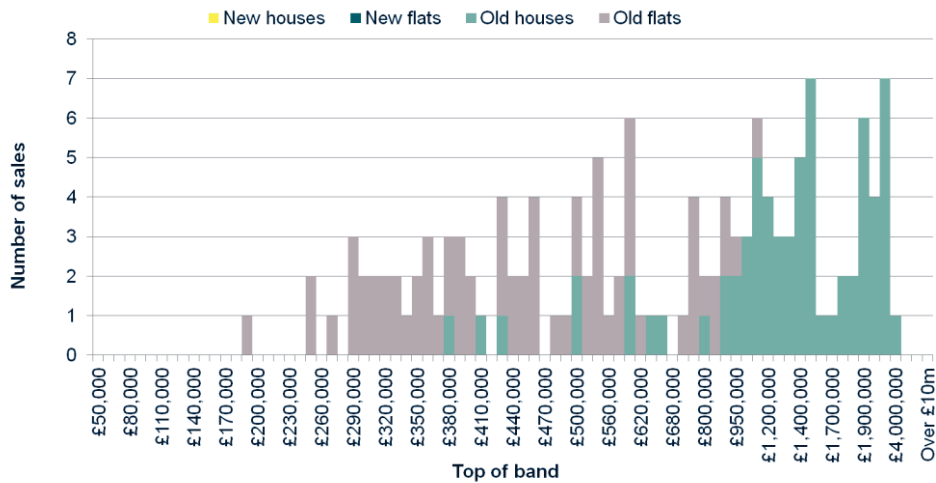
Build to let has long been vaunted as a major part of the solution to meeting the housing requirements of 'Generation Rent' and increasing levels of house building to deliver economic growth from the construction sector. Part of the challenge for developers will be to deliver products tailored to the investment market. Those that are weighted towards the requirements of both 'Generation Rent' and the bulk investment market. Providing more, smaller units at a higher density could have the additional benefit of limiting the trade off with affordable and private housing. Reducing lifecycle repair costs could improve net yields. Providing electricity, insurance, service charges, ground rents and telephone and internet packages could generate additional income streams from letting. This tends to be the approach used in more mature international markets that have been highly successfully at securing private investment into the residential sector. Although there are already some institutional landlords operating in a similar vein in the UK, such as Grainger and Evenbrook, this situation raises the prospect of more investment from landlords willing to provide a service that benefits from scale rather than the approach used by buy to let landlords.

Rental Growth	2013	2014	2015	2016	2017	5 years to end 2017
London	3.0%	4.0%	4.5%	6.0%	6.5%	26.4%
UK Mainstream	2.5%	2.5%	3.0%	4.5%	4.5%	18.2%

BARCLAY CLOSE – SW6 4

Depth of SW6 4 Market, March 2013

- 139 sales were recorded by the Land Registry in SW6 4 from Q4 2011 to Q3 2012.
- Second hand flat sales accounted for 51.1% of the sales, whilst house sales accounted for the remainder of all sales at 48.9%.
- 39.6% of all market sales recorded (55 sales) were £1m+.



Barclay Close OMV's:

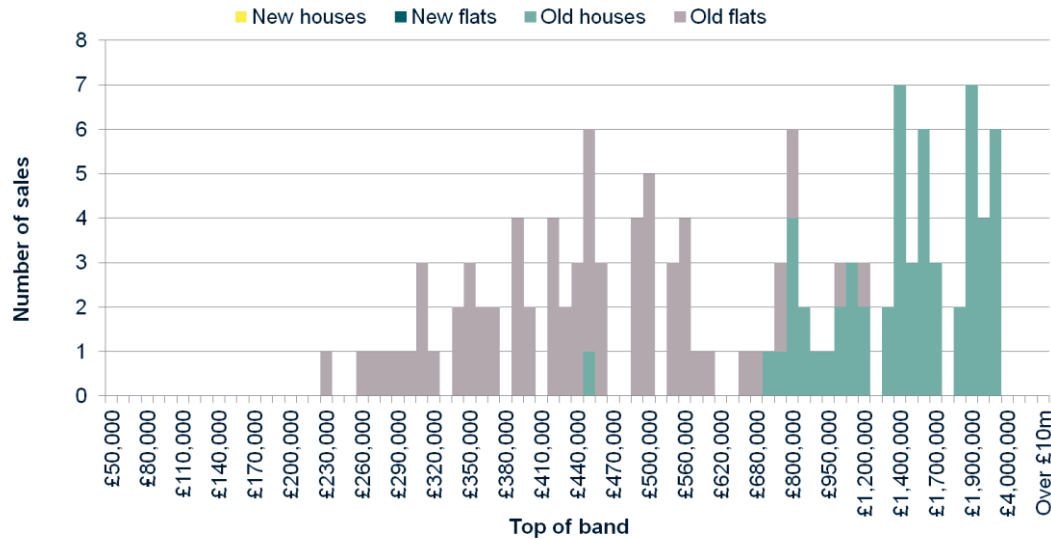
Property Type	No	Size (m2)	Size (ft2)	OMV (£ / Property)			OMV (£/m2)			OMV (£ / ft2)		
				Low	Mid	High	Low	Mid	High	Low	Mid	High
Flat (1b2p)	2	50	538	£345,000	£370,000	£395,000	£6,900	£7,400	£7,900	£641	£687	£734
Mais (2b4p)	2	65	700	£440,000	£470,000	£500,000	£6,846	£7,308	£7,692	£636	£679	£715
House (3/4b6p)	1	125	1345	£675,000	£750,000	£825,000	£5,400	£6,000	£6,600	£502	£557	£613

Although in a high value surrounding area, with excellent amenities and transport links, OMV's would be restricted due to the adjoining adjacent housing estate. Market sale houses would not be suitable on this site, where flats would be more appropriate although the current size of 125 sqm is appropriate should houses be preferred. The current flat sizes are well sized, although 65 sqm is small for a maisonette.

BASUTO ROAD – SW6 5

Depth of SW6 5 Market, March 2013

- 126 sales were recorded by the Land Registry in SW6 5 from Q4 2011 to Q3 2012.
- Second hand flat sales accounted for 54.0% of the sales, whilst house sales accounted for the remainder of all sales at 46.0%.
- 38.9% of all market sales recorded (49 sales) were £1m+.



Bastuto Road OMV's:

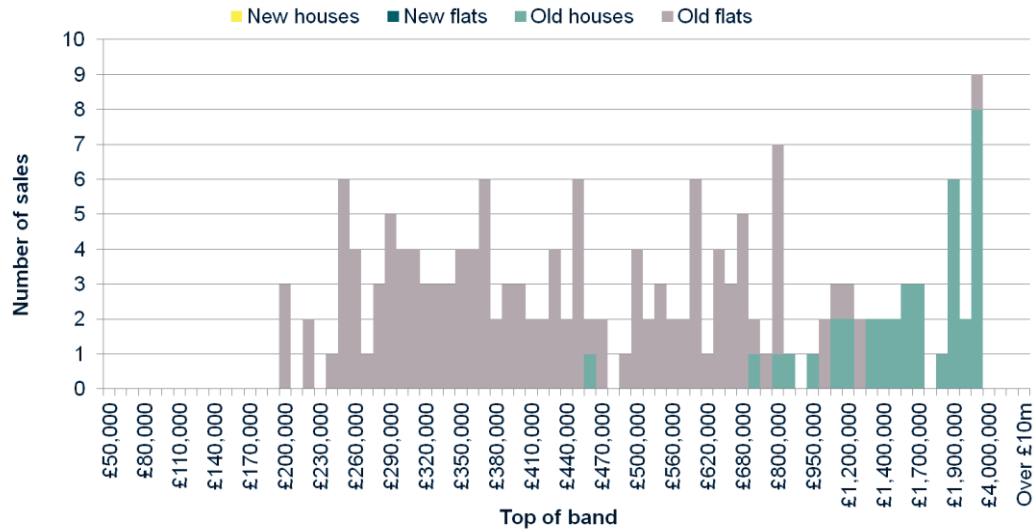
Property Type	No	Size (m2)	Size (ft2)	OMV (£ / Property)			OMV (£/m2)			OMV (£ / ft2)		
				Low	Mid	High	Low	Mid	High	Low	Mid	High
Grd & Basement flr Mais (3b5p)	1	90	969	£800,000	£850,000	£900,000	£8,889	£9,444	£10,000	£826	£877	£929
First flr flat (1b2p)	1	50	538	£475,000	£500,000	£525,000	£9,500	£10,000	£10,500	£883	£929	£975
Second & Third flr flat (2b4p)	1	83	893	£825,000	£875,000	£925,000	£9,940	£10,542	£11,145	£923	£979	£1,035
House (3/4b6p)	1	200	2153	£1,800,000	£1,950,000	£2,100,000	£9,000	£9,750	£10,500	£836	£906	£975

Basuto Road is an exceptional site, with the area showing both of high demand and values, arguably now peaking above £1,000 psf. Sales on this road are relatively rare and the scheme is very well placed to succeed should market sale be desirable. Sizes are appropriate and well tailored, although the value of the house could be increased significantly should it be facing the green. Internal specification levels for open market sales would need to be exceptionally high.

SPRING VALE – W14 0

Depth of W14 0 Market, March 2013

- 169 sales were recorded by the Land Registry in W14 0 from Q4 2011 to Q3 2012.
- Second hand flat sales accounted for 77.5% of the sales, whilst house sales accounted for the remainder of all sales at 22.5%.
- 23.7% of all market sales recorded (40 sales) were £1m+.



Spring Vale OMV:

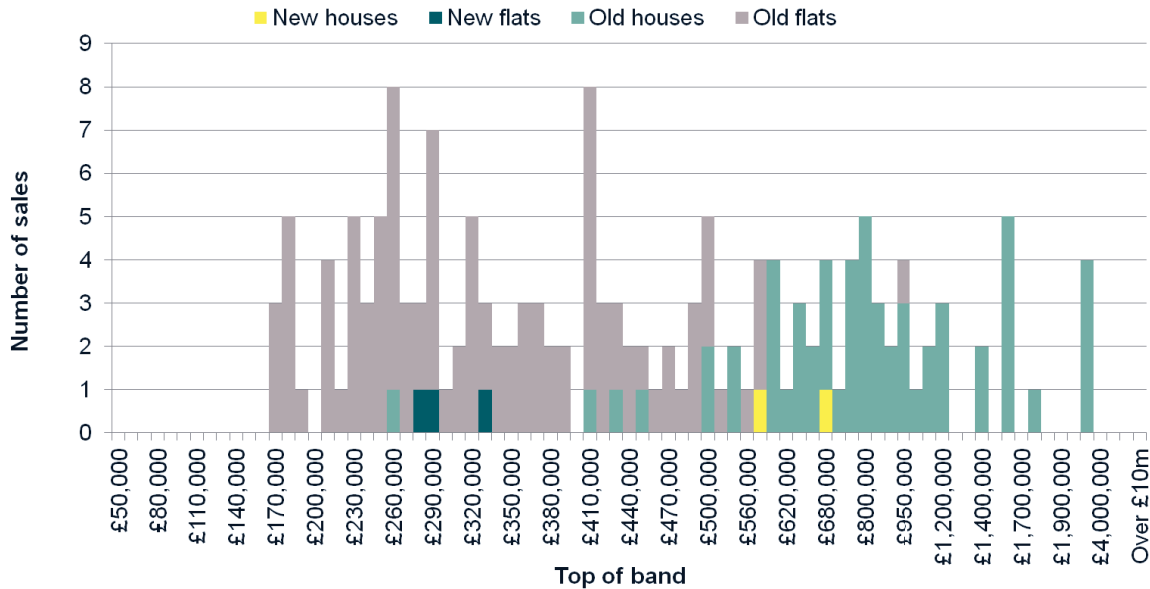
Property Type	No	Size (m2)	Size (ft2)	OMV (£ / Property)			OMV (£/m2)			OMV (£ / ft2)		
				Low	Mid	High	Low	Mid	High	Low	Mid	High
Grd flr flat (1b2p)	2	52	560	£345,000	£370,000	£390,000	£6,635	£7,115	£7,500	£616	£661	£697
First flr lat (2b4p)	2	61	657	£390,000	£420,000	£450,000	£6,393	£6,885	£7,377	£594	£640	£685
Second flr flat (2b4p)	2	61	657	£400,000	£430,000	£460,000	£6,557	£7,049	£7,541	£609	£655	£701
Top flr mais (2b4p)	2	87	936	£500,000	£550,000	£585,000	£5,747	£6,322	£6,724	£534	£587	£625
House (3/4b6p)	2	142	1528	£1,000,000	£1,100,000	£1,200,000	£7,042	£7,746	£8,451	£654	£720	£785

Brook Green has risen in value significantly following the initial downturn. Both houses and flats on the proposed scheme are well placed to do be received well on the open market and houses should achieve in line with those if a comparable size on neighbouring Ceylon Road, at c £1m+. Sizes are appropriate, although the 2b4p flats on the first and second floors are small and would be better positioned at c 65 – 70 sqm.

BECKLOW GARDENS– W12 9

Depth of W12 9 Market, March 2013

- 162 sales were recorded by the Land Registry in W12 9 from Q4 2011 to Q3 2012.
- 3.1% of sales (5 sales) were new build sales, 3 of which were flats, with prices spread from £280k to £680k.
- Second hand flat sales accounted for 61.7% of the sales, with house sales accounting for 35.2% (57 sales).
- 11.1% of all market sales recorded (18 sales) were £1m+.



Becklow Gardens OMV's:

Property Type	No	Size (m2)	Size (ft2)	OMV (£ / Property)			OMV (£/m2)			OMV (£ / ft2)		
				Low	Mid	High	Low	Mid	High	Low	Mid	High
Grd flr flat (1b2p)	4	61	657	£275,000	£295,000	£315,000	£4,508	£4,836	£5,164	£419	£449	£480
Flat (2bed)	2	65	700	£350,000	£375,000	£400,000	£5,385	£5,769	£6,154	£500	£536	£572
Top flr mais (2b4p)	4	87	936	£375,000	£400,000	£425,000	£4,310	£4,598	£4,885	£400	£427	£454

As with Barclay Close, the position of Becklow Gardens will prove a restricting factor to OMV's. Large units, both flats and houses, would not be exceptionally saleable and further would not realise full value. Should market sale units be desired, the scheme should consist solely of flats, predominantly 1 bedroom apartments. A small proportion of 2b3p and 2b4p units would also be well received. The scheme above is of appropriate sizes for the market.

Spring Vale Estate	
	Total £'000
Gross development value	5,550
Retained equity	(1,418)
Net GDV with 6 DMS units	4,132
Pre development holding costs	-
Construction	
Base build	1,901
	1,901
External works	147
	2,048
Prelims & overheads	354
Other	-
Construction contingency	102
	2,504
Professional fees (incl. statutory fees)	
Professional fees*	290
Scape & pre-construction fees	70
Mayors CIL	24
LBHF CIL	146
Building regulations & planning fees	15
	545
Selling costs	76
Marketing	6
Project contingency	313
Development costs	3,444
Total costs*	3,444
Grant received	-
Development profit :	20.0% on cost 687
Residual land value	-
Total return	61.1% 2,106
* Includes previously approved CHPL fee (£50,000)	
Appraisal assumes development undertaken directly by Council & excludes interest	



C I T Y
H O U S E
P R O J E C T S

INITIAL APPRAISAL

BECKLOW GARDENS

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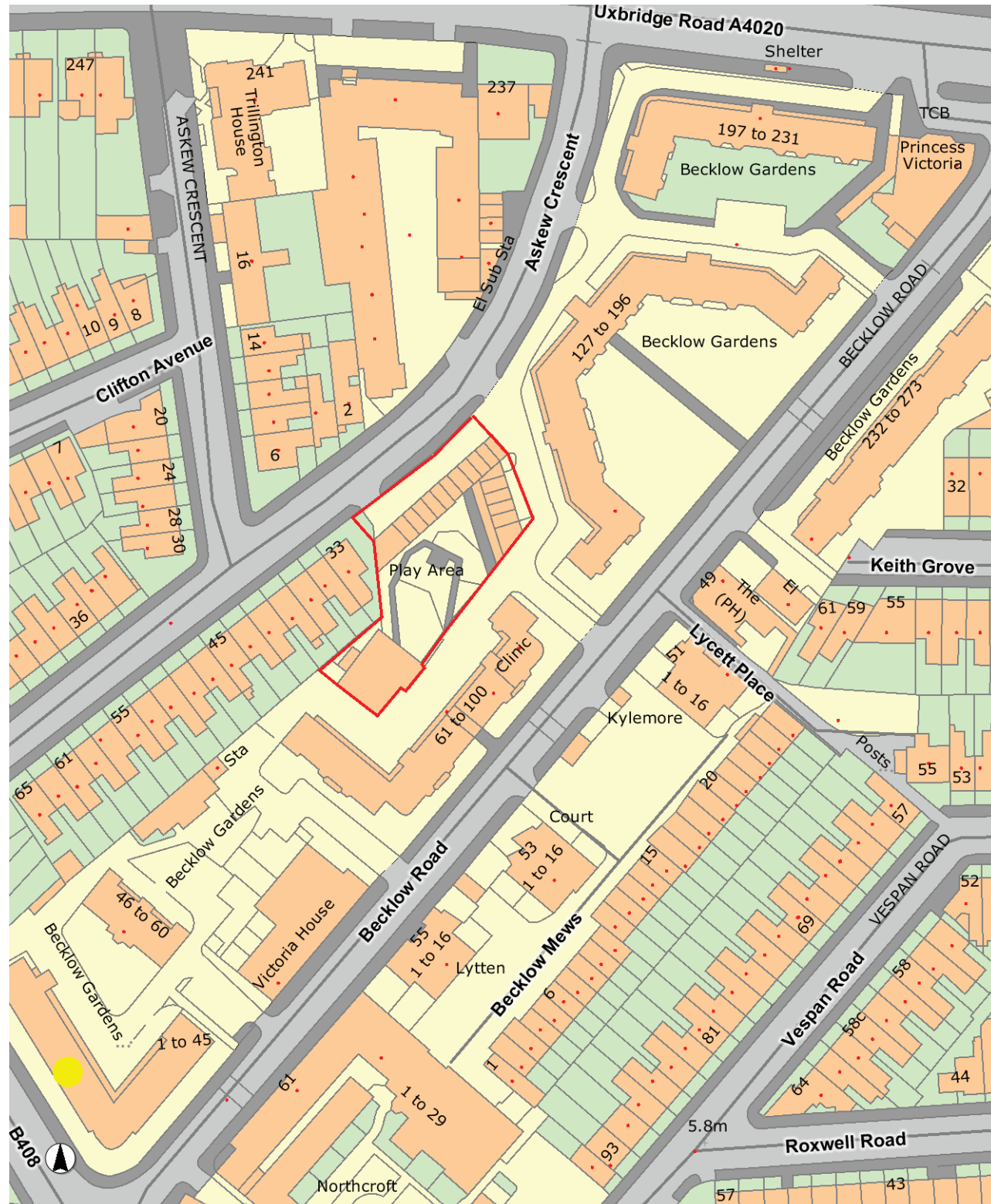
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3 /	Programme + Risk Register	21



RATIONAL HOUSE BECKLOW GARDENS

SITE + PROPOSED DEVELOPMENT

SITE



RED LINE BOUNDARY



SITE SEEN FROM ASKEW CRESCENT (LOOKING NORTH-EAST)



SITE SEEN FROM ASKEW CRESCENT (LOOKING SOUTH-WEST)



SITE LOCATION

PROPOSED DEVELOPMENT

This proposal provides six small blocks of flats. The flats are arranged in identical handed pairs, and each block contains a one-bedroom flat on the ground floor and a two-bedroom maisonette on the first and second floors.

In this configuration twelve new dwellings are created. However, each of the flat blocks could also be configured as a large family house. All dwellings comply with LHDG space standards, and recommended areas of private outside amenity space are provided in all cases.

The buildings are arranged in a terrace which respects the existing building line in Askew Crescent, and returns back to the south, creating a well-defined enclosure to the existing playground area (and following the approximate outline of the existing garages), thereby retaining full provision of existing playspace.

AREA SCHEDULE:

Units	Nr	m2	Total
Flats - one bed	4	61	244
Flats - maisonettes	4	87	348
Flats - one bed	2	50	100
Flats - maisonettes	2	65	130
Flats - common circulation	4	21	84
Flats - common circulation	2	10	20
Total	<u>12</u>	<u>926</u>	



3D SKETCHES

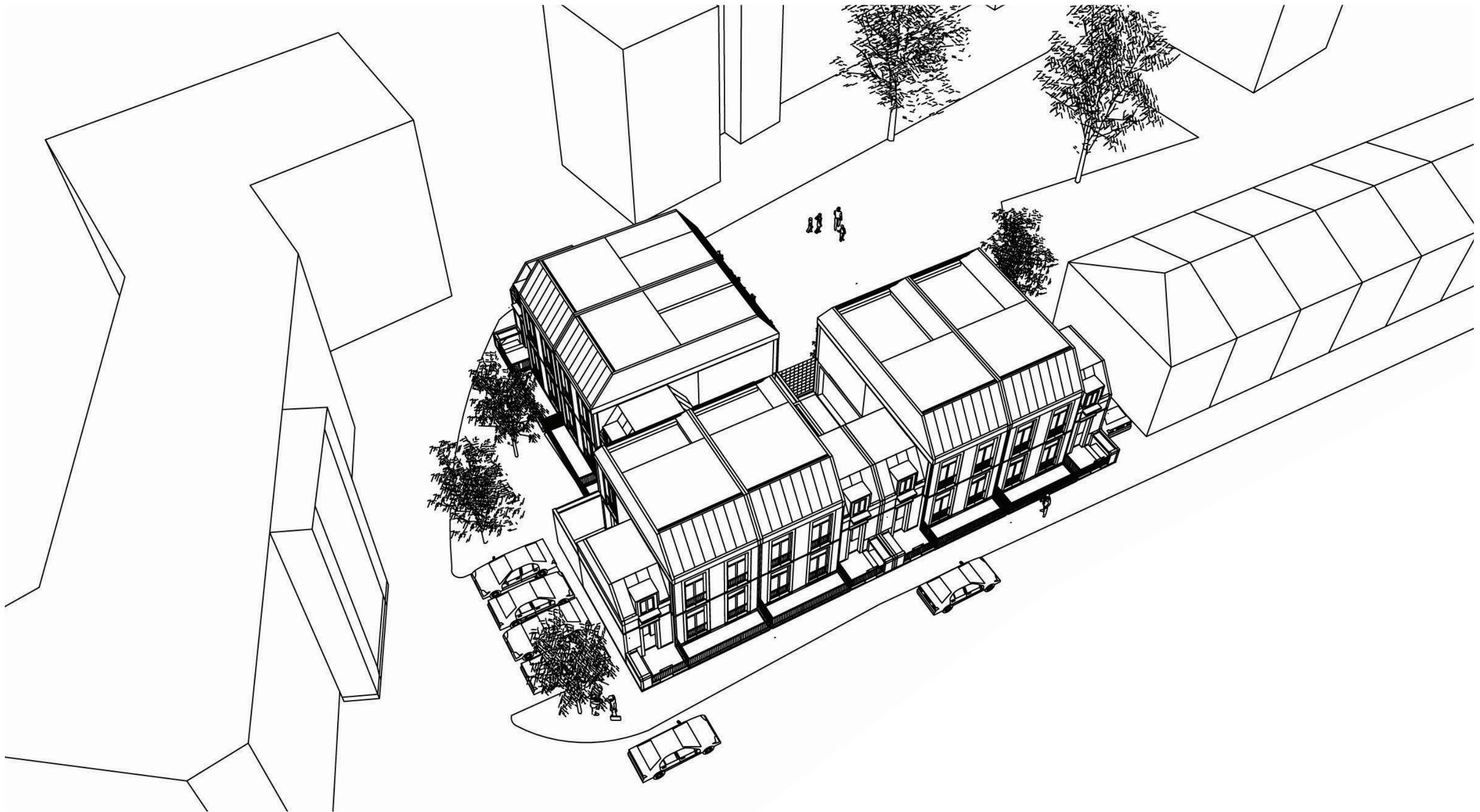


VIEW FROM ASKEW CRESCENT LOOKING WEST



VIEW FROM ASKEW CRESCENT LOOKING EAST

3D SKETCHES



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AREAL VIEW FROM ASKEW CRESCENT



VIEW OF PLAYGROUND



RATIONAL HOUSE BECKLOW GARDENS

FINANCIAL APPRAISAL

INITIAL ORDER OF COST ESTIMATE

Build Type	GIA m2	GIA SF	Rate £/SF	Rate £/m2	Total £	Notes
Residential Units						
Flats (in 4nr blocks)						
Ground Floor One bedroom flats (4 nr) - shell & core	344.00	3,703	122	1,313	451,739	
Fit Out to above	344.00	3,703	47	506	174,031	
Maisonettes - shell & core (4 nr)	478.00	5,145	122	1,313	627,708	
Fit Out to above	478.00	5,145	47	506	241,822	
Extra for High Quality Tenure Enhancement	478.00	5,145	0	0	0	
Common circulation	104.00	1,119	169	1,819	189,186	
Total Gross Internal Area including common areas	926.00	11,980.22				
Allowance for Site specific abnormals, roadworks, car parking, utilities & infrastructure charges		12	Units	10,000	120,000	
Total					1,804,486	
Preliminaries			12.5%		225,561	
Design & Build Contingency			5.0%		90,224	
Overheads & Profit			3.5%		74,209	
					2,194,480	
TOTAL CONSTRUCTION COST @ MARCH 2013 (EXC VAT & FEES)				SAY	£2,190,000	
Professional Fees - see attached schedule					360,595	
TOTAL COSTS INCLUDING FEES					£2,550,595	

FEE COST SCHEDULE

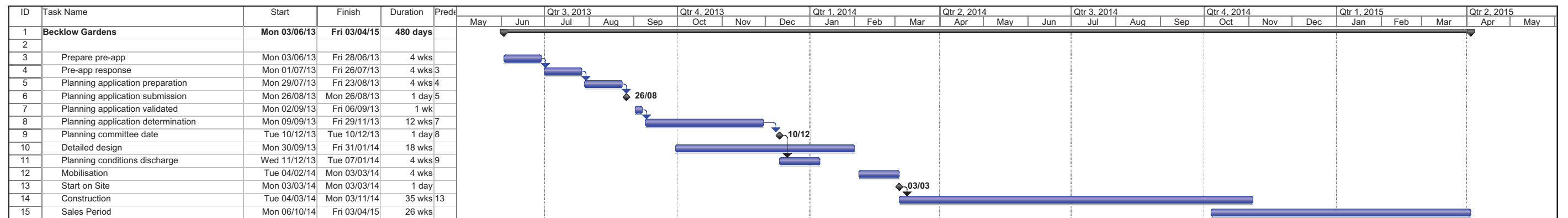
FEE COST SCHEDULE - HAMMERSMITH & FULHAM: BECKLOW GARDENS											
Project Stage	Desk top assessment	GATEWAY 1	Initial Appraisal	Preparation of Pre-App	Submission of planning application	GATEWAY 2	Pre-contract detailed design	GATEWAY 3	Post contract	Defects	Total
RIBA Stage	A		A/B	B/C	C/D		E-H		J-K	L	
Framework Specification Stage	Pre-framework		Stage 3	Stage 3/4	Stage 3/4		Stage 4		Post contract	Defects	Total
SCAPE Stage	Pre-SCAPE		Stage 2	Stage 2	Stage 2		Stage 3/4		Stage	Defects	Total
CHPL FEE			£5,475	£19,163	£76,650		£106,763		£60,225	£5,475	£273,750
CHPL - Equalities Impact Assessment					£1,500						£1,500
INTRUSIVE SURVEYS					£12,500						£12,500
SCAPE COSTS											
Pre-construction fees					£9,828		£52,416				£62,244
Scape fee							£5,301		£5,301		£10,601
TOTAL COSTS			£5,475	£19,163	£100,478		£164,479		£65,526	£5,475	£360,595
GATEWAY STAGE COSTS			£125,116				£164,480		£71,001		
CUMMULATIVE COSTS			£125,116				£289,595		£360,596		



RATIONAL HOUSE BECKLOW GARDENS

PROGRAMME + RISK REGISTER

PROGRAMME



Project: 130326_Becklow Date: Tue 26/03/13	Task		Progress		Summary		External Tasks		Deadline	
	Split		Milestone		Project Summary		External Milestone			

Assumptions

- Detailed design will commence during planning determination
- All cabinet approvals are in place so no impact on critical path
- There are no major service diversions, contamination or any other abnormals likely to affect the programme.

RISK REGISTER

	Risk Identification					Risk Analysis					Comments	
	No	Risk Description	Consequence	Management Actions Taken	Management Actions Planned	Risk Status	Likelihood	Impact	Risk Matrix	Risk Rating Calculation		Risk Rating
PRE-CONSTRUCTION	1	Planning timescales for resolution to grant	Potentially impact on programme.	Ensure realistic planning timescales programmed	Monitor progress of planning deadlines	Live	M	H	MH	4000	AMBER	
	2	Resident response	Unfavourable response could require a redesign, programme delay or abort works		Programme a residents consultation	Live	M	M	MM	400	YELLOW	
	3	Implications of intrusive surveys, programme delay	Additional works required, programme delay		Identify and instruct intrusive surveys as soon as feasible	Live	M	M	MM	400	YELLOW	Critical path item requires 8-10 weeks to procure survey results. Programme critical.
	4	Access to and demolition of garages	Delay in programme and review of site logistics by contractor		Monitor progress with H&F	Live	M	H	MH	4000	AMBER	
	5	Detailed design completion ~ (impact upon procurement > construction)	Delay in programme, cost consequences		Appoint all relevant consultants, set contingencies at appropriate level	Live	M	M	MM	400	YELLOW	
	6	Supply chain tender pricing risk	Cost increase		Request Contractor obtain prices timeously, competitive tendering. The form of contract ensures transparent competitive tendering	Live	M	M	MM	400	YELLOW	
	7	Arboriculture issues	Amendments to the design		Instruct Arboriculture study	Live	L	M	LM	200	YELLOW	
	8	Timely discharge of prior to commencement planning conditions/third party approvals prior to SoS	Delay in detail design completion		Request additional funding for pre-commencement condition contamination intrusive survey	Live	M	M	MM	400	YELLOW	
CONSTRUCTION	9	Timely client approvals (samples etc) / Instructions	Delay in programme		Develop an instruction process with timeframes	Live	L	M	LM	200	YELLOW	
	10	Protection of residents and surrounding properties	Objection from residents		Residents consultation prior to construction to approve logistics	Live	L	M	LM	200	YELLOW	
	11	Security measures (out of hours)	Site security compromised		Review contractors logistics plan	Live	M	M	MM	400	YELLOW	
	12	Access/site set up (unimpeded access - therefore no access for residents to garages)	No car parking for existing residents		Review a car parking strategy	Live	H	M	HM	600	AMBER	
	13	Unforeseen/unknowns anomalies (ground contamination/services etc not picked up within surveys etc)	Programme delays and possible cost consequences if additional works are required		Request intrusive surveys be carried out early, programme and cost contingency	Live	H	H	HH	6000	RED	Willmott Dixon to make early investigation into these risks.
	14	Crane usage/delivery frequency	Increase costs and objection from residents		Request a logistics plan and programme of crane usage	Live	L	M	LM	200	YELLOW	
SALES	15	Sales risk and associated cost of finance	Sales and sales value dependant on economic conditions	Requested top end and bottom end sales values	Requested early release of show unit. Monitor sales values and implement early marketing	Live	M	M	MM	400	YELLOW	
	16	Selection process for DMS units	Status gap		Carry out sensitivity analysis. Request early DMS show unit and initiation of the sales marketing process early	Live	L	L	LL	20	GREEN	
	17	Access and carparking	Sales value drop		Discuss different options with planners	Live	M	M	MM	400	YELLOW	

Becklow Gardens	
	Total £'000
Gross development value	4,090
Retained equity	(740)
Net GDV with 6 DMS units	3,350
Pre development holding costs	-
Construction	
Base build	1,684
	1,684
External works - standard	120
	1,804
Prelims, overheads & fees	300
Other	-
Construction contingency	90
	2,194
Professional fees (incl. statutory fees)	
Professional fees	275
Scape & pre-construction fees	85
Mayors CIL	24
LBHF CIL	96
Building regulations & planning fees	15
	495
Selling costs	65
Marketing	12
Project contingency	277
Development costs	3,043
Total costs	3,043
Grant received	-
Development profit :	10.1% on cost 307
Residual land value	-
Total return	34.4% 1,047
Appraisal assumes development undertaken directly by Council & excludes interest	



C I T Y
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INITIAL APPRAISAL

BARCLAY CLOSE

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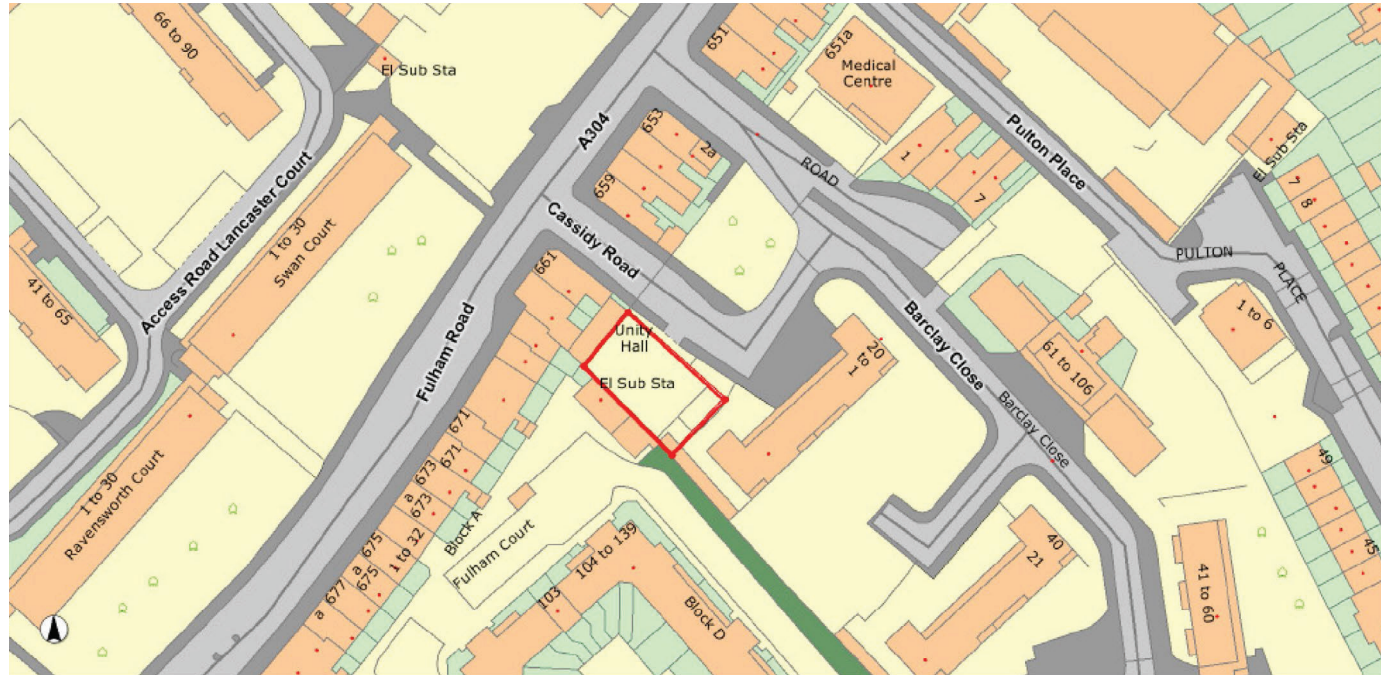
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RATIONAL HOUSE BARCLAY CLOSE

SITE + PROPOSED DEVELOPMENT

SITE



RED LINE BOUNDARY



SITE SEEN FROM CASSIDY ROAD (LOOKING WEST)



SITE SEEN FROM CASSIDY ROAD ACROSS BARCLAY CLOSE (LOOKING SOUTH-WEST)



SITE SEEN FROM FULHAM ROAD (LOOKING SOUTH-EAST)



SITE LOCATION

PROPOSED DEVELOPMENT

This proposal provides three small blocks of flats. Each block contains a one-bedroom flat on the ground floor and a two-bedroom maisonette on the first and second floors. Any one of the three buildings could be configured as a family house. It would also be possible to subdivide two of the buildings into flats and leave the third building as a family house.

All dwellings comply with LHDG space standards, and recommended areas of private outside amenity space are exceeded.

The dwellings are well-situated with east and west-facing facades, and they complete the fourth side of a pleasant public open square. The southern-most building in the new terrace will be slightly affected by overshadowing by the adjacent and taller post-war flat block and will itself have some impact on daylight reaching (secondary) rooms on the ground floor flat of the existing block at its west end.

AREA SCHEDULE:

Units	Nr	m2	Total
Flats - one bed	3	50	150
Flats - maisonettes	3	65	195
Total	<u>6</u>		<u>345</u>



3D SKETCHES

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VIEW LOOKING EAST INTO BACK GARDENS



VIEW LOOKING SOUTH FROM FULHAM ROAD



VIEW LOOKING WEST ACROSS BARCLAY CLOSE



RATIONAL HOUSE BARCLAY CLOSE

FINANCIAL APPRAISAL

INITIAL ORDER OF COST ESTIMATE

INITIAL ORDER COST ESTIMATE NR 1

Build Type	GIA m2	GIA SF	Rate £/SF	Rate £/m2	Total £	Notes
Residential Units						
Flats						
Ground Floor One bedroom flats (3 nr) - shell & core	150.00	1,615	122	1,313	196,979	
Fit Out to above	150.00	1,615	52	560	83,958	
Maisonettes - shell & core (3 nr)	195.00	2,099	122	1,313	256,073	
Fit Out to above	195.00	2,099	75	807	157,422	
Common circulation	30.00	323	174	1,873	56,188	
Total Gross Internal Area including common areas	375.00	3,875.00				
Allowance for Site specific abnormals, roadworks, car parking, utilities & infrastructure charges		6	Units	15,000	90,000	
Total					840,621	
Preliminaries			12.5%		105,078	
Design & Build Contingency			5.0%		42,031	
					987,729	
Overheads & Profit			3.5%		34,571	
					1,022,300	
TOTAL CONSTRUCTION COST @ MARCH 2013 (EXC VAT & FEES)				SAY	£1,020,000	
Professional Fees - see attached schedule					222,718	
TOTAL COSTS INCLUDING FEES					£1,242,718	

FEE COST SCHEDULE

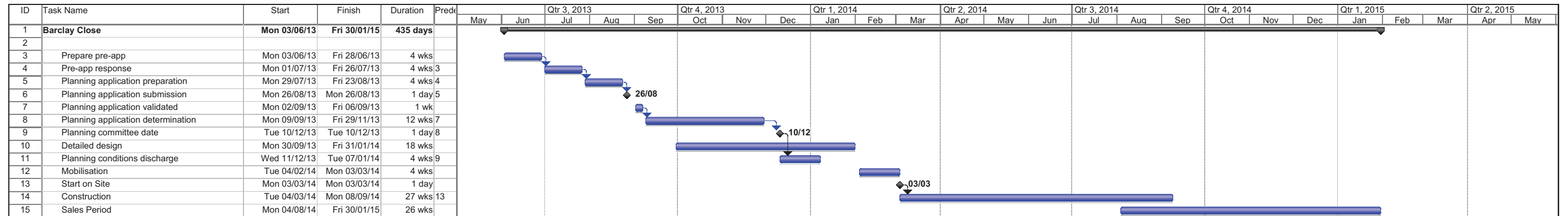
FEE COST SCHEDULE - HAMMERSMITH & FULHAM: BARCLAY CLOSE											
Project Stage	Desk top assessment	GATEWAY 1	Initial Appraisal	Preparation of Pre-App	Submission of planning application	GATEWAY 2	Pre-contract detailed design	GATEWAY 3	Post contract	Defects	Total
RIBA Stage	A		A/B	B/C	C/D		E-H		J-K	L	
Framework Specification Stage	Pre-framework		Stage 3	Stage 3/4	Stage 3/4		Stage 4		Post contract	Defects	Total
SCAPE Stage	Pre-SCAPE		Stage 2	Stage 2	Stage 2		Stage 3/4		Stage	Defects	Total
CHPL - Project Fee			£3,060	£10,710	£42,840		£59,670		£33,660	£3,060	£153,000
CHPL - Equalities Impact Assessment					£1,500						£1,500
INTRUSIVE SURVEYS					£12,500						£12,500
SCAPE COSTS											
Pre-construction fees					£9,828		£40,950				£50,778
Scape fee							£2,469		£2,469		£4,939
TOTAL COSTS	£0		£3,060	£10,710	£66,668		£103,089		£36,129	£3,060	£222,718
TOTAL GATEWAY COSTS				£80,438			£103,090		£39,190		
CUMMULATIVE COSTS				£80,438			£183,528		£222,718		



RATIONAL HOUSE BARCLAY CLOSE

PROGRAMME + RISK REGISTER

PROGRAMME



Project: 130326_Barclay Date: Tue 26/03/13	Task Split	Progress Milestone	Summary Project Summary	External Tasks External Milestone	Deadline
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Assumptions

- Detailed design will commence during planning determination
- All cabinet approvals are in place so no impact on critical path
- There are no major service diversions, contamination or any other abnormals likely to affect the programme.



RISK REGISTER

	Risk Identification				Risk Analysis						Comments	
	No	Risk Description	Consequence	Management Actions Taken	Management Actions Planned	Risk Status	Likelihood	Impact	Risk Matrix	Risk Rating Calculation		Risk Rating
PRE-CONSTRUCTION	1	Planning timescales for resolution to grant	Potentially impact on programme.	Ensure realistic planning timescales programmed	Monitor progress of planning deadlines	Live	M	H	MH	4000	AMBER	
	2	Resident response	Unfavourable response could require a redesign, programme delay or abort works		Programme a residents consultation	Live	M	M	MM	400	YELLOW	
	3	Implications of intrusive surveys, programme delay	Additional works required, programme delay		Identify and instruct intrusive surveys as soon as feasible	Live	M	M	MM	400	YELLOW	Critical path item requires 8-10 weeks to procure survey results. Programme critical.
	4	Access to and demolition of garages	Delay in programme and review of site logistics by contractor		Monitor progress with H&F	Live	M	H	MH	4000	AMBER	
	5	Detailed design completion ~(impact upon procurement >construction)	Delay in programme, cost consequences		Appoint all relevant consultants, set contingencies at appropriate level	Live	M	M	MM	400	YELLOW	
	6	Supply chain tender pricing risk	Cost increase		Request Contractor obtain prices timeously, competitive tendering. The form of contract ensures transparent competitive tendering	Live	M	M	MM	400	YELLOW	
	7	Arboriculture issues	Amendments to the design		Instruct Arboriculture study	Live	L	M	LM	200	YELLOW	
	8	Timely discharge of prior to commencement planning conditions/third party approvals prior to SoS	Delay in detail design completion		Request additional funding for pre-commencement condition contamination intrusive survey	Live	M	M	MM	400	YELLOW	
CONSTRUCTION	9	Timely client approvals (samples etc) / Instructions	Delay in programme		Develop an instruction process with timeframes	Live	L	M	LM	200	YELLOW	
	10	Protection of residents and surrounding properties	Objection from residents		Residents consultation prior to construction to approve logistics	Live	L	M	LM	200	YELLOW	
	11	Security measures (out of hours)	Site security compromised		Review contractors logistics plan	Live	M	M	MM	400	YELLOW	
	12	Access/site set up (unimpeded access - therefore no access for residents to garages)	No car parking for existing residents		Review a car parking strategy	Live	H	M	HM	600	AMBER	
	13	Unforeseen/unknowns anomalies (ground contamination/services etc not picked up within surveys etc)	Programme delays and possible cost consequences if additional works are required		Request intrusive surveys be carried out early, programme and cost contingency	Live	H	H	HH	6000	RED	Willmott Dixon to make early investigation into these risks.
	14	Crane usage/delivery frequency	Increase costs and objection from residents		Request a logistics plan and programme of crane usage	Live	L	M	LM	200	YELLOW	
SALES	15	Sales risk and associated cost of finance	Sales and sales value dependant on economic conditions	Requested top end and bottom end sales values	Requested early release of show unit. Monitor sales values and implement early marketing	Live	M	M	MM	400	YELLOW	
	16	Selection process for DMS units	Status gap		Carry out sensitivity analysis. Request early DMS show unit and initiation of the sales marketing process early	Live	L	L	LL	20	GREEN	
	17	Access and carparking	Sales value drop		Discuss different options with planners	Live	M	M	MM	400	YELLOW	

Barclay Close	
	Total £'000
Gross development value	2,520
Retained equity	(710)
Net GDV with 3 DMS units	1,810
Pre development holding costs	-
Construction	
Base build	751
	<u>751</u>
External works - standard	90
	<u>841</u>
Prelims, overheads & fees	140
Other	-
Construction contingency	42
	<u>1,022</u>
Professional fees (incl. statutory fees)	
Professional fees	155
Scape & pre-construction fees	68
Mayors CIL	9
LBHF CIL	54
Building regulations & planning	10
	<u>296</u>
Selling costs	32
Marketing	12
Project contingency	136
Development costs	1,498
Total costs	1,498
Grant received	-
Development profit :	20.8% on cost 312
Residual land value	-
Total return	68.2% 1,022
Appraisal assumes development undertaken directly by Council & excludes interest	

Agenda Item 12

Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	Full Cabinet 13 May 2013 London Borough of Hammersmith & Fulham (LBHF) Forward Plan reference: N/A	
	Councillor Nicholas Paget-Brown, Deputy Leader and Cabinet Member for Transportation, Environment and Leisure Date of decision (i.e. not before): 29 April 2013 The Royal Borough of Kensington and Chelsea (RBKC) Forward Plan reference: KD038555	
Report title (decision subject)	CONTRACT AWARD – BI-BOROUGH PAY & DISPLAY MACHINE MAINTENANCE SERVICES	
Reporting officer	Report by; Bi-Borough Director for Transportation and Highways, Mahmood Siddiqi	
Key decision	Yes	
Access to information classification	Public report. A separate report on the exempt Cabinet agenda provides exempt information regarding this contract.	

1. EXECUTIVE SUMMARY

- 1.1. The existing maintenance service contracts for RBKC's and LBHF's Pay and Display Machines (PDMs) expire on the 31 May 2013 and 31 March 2013 respectively. RBKC and LBHF currently have independent contracts with Metric Group Limited (MGL) for the supply of PDM maintenance services. These services continue to be essential for both authorities, and there is agreement in principle to collaboratively progress procurement of required services for both Councils. The PDMs across the two Boroughs are ageing thereby making high quality and responsive maintenance vital. This report seeks approval from members to award the Bi-Borough PDM maintenance contract to the successful bidder in the procurement process, namely MGL.

2. RECOMMENDATION

- 2.1 That a Bi-Borough three year contract with the option of a 24 month extension for 2 occasions, totalling 7 years inclusive for RBKC and LBH&F, be awarded to Metric Group Limited in accordance with option 1 as set out in this report at a tendered price of £709,817 per annum with an approximate full term total value of £4.97 million.

3. REASONS FOR DECISION

- 3.1 The existing maintenance service contracts for the Councils' PDMs expire on 31 May 2013 and 31 March 2013 for RBKC and LBH&F respectively.
- 3.2 The PDMs require ongoing preventative maintenance to keep the machines in working order and reactive maintenance to address day to day machine faults and breakdowns resulting from wear and tear and vandalism. The current single borough contract costs are £384,000 per annum at RBKC and £447,000 per annum at LBHF although in addition to this there are some costs for additional services.
- 3.3 Combining the PDM Maintenance Service contracts for both RBKC and LBHF has identified potential financial savings to be made across a number of areas and within the proposed contract there is scope to reduce the level of PDMs should either Council wish to reduce their number in the event of cashless parking being introduced.

- 3.4 The availability of spare parts for PDMs also plays a major part in this process as MGL have built and supplied all of the machines that are operational in RBKC and LBH7F. Many spare parts which are essential to the efficient running of these machines can only be sourced from MGL. Should another company have been chosen to maintain the PDMs the parts would still have to be purchased from MGL.

4. BACKGROUND

- 4.1 The primary objectives of the supply of services in the contract are to ensure that machines are operational and available for use by motorists during controlled hours. The Councils have a need to ensure that the PDM equipment is properly maintained, that any damage caused unintentionally or by acts of vandalism is speedily and professionally rectified, and that parts continue to be readily available for repair to the ageing portfolio of PDMs.
- 4.2 RBKC and LBHF have approximately 762 and 1129 PDMs on street respectively. These machines vary in both model and age across both Councils.
- 4.3 RBKC and LBHF currently have independent contracts with MGL for the supply of PDM maintenance services. These services continue to be essential for both authorities, and there is agreement in principle to collaboratively progress procurement of required services for both Councils.

5. PROPOSAL AND ISSUES

- 5.1 A contract opportunity for the replacement of this service within Parking Operations for both Councils was advertised on 6 March 2012 within the Tenders Electronic Daily (TED) publication as a restricted procedure. The tender was for a three year period with provision to extend by 24 months on two occasions. The overall length could therefore be seven years in total.
- 5.2 As a result of the pre qualification process it was apparent that one company, MGL, had met our specified needs and approval was sought to proceed with the restricted route. Details of this are outlined in the Appendix to the exempt report.

6. OPTIONS AND ANALYSIS

6.1 Option 1:

Procure a joint Bi-Borough PDM Maintenance Service between RBKC and LBHF that allows flexibility in the medium and long term with regards to a future reduction of PDMs and thereby reduced maintenance costs.

Key advantages:

- Greater efficiency savings for both Councils.
- Flexibility to review level of service in light of operational requirements (includes a sliding scale of cost based on introducing cashless parking).
- Simplification of SLA's - All machines are operational during the regulatory hours and 100% of faults are rectified within a 2 hour period.
- Extension in contract hours, on a weekly basis Monday to Saturday from; 06:00 to 17:00 to 06:00 to 18:00 in LBHF (1 hours increase) and from 06:00 to 14:00 to 06:00 to 18:00 in RBKC (4 hours increase).

Key disadvantages:

- Longer periods will elapse between the servicing intervals of some machines in LBHF
- Reduction in high level supervisory cover.

6.2 Option 2:

Do nothing and let the existing contracts for RBKC and LBHF expire. This option is not recommended as it is essential for both Councils to maintain its PDM assets.

7. EQUALITY IMPLICATIONS

7.1. No Equality issues have been identified for this report.

8. LEGAL IMPLICATIONS

8.1 The Bi-Borough Director of Law confirms both authorities have the lawful power to make the recommended decision and advises that the contract was advertised for a competitive procurement in accordance with the Public Contract Regulations. Accordingly the Director of Law endorses the recommendation in this report.

9. FINANCIAL AND RESOURCES IMPLICATIONS

9.1 The Bi-Borough Director for Finance (ELRS and TTS) advises that there will be a joint annual saving of £121,000 if option 1 is accepted. This represents a saving on the current contract values of £60,000 for LBHF and £61,000 for RBKC. There is sufficient budget provision in both Boroughs' budgets for this service and the savings generated will be built into the budget planning process.

Mahmood Siddiqi
Bi-Borough Director for Transportation and Highways


Nigel Pallace
Bi-Borough Executive Director of Transport and Technical Services

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None.		

Contact: David Taylor, Head of Parking Operations

Email: David.Taylor@lbhf.gov.uk
Email: David.Taylor@rbkc.gov.uk
Tel. 020 7361 4201

 <p>h&f the low tax borough</p>	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">13 MAY 2013</p>
<p align="center">EXTENSION OF CONTRACT FOR THE PROVISION OF A VEHICLE REMOVAL SERVICE AND OPERATION OF A CAR POUND</p>	
<p>Report of the Cabinet Member for Transport & Technical Services - Councillor Victoria Brocklebank-Fowler</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Nigel Pallace, Executive Director, TTS</p>	
<p>Report Author: Osa Ezekiel, Assistant Head of Parking Services</p>	<p>Contact Details: Tel: 020 753 3264 E-mail: osa.ezekiel@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The existing contract for a vehicle removal service and the provision and operation a car pound is with Ontime Parking Solutions Ltd and expires on 31 May 2013. The contract was for a term of 5 years from 1 June 2006 with an option for the council to extend on an annual basis for a maximum of two further years on all the same terms and conditions. It was extended for 1 year to May 2012 and for a final year to May 2013.
- 1.2. Officers tried to arrange a bi-borough tender for the services, but this was not possible. RBKC are tied into their existing contract and are about to extend it for about three years. H&F therefore has tender on its own. It is proposed to tender for a three year contract which will enable H&F and RBKC to jointly tender in the future. It is not envisaged that a new contract will be in place before January 2014.

- 1.3. Permission is therefore sought to continue with the current contract with Ontime Parking Solutions Ltd on the existing terms and conditions until a new contract scheduled to start by January 2014 is in place.

2. RECOMMENDATIONS

- 2.1. That approval be given to waive the provisions of Contract Standing Orders requiring the Council to obtain three tenders and to note that negotiations have taken place with the current provider to provide continuing support until the new contract starts by January 2014.
- 2.2. That the contract for the removal of vehicles and the provision and operation of a car pound with Ontime Parking Solutions Ltd be continued on the existing terms and conditions until the commencement of the new contract which is scheduled to start by January 2014, at a notional value of £427,000¹ for seven month period commencing 1 June 2013 until 31 December 2013.

3. REASONS FOR DECISION

- 3.1. There is insufficient time to conclude the ongoing tender exercise before the current contract ends on 31 May.

4. INTRODUCTION AND BACKGROUND

- 4.1. Officers tried to arrange a bi-borough tender for the services, but this was not possible. RBKC are tied into their existing contract and are about to extend it for three years. H&F therefore has tender on its own. It is proposed to tender for a three year contract which will enable H&F and RBKC to jointly tender in the future. It is not envisaged that a new contract will be in place before January 2014.

5. PROPOSAL AND ISSUES

- 5.1. H&F need to ensure that the current contract for the provision of the services continues until a new contract is in place by January 2014.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The only alternative to continuing the existing contract is to let it lapse. This would be extremely disadvantageous to the Council as it would mean a loss of the ability to enforce parking restrictions requiring removal and relocating of vehicles until a new contract is in place.

¹ Based upon current monthly invoices.

- 6.2. Having a removal and relocation capability is vital to the Council's parking enforcement regime.

7. CONSULTATION

- 7.1 Not applicable.

8. EQUALITY IMPLICATIONS

- 8.1. Under the Equality Act 2010, the Council must consider its obligations with regard to the Public Sector Equality Duty (PSED) when discharging its functions. In this case, officers are seeking Cabinet approval to extend a contract for the removal of vehicles and the provision of a car pound under the terms of contract. As such, there are no direct equality implications for consideration, and the Council recognises that it remains the responsible body for the service. The contractor would need to take needs into account when providing the service, for example, ensuring that there is adequate access to the vehicle pound for disabled people

9. LEGAL IMPLICATIONS

- 9.1. It is noted that the current contract for vehicle removal service and the provision and operation a car pound is due to expire on 31 May 2013. There is no provision in the contract to extend. It is noted that a procurement process is currently underway for a new 3 years contract which has been delayed for the reasons set out in this report. The new contract is not expected to be in place until January 2014.
- 9.2. It is recommended that the current contract be varied to allow for an extension to cover the transitional period.
- 9.3. Implications completed by Catherine Irvine, Principal Contracts Lawyer
Telephone: 020 8753 2774.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. This report seeks approval to continue with the existing arrangements with Ontime Parking Solutions Ltd until a new contract is in place in January 2014. The estimated cost of this seven month period is £427k.
- 10.2. The terms and conditions for the extended period will not change. Therefore, there will not be any additional costs incurred and the extended period will be funded from the existing revenue budget for removals.
- 10.3. Implications verified/completed by: Amit Mehta, Accountant 020 8753 3394.

11. RISK MANAGEMENT

11.1. Not applicable.


12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1. The Council's Parking Services has sought to work with RBKC in developing a jointly commissioned a Vehicle Removal Service and Operational Car Pound. Due to existing arrangements that RBKC has with its own service provider (outlined in the report) it has not been possible to jointly procure a new service. The recommendation is to continue with existing arrangements as a stop-gap measure so that the current procurement exercise can be concluded with view to awarding a new contract starting in January 2014.
- 12.2. The Council's Contract Standing Orders and Financial Regulations require authority from Cabinet to be given vary an existing contract where the monetary implications indicate that the variation will be above the Key Decision threshold. In this instance it expected that the variation to this contractual arrangement will be in the region of £427,000.
- 12.3. The Director, for the reasons outlined in the report, agrees with the recommendations contained in this report.
- 12.4. Implications completed by Alan Parry, Procurement Consultant, Telephone: 020 8753 2581

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Contract documents (exempt)	Osa Ezekiel, 3264	TTS

	London Borough of Hammersmith & Fulham CABINET 13 MAY 2013
PARKING PROJECTS & POLICY PROGRAMME FOR 2013/14 AND 2014/15	
Report of the Cabinet Member for Transport & Technical Services : Councillor Victoria Brocklebank-Fowler	
Open Report A separate report on the exempt Cabinet agenda provides exempt information about credit and debit card bank charges.	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Nigel Pallace, Executive Director of Transport & Technical Services	
Report Author: Naveed Ahmed, Parking Projects & Policy Manager	Contact Details: Tel: 020 8753 1418 E-mail: Naveed.ahmed@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. This report outlines the key parking priorities for the Council and presents a parking projects and policy programme. The report seeks formal approval for these proposals to be agreed for implementation during the 2013/14 and 2014/15 financial years.
- 1.2. The key priorities set out in the proposals for the 2013/14 and 2014/15 financial year relate to maintaining and improving existing parking provision, improving local air quality, helping to reduce CO2 and NOx emissions, & congestion. As part of this programme there is a particular emphasis on de-

cluttering signage in order to save long term maintenance costs, and improving usability of parking facilities.

2. RECOMMENDATION

- 2.1. That approval be given to the list of parking projects and policy programme for the 2013/14 and 2014/15 financial years and the funding, as set out in Section 6 of this report.

3. REASONS FOR DECISION

- 3.1. In order to ensure that the Council's parking controls are serving the needs of stakeholders and ensure the maintenance of the smooth flow of traffic within the borough it is important to monitor, review and consult on parking schemes.

4. INTRODUCTION AND BACKGROUND

- 4.1. This report relates to Chapter 3 of the second local implementation plan for transport 2011-31 whereby the Council will:
 - Ensure the smooth flow of traffic and alleviate congestion in the borough through the introduction and enforcement of moving traffic contraventions, such as yellow box junctions.
 - Review some of the 27 Controlled Parking Zones (CPZs) in the borough depending on annual parking stress surveys, verified problems and issues reported by residents' and businesses such as the effects of the Westfield Shopping Centre and the football grounds in the borough and also developments in the borough.
 - Introduce new parking bays within CPZs where safe to do so, and upgrade single yellow lines to double yellow lines at informal crossing points to facilitate pedestrian safety. Additionally, removing/de-cluttering signage to reduce maintenance costs and ensure clarity, and review waiting and loading restrictions to ensure they are still applicable and appropriate for the needs of the area.
- 4.2. The parking projects team covers a broad area of work relating to reviewing parking policy, reviewing and consulting on existing parking provisions within the Council's 27 CPZs and implementing schemes and policy interventions (glossary of parking terminology provided in Appendix 1).
- 4.3. During the 2012-13 financial year, the parking projects team has introduced a number of initiatives based primarily on three principles:

1. Maximising parking spaces and reducing clutter – this was achieved by converting unnecessary yellow lines to parking bays, and removing excessive parking signage and sign posts in order to improve the streetscape, reduce obstructions for pedestrians, and reduce the cost of maintenance of signs and posts.
 2. Helping to ensure the continued vibrancy of local town centres – Schemes we have initiated include installing discounted 40 pence per hour pay and display only bays, close to the Wandsworth Bridge Road parade of shops.
 3. Cheaper parking for visitors within the borough using the SVP – residents have seen a reduced cost for visitors parking as a result of the borough wide implementation of the SMART Visitor Permit system, which has been delivered more than a year ahead of schedule.
- 4.4. The Council made a commitment in the 2011-12 parking projects programme to deliver the SMART Visitor Permit (SVP) borough-wide by March 2014. The Council has fulfilled this commitment, as the borough-wide delivery of the scheme was completed in January 2013. The permit is proving successful as a convenient alternative to pay and display parking for visitors with 8,527 SVPs actively being used across all 27 CPZs, with 239 of these permits registered for the 50% discount that disabled residents are provided with.
- 4.5. During the 2012-13 financial year, officers looked at CPZs F, U, R, W and Z, creating additional parking bays by removing redundant yellow lines, resulting in around 60 additional parking bays and around 100 less posts, thereby reducing street clutter and reducing ongoing maintenance costs. Double yellow lines were also introduced at informal crossing points to facilitate pedestrian safety, and waiting and loading restrictions were reviewed.
- 4.6. Council officers have also been investigating the introduction of cashless parking solutions for visitors to the borough, which would eliminate the need for people to carry coins for parking. The original proposal was to conduct a cost benefit analysis of changing the ticket machines across the borough. The two main factors for this review were that the current ticket machines are no longer being produced. The second factor is the changing usage habits of consumers, driven by the evolving technology. Many people no longer carry cash and would rather pay for items via credit/debit cards.
- 4.7. The Council has seen an increasing number of requests from residents, businesses and visitors for the introduction of a cashless parking payment facility on-street.

- 4.8. A full detailed summary of the proposal can be found in section 5 of this report. The initial proposal is to run a trial in Zone K of a cashless ticket machine. This would require 28 machines to be installed with a scheduled date for Summer 2013.
- 4.9. Two key priority areas have been identified for the Parking Project Programme for 2013/14 and 2014/15, as below:

Priority 1 ***Investigating, trialling and reporting on the progress of card-only ticket machine trial in order to assess feasibility of introducing cashless parking borough-wide.***

Priority 2 ***Consulting on, investigating and delivering schemes that provide parking priority to residents and their visitors.***

5. PROPOSALS AND ISSUES

PRIORITY 1 – CARD-ONLY TICKET MACHINE TRIAL IN ZONE K

- 5.1. The borough currently has some 1100 ticket machines in operation across 27 Zones. Most of these machines have been in operation since 1992. The present contracted supplier Metric, are no longer producing these units or spare parts for them. This has meant the operating costs of the machines are rising as they become harder to repair and find parts for. The Council's on-street ticket machines are no longer in production and the replacement parts used to maintain the machines are second-hand.
- 5.2. Technology is also changing; there is a growing trend amongst consumers to use cards and internet transactions as payment methods rather than traditional cash payments.
- 5.3. The present ticket machines are cash only resulting in a growing demand from residents and visitors alike for a cashless system. One of the primary complaints of the current machines is that they require motorists to carry large amounts of loose change.
- 5.4. In 2011-12 there were 23 instances of ticket machines being broken into and/or cash stolen, costing £15,521 to repair the damage. It is difficult to calculate the figure for how much cash is stolen from ticket machines but it is estimated that it was in the region of £6,000 for the 2011/12 period. Therefore, the cost of repairing the damage to the ticket machine costs the Council more than the amount of money stolen from the ticket machine (details provided in Appendix 2).

5.5. The benefits of trialling a card-only ticket machine along with any risks are indicated below:

Pros:

- This would mean motorists do not need to carry change, or try to find change
- Reduction in cash collection costs due to card payments
- Reduction in theft of cash/damage loss to ticket machines
- Card-only machines can generally be retrofitted with QWERTY keyboards or other additions to move with technological development, thereby removing cash completely in the future, and also preventing costly changes to keep up with technological advances
- Motorists will not be required to carry change for ticket machines
- Accent and Autoslot ticket machines are no longer being manufactured, and the current machines are maintained using second-hand parts so maintaining the status quo may not be an option for longer than 4-6 years.

Risks:

- Eliminates the possibility of people being able to pay by cash. A very small minority may not have credit or debit cards; however, during the trial in Zone K those visitors without cards could park in adjacent Zones or in the King's Mall Car Park.
- Payments are made on-line at the point of sale with Chip & Pin, and as such authorisation is deemed to have been made following entry of the motorists' PIN number. Motorists cannot subsequently cancel the payment following this authorisation without approaching their bank. The bank would carry out the standard procedure of contacting the payee (the Council) to initialise an investigation. In these cases the Council would be made aware of the request to cancel the payment and to take appropriate action. This risk associated with non-payment in this manner is extremely minimal.

Security requirement and payment processing

- 5.6. The Chip & Pin card system in the ticket machines and process would be Payment Card Industry (PCI) compliant, PCI Payment Application-Data Security Standards (PA-DSS) approved, and fulfil PCI PIN Entry Device security requirements in order to ensure that there are fraud prevention measures in place.
- 5.7. The collection and processing of coins from the borough's ticket machines is a costly and laborious exercise. Introducing Chip & Pin ticket machines in the borough will reduce the cost of collecting and processing coins, as well as remove the risk of theft of cash and damage to ticket machines. It is estimated

that the cost of processing card transactions will be off-set by the reduction in cash collection costs and damage to and theft from coin only ticket machines.

- 5.8. It is recommended that the Council undertakes a trial of 28 new Chip & Pin (also known as 'EMV2') card-only parking ticket machines in CPZ K (as indicated in the plan in Appendix 4) and the usage is monitored. Zone K is a suitable zone to trial in as the majority of the zone is residential with some commercial areas.

Bank Card Charges

- 5.9. The majority of debit and credits will be accepted with the Chip & Pin parking ticket machines. Credit card charges are largely percentage-based (indicated in Appendix 3 in the exempt report) and the use of corporate cards incurs a much higher cost. The Council does not currently accept American Express, Diners Club or JCB as they are excessively expensive to process. As a result the Chip & Pin ticket machines will not be accepting these three cards and will be clearly stating so on the information indicated on the machines.

Trialling and sourcing the Chip & Pin Machines

- 5.10. Following an initial period of 12-24 months the outcome of the trial will be reported to Members for a formal decision as to whether the implementation of card-only ticket machines should be extended to other CPZs, or not. It is expected to take three to four years to replace all existing coin ticket machines with card only machines.
- 5.11. The current planned timeline is to have the machines installed by Summer/Autumn 2013.
- 5.12. The Council does not have an existing contract for the supply of parking ticket machines; there are therefore two options available:
- i. waive contract standing orders and negotiate a contract for the supply of the machines from Metric;
 - ii. access an existing Framework contract (Pro 5 Pay & Display Solutions and Parking Management Information Systems Framework Contract), set up by a central purchasing authority, which the Council is allowed to access. This is an appropriate Framework which the Council could access in order to reduce the cost and time required to procure these machines.
- 5.13. It is more cost and time efficient to acquire the new machines via the framework because purchasing the ticket machines from our current supplier Metric Group Limited (MGL), would mean that we would not need to have a

separate maintenance and monitoring process and (support) contract in addition to the supply contract, which would be the case if we used an additional supplier for the machines. This would cause duplication of support contracts that would need to run in parallel to one another to support the machines supplied by different contractors. This would be time consuming and more costly than using our current supplier.

- 5.14. The ticket machine provider will provide an SLA agreement in relation to any hardware failures on site (vandalism, water damage, etc).
- 5.15. The cost of maintenance of the new Chip & Pin machines will follow the same rates as our existing contract with MGL.
- 5.16. Following the trial any plan to introduce cashless parking borough-wide would clearly need to go through a full procurement process.

Costs associated with the trial

- 5.17. It is estimated that the cost of 28 card-only tickets machines, ducting, civil works, GPRS & electrical connections (£3,200 each) would amount to around £89,600. However, the exact cost would be determined by seeking quotes from MGL via the Framework Contract, and approved under delegated authority by the Executive Director.
- 5.18. Each of the existing 28 ticket machines in Zone is linked to BT to transmit information. These lines will be decommissioned and a GPRS SIM card will be commissioned to transmit encrypted data for processing and also to relay reporting information.
- 5.19. Additionally, officer fees for project management will amount to £15,000.

PRIORITY 2 - CONSULTING ON, INVESTIGATING AND DELIVERING SCHEMES THAT PROVIDE PARKING PRIORITY TO RESIDENTS AND THEIR VISITORS.

ZONE REVIEWS

- 5.20. The Council is committed to periodically reviewing CPZs to ensure the parking controls serve the needs of residents, businesses and others in each of the Borough's 27 CPZs (map supplied in Appendix 5).
- 5.21. The Council prioritises those CPZs for reviewing according to the level of parking demand (including commuter parking) at different times of the day. The number of verified complaints we receive about parking problems, and how close the zone is to the borough's three major football stadia and other

venues which may contribute to high stress e.g. new residential developments, is also part of the consideration process.

- 5.22. A programme of mini-reviews is also scheduled over the next 2 years, with Zone S in 2013-14 and Zones N, O and AA in 2014-15. A mini-review is simply a review of the yellow lines, de-cluttering of signs, and extending parking bays where possible in a zone. Double yellow lines are introduced in front of all pedestrian dropped kerbs and parking bays are extended where it is safe and practical to do so (a glossary is attached to the end of this report which details further the difference between a full zone review and a mini-review).

Novello Street – sub-Zone “QQ”

- 5.23. Novello Street is a narrow residential cul-de-sac situated opposite Parsons Green tube station, attracting commuter parking from other parts of Zone Q (indicated in Appendix 5). The parking stress figures for 2011/12 indicate that on average 78% of all parking spaces on Novello Street are occupied overnight. Day time parking stress surveys have not been carried out on Novello Street, however, it is accepted based on officer observations that during the day parking stress is much higher, which makes it difficult for residents of Novello Street along with their visitors to find parking.
- 5.24. As a special case it is proposed that residents will require special measures in Novello Street in order to alleviate their current parking issues. Essentially, this will require the creation of a sub-Zone of CPZ Q (namely Zone QQ), which would be composed of one street. Permit holders of Zone QQ will require special permits, and amendments to permit system will be required. The signage for the sub-zone will allow only permit holders of Zone QQ to park in Novello Street and any their visitors who display a valid and activated Smart Visitor Permit. In addition, permit holders of Zone QQ will be entitled to park in Zone Q. It is anticipated that this scheme will be implemented in the summer 2013 under an experimental traffic order. The scheme will be monitored, and if successful it will be made permanent within 18 months.

Review of Zone J

- 5.25. Residents' Associations in Zone J (indicated in Appendix 5) have stated that they have been adversely affected by the number of visitors to both the Westfield Shopping centre and the Loftus Road stadium.
- 5.26. Residents were consulted in June 2009 and September 2010 on parking controls and match-day parking controls, with there being no consensus of opinion in favour of amending the present parking controls.

- 5.27. In January 2013, the Council held a meeting with some residents of Zone J in order to address continued concerns that have been raised since the 2010 parking consultation. The Council is committed to carrying out a further parking consultation in summer 2013, incorporating proposals that have been suggested by residents at the meeting. These proposals relate to:
- Changes to the existing days and hours of parking controls
 - Changes to introduce additional parking priority for residents and their visitors on football match days, as well as non-match days
 - Match day only parking restrictions
- 5.28. This consultation is expected to be sent to stakeholders in May 2013, and run for a period of 21 days. The results will then be analysed and presented to Members for consideration. Based on this decision the existing parking controls may be amended as a separate project in Autumn/Winter 2013 (depending on the size of the project that is generated from the results of the consultation).

Review of Zone K

- 5.29. CPZ K is situated in Hammersmith, between Goldhawk Road to the north and King Street to the south. The controls in Zone K operate Monday – Friday, 9am to 5pm, with an 8 hour maximum stay period for pay & display motorists. These parking controls have operated in Zone K since its inception in October 1993, and there has not been a full parking review since.
- 5.30. There have been an increasing number of requests from residents of Zone K seeking a full review of the parking controls as a result of the commercial and residential developments in the area, and Goldhawk Road and Hammersmith tube stations situated nearby.
- 5.31. Zone K is also next on the cyclical list of those zones due for a parking review therefore officers are seeking approval for a full review of the parking controls by consulting the residents and businesses of this zone during 2013-14.

Future CPZ reviews

- 5.32. The high level of new commercial and residential developments in the borough has meant that Section 106 funding is available for controlled parking zone reviews. Zones K, T, S and Z have been identified for parking reviews from 2015 onwards, following the substantial completion of developments in order to address any specific parking issues resulting from the developments. The Zones along with the associated developments are detailed below:

1. CPZ T – Queens Wharf
2. CPZs S & Z – Fulham Wharf, Chelsea Creek and Lott's Road
3. CPZ U, Q and Z – Fulham Riverside

6. COST AND PROGRAMME FOR 2013/14 & 2014/15

- 6.1 This report is intended to seek approval for the programme of works listed in tables one and two in the following pages for 2013/14 and 2014/15, which summarise the projects and anticipated costs associated with the delivery of this two year programme. These works are subject to change if Council priorities change.
- 6.2 Table two provides a partial programme of works for 2014/15. Authorisation for additional projects for the 2014/15 parking projects programme will be sought at a later date when the results from the card-only ticket machine trial have been analysed and recommendations are provided.

Table 1. Proposed programme of works for the Parking Projects & Policy Team for 2013/14

Project	Expenditure (£)	Description
General CPZ correspondence	£100,000	The Parking Project Team receives high levels of correspondence throughout the year. Many of the requests are investigated with site inspections and assessments by officers, and an increased number of Freedom of Information requests that need to be investigated and responded to.
Zone S	£15,000	Mini-review - Introducing extend parking bays where feasible, de-cluttering of signs, upgrading single yellow lines to double yellow lines and ensuring waiting and loading is accurate and acceptable.
Investigation and implementation of the Novello Street resident-priority scheme	£25,000	Novello Street is a uniquely narrow cul-de-sac located close to Parson's Green tube station and therefore suffers from high parking stress due to commuter parking. The Resident Association has requested that the street be made a sub-zone of CPZ Q in order to provide parking for residents of Novello Street and their visitors. This requires changes to the existing permit system, the introduction of a new sub-zone 'CPZ QQ', and other IT and on-street signage amendments along with changes to the traffic management order. The scheme will be implemented under an experimental traffic order.

Card-only ticket machine trial in CPZ K	£104,600	28 new card-only ticket machines will be introduced into Zone K. These will replace the current machines. Their performance will then be monitored throughout the following 12 – 24 months.
Ticket Machine Review (North of the Borough)	£10,000	This is a borough wide programme looking at the current arrangement and spacing of ticket machines. This is a full scale analysis in the event of replacement of all ticket machines borough-wide over the next 5-7 years it is essential to identify redundant machines.
Quarterly amendments to traffic orders	£80,000	To save on advertising costs for individual waiting and loading amendments, the changes to yellow lines and kerb blips are grouped into 4 larger amendments every year. Yellow line amendments from all groups in the environment department are included in the quarterlies in order to save overall departmental cost. The cost includes fees, works orders and advertising.
Annual daytime and overnight parking stress surveys	£50,000	The annual daytime and overnight parking stress surveys are required to maintain an accurate picture of the level of demand for parking in the borough. This data is used for a variety of purposes across the authority, particularly in planning and transport policy.
Stop and shop bays Coomer Place Car Park & Blythe Road	£40,000	40 pence per hour bays to encourage a high turnover of visitors at a discounted price in order to assist local businesses and help to stimulate the local economy and independent businesses.
Yellow box junction enforceability work (Phase 2)	£23,000	Camera signs and yellow box junction line adjustments are required as well as working with the DfT for authorisations for continued yellow box junction enforcement. This does not generally fall under the remit of Parking Projects Team but is high priority for the Council.
Borough wide bus lane enforceability audit and amendments	£26,000	Adjustments are required to ensure the continued enforceability of bus lanes borough wide to ensure the smooth flow of traffic along busy corridors. This does not generally fall under the remit of Parking Projects Team but is high priority for the Council.

Development and introduction of an auto top-up facility for the Smart Visitor Permit	£10,000	This programme will allow residents to more effectively manage their SVPs. This will involve creating software attached to the existing council website my account that will allow residents to determine at what point they top up their SVPs. It will also need to be promoted to residents and be marketed.
Controlled Parking Zone K review survey work	£30,000	Residents of Zone K have sought the review of this CPZ because it has not been reviewed since its inception in October 1993. Due to nature of the area changing the Council could carry out a parking consultation.
Total	£513,600	
Section 106 and external funded works		
Controlled Parking Zone J consultation and survey work	£40,000	Consulting residents and businesses on possible amendments to present parking controls as a result of Westfield and QPR match days.
Total	£40,000	

- 6.3 It is worth noting that the programme indicated in Table 1, could result in a larger workload than what is detailed if stakeholders in Zones J and K opt for changes to the existing parking controls in their respective parking consultations. If changes to the parking controls are required then this would generate additional projects. Officers will provide a detailed summary of the results to these consultations and provide recommendations based on the results.

Table 2. Proposed programme of works for the Parking Projects & Policy Team for 2014/15

Project	Expenditure (£)	Description
General CPZ correspondence	£100,000	The Parking Project Team receives high levels of correspondence throughout the year. Many of the requests are investigated with site inspections and assessments by officers, and an increased number of Freedom of Information requests that need to be investigated and responded to.

Zone N	£15,000	Mini-review - Introducing extend parking bays where feasible, de-cluttering of signs, upgrading single yellow lines to double yellow lines and ensuring waiting and loading is accurate and acceptable
Zone O	£18,000	Mini-review - Introducing extend parking bays where feasible, de-cluttering of signs, upgrading single yellow lines to double yellow lines and ensuring waiting and loading is accurate and acceptable
Zone AA	£8,000	Mini-review - Introducing extend parking bays where feasible, de-cluttering of signs, upgrading single yellow lines to double yellow lines and ensuring waiting and loading is accurate and acceptable
Card-only ticket machine trial monitoring, analysis and recommendations	£15,000	Zone K will be receiving 28 new ticket machines that will be payment by card only. These will be installed in the zone, replacing the current machines. Their performance will then be monitored throughout the following 12 – 24 months.
Ticket Machine Review (South of the Borough)	£10,000	This is a borough wide programme looking at the current arrangement and spacing of ticket machines. This is a full scale analysis in the event of replacement of all ticket machines borough wide over the next 5-7 years it is essential to identify redundant machines.
Quarterly amendments to traffic orders	£80,000	To save on advertising costs for individual waiting and loading amendments, the changes to yellow lines and kerb blips are grouped into 4 larger amendments every year. Yellow line amendments from all groups in the environment department are included in the quarterlies in order to save overall departmental cost. The cost includes fees, works orders and advertising.
Annual daytime and overnight parking stress surveys	£50,000	The annual daytime and overnight parking stress surveys are required to maintain an accurate picture of the level of demand for parking in the borough. This data is used for a variety of purposes across the authority, particularly in planning and transport policy.
Total	£296,000	

7. CONSULTATION

- 7.1. As part of any parking review the Council carries out consultation by means of a questionnaire that is sent to residents, businesses and other stakeholders by post and it is also made available online. Respondents are encouraged to respond within 21 days, as this is generally the duration of a parking consultation. Consultations are held outside school holiday periods in order to ensure that stakeholders are available to respond and make their views known.
- 7.2. The statutory traffic management order notices form part of the formal consultation process for the alteration to parking, waiting and loading restrictions on the public highway.
- 7.3. Our consultations are open and accessible online and by post. If requested, the consultations can be made available in different languages and Braille.
- 7.4. Further details of how parking consultations are carried out have been provided in Appendix 1.

8. EQUALITY IMPLICATIONS

- 8.1. As stated in section 7 of this report, proposals under the programme will undergo consultation. Should adverse impacts be identified, officers will consider mitigating actions and if these are not possible the overall benefits of any proposal must be considered before Members make a final decision, including the need to give due regard to the needs identified in the public sector equality duty in S149 of the Equality Act 2010.
- 8.2. The approval of the parking projects programme for 2013/14 and 2014/15 is considered to have positive impacts on disabled people, older people with mobility impairments, pregnant women and parents with small children. Any proposals that impact places of worship will be considered as and when proposals are developed and faith groups will be consulted as part of that process. At this stage, any such impacts are not yet known.
- 8.3. A completed Equality Impact Assessment, available electronically with this report, summarises the impacts given in para. 8.2 of this report.

9. LEGAL IMPLICATIONS

- 9.1. Any proposed changes to the Controlled Parking Zones or other Traffic Regulation Orders will require the Council to comply with and follow the statutory procedure set out in the Road Traffic Regulation Act 1984 and secondary legislation. Any proposals to amend TROs by way of the

prohibition of loading or unloading of vehicles may lead to an inquiry if objections are made. Where further consultation is to be carried out, this must follow public law principles in that it must be carried out at a formative stage of the decision making process, last for a reasonable period, provide sufficient information for consultees to make an informed representation and all representations must be taken into account before any decision is made. The proposal to introduce a card-only payment mechanism is not regulated by highways legislation. It is considered possible pursuant to the Local Government Act 1972 and s.1 of the Localism Act 2011 but Members should be aware of the equality impacts arising from it in light of its public sector equality duty before making a decision.

- 9.2. It is noted that it is recommended to carry out a trial of card-only parking ticket machines. For the reasons set out in 5.16 in the report, the Council can only purchase the ticket machines from the Council's current supplier, Metric. The Council can either procure the machines by (i) waiver contract standing orders and negotiating the supply of the machines directly with Metric, or (ii) accessing a third party framework (which the Council is permitted to access) which enables the Council to call off the required machines.
- 9.3. Implications verified/completed by: Catherine Irvine, Principal Contracts Lawyer. ext: 020 8753 2774, and Alex Russell, Environmental Services Lawyer. ext: 020 8753 2771.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. Parking Projects have funding of £450,000 per year on the capital programme and are expected to under spend and carry forward £94,000 from 2012-13 to 2013-14. The projects listed are therefore fully funded and there are no financial implications.

The funding is limited to the amounts detailed above. If extra work is required (paragraph 6.3) then the mix of projects would need to be reviewed to ensure that the overall programme remains within budget.

- 10.2. Implications completed by: Giles Batchelor, Finance manager, ext 2407.

11. RISK MANAGEMENT

- 11.1. The project is to be managed within the T&TS programme and risks identified and communicated to the Parking Board, Senior Management and Cabinet Member. Moving towards electronic payments will require suitable controls being applied and designed to ensure that adequate counter fraud, continuity and customer service provisions are made in advance of the pilot. These will form part of the overall management of risk within the project.

- 11.2. Risk Management Implications verified by Michael Sloniowski Principal Consultant Risk Management ext 2587

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1. The Eastern Shires Procurement Organisation (ESPO) in 2011 advertised and awarded national framework agreement. ESPO is a Central Purchasing Body that lets frameworks on behalf of the public sector primarily in the Midlands and sometimes wider within the UK.
- 12.2. In this instance ESPO have set up a framework for the supply of parking machines for a period of 2 years commencing March 2011. The Contract Notice also contained an option for a further 2 year extension period (framework agreements have a maximum life of 4 years). The scope of the framework, whilst not actually naming the Council (or even the London boroughs as a region) states that the framework agreement may also be open for use by other public bodies throughout all administrative regions of the UK: The Council needs to take a view whether the description is sufficient for it to call off from that framework.
- 12.3. In the absence of being able to call-off from the framework agreement the Council will be required to carry out its own tendering in order to comply with the Public Contracts Regulations and its Contract Standing Orders.
- 12.4. Implications verified/completed by: (Alan Parry, Procurement Consultant – ext: 2581)

LOCAL GOVERNMENT ACT 2000 LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Parking Projects & Policy Programme 2013/14 and 2014/15	Naveed Ahmed x1418	Transport & Technical Services / 5 th floor, Hammersmith Town Hall Ext, King St, London, W6 9JU

LIST OF APPENDICES:

Appendix 1 – Glossary of parking terminology

Appendix 2 – Number of thefts and/or damaged ticket machines in 2011/12 according to Zones

Appendix 3 – Exempt

Appendix 4 – Map of CPZ K indicating existing ticket machine locations.

Appendix 5 – Borough CPZ map indicating controls, P & D tariffs etc

Appendix 6 – Equality Impact Assessment (available electronically with this report)

APPENDIX 1 – Glossary of parking terminology

Parking Review (Review of controlled parking zone)

This is a full review of all parking restrictions in a controlled parking zone. This is carried out via a consultation with all residents and businesses within the controlled zone. Aspects such as the length and days of operation of the parking bays are reviewed and other options such as a maximum stay for pay and display parking are offered. Changes are made based on a majority support via the consultation. Yellow lines are installed in front of all dropped kerbs in order to facilitate pedestrian movement, and parking bays are extended where possible as part of the review in order to maximise parking in the borough and reduce parking stress. All signage in the area is updated where required.

Permit Saturation Levels

Permit saturation levels are calculated by dividing the number of permits issued in a zone with the number of parking spaces in that zone. For the purposes of this exercise, parking spaces are taken as 5 metres. For example, the permit saturation of Zone T is 84%, which means there are more spaces than there are permit holders.

Consultation –

- **Full Consultation**

A full consultation is carried out for all parking reviews. All residents and businesses of a controlled zone are sent a consultation document with a reply paid questionnaire which gives them the opportunity to either maintain or alter the current parking controls. Consultations usually run for a period of 3 weeks. The statutory consultation period is also observed through the advertisement of the legal traffic order.

- **Local Consultation**

A local consultation is carried out for smaller projects such as the installation of a loading bay, the introduction of short stay shopper bays, the alteration of a significant section of single or double yellow line, etc. This is usually in the form of a letter requesting comments or objections. The statutory consultation period is also observed through the advertisement of the legal traffic order.

- **Statutory Consultation**

For all minor amendments such as the installation of a double yellow line in front of a private crossover or other small changes to waiting and loading restrictions the statutory consultation process is observed. All changes to waiting, loading or parking restrictions must be accompanied by an amendment to the legal traffic order. The amendments are advertised in two local papers for 4 weeks whereby objections to the changes can be made in writing to the Highways Department.

Legal Traffic Order (TRO)

All on street restrictions are covered by a legal traffic order. This includes waiting restrictions (single and double yellow lines), loading restrictions, parking restrictions (including loading bays, disabled bays, doctor bays, and motorcycle bays), bus lanes, 20mph zones and so on. The legal traffic order states the extent of the restrictions, their operating times, etc and is a vital part of parking and traffic enforcement. Without a legal traffic order detailing the restriction, it cannot be enforced. Therefore any change on street must be accompanied by a change to the legal order.

Traffic Order Consolidation

For traffic orders such as the waiting and loading order, or a parking place order for a specific zone, minor amendments are made on a regular basis. In order to combine all the amendments back in to one document again, the order can be consolidated. To ensure traffic orders are easy to manage and refer to, consolidations should be carried out on a regular basis.

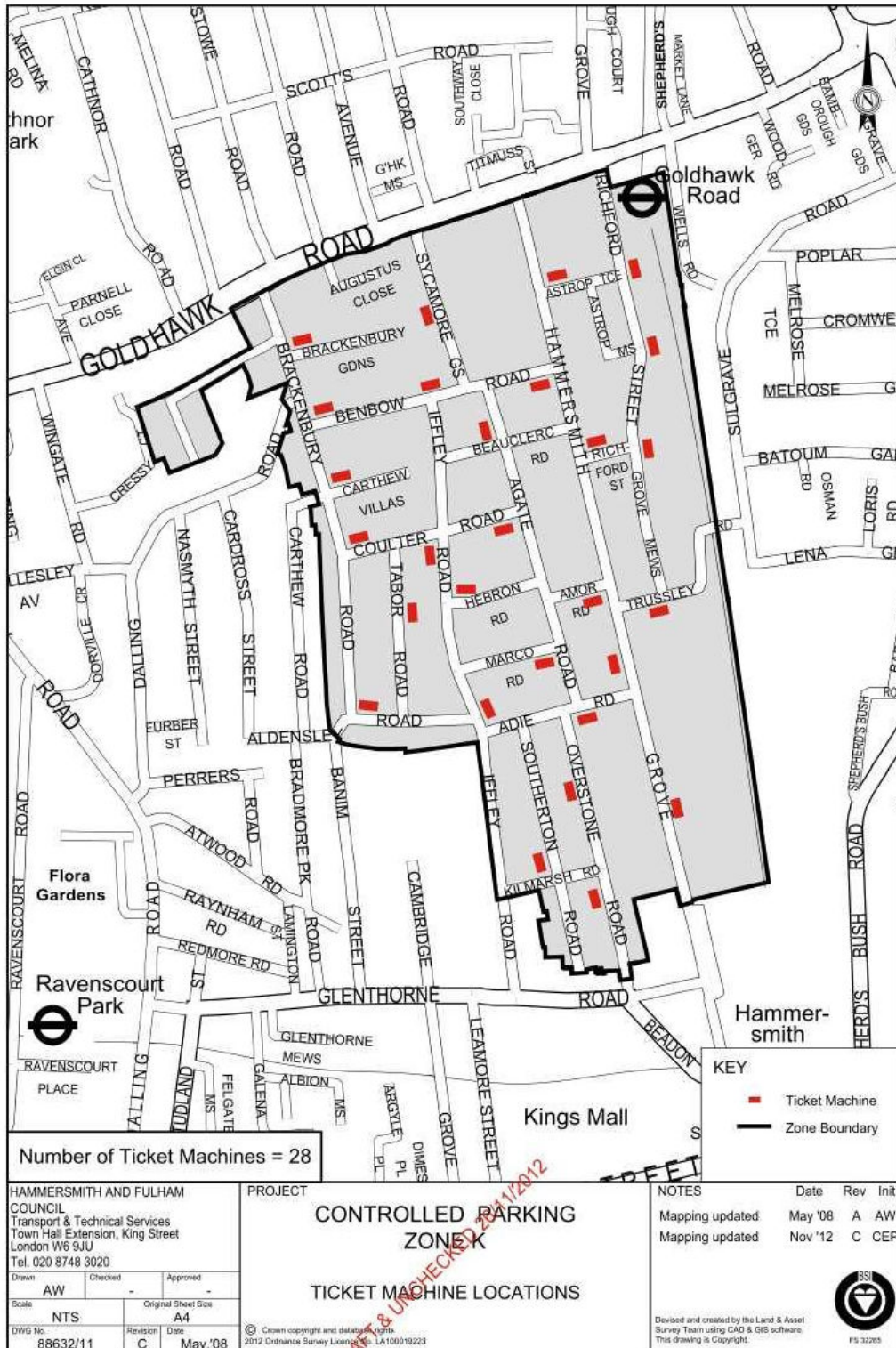
SMART Visitor Permit

An electronic visitor permit that is currently available in all controlled parking zones. The permit acts as a cashless alternative to the on-street pay and display machines. Residents can top up the permit with credit then activate it and deactivate it over the phone when their visitor arrives and leaves. It charges by the minute (P+D machines charge by the half hour) and offers a small reduction on the on-street tariff.

APPENDIX 2:
Number of thefts and/or damaged ticket machines in 2011/12 according to Zones

ZONES	Number of thefts/damaged ticket machines in 2011/12
Y	6
N	3
O	3
A	2
H	2
C	1
F	1
J	1
K	1
S	1
U	1
W	1
12 Zones	23

Appendix 4 - Map of CPZ K indicating existing ticket machine locations.



APPENDIX 5 – Borough CPZ map indicating controls, P & D tariffs etc



NOTICE OF CONSIDERATION OF A KEY DECISION

In accordance with paragraph 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Cabinet hereby gives notice of Key Decisions which it intends to consider at its next meeting and at future meetings. The list may change between the date of publication of this list and the date of future Cabinet meetings.

NOTICE OF THE INTENTION TO CONDUCT BUSINESS IN PRIVATE

The Cabinet also hereby gives notice in accordance with paragraph 5 of the above Regulations that it intends to meet in private after its public meeting to consider Key Decisions which may contain confidential or exempt information. The private meeting of the Cabinet is open only to Members of the Cabinet, other Councillors and Council officers.

Reports relating to key decisions which the Cabinet will take at its private meeting are indicated in the list of Key Decisions below, with the reasons for the decision being made in private. Any person is able to make representations to the Cabinet if he/she believes the decision should instead be made in the public Cabinet meeting. If you want to make such representations, please e-mail Katia Richardson on katia.richardson@lbhf.gov.uk. You will then be sent a response in reply to your representations. Both your representations and the Executive's response will be published on the Council's website at least 5 working days before the Cabinet meeting.

KEY DECISIONS PROPOSED TO BE MADE BY CABINET ON 13 MAY 2013 AND AT FUTURE CABINET MEETINGS UNTIL JANUARY 2014

The following is a list of Key Decisions which the Authority proposes to take at the above Cabinet meeting and future meetings. The list may change over the next few weeks. A further notice will be published no less than 5 working days before the date of the Cabinet meeting showing the final list of Key Decisions to be considered at that meeting.

KEY DECISIONS are those which are likely to result in one or more of the following:

- Any expenditure or savings which are significant (ie. in excess of £100,000) in relation to the Council's budget for the service function to which the decision relates;
- Anything affecting communities living or working in an area comprising two or more wards in the borough;
- Anything significantly affecting communities within one ward (where practicable);
- Anything affecting the budget and policy framework set by the Council.

The Key Decisions List will be updated and published on the Council's website on a monthly basis.

NB: Key Decisions will generally be taken by the Executive at the Cabinet.

*If you have any queries on this Key Decisions List, please contact
Katia Richardson on 020 8753 2368 or by e-mail to katia.richardson@lbhf.gov.uk*

Access to Cabinet reports and other relevant documents

Reports and documents relevant to matters to be considered at the Cabinet's public meeting will be available on the Council's website (www.lbhf.org.uk) a minimum of 5 working days before the meeting. Further information, and other relevant documents as they become available, can be obtained from the contact officer shown in column 4 of the list below.

Decisions

All decisions taken by Cabinet may be implemented 5 working days after the relevant Cabinet meeting, unless called in by Councillors.

Making your Views Heard

You can comment on any of the items in this list by contacting the officer shown in column 4. You can also submit a deputation to the Cabinet. Full details of how to do this (and the date by which a deputation must be submitted) will be shown in the Cabinet agenda.

LONDON BOROUGH OF HAMMERSMITH & FULHAM: CABINET 2012/13

Leader (+ Regeneration, Asset Management and IT):	Councillor Nicholas Botterill
Deputy Leader (+ Residents Services):	Councillor Greg Smith
Cabinet Member for Children's Services:	Councillor Helen Binmore
Cabinet member for Communications:	Councillor Mark Loveday
Cabinet Member for Community Care:	Councillor Marcus Ginn
Cabinet Member for Housing:	Councillor Andrew Johnson
Cabinet Member for Transport and Technical Services:	Councillor Victoria Brocklebank-Fowler

Key Decisions List No. 8 (published 12 April 2013)

KEY DECISIONS LIST - CABINET ON 13 MAY 2013

The list also includes decisions proposed to be made by future Cabinet meetings

Where column 3 shows a report as EXEMPT, the report for this proposed decision will be considered at the private Cabinet meeting. Anybody may make representations to the Cabinet to the effect that the report should be considered at the open Cabinet meeting (see above).

* All these decisions may be called in by Councillors; If a decision is called in, it will not be capable of implementation until a final decision is made.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet <i>(other relevant documents may be submitted)</i>
May				
Cabinet	13 May 2013	<p>Letting of a Service Concession Contract to Allow Network Equipment to be Fitted to Lampposts, Street Furniture and Other Council-Owned Assets</p> <p>Letting of a concession to allow mobile data devices to be fitted to lamp posts.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects more than 1 ward		Ward(s): All Wards	
		Contact officer: Sharon Bayliss Tel: 020 8753 1636 sharon.bayliss@lbhf.gov.uk		
Cabinet	13 May 2013	<p>Contract award - Bi-borough pay & display machine maintenance services</p> <p>This is a bi-borough contract with RBKC for the maintenance of pay and display machines</p> <p>PART OPEN</p> <p>PART PRIVATE</p>	Cabinet Member for Transport and Technical Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
		Contact officer: Osa Ezekiel Osa.Ezekiel@lbhf.gov.uk		

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		papers to be considered.
Cabinet	13 May 2013 Reason: Affects more than 1 ward	Housing Revenue Account car parking and garage strategy Strategic review of the car parking and garage service on council owned housing estates.	Cabinet Member for Housing Ward(s): All Wards Contact officer: Jo Rowlands Tel: 020 8753 1313 Jo.Rowlands@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	13 May 2013 Reason: Expenditure more than £100,000	Tri-Borough Total Facilities Management Award of Contract To award the TFM contract to the successful supplier and to approve the set-up of the Intelligent Client Function to manage the contract on behalf of the tri-borough Authorities. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Nigel Pallace nigel.pallace@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet <i>(other relevant documents may be submitted)</i>
		outweighs the public interest in disclosing the information.		
Cabinet	13 May 2013	Housing Estate Investment Plan Update	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000	To update Cabinet on the Housing Estate Investment Plan.	Ward(s): All Wards	
			Contact officer: Jo Rowlands, Stephen Kirrage Tel: 020 8753 1313, Tel: 020 8753 6374 Jo.Rowlands@lbhf.gov.uk, stephen.kirrage@lbhf.gov.uk	
Cabinet	13 May 2013	Housing Development Programme - New Build Innovative Housing	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000	Progress update on development of proposals for the plot site and approval for full scheme/programme.	Ward(s): All Wards	
			Contact officer: Mel Barrett Melbourne.Barrett@lbhf.gov.uk	
Cabinet	13 May 2013	Extension of contract for the provision of a vehicle removal service and operation of a car pound	Cabinet Member for Transport and Technical Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000	Permission to continue to contract until a new contract is ready.	Ward(s): All Wards	
			Contact officer: Osa Ezekiel Osa.Ezekiel@lbhf.gov.uk	
Cabinet	13 May 2013	Parking Projects & Policy Programme for 2013/14 and 2014/15	Cabinet Member for Transport and Technical Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details
	Reason: Expenditure more than	1.1. This report outlines the key parking priorities for the Council and presents a parking projects	Ward(s): All Wards	

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
	£100,000	<p>and policy programme. The report seeks formal approval for these proposals to be agreed for implementation during the 2013/14 and 2014/15 financial years.</p> <p>1.2. The key priorities set out in the proposals for the 2013/14 and 2014/15 financial year relate to maintaining and improving existing parking provision, improving local air quality, helping to reduce CO2 and NOx emissions, & congestion. As part of this programme there is a particular emphasis on de-cluttering signage in order to save long term maintenance costs, and improving usability of parking facilities.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	Contact officer: Naveed Ahmed Tel: 020 8753 1418 Naveed.Ahmed@lbhf.gov.uk	of any supporting documentation and / or background papers to be considered.
Cabinet	13 May 2013 Reason: Expenditure more than £100,000	<p>Telephony - Openscape: resilience and upgrade</p> <p>Improvements to telephony to bring into business continuity and improve functionality</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <p>Ward(s): All Wards</p> <p>Contact officer: Howell Huws Tel: 020 8753 5025 Howell.Huws@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	13 May 2013 Reason: Expenditure more than £100,000	<p>Delegated authority to extend Supporting People contracts</p> <p>Seeking approval to delegate the authority to extend supported housing contracts to the Cabinet Member for Community Care.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Housing</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Julia Copeland Tel: 0208 753 1203 julia.copeland@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	13 May 2013 Reason: Expenditure more than £100,000	<p>Linford Christie Stadium</p> <p>Remedial works to the roof covering and rainwater goods. Internal refurbishment and upgrade to the male changing room and kitchen upgrade (including asbestos removal) to the London Nigerians' clubhouse.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <hr/> <p>Ward(s): College Park and Old Oak</p> <hr/> <p>Contact officer: Pat Nolan, Sally Williams Tel: 020 8753 4516, Tel: 020 8753 4865 sally.williams@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
		particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	13 May 2013	Appointment of contractor to deliver street outreach services Recommendation of contractor following tendering process PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Cabinet	13 May 2013	Highway works, Former NCP car park site, Hammersmith Grove To seek approval to commence section 106 funded highway works	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): Hammersmith Broadway	
Cabinet	13 May 2013	Short-Term Bridging Loan To Support Employee-Led Mutual To establish a credit facility of up to £500,000 to be made available to the newly-	Cabinet Member for Children's Services	A detailed report for this item will be available at least five working days before the date of the meeting and
	Reason: Expenditure more than		Ward(s): All Wards	

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	£100,000	<p>established Employee-Led Mutual (3BM) as part of the Cabinet Office's pathfinder programme into developing new ways of delivering public services, to be fully repayable by 31st July 2013.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Contact officer: Dave McNamara dave.mcnamara@lbhf.gov.uk</p>	<p>will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>13 May 2013</p> <p>Reason: Expenditure more than £100,000</p>	<p>The implementation of the Tri-borough Adult Reoffending Service</p> <p>Setting out confirmed levels of funding from both the Mayor's Office for Policing and Crime and Public Health for the Tri-borough Reducing Reoffending Service. The report seeks approval to the funding for the service as previously described in the report approved across all 3 Cabinets in January 2013.</p>	<p>Cabinet Member for Community Care, Leader of the Council (+Regeneration, Asset Management and IT)</p> <p>Ward(s): All Wards</p> <p>Contact officer: David Page Tel: 020 8753 2125 david.page@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>
Cabinet	<p>13 May 2013</p> <p>Reason: Expenditure more than £100,000</p>	<p>Extension of contract for debit and credit card acquiring services</p> <p>Request to extend the Councils current card processing / acquiring contract for a final one year period</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <p>Ward(s): All Wards</p> <p>Contact officer:</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be</p>

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		disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		considered.
Cabinet	13 May 2013 Reason: Expenditure more than £100,000	Big Lottery Funding for social investment project H&F has been awarded £140,000 funding to test the viability of a social impact bond for families with complex needs. An urgent decision is required by the Leader to accept the monies and to delegate signature of the contract to the Executive Director for Finance and Corporate Governance. We are required to sign and return the contract by 25th April 2013. The report is exempt as the Big Lottery have advised that the decision re the funding award is under embargo until 9th May due to purdah nationally.	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Marie Snelling Tel: 020 8753 4288 marie.snelling@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	13 May 2013 Reason: Affects more than 1 ward	Tri and Bi-borough Legal agreements for Corporate Services This report seeks the necessary authority to enter into Bi and Tri-Borough legal agreements for a range of Corporate Services following the decision of the three authorities' Cabinets in June 2011 and based on further work that has been undertaken as part of the Corporate Services programme.	Leader of the Council (+Regeneration, Asset Management and IT) Ward(s): All Wards Contact officer: Jane West Tel: 0208 753 1900 jane.west@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Cabinet	13 May 2013	Public Health - GUM clinics Awarding a one year contract for the provision of GUM (Genito-Urinary Medicine) services	Cabinet Member for Community Care	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects more than 1 ward		Ward(s): All Wards	
Cabinet	13 May 2013	Internship Programmes To approve the award of the Framework for provision of services relating to internship programmes. PART OPEN PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
June				
Cabinet	24 Jun 2013	Chancellors Road Shared Space Shared area proposal for the western end of Chancellors Road	Cabinet Member for Transport and Technical Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): Fulham Reach; Hammersmith Broadway	

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Cabinet	24 Jun 2013 Reason: Expenditure more than £100,000	<p>Elevator Monitoring Unit Installation - Various Sites</p> <p>The works consist of the supply and installation of elevator Monitoring Units and Auto Diallers to be fitted to each lift in providing automatic reporting of lift breakdowns and communication between each lift car and operators at a manned call centre in dealing with lift entrapment.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Housing</p> <p>Ward(s): All Wards</p> <p>Contact officer: Velma Chapman Tel: 020 8753 4807 velma.chapman@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	24 Jun 2013 Reason: Affects more than 1 ward	<p>Property Asset Management Plan 2012-2015</p> <p>This is an updated plan which was approved by Cabinet in 2008. It is set out in the Council's Strategy for all properties held by the Council except the Council's Housing Stock.</p>	<p>Leader of the Council (+Regeneration, Asset Management and IT)</p> <p>Ward(s): All Wards</p> <p>Contact officer: Miles Hooton Tel: 020 8753 2835 Miles.Hooton@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	24 Jun 2013 Reason: Affects more than 1 ward	<p>Joint Commissioning Arrangements 2013/14 and Beyond: Briefing on new Section 75 Health & Wellbeing Partnership Agreement between LBHF and NHS Hammersmith & Fulham Clinical Commissioning Group</p> <p>A new Section 75 Health &</p>	<p>Cabinet Member for Community Care</p> <p>Ward(s): All Wards</p> <p>Contact officer: Andrew Webster Tel: 208 753 5001 Andrew.Webster@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (other relevant documents may be submitted)
		<p>Wellbeing Partnership Agreement between LBHF and NHS Hammersmith & Fulham Clinical Commissioning Group (CCG) was approved under delegated authority and commenced on 1 April 2013. Section 75 Agreements (entered into under the joint commissioning provisions within the NHS Action 2006) provide for joint commissioning across the whole spectrum of Local Authority and CCG responsibilities, including services for both adults and children, within the compass of the Hammersmith & Fulham Health and Wellbeing Board.</p> <p>The Local Authority previously held a Section 75 Agreement with Hammersmith & Fulham Primary Care Trust and this expires on 31 April 2013. From 1 April 2013, Primary Care Trusts will be abolished and NHS Clinical Commissioning Groups will be established as statutory NHS bodies.</p>	k	background papers to be considered.
Cabinet	<p>24 Jun 2013</p> <p>Reason: Expenditure more than £100,000</p>	<p>New Queensmill School - Tender Approval</p> <p>Approval to accept most economically advantageous tender to construct new school accommodation for Queensmill ASD School</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Children's Services</p> <p>Ward(s): Wormholt and White City</p> <p>Contact officer: John Brownlow Tel: 020 8753 john.brownlow@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Cabinet	24 Jun 2013	Provision of a blue badge investigation and enforcement service	Cabinet Member for Transport and Technical Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000	The Council has piloted a scheme to tackle the abuse of Disabled Parking Permits (blue badges). The pilot has proved to be successful and the Council now wants to enter into a long-term contractual arrangement for a minimum of 3 years and a maximum of 7.	Ward(s): All Wards Contact officer: Osa Ezekiel Osa.Ezekiel@lbhf.gov.uk	
Cabinet	24 Jun 2013	Tri-borough Passenger Transport Service for Children and Adults	Cabinet Member for Children's Services	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000	To participate, as outlined in the Cabinet report, in a Tri-borough Passenger Transport Service with Westminster City Council contracting on behalf of all three boroughs, LBHF, RBKC and WCC. To delegate confirmation of Call-Off Contracts for borough and cross borough services executed by Westminster City Council, to Cabinet Members or senior officers.	Ward(s): All Wards Contact officer: Karen Tyerman Karen.Tyerman@lbhf.gov.uk	
Cabinet	24 Jun 2013	Update on waste & recycling issues Summary of issues currently affecting waste collection and disposal.	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects more than 1 ward		Ward(s): All Wards Contact officer: Sue Harris Tel: 020 8753 4295 Sue.Harris@lbhf.gov.uk	
Cabinet	24 Jun 2013	Western Riverside Waste Authority Policy Updated policy document from WRWA for information and comment	Deputy Leader (+ Residents Services)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation
	Reason: Affects more than 1 ward		Ward(s): All Wards Contact officer: Kathy May Tel: 02073415616	

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			kathy.may@lbhf.gov.uk	and / or background papers to be considered.
Cabinet	24 Jun 2013 Reason: Expenditure more than £100,000	<p>Contract Award - Carers Support Services</p> <p>Ratification of the recommendation to award these contracts to the providers, who following a full tender process, submitted the most economically advantageous bid.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Community Care</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Steven Falvey Steven.Falvey@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
July				
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	<p>Holy Cross/Lycée expansion and co-location Tender Approval</p> <p>Approval to accept the most economically advantageous tender to carry out new-build and refurbishment works to enable the expansion of Holy Cross RC Primary School and its co-location with the French Lycée school on the site of the former Peterborough Primary School.</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the</p>	<p>Cabinet Member for Children's Services</p> <hr/> <p>Ward(s): Parsons Green and Walham</p> <hr/> <p>Contact officer: John Brownlow Tel: 020 8753 john.brownlow@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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		financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.		
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	<p>Update on Edward Woods Estate Regeneration Scheme</p> <p>Update on progress and request for approval of overspend and change of tenure 12 penthouse flats for Edward Woods Estate Regeneration Scheme</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Housing</p> <p>Ward(s): Shepherds Bush Green</p> <p>Contact officer: Roger Thompson Tel: 020 8753 3920 Roger.Thompson@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	<p>Request for Delegated Authority for Tri-borough Hospital to Home and Befriending Plus Services Tender</p> <p>Request for delegated authority to allow Councillor Ginn to agree for funding to be transferred to RBKC for award on behalf of LBHF; and to agree the procurement process of the Hospital to Home and Befriending Plus Services tender.</p>	<p>Cabinet Member for Community Care</p> <p>Ward(s): All Wards</p> <p>Contact officer: Andrew Webster Tel: 208 753 5001 Andrew.Webster@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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Cabinet	22 Jul 2013 Reason: Affects more than 1 ward	SERCO Contract Review Description: Review and decision about whether to continue with SERCO Waste and Street Cleansing contract which expires in 2015.	Deputy Leader (+ Residents Services) Ward(s): All Wards Contact officer: Sue Harris Tel: 020 8753 4295 Sue.Harris@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	Learning Disability Accommodation - Future plans The Council has conducted a review of the current housing and support available for adults with learning disability in Hammersmith and Fulham. This strategy has been developed in response to that review to improve the quality, quantity and choice of housing with support services for people in the borough. A crucial part of this modernisation programme is the Council's directly provided services both residential care, community support, respite and day service provision. A review of that housing provision has identified that Coverdale Road, a council owned building from which the residential care service is operated is not fit for purpose in terms of meeting the longer term needs of its residents or future needs of the learning disability population.	Cabinet Member for Community Care Ward(s): All Wards Contact officer: Christine Baker Tel: 020 8753 1447 Christine.Baker@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	Tri-Borough Hospital to Home and Befriending Plus Services Tender Request for Contract Award	Cabinet Member for Community Care Ward(s): All Wards Contact officer: Sarah Gluszek Tel: 020 8753 1032 Sarah.Gluszek@lbhf.gov.uk	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet (<i>other relevant documents may be submitted</i>)
				considered.
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	<p>Bi-Borough procurement of Parking Services IT systems</p> <p>Proposal requesting funding for the bi-borough procurement process (and estimated implementation costs) for the replacement of the parking management information systems for 2015</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Cabinet Member for Transport and Technical Services</p> <p>Ward(s): All Wards</p> <p>Contact officer: Mahmood Siddiqi mahmood.siddiqi@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
Cabinet	22 Jul 2013 Reason: Expenditure more than £100,000	<p>Recommendations for the future of the Bi-Borough Parking Office</p> <p>Sets out the recommendations for future of the Bi-Borough Parking Office and reorganisation proposal</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption</p>	<p>Cabinet Member for Transport and Technical Services</p> <p>Ward(s): All Wards</p> <p>Contact officer: Mahmood Siddiqi mahmood.siddiqi@lbhf.gov.uk</p>	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.

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		outweighs the public interest in disclosing the information.		
October				
Cabinet	14 Oct 2013	Review of Payment options for leaseholders receiving estimated major works invoices Leaseholders are currently charged for major works after completion of the contract and are able to make use of a number of payment options to pay the invoices. Cabinet has already agreed for major works to be invoiced on an interim basis but before the process is initiated the payment options will need to be agreed.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects more than 1 ward		Ward(s): All Wards	
Contact officer: Kathleen Corbett Tel: 020 8753 3031 Kathleen.Corbett@lbhf.gov.uk				
December				
Cabinet	9 Dec 2013	Housing and Regeneration Joint Venture - Selection of Preferred Partner Following an OJEU procurement, final selection of a private sector partner to form a Joint Venture with the Council.	Cabinet Member for Housing	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Affects more than 1 ward		Ward(s): All Wards	
Contact officer: Matin Miah Tel: 0208753 3480 matin.miah@lbhf.gov.uk				
January 2014				
Cabinet	6 Jan 2014	Economic Development Priorities This report seeks members' approval for future economic development priorities which respond to the borough's longer term economic growth and regeneration vision and makes recommendations on use of Section 106 funds to achieve key outcomes.	Leader of the Council (+Regeneration, Asset Management and IT)	A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.
	Reason: Expenditure more than £100,000		Ward(s): All Wards	
Contact officer: Kim Dero Tel: 020 8753 4229 kim.dero@lbhf.gov.uk				

Decision to be Made by (Cabinet or Council)	Date of Decision-Making Meeting and Reason	Proposed Key Decision Most decisions are made in public unless indicated below, with the reasons for the decision being made in private.	Lead Executive Councillor(s), Wards Affected, and officer to contact for further information or relevant documents	Documents to be submitted to Cabinet <i>(other relevant documents may be submitted)</i>
Cabinet	<p>6 Jan 2014</p> <hr/> <p>Reason: Affects more than 1 ward</p>	<p>Letting of a concession to monetise the ducting within the council owned CCTV network</p> <p>Monetising LBHF CCTV network</p> <p>PART OPEN</p> <p>PART PRIVATE Part of this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	<p>Deputy Leader (+ Residents Services)</p> <hr/> <p>Ward(s): All Wards</p> <hr/> <p>Contact officer: Sharon Bayliss Tel: 020 8753 1636 sharon.bayliss@lbhf.gov.uk</p>	<p>A detailed report for this item will be available at least five working days before the date of the meeting and will include details of any supporting documentation and / or background papers to be considered.</p>