

Report – Community and Children’s Services Committee

Report of Urgent Action Taken: Gateway 4b – York Way / Middlesex Street Estate Communal Heating, Hot Water and Ventilation Works

To be presented on Thursday, 6th December 2018

To the Right Honourable The Lord Mayor, Aldermen and Commons of the City of London in Common Council assembled.

SUMMARY OF ACTION TAKEN

1. In July 2018, the Projects Sub-Committee and the Community and Children’s Services Committee approved a combined Gateway 3/4 project report relating to the replacement of the heating, hot water and ventilation facilities at both the York Way and Middlesex Street Estates. This followed the undertaking of condition surveys and feasibility studies across the two mentioned Estates, during which it had become apparent that the systems were at the end of their current lifecycles and needed replacement. The surveys had determined that a like-for-like replacement was the preferred option, and this approach was supported by both Committees. The anticipated total cost of the project would be £5.2m.
2. Due to the project value being above £5m, it had been originally planned that the project would proceed down the ‘complex’ route, as per the project procedure. However, given the expected scope of the works at both Estates (both have over 200 residential units run from their respective communal systems) and their non-proximity to each other, officers proposed that separating the works into two discrete projects would be the best way to expedite activity. The Projects Sub-Committee was supportive of this approach.
3. This would normally take the project (now two projects) away from the ‘complex’ route and remove the requirement for Court of Common Council approval at Gateway 4b stage to allow the projects to proceed.
4. However, since that time it became apparent that it may be possible and desirable to award both projects to the same contractor. This would allow for economies of scale and thereby afford the opportunity to seek percentage reductions in tenders. Given the possibility that the two projects (whilst managed separately) could be delivered by the same contractor as part of a single overall contract, it was therefore prudent and appropriate to seek the approval of the Court. This is in view of the overall value of the contract and in line with the spirit of the project procedure.
5. Approval was therefore granted to allow the Middlesex Street Estate and York Way Estate Communal Heating and Hot Water system replacement projects to proceed, being managed as two separate projects at an estimated cost of £5.2m.

6. It having become apparent that Court approval was required (and with the next formal meeting of the Court not scheduled until December 2018), approval was sought and obtained under urgency procedures pursuant to Standing Order No.19 to allow for the tender exercises to be completed and contracts awarded, thereby minimising further delay to the project.

RECOMMENDATION

7. We **recommend** that the urgent action taken be noted.

All of which we submit to the judgement of this Honourable Court.

DATED this 16th day of November 2018.

SIGNED on behalf of the Committee.

Randall Keith Anderson
Chairman, Community and Children's Services Committee