

Finance and Resources Committee

10.00am, Friday, 10 March 2023

Cables Wynd and Linksvie House – Design and Development Commission for Full Block Upgrade and Improvement

Executive/routine Wards Council Commitments	Executive 13 - Leith
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
- 1.1.1 Approves a direct award to Faithful and Gould, the rank one supplier under Lot 11 (Multi-Disciplinary Lot) of the Council's Professional Services Framework to undertake a full turnkey solution to implement a whole house retrofit (WHR) upgrade aligned with wider block upgrades and improvements to Cables Wynd and Linksvie House;
 - 1.1.2 Notes the contract commencement would be 3 April 2023 for a period of 24 months with the option to extend (if required) at a total value of £1,853,073; and
 - 1.1.3 Notes that, as outlined in the Council's Contract Standing Orders, there is a requirement for Finance and Resources Committee to approve any service contract over £1,000,000. As the value of this service order is £1,853,073, authority to award is being sought.

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2. Executive Summary

- 2.1 This report seeks approval to approve a direct award to Faithful and Gould, the rank one supplier under Lot 11 (Multi-Disciplinary Lot) of the Council's Professional Services Framework to undertake a full turnkey solution to implement a whole house retrofit (WHR) upgrade aligned with wider block upgrades and improvements at Cables Wynd and Linksvie House.
- 2.2 The overall service from Faithful and Gould will include design and development right through to managing on-site delivery. The commission will commence on 3 April 2023 for a period of 24 months with the option to extend (if required) to a total value of £1,853,073.

3. Background

- 3.1 The Council currently has 44 multi-storey sites within the wider housing estate (some of these sites contain more than one multi-storey block). These multi-storey sites contain a range of different construction types constructed between 1952 and 1976. Many of these construction types are complex and require detailed investigation and surveys to determine how a WHR approach can be applied alongside wider block improvements and upgrades. This type of design and development work needs to be undertaken by an experienced multi-disciplinary design team to ensure all aspects of the building are taken into consideration and addressed holistically.
- 3.2 Many of these multi-storey blocks were specialised and innovative construction methods at the time of build and now present a range of technical and financial challenges to both maintain and improve them.
- 3.3 The Council has an operational estate of approximately 20,000 homes, with 3,000 sitting within a multi-storey setting. This represents around 15% of Council homes. 97% of homes in multi-storey blocks sit within a full Council or majority ownership tenure.

- 3.4 Cables Wynd House, commonly referred to as the 'Banana Flats', was built between 1963 and 1965 and is constructed with an in-situ concrete cross frame with large aggregate pre-cast concrete panel cladding. The building contains 212 flats (204 are two-bedroom, eight are one-bedroom) and are accessed by lifts leading to galleried decks on the 2nd, 5th and 8th floors.
- 3.5 Linksvie House was built between 1964 and 1967 and is constructed with an in-situ concrete cross frame with large aggregate pre-cast concrete panel cladding. The building contains 98 flats and are accessed by two lifts leading to galleried decks on the 2nd, 5th and 8th floors. Importantly both Cables Wynd and Linksvie House have A listed heritage status – and were cited as one of the best examples of 'brutalist' architecture in Scotland.
- 3.6 The City of Edinburgh Council requires both Cables Wynd and Linksvie House to undergo a full energy retrofit following a WHR approach to meet the Energy Efficiency Standard for Social Housing (EESH2). Alongside the wider retrofit upgrade proposals, both blocks will also be upgraded and improved (encompassing a variety of components to be upgraded/replaced including roofs, foyer areas, entrances to the building, fire doors and screens, stairwells, communal landings etc). Alongside these block improvements and upgrades, a full place-making approach will be required to improve the surrounding environment outwith both blocks.
- 3.7 This WHR and wider block improvement approach is part of the wider investment plans for all majority Council owned multi-storey blocks from 2023/24 onwards. This will ensure that, where possible and following detailed design works, blocks can meet the ambitious EESH2 standard.

4. Main report

- 4.1 The Council is seeking to offer a direct award to the rank one supplier under Lot 11 - Multi-Discipline Design Team Services to carry out a full design, development and delivery function for the WHR and block improvements to both Cables Wynd and Linksvie House.
- 4.2 The Finance and Resources Committee approved a Professional Services Framework on [29 October 2020](#). Lot 11 - Multi-Discipline Design Team Services was deemed the most appropriate Lot to undertake this commission due to the complexity and scope of the commission and the range of suitably experienced contractors and sub-contractors able to undertake core elements of this commission.
- 4.3 This includes provision for structural engineering services, mechanical and electrical engineering services, architectural and landscaping services, quantity and building surveying services and project management services. All of which can be brought together under one project team led by the rank one supplier.
- 4.4 The rank one supplier under Lot 11 (multi-disciplinary Framework) is Faithful and Gould (F&G) with sub-consultants Narro Associates (structural engineers),

Collective Architecture (lead architect and conservation architect), Blackwood Partnership (mechanical and electrical engineers), Urban Pioneers (landscape architects) and Atelier 10 (fire engineers). As the lead consultant F&G will undertake the project management, cost consultancy and principle designer function.

- 4.5 The full package of works will ultimately bring these blocks in line with current building regulations and the Council's Net Zero Carbon ambitions.
- 4.6 Both blocks are very complex in terms of the approach to improving energy performance given the complex structure of both blocks and listed status. With a key aspect of this commission being an assessment of the ability of each block to be adapted structurally to accommodate the necessary energy efficiency upgrades and fabric measures required to meet the EESSH2 standard
- 4.7 As such the full scope of works is comprehensive. Additional items might need to be added to the scope at a later date as the surveys may uncover issues currently unknown that require additional survey work.
- 4.8 The rank one supplier and sub-consultants have both extensive and suitable experience and the resource necessary to undertake this complex commission. F&G in particular are the lead consultants on a similar commission to implement a WHR approach and wider block improvements to two other multi-storey blocks (Craigmillar and Pefferrmill Court) so will bring some essential learnings from that programme which is currently underway. Collective Architecture were the lead architect for the regeneration of Glasgow's Woodside multi-storey flats. They were commissioned by Queens Cross Housing Association to undertake the refurbishment and thermal upgrade of three, 22 storey flats (1,350 flats). This project exemplified a shift to retrofitting high rise housing rather than demolishing them.
- 4.9 As such this route to market was deemed the most suitable and appropriate to undertake this commission.
- 4.10 Another key element of this commission will be engagement with tenants to ensure they are included as a key stakeholder and to understand the challenges they face and improvements they would like to see. There will be ongoing tenant engagement sessions where they can feed their input into the design process and not have a design imposed on them.
- 4.11 Commercial and Procurement Services have advised that the Professional Services Framework call off methodology permits a direct award to the organisation ranked one on the Framework namely, F&G. Therefore, this call-off complies with the Framework Call Off Methodology.

5. Next Steps

- 5.1 Subject to Committee's approval, the award of the contract will be completed. This will be via direct award to the number one ranked supplier on the Professional Services Framework, Lot 11 - Multi-Discipline Design Team Services - F&G.

- 5.2 The contract will commence on 3 April 2023 for a period of 24 months, with the option to extend if required up to a maximum value of £1,853,073.
- 5.3 Funding will be from the Council's Housing Revenue Account (HRA) capital budget and has been incorporated into the HRA capital budget.
- 5.4 To ensure the Council is able to maximise the financial and non-financial benefits of the framework, including the delivery of community benefits, a contract management plan is being put in place which will robustly manage the contract and ensure the desired outcomes are achieved.

6. Financial impact

- 6.1 The total value of the commission that is proposed to be procured through the Professional Services Framework via direct award to the rank one supplier under Lot 11 - Multi-Discipline Design Team Services will be £1,853,073. This will be funded through the HRA capital budget.
- 6.2 The percentage fee of £1,853,073 being 9.013% of the client's budgeted contract sum in respect of the project which is based on an anticipated construction cost of £20,560,000.
- 6.3 The fee level is in line with the Council's Professional Services Framework procured rate and the total sum to be paid to the consultants under this commission will not exceed £1,853,073.

7. Stakeholder/Community Impact

- 7.1 Engagement with tenants in these blocks will be an essential requirement of the commission. The outputs of the commission will ultimately have a positive impact on tenants lives as the overall WHR approach and wider block improvements and upgrades will significantly improve the thermal performance of both blocks. Along with improved energy performance tenants' homes will also be better ventilated with improved air quality. Outside of tenants homes the blocks will be significantly improved with upgraded communal areas, landscaping and improvements to mechanical and electrical services. Overall, both blocks will be brought up to a more modern standard making them safer, more accessible and ultimately more welcoming for tenants and visitors.
- 7.2 The Professional Services Framework operates a points system in relation to Community Benefits. The value of points this commission will generate is 100 points. Following approval to award this contract, F&G will be required to identify appropriate community benefits to the value of the points generated.

8. Background reading/external references

- 8.1 Award of Contract for Professional Services Framework - Finance and Resources Committee - [29 October 2020](#).
- 8.2 2023/24 Housing Revenue Account (HRA) Capital Programme - Housing, Homelessness and Fair Work Committee – [9 March 2023](#)
- 8.3 Housing Sustainability Approach Update - Housing, Homelessness and Fair Work Committee - [3 June 2021](#).
- 8.4 Housing Revenue Account (HRA) Budget Strategy 2023/24 – 2032/33 – City of Edinburgh Council Committee – [23 February 2023](#).

9. Appendices

- 9.1 None.