



**Cabinet**  
13 November 2017

**Report from the Strategic Director of  
Regeneration & Environment**

For Action

Wards affected:  
Kilburn

**Authority to Award Works Contract for South Kilburn  
Enterprise and Community Hub (Phase 1b)**

**Not for Publication:**

Appendix 2 of this report is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

**1 Purpose of the Report**

- 1.1 This report provides an update to the 13 March 2017 Cabinet report – Phase 1 Building Project at The Granville Centre – Approval to Tender Works Contract
- 1.2 This report seeks authority to award a works contract to progress Phase 1 of Carlton and Granville Centres Development as required by Contract Standing Order 88.
- 1.3 This report asks Members to note a revision in weightings and adjustment in criteria used to evaluate tenders compared to those set out in the March 2017 Cabinet report for the reasons detailed in section 3.

**2 Recommendations**

**That Cabinet;**

- 2.1 Note the revised weightings and criteria used to procure and evaluate tenders as detailed in paragraph 3.3.
- 2.2 Approve the award of a works contract for South Kilburn Enterprise and Community Hub (Phase 1b) to Surecast Limited.

### 3 Detail

#### Background

3.1 In March 2017 Cabinet approved the procurement process for a contractor to complete Phase 1 works on the basis of the pre-tender considerations set out within the report which put forward a 60:40 split in favour of cost. However this was erroneous in that Officers should have advised members that the recommended split between quality and price criteria was in fact 60:40 in favour of quality.

3.2 To set out this change clearly, the original decision in March 2017 was based on the following weightings and criteria:

Quality - 40% of the overall evaluation, assessed using the following criteria.

- Proposed application of experience
- Design approach and compliance with employer's requirements.
- Community participation.
- Project Management and resourcing.
- Construction approach and technical proposals.
- Social Value representing 10% of this score.

Price - 60% of the overall evaluation.

3.3 Cabinet are now being asked to note that tenders were invited and evaluated on the evaluation criteria and weightings below. The changes were to reflect the fact that Officers should have advised members that the recommended split between quality and price criteria was in fact 60:40 in favour of quality and that the revised criteria were considered likely to better identify the most appropriate tender. The evaluation criteria and weightings were:

Quality - 60% of the overall evaluation, assessed using the following criteria.

- Work Management (Maximum of 19.25 marks of 60)
- Project Examples (Maximum of 8.25 marks of 60)
- Programme (Maximum of 16.5 marks of 60)
- Quality (Maximum of 11 marks of 60)
- Social Value (Maximum of 5 marks of 60)

Price - 40% of the overall evaluation.

3.4 Details of the tender process operated by Officers is set out in Appendix 1. The details of organisations tendering are set out in Appendix 2. It is important to note that all the information provided to tenderers and evaluators has been based on the correct split in favour of quality as has the evaluation itself. There has been no disadvantage to any participant.

- 3.5 Members will note from Appendix 1 that Supplier 10, namely Surecast Limited, has been identified as the most economically advantageous tender.
- 3.6 In addition to agreeing the procurement of a works contract, the March Cabinet delegated the award of the contract to the Strategic Director Regeneration and Environment in consultation with the Lead Member. However, now that Officers have concluded the evaluation and are reporting to Cabinet as to the revised basis of evaluation, this delegation is no longer required and therefore Members are requested, as set out in Recommendation 2.2 above, to approve the award of the works contract to Surecast Limited.

#### **4 Financial Implications**

- 4.1 This award is within the allocated budget.

#### **5 Legal Implications**

- 5.1 The value of this contract over its lifetime is under the EU threshold for Works and the award of the contract is not therefore governed by the Public Contracts Regulations 2015 (the "EU Regulations"). The award is subject to the Council's own Standing Orders in respect of High Value contracts and Financial Regulations.
- 5.2 As the proposed contract is a High Value Contract, Cabinet authority was sought and approved to the criteria and weightings set out in paragraph 3.2. For the reasons detailed in paragraph 3.3, Officers have invited and evaluated tenders based on the weightings and criteria detailed in paragraph 3.3. Whilst this does not result in any disadvantage to tenderers, it represents a departure from the pre-tender considerations approved by Cabinet and therefore it is appropriate to notify Members of this.
- 5.3 As indicated in paragraph 3.6, the 13 March 2017 Cabinet delegated authority to award this contract to the Strategic Director Regeneration and Environment in consultation with the Lead Member. Given the requirement to notify Members of the departure from the approved weightings and criteria and as the evaluation has now concluded, Cabinet is now recommended to approve the award.

#### **6 Diversity Implications**

No amendment from 13 March 2017 Cabinet report

#### **7 Staffing/Accommodation Implications**

No amendment from 13 March 2017 Cabinet report

#### **8 Property Implications**

No amendment from 13 March 2017 Cabinet report

#### **9 Public Services (Social Value) Act 2012**

- 9.1 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 ('the Social Value Act') to consider how services being procured might

improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. As this is a works contract, the Council does not have a statutory duty to comply with the Social Value Act but in accordance with CSO 89, Officers have had regard to the Social Value Act in planning the proposed procurement.

9.2 Social Value is an evaluation criterion that has been used to procure this contract. As part of its tender, the preferred tenderer has proposed the below targets:

Initiative Category	Target
Creating local jobs: utilising local labour resources	100% of labour agency staff employed as part of this contract to be currently living in London Borough of Brent.
Helping local businesses: utilising local subcontractor/ supplier resources (ensuring ethical sourcing practices)	Contact a minimum of one local supplier/subcontractor for every major package of works included in the South Kilburn project.
Promoting fair employment practices	Measurable equality and diversity target - Ensure all suppliers and subcontractors involved in the project at South Kilburn are committed to fair employment practices.
Employee welfare	To provide a fully compliant work environment for all members of staff employed as part of this contract.
	Submission of a welfare plan for approval prior to starting work on site.
Community involvement to minimise disruption	To complete the contract at South Kilburn without any complaints from the local community.
Apprenticeships and Training	Guarantee the involvement of our apprentice carpenter and junior graduate project manager in the delivery of the South Kilburn Community and Enterprise hub project.
Environmental sustainability	99% of all waste is recovered, reused or recycled.
	Ensuring a minimum of 50% of all site staff travel to and from work via public transport.
	All materials used on site comply fully with European Union and international law.

## 10 Background Papers

13 March 2017 Cabinet Report

## 9 Contact Officers

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