

 Brent	Officer Key Decision
	Report to the Strategic Director of Regeneration & Environment
AUTHORITY TO AWARD CONTRACT FOR Appointment of Engie Regeneration Uk & Ireland as Works Main Contractor under a JCT Intermediate Building Contract with Contractor's Design 2016 Edition for Stonebridge Annexe, Stonebridge, NW10 0ST	

Wards Affected:	Stonebridge
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt Appendix 1 is exempt 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)"
No. of Appendices:	2 Appendix 1 – Exempt Appendix 2 – Evaluation Grid
Background Papers:	
Contact Officer(s): (Name, Title, Contact Details)	Joy Ogbechi Capital Works Project Manager 020 8937 3386 Joy.Ogbechi@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the approval to appoint Engie Regeneration Uk & Ireland as Works Main Contractor under a JCT Intermediate Building Contract with Contractor's Design 2016 Edition. This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

- 2.1 That the Strategic Director, Regeneration & Environment approves the award

of contract to Engie Regeneration Uk & Ireland as Works Main Contractor under a JCT Intermediate Building Contract with Contractor's Design 2016 Edition for Stonebridge Annexe.

3.0 Detail

- 3.1 The Council is developing 1 Morland Gardens, Stonebridge, London, NW10 8DY which currently accommodates Brent Start (Educational Provider) and Victim Support (Independent Charity). The development is programmed to start in September 2020.
- 3.2 Planning Committee approved the redevelopment on 12th August 2020.
- 3.3 Brent Start is to be decanted to enable the larger development. Stonebridge Annexe was identified as a suitable accommodation; it requires works before Brent Start can move in.
- 3.4. Operational Director approval to procure a contractor was granted on 18th May 2020. In accordance with Contract Standing Orders to report to the Operational Director after the tendering exercise, this report explains the process undertaken in tendering the contracts and recommending an award.
- 3.5 Officers used the Fusion 21 framework to procure the refurbishment works. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. The call offs under the framework were carried out in accordance with the framework rules. This included the evaluation criteria specified in the framework and utilised the terms and conditions set out in the framework.

The Tender Process

- 3.6 The new contract will be let using the Fusion 21 Construction and improvement framework lot 2b Education - Internal and External Refurbishment with Build.(OJEU award notice 2019/S 063-145652). These suppliers are prequalified onto the framework and their rates are capped. The Director of Legal, HR and Audit confirmed this framework as legally permissible on 26th March 2020.
- 3.7 Shortlisting was done on the basis of the contractors' financial viability, technical ability and social values on 9th July 2020; 8 contractors were invited to tender, of which 6 submitted bids.
- 3.8 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following:
 - Quality 40%
 - Social Value 10%
 - Commercial 50%

3.9 Tenderers were required to submit a submission covering:

1. Project delivery and programme
2. Project resources
3. Supply chain management
4. Delivery Statement

Evaluation process

3.10 The tender evaluation was carried out by a panel of officers from Procurement, Property & Assets and Brent Start Adult Education Centre.

3.11 All tenders had to be submitted electronically by 3rd July 2020. Tenders were opened on 6th July 2020. 6 valid tenders were received. Each panel member read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.

3.12 The panel met on 9th July 2020 and each submission was marked by the whole panel against the award criteria.

3.13 The table below breaks down the commercial evaluation of the six bids:

		Bidder 1	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6
	Weighting						
Quality	40%	24.00	21.60	28.00	18.00	26.40	23.60
Social value	10%	4.00	4.60	4.80	7.00	4.80	4.00
Commercial	50%	49.10	47.50	52.59	35.68	37.95	39.40
Total	100%	77.10	72.39	82.80	60.68	69.15	67.00
Ranking		2	3	1	6	4	5

3.14 The overall outcome of the evaluation is noted below:

Company	Price £	Score Commercial Weighting 50%
Company 1	1,219,038.20	49.10
Company 2	1,260,069.27	47.50
Company 3	1,197,038.48	50.00
Company 4	1,677,395.21	35.68
Company 5	1,577,205.00	37.95
Company 6	1,519,021.00	39.40

Having evaluated the submission by Engie Regeneration UK & Ireland against the estimated value of the required works (estimated at £900,000), officers concluded the bid met the full requirements of the tender and provided value for money. It is recommended Engie Regeneration UK & Ireland be appointed based on their winning tender with the total ranking of 82.80/100.

3.15 The anticipated delivery dates are as follows:

Letter of Intent issued	14 th August 2020
Forward Plan Decision Date	21 st August 2020
5 Day call off	28 th August 2020
Letter of Award of contract to Engie Regeneration UK & Ireland	31 st August 2020
Contract start on site	14 th September 2020
Contract completion /PC	14 th December 2020

4.0 Financial Implications

4.1 Part 3 of the Council's Constitution states that the Strategic Director of Regeneration & Environment has delegated authority to approve the award of contracts for works valued at less than £5 million.

4.2 The estimated value of this contract is **£1,197,038.48+V.A.T.**

4.3 The cost of this contract will be funded from the approved capital budget.

5.0 Legal Implications

5.1 The Contract falls within the definition of a 'works contract' under the Public Contracts Regulations 2015 ('EU Regulations'), however, the estimated value of the Contract is below the EU procurement threshold for works (currently £4,551,413), and therefore the full rules of the EU Regulations will not apply to award of the Contract. Officers are still required to observe the rules of fairness and transparency and to maintain an auditable process.

5.2 The Council's Contract Standing Orders (CSO) provides in Part 2, section 86 (e) (ii), that no formal tendering procedures shall apply when contracts are called off a Framework. Where the Framework was established by another contracting authority (as the Fusion 21 Framework was), the CSO require approval that it is legally permissible to participate in it from Director of Legal, HR, Audit and Investigation, this was obtained on 26th March 2020.

5.3 The process of tender and evaluation outlined in section 3 above, have satisfied the requirement for fairness and transparency.

5.4 The award of the Contract is subject to the Council's own CSO's in respect of Medium Value Contracts and Financial Regulations. The relevant Chief Officer (Operational Director Property & Assets) approved on 18 May 2020 the pre-tender considerations raised in respect of this Contract and confirmed there was sufficient budgetary provision for the Contract as required by CSO 86(e)(ii).

- 5.5 The authority to award the Contract is derived from paragraph 9.5.3 (a) of the Scheme of Delegation in Part 3 of the Constitution, and also paragraph 9.7 under which the Operational Director Property & Assets has delegated authority to approve the Council's entry into a Medium Value Contract. Subject to the approval sought in this report, an approval to award the contract is legally permissible.

6.0 Equality Implications

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no equality implications arising directly out of the proposals.
- 6.2 If there are considered to be equalities implications the following paragraphs could be inserted – “The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 6.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 6.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Ward Members were closely briefed throughout the development of the scheme and via the planning process. A Community Steering Group was also established and contributed to the evolution of the scheme.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

9.0 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

Relevant Documents:

- Cabinet Report 14th January 2020
- Recordable Decision 18th May 2020

Report sign off:

Nick Ljustina

Operational Director of Property & Assets