



Cabinet
12th January 2021

**Report from Strategic Director,
Regeneration & Environment**

**Authority to Tender for the Design & Build Contract at 1
Morland Gardens, Stonebridge**

Wards Affected:	Stonebridge
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s):	Joy Ogbechi, Capital Project Manager Property & Assets, Regeneration & Environment Email: joy.ogbechi@brent.gov.uk Tel: 020 8937 3386 Neil Martin, Interim Capital Programme Manager Property & Assets, Regeneration & Environment Email: neil.martin@brent.gov.uk Tel: 020 8937 4203

1.0 Purpose of the Report

- 1.1 This report concerns the redevelopment at 1 Morland Gardens, Stonebridge to deliver a new education centre, new council homes, affordable workspace, a public facing café, and public realm improvements. This report requests approval to invite tenders by way of a mini competition under the Notting Hill Genesis Contractor Framework and approve the pre tender considerations as required by Contract Standing Orders 88 and 89.

2.0 Recommendation(s)

Cabinet is requested to:

- 2.1 Approve the inviting tenders via a mini-competition under the Notting Hill Genesis Contractor Framework agreement for a contractor on the basis of the pre-tender considerations set out in paragraph 3.5 of the report.
- 2.2 Approve to delegate authority to award the contract for the Morland Gardens Redevelopment Design and Build Contract following the successful outcome of the tender exercise to the Strategic Director, Regeneration and Environment, in

consultation with the Cabinet Members for Regeneration, Property and Planning and Schools, Employment and Skills.

- 2.3 If the procurement exercise described in paragraph 3.5 does not elicit sufficient bids in order for officers to propose the awarding of the contract, Cabinet is requested to delegate authority to approve inviting tenders using an alternative procurement method and any resultant pre-tender considerations to the Strategic Director, Regeneration and Environment, in consultation with the Cabinet Members for Regeneration, Property and Planning and Schools, Employment and Skills.

3.0 Background

- 3.1 On 14 January 2020, Cabinet approved a number of recommendations relating to the Morland Gardens redevelopment. Cabinet approved to support the proposal to invest up to £43m to deliver a state of the art adult education centre, 65 new affordable homes, 675 sq. metres affordable workspace for start-up businesses from the local community, and a public facing cafe. This cost also includes the cost of the 2 year service decant and encompasses £6.5m of the GLA affordable housing grant.
- 3.2 Since then, the Council's appointed design team has worked up the development and submitted a planning application for the proposed development. On 12 August 2020, Brent's Planning Committee approved the Morland Gardens redevelopment, subject to Greater London Authority (GLA) approval. The GLA approved the application on 26 October 2020. Planning permission was then granted on 30 October 2020. A Judicial Review of this decision can be made six weeks after the decision is enacted and this period will run from 02 November 2020 until 14 December 2020.
- 3.3 During this time, the Council's appointed technical consultants have been working to finalise the Employer's Requirements and tender documentation. The works require the demolition of the existing building, the design and build of a new adult education centre, 65 new council homes, a public facing café, and public realm improvements under a single stage JCT Design & Build Contract (2016).
- 3.4 The estimated contract value of the procurement is £34m and due to the complexity of the scheme, it is considered that the Notting Hill Genesis Contractor Framework (which has 23 panel members) offers the most appropriate mechanism to procure an appropriately qualified and experienced contractor to deliver the scheme. Approval was obtained from the Director of Legal, HR, Audit and Investigations on 11th June 2020 that it was legally permissible for the Council to participate in Notting Hill Genesis Contractor Framework.
- 3.5 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of Cabinet.

Ref.	Requirement	Response
-------------	--------------------	-----------------

Ref.	Requirement	Response																										
(i)	The nature of the works	Demolition of the existing building, the design and build of a new adult education centre, 65 new council homes, a public facing café, and public realm improvements																										
(ii)	The estimated value.	£34,000,000 (thirty four million pounds)																										
(iii)	The contract term.	Estimated two years plus 24 months defects liability period																										
(iv)	The tender procedure to be adopted.	Mini competition from Notting Hill Genesis Contractor Framework																										
v)	The procurement timetable.	Indicative dates are:																										
		Invite to tender	25.01.2021																									
		Deadline for return of tenders	26.03.2021																									
		Evaluation	05.04.2021																									
		Interviews	12.04.2021																									
		Governance	28.05.2021																									
		Contract Award	07.06.2021																									
		Start on site	11.10.2021																									
(vi)	The evaluation criteria and process.	<p>1. The Notting Hill Genesis Contractor Framework does not recommend a selection stage and therefore a Sifting Brief exercise need not be undertaken.</p> <p>2. At tender evaluation stage, the panel will evaluate the tenders against the following criteria:</p> <table border="1"> <thead> <tr> <th>Technical / Quality</th> <th>Area weighting</th> <th>Overall weighting</th> </tr> </thead> <tbody> <tr> <td>Delivery Statement</td> <td>35%</td> <td rowspan="6">40%</td> </tr> <tr> <td>Programme</td> <td>35%</td> </tr> <tr> <td>Resources</td> <td>20%</td> </tr> <tr> <td>Resident Engagement & Communications</td> <td>5%</td> </tr> <tr> <td>Public Realm</td> <td>5%</td> </tr> <tr> <td>Total for Quality/Technical</td> <td>100%</td> </tr> <tr> <th>Social Value</th> <th>Area weighting</th> <th>Overall weighting</th> </tr> <tr> <td>Strong Foundations</td> <td>2%</td> <td rowspan="3">10%</td> </tr> <tr> <td>Every Opportunity to Succeed</td> <td>2%</td> </tr> <tr> <td>A borough where we can all feel safe, secure and happy</td> <td>2%</td> </tr> </tbody> </table>	Technical / Quality	Area weighting	Overall weighting	Delivery Statement	35%	40%	Programme	35%	Resources	20%	Resident Engagement & Communications	5%	Public Realm	5%	Total for Quality/Technical	100%	Social Value	Area weighting	Overall weighting	Strong Foundations	2%	10%	Every Opportunity to Succeed	2%	A borough where we can all feel safe, secure and happy	2%
Technical / Quality	Area weighting	Overall weighting																										
Delivery Statement	35%	40%																										
Programme	35%																											
Resources	20%																											
Resident Engagement & Communications	5%																											
Public Realm	5%																											
Total for Quality/Technical	100%																											
Social Value	Area weighting	Overall weighting																										
Strong Foundations	2%	10%																										
Every Opportunity to Succeed	2%																											
A borough where we can all feel safe, secure and happy	2%																											

Ref.	Requirement	Response		
		A future built for everyone, an economy fit for all	2%	
		A cleaner, more considerate Brent	2%	
		Commercial – Cost	Area weighting	Overall weighting
		Commercial (Price)	100%	50%
		Total		100%
(vii)	Any business risks associated with entering the contract.	The delivery of the contract caused by current economic environment; availability of resources; increased costs to estimated contract value.		
(viii)	The Council's Best Value duties.	Mini competition undertaken from an approved framework so that competitive submission can be sought to support the Council's Best Value duties		
(ix)	Consideration of Public Services (Social Value) Act 2012	10% of the evaluation is included for Social Value – see Section 9 below.		
(x)	Any staffing implications, including TUPE and pensions.	See Section 7 below		
(xi)	The relevant financial, legal and other considerations.	See sections below.		

- 3.6 Cabinet are requested to approve the delegation of authority to award the contract to the Strategic Director, Regeneration and Environment, in consultation with the Cabinet Members for Regeneration, Property and Planning and Schools, Employment and Skills.
- 3.7 As part of the redevelopment of Morland Gardens, a temporary home for Brent Start is required. As per 14 January 2020 Cabinet report, the former Stonebridge School Annexe building on Twybridge Way will be used as the temporary home whilst Morland Gardens is redeveloped. At the time of drafting this report, officers are recommending Cabinet award the contract to refurbish the Annexe in December 2020 subject to the satisfactory completion of the Judicial Review of the planning permission decision process in respect of the Morland Gardens redevelopment.
- 3.8 Bat Surveys will be required at Morland Gardens before the works commence on site in order to ensure no construction activity disturbs any potential bat activity on site. Surveys will be completed in line with industry guidance (Bat Conservation Trust “Bat Surveys for Professional Ecologists”). Any bat activity identified will require construction related activities to be carefully managed and licences in place before works can commence. These surveys are part of the planning conditions that will have to be satisfactorily released before works on site can commence between the roosting season of May to September. The appointed contractor will lead on this process, including the commissioning of

the surveys, submission of reports to release the planning conditions and management of any actions that may arise.

4.0 Financial Implications

4.1 The Morland Gardens project budget was approved by Cabinet on 14 January 2020. The total project budget is £43m of which £41.5m was assigned for the redevelopment of the Morland Gardens site and £1.5m for the decant costs for Brent Start.

4.2 The pre-tender estimate for the redevelopment works of £34m is within this budget.

5.0 Legal Implications

EU Regulations

5.1 The Contract falls within the definition of a 'works contract' under the Public Contracts Regulations 2015 ('EU Regulations'), the estimated value of the Contract is above the EU procurement threshold for works (currently £4,551,413), and therefore the full rules of the EU Regulations will apply to the award of the Contract. Officers are also required to observe the rules set out in the Council's Contract Standing Orders (CSO).

Council CSOs

5.2 The contract is classed as a High Value Contract under the Council's Contract Standing Orders (CSO) and Financial Regulations. Officers have determined that it would be most effective to procure the contract by way of a Framework Agreement (Framework) complying with EU Regulations that has been set up by another authority (paragraph 3.4). As this procurement will proceed as a mini competition from a Framework agreement set up by another public authority, the CSO requires the Director of Legal, HR, Audit and Investigations to confirm that it is legally permissible to participate in the identified Framework; this confirmation was given on 11 June 2020.

Authority to Tender

5.3 The CSO at paragraph 89 (i) to (xi), empowers the Cabinet to approve the pre-tender considerations and invite tenders for High Value Contracts. The Cabinet is also to confirm that there is sufficient budgetary provision for the Contract (CSO 86(e)(ii)). Subject to the approval being sought from the Cabinet, it is legally permissible for the Cabinet to approve the pre-tender considerations set out in paragraph 3.5 and to invite tenders for the contract.

5.4 On completion of the tendering process, Cabinet is requested to delegate authority to the Strategic Director, Regeneration and Environment. Officers will report to the Strategic Director, explaining the process undertaken in tendering the contracts and recommending an award.

Contract Terms & Conditions

- 5.5 As required by the Framework, the Council will follow the rules for tendering under the Framework including the use of call off contracts allowed therein. The Council has identified the JCT Design & Build Contract (2016) as a suitable contract allowed under the Framework.

6.0 Equality Implications

- 6.1 Members are referred to the Equalities Implications described and appended Equality Impact Assessment from the Morland Gardens Cabinet Report from January 2020.
- 6.2 Specific to the contract award for the refurbishment works at Stonebridge Annexe and tender for the redevelopment of Morland Gardens, Brent Start learners will need clear notice of the changes to the venue of the provision along with significant advance notice.

7.0 Staffing/Accommodation Implications

- 7.1 Clear and ongoing communication with staff will be required to ensure they understand the interim arrangements during Brent Start's time at the Annexe whilst the delivery of the new building takes place. For example, staff will need to adjust their travel to work plans.

8.0 Consultation with Ward Members and Stakeholders

- 8.1 The Lead Members for Regeneration, Property and Planning and Schools, Employment and Skills have been consulted as part of the drafting of this report.
- 8.2 Ward members were advised of the Morland Gardens project progress and planning committee decision in September 2020. Further consultation will take place following the satisfactory completion of the Judicial Review of the planning permission decision process as well as being kept up to date with progress on the tender process.

9.0 Social Value

- 9.1 The Council is under 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. This duty does not strictly apply to the proposed contract as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 9.2 Ten percent of the overall evaluation criteria is allocated to Social Value and will be in line with the Council's Social Value and Ethical Policy approved by Cabinet in April 2020. It is envisaged that the successful contractor should be able to offer local employment, apprenticeships and work experience to residents in Brent. It would be expected that the successful contractor would offer other community benefits to the residents in Brent. Bidders are required to

identify a monetary value (or cash value) for each element of the Social Value that they offer. The monetary value should be 10% of the contract value. If suppliers do not deliver on the social value commitments, the Council will look at claiming back the monetary value.

Related Documents: Morland Gardens Cabinet Report 14 January 2020

Report sign off:

ALAN LUNT

Strategic Director, Regeneration
and Environment