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|  | Officer Key Decision |
| | Report to the Strategic Director Regeneration and Environment |
| AUTHORITY TO AWARD CONTRACT FOR ARCHITECTURALLY-LED MULTIDISCIPLINARY DESIGN TEAM FOR THE MASEFIELD HOUSE, WORDSWORTH HOUSE AND DICKENS HOUSE SITES (SOUTH KILBURN) | |

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| Wards Affected: | Kilburn |
| Key or Non-Key Decision: | Key |
| 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| No. of Appendices: | Three Appendix 1: not for publication Appendix 2: Evaluation Summary Appendix 3: South Kilburn Supplementary Planning Document 2017 (Link) |
| Background Papers¹: | None |
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1.0 Purpose of the Report

- 1.1 This report concerns the approval to appoint a multi-disciplinary design team for 1) Masefield House, and Wordsworth House and 2) Dickens House.
- 1.2 This report requests authority to award a contract as required by Contract Standing Order 88. This report summarizes 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 Recommendations

- 2.1 That the Strategic Director of Regeneration and Environment approves the appointment of Karakusevic Carson Architects LLP for the architecturally led multi-disciplinary design team for Masefield House, Wordsworth House, and Dickens Court sites, subject to key decision procedures being completed.

3.0 Background

- 3.1 The Masefield House, Wordsworth House and Dickens House (“MWD”) sites are part of the wider South Kilburn regeneration programme. Masefield and Wordsworth development is in Phase 3b, with the Dickens site sitting within Phase 6.
- 3.2 An architectural firm is required to lead a full multi-disciplinary design team to prepare, submit and ensure the validation of detailed planning consent and produce Detailed Design and specification to RIBA Stage 3 for the MWD sites for the comprehensive redevelopment of the sites.
- 3.3 The Multi-disciplinary design team are required to:
 - 3.1.1. Lead a full multi-disciplinary design team to prepare, submit and ensure the validation of detailed planning consent and produce design and specification to RIBA Stage 3 for the Masefield, Wordsworth & Dickens sites for the comprehensive redevelopment of the sites.
 - 3.1.2. Ensure that the Full Planning Application will be to the quality and standard as required by the Council and will contain all necessary planning application documentation (and associated documentation) that will allow the Full Planning Application to be validly determined by the Local Planning Authority and the Greater London Authority.
 - 3.1.3. Use reasonable endeavours to obtain a planning permission and any associated or required statutory consents for the comprehensive redevelopment of the Masefield, Wordsworth and Dickens sites.
 - 3.1.4. Produce and prepare RIBA Stage 3 Developed Design and prepare a full RIBA Stage 3 Developed Design tender pack of information for the development. The RIBA Stage 3 Developed Design tender pack of information will include plans and drawings to support the procurement process to appoint a delivery partner and respond to all design related clarifications; parts will require detailed specifications and this is outlined in more detail.
 - 3.1.5. Lead on **all** aspects of consultation with all key stakeholders. The appointed supplier for this requirement will be required to plan, run, facilitate and manage consultation with all key stakeholders, both statutory and non-statutory, on the redevelopment proposals. This will include, but not be limited to, liaising with the Greater London Authority (GLA) as the redevelopment scheme will be referable; leading on the delivery of public exhibitions on the design proposals; leading on the establishment and delivery of a resident’s design group to review the design

proposals for the new affordable homes and any other key principles; producing all consultation materials and keeping a record of responses received which will feed into the Statement of Community Involvement, to be submitted with the Planning Application.

- 3.1.6. Work with the Council's cost consultant and other consultants as required (once appointed) to evolve the design in line with financial and viability testing to ensure a viable redevelopment scheme. The Council envisages design variations and changes in unit numbers, space requirements and design at each design stage in response to financial and viability testing and feedback from the market on efficiencies.
- 3.1.7. Prepare and submit an Environmental Impact Assessment Screening and Scoping Opinion for Masefield, Wordsworth and Dickens sites, in accordance with the Town and Country Planning (EIA) (England and Wales) Regulations 1999, to the Local Planning Authority. If an EIA is required to be undertaken, appoint a suitably qualified consultant to undertake an EIA for the Masefield, Wordsworth and Dickens ("EIA Consultant"). The EIA Consultant will become a member of the design team and be managed by the Preferred Tenderer accordingly.

4.0 Key Deliverables

These sites aim to deliver new high quality homes affordable and private as well as wider benefits for South Kilburn Residents.

4.1 Masefield, Wordsworth and Dickens Sites

The site aims to deliver:

- A high quality mixed use development with active ground floor uses (subject to viability) which could deliver approximately 131 dwellings with approx. 60 as affordable. The specification had only anticipated around 100 units, but KCA identified the site as able to provide up to 30 additional units.
- A new two form entry primary school. This would accommodate a local infant and junior school. There remains the chance that this move is not successful. Therefore, the specification required bidders to explore other uses of the site. KCA, the highest scoring bidder, set out the potential for either a new high quality community centre with access to allotment gardens and play spaces, or a Special Educational Needs (SEN) facility.
- Positive impact to the local communities. The new school will have facilities that can be used by the community when not being used by the school.
- Reinstating Percy Road and providing a new vehicular street connecting Stafford Road and Malvern road with new ground floor activity, clear sight lines and a layout which successfully integrates into existing street patterns.
- Responding to locally listed buildings by providing the new homes in the form of a paired villa typology
- Development ranging in height up to approx. 5-7 storeys, which provides a variety on townscape and facilitates daylight/sunlight. This is in line with the general South Kilburn SPD guidance.

- Tenure blind entrances and external appearance for affordable and private homes.
- The creation of high quality public realm with attention given to private and communal amenity spaces.
- Retaining the existing trees, and providing new high quality planting along the sites edges.
- Exact unit numbers/heights are subject to change and will evolve through Design Development.

5.0 Changes to Timetable and Planning Submission

- 5.1 The Masterplan/SPD had originally intended for the two sites to be delivered separately across two different phases and to have two separate planning applications.
- 5.2 This was the main approach conveyed in the Authority to Tender document, as well as the Specification issued to bidders in September 2020.
- 5.3 Design work was to be sequential. The indicative timetable proposed Masefield and Wordsworth design work and planning submission occurring in 2021, with Dickens House design work and planning submission occurring much later in around 2023.
- 5.4 However, officers recognised that due to the sites locality and proposed housing numbers, there was the possibility of developing these two schemes jointly as one planning application but through different phases. This question was posed to architects in the procurement evaluation criteria.
- 5.5 Alongside other bidders, KCA recommended that a single planning application would be a more appropriate decision for this project. Some of the reasons included:
- 5.5.1 The sites' close proximity to each other;
- 5.5.2 Delivering a holistic design approach for the new homes and school;
- 5.5.3 The benefits of including the full landscape and playspace proposals and improvements in one planning application, giving comfort to planners on the overall landscape strategy;
- 5.5.4 Maximising the number of affordable homes for planning;
- 5.5.5 Locking in the arrangement of the site, including optimal road layout, giving assurance to local residents about the future of their neighbourhood.
- 5.6 There is also a financial saving for the Council to pursue this option, as further identified in **section 8.0**.
- 5.7 It is expected that the new streamlined approach can ensure that the planning application can be submitted by the end of 2021.
- 5.8 The exact nature of the planning application, whether to be hybrid or detailed, is yet to be finalised. There is the potential to have the Masefield and Wordsworth application as detailed, with the Dickens section as outline. This would provide

some flexibility for any future changes to the housing quantum as the actual development of Dickens is still not likely to occur before 2025/2026.

5.9 A decision on this will be made as the project progresses, and will take into account market conditions slightly nearer the time.

6.0 The Tender Process

6.1 This contract has been procured from the GLA ADUP 2 framework.

6.2 The GLA ADUP 2 framework is OJEU compliant and available for Local Authorities to use. The relevant framework lot has 12 organisations on it and the Director of Legal, HR, Audit and Investigations confirmed that the use of the framework was legally permissible.

6.3 Lot 4- Architecture: Housing & mixed use was deemed the most appropriate for this tender process and therefore used during this procurement.

6.4 The ITT was issued to the twelve (12) suppliers that were on the framework on the 7th October 2020. Bidders were allowed 7 weeks to submit a response, until 27th November 2020.

6.5 The framework provides for award to the most economically advantageous tender on the basis of the following evaluation criteria weighting: 70% quality (including social value); 5% Equality, Diversity and Inclusion; 25% Financial. Due to overlaps between the Equality, Diversity and Inclusion framework criteria and the Council's social value criterion, the ADUP framework administrators agreed to the Council issuing tendering instructions stating 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:

| Criteria | Weighting |
|---------------------|-------------|
| Quality / Technical | 65% |
| Social Value | 10% |
| Commercial / Price | 25% |
| Total | 100% |

7.0 Evaluation Process

7.1 The tender submission date was 27th November 2020. The tender seal on the portal was opened by the procurement officer on the 27th November 2020 and three valid tender submissions were received.

7.2 A panel of officers carried out the tender evaluation, and comprised of:

- South Kilburn Project Officer

- South Kilburn Programme Manager
- Regeneration Masterplanner (Regeneration Team)
- Capital Projects Manager- Schools (only on the schools related question)

The evaluation was moderated by Procurement.

- 7.3 Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 7.4 The panel met on 11th December 2020 (via Microsoft teams) and each submission was marked by the whole panel against the award criteria.
- 7.5 The evaluation scores were finalised and moderated following clarification responses and the final scoring was approved by the evaluation panel. Table 1 below shows the summary ITT evaluation scores of the bidders and Appendix 2 provides a more detailed breakdown of the full tender evaluation outcome.

| Summary | Weighting | Supplier 1 | Supplier 2 | Supplier 3 |
|----------------|-------------|---------------|---------------|---------------|
| Quality | 65% | 37.80% | 55.20% | 36.80% |
| Social Value | 10% | 4.60% | 7.20% | 5.40% |
| Commercial | 25% | 20.32% | 25.00% | 20.22% |
| Total | 100% | 62.72% | 87.40% | 62.42% |
| Ranking | | 2 | 1 | 3 |

Table 1 - Tender Evaluation Outcome

- 7.6 The names of the suppliers are contained in Appendix 1 (exempt). The scores received by the suppliers are included in Appendix 2. It should be noted that supplier 2 was the highest scoring tenderer. Officers therefore recommend the award of the contract to Supplier 2, namely Karakusevic Carson Architects LLP (“KCA”).
- 7.7 The contract is envisaged to commence in January 2021.
- 8.0 Financial Implications**
- 8.1 The value of the works from KCA tender submission is £828,161 +VAT (up to RIBA Stage 3). This cost was based upon two separate planning applications. Prices based on two separate planning applications were used to evaluate all bids.
- 8.2 It is worth noting that all bidders provided possible additional costs relating to their tenders, ranging from £95k to over £200k. KCA has provided possible additional costs of up to £158,691.25. Nearly £100,000 of this is related to the Environmental Impact Assessment, which is considered to be unlikely to be needed in its full version.
- 8.3 Brent council’s finance officers have validated the KCA’s financial viability. KCA has passed the financial assessment undertaken.

- 8.4 In one of the questions to bidders, it was asked whether bidders thought the scheme would be best delivered via an alternative route, i.e. one planning application. Whilst financial evaluation was carried out on the price bid for two separate planning applications in accordance with the evaluation methodology, it has been determined that the favoured route is with the scheme now undergoing one planning application. This has led to the new reduced cost of £799,299.59 for KCA's bid. This amount will be taken forward into the call-off contract with KCA.
- 8.5. The cost of this contract will be funded from the existing South Kilburn programme budget.

9.0 **Legal Implications**

- 9.1 The value of this contract over its lifetime is in excess of the threshold for Services under the Public Contracts Regulations 2015 (the "PCR 2015") and the award of the contract is therefore governed by the PCR 2015.
- 9.2 Officers have used a framework to procure the contract for an architecturally led multi-disciplinary design team for the MWD sites. The PCR 2015 allows the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework and utilising the terms and conditions set out in the framework. Officers have used the evaluation criteria and weightings detailed in Appendix 2, having sought confirmation from the ADUP framework administrators that such criteria and weightings were consistent with the framework as detailed in paragraph 6.5. Officers have conducted the procurement in accordance with framework rules and intend to utilise the terms and conditions set out in the framework to contract with the preferred bidder.
- 9.3 The award of the contract is subject to the Council's own Contract Standing Orders ("CSO") and Financial Regulations. CSO 86(e) provides that Officers are permitted to call off from a Framework Agreement established by another contracting authority, where call off under the Framework Agreement is approved by the relevant Chief Officer to include confirmation that there is budgetary provision for the proposed call-off contract and provided that the Director of Legal, HR, Audit & Investigations has advised that participation in the Framework Agreement is legally permissible. The Director of Legal, HR, Audit & Investigations has confirmed that participation in the Framework Agreement is legally permissible in this case.
- 9.4 The award of the proposed contract is subject to the Council's CSOs in respect of Medium Value Contracts. Chief Officers have delegated to them power to award Medium Value Contracts in accordance with paragraph 9.5, of Part 3 of the Constitution.

10.0 **Equality Implications**

- 10.1 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

10.0 Consultation with Ward Members and Stakeholders

- 10.1 Regular stakeholder engagement will occur once the project begins. This will include all relevant internal, external and statutory partners.
- 10.2 The Lead Member for Regeneration, Property and Planning has been kept up to date throughout. Ward Members are updated at quarterly meetings.

11.0 Human Resources/Property Implications (if appropriate)

- 11.1 This service will be provided by an external consultancy organisation and there are no implications for Council staff arising from tendering the contract.

12.0 Public Services (Social Value) Act 2012

- 12.1 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 12.2 10% of the overall evaluation criteria was allocated to Social Value. The Social Value submission show a number of different social value commitments, with a monetary value calculated as 10% of the contract value. The social value commitments were across strong foundations, every opportunity to succeed, and a cleaner, more considerate Brent.

Report sign off:

Alice Lester

Operational Director Regeneration Growth and
Employment