

 Brent	Officer Key Decision
	Report to the Strategic Director of Regeneration & Environment
AUTHORITY TO AWARD CONTRACT FOR CONSTRUCTION OF NEW COUNCIL HOMES AT ANEURIN BEVAN COURT AND SYCAMORE GROVE	

Wards Affected:	Aneurin Bevan Court: Dollis Hill Sycamore Grove: Fryent
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 4 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:	Four Appendix 1 – Site Plan for Aneurin Bevan Court Appendix 2 – Site Plan for Sycamore Grove Appendix 3 – Tender Evaluation Grid Appendix 4 – Exempt – Identity of Bidders
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Henry Kuteyi Project Manager 0208 937 1726 Henry.Kuteyi@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the award of a contract for the building of a number of New Council Homes at Aneurin Bevan Court and Sycamore Grove. 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)

That the Strategic Director of Regeneration & Environment:

- 2.1 Approves the award of the contract for the building of New Council Homes at Aneurin Bevan Court and Sycamore Grove to Collier Contracts Limited.

3.0 Detail

- 3.1 Brent Council has a programme of new affordable homes to be delivered in the borough over the next five years. The Council has already delivered on New Council Homes for the borough and are now bringing forward the next schemes. The following sites have received planning approval and therefore need to progress to next stage of sourcing a contractor for the build out of the scheme.
- 3.2 The sites and estimated contract values for the works contracts are detailed below, along with the Wards and a breakdown of the number of units to be provided on each site.

Scheme	Site Names	Ward	Building Type	1 Bed	2 Bed	3 Bed	4 Bed	Units	Indicative Project Costs
2	Aneurin Bevan Court	Dollis Hill	1 block	3	6	-	-	9	£2,000,000
	Sycamore Grove	Fryent	1 House	-	-	1	-	1	£270,000
Total								10	£2,270,000

- 3.3 Aneurin Bevan Court: This comprises of a series of garages. All garages are in good condition but not all are in use. All garages are owned by Brent council and all garage tenants are on notice that the garages will be taken back by the council. However, we have made provision within our planning application to accommodate tenants who identified as needing a parking space. The site plan is attached for reference (Appendix 1).
- 3.4 Sycamore Grove: This is a cleared garage site adjacent to a public pathway. The site is approximately 350sq m in area. The site plan is attached for reference (Appendix 2).
- 3.5 The estimated cost of the works for both sites is based on quantity surveyor analysis, i.e. £2.3m for the project. The value of the projects is classified as a medium value works contract (£250,000 - £5,000,000) as per CSO 82.
- 3.6 Programmes of this nature can be difficult to manage in terms of finding suitable small to medium sized contractors who are experienced in delivering high-quality projects on small sites.

- 3.7 A framework approach was considered; however due to the geographically scattered nature of the programme and the low value of the works, it was felt that this could result in a lack of interest from framework contractors who typically prefer larger contracts.
- 3.8 It was also felt that frameworks have a limited number of approved suppliers, resulting in less competition for a small works contract, which could drive higher costs and reduce value for money that the Council is seeking for these works.
- 3.9 Following discussions with Procurement, it was agreed that the open tender approach will provide the Council with the best platform for sourcing and appointing qualified contractors for the programme.
- 3.10 An open tender approach could have the following benefits for the Council:
- Provide the Council with a wider selection of small to medium sized contractors who are more suited to the Infill Programme.
 - Small to medium sized contractors are thought to be more competitive and seek to offer better value for money in terms of quality and costs.
 - The open tender approach will afford the Council an opportunity to engage with local suppliers and businesses who could benefit from the Council's Development Programme, and this could help ease unemployment and bring revenue into the Borough.
 - It gives the Council better scope to seek the best supplier for the works, as tenders are carefully evaluated for cost and quality, and there will be a wider selection to choose from.
 - The Council should experience a boost in innovation, as the field of competition would be extended, and contractors will need to demonstrate how they will offer efficiencies and absorb reasonable risks to deliver the programme.
 - Open tendering also offers easy entry into the market for smaller suppliers, and this can help new firms to get a foothold in the market or industry, which will help lower the traditional barriers faced by many small but experienced contractors.

The Tender Process

- 3.11 Advertisements were placed on Contracts Finder and the London Tenders Portal on 4th December 2020 to seek quotes.

- 3.12 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:

Technical / Quality	Area weighting	Overall weighting
Project Delivery & Programme	30%	35%
Design Development	25%	
Project Resources	20%	
Traffic Management	15%	
Community Engagement	10%	
Total for Quality/Technical	100%	
Social Value	Area weighting	Overall weighting
Social Value	100%	10%
Commercial - Cost	Area weighting	Overall weighting
Commercial (Price)	100%	55%
Total		100%

Evaluation process

- 3.13 The tender evaluation was carried out by a panel of officers from the Property and Assets Team.
- 3.14 All tenders had to be submitted electronically no later than 12 Noon 29th March 2021. Tenders were opened on 29th March 2021 and three valid tenders were received. 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.
- 3.15 The panel met on 28th April 2021 and each submission was marked by the whole panel against the award criteria.
- 3.16 The scores received by the tenderers are included in Appendix 3. It will be noted that Tenderer A was the highest scoring tenderer.
- 3.17 Whilst the evaluation was not based on price alone, it is worth pointing out that as explained at paragraph 3.5 above, the estimated cost of the works for both sites was £2.3m. Tenderer A's price was £2.2m.
- 3.18 The names of the tenderers are contained in Appendix 4. Officers therefore recommend the award of the contract to Tenderer A, namely Collier Contracts Limited

3.19 The contract will commence from w/c 11th October 2021, subject to the Council's observation of the requirements of the mandatory 5 day call in period.

4.0 Financial Implications

4.1 The combined value of the contract is £2.2m for Aneurin Bevan Court and Sycamore Grove.

4.2 It is anticipated that the cost of this contract will be funded from capital programme with grants from the GLA.

4.3 As per the requirement of the contract, a performance bond undertaking was received from the bidders and this will be a minimum of 10% of the contract value.

5.0 Legal Implications

5.1 The estimated value of this contract over its lifetime is below the threshold for Works under the Public Contracts Regulations 2015 (the "PCR 2105"), currently £4,733,252, and accordingly the procurement is not subject to the requirements of the PCR 2015.

5.2 The procurement is however subject to the Council's own Standing Orders and Financial Regulations in respect of Medium Value Contracts and Chief Officers have delegated to them power to award Medium Value Contracts in accordance with paragraph 9.5, of Part 3 of the Constitution.

5.3 The project will be administered using the 2016 JCT Design & Build with the Council's amendments.

5.4 As this is a new build development, there are no TUPE implications.

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.

7.0 Consultation with Ward Members and Stakeholders

7.1 Public Exhibitions have been held for both sites as follows:

Aneurin Bevan Court

- Resident consultation at tennis club Sept 2019
- Planning application followed by objections Feb 2020
- Committee hearing with positive outcome – July 2020

Sycamore Grove

- Planning application Dec 2019
- 18 neighbouring properties and Friends of Eton Grove Park were consulted for a minimum of 21 days in December 2019.
- A site notice was erected on 21 January 2020.
- Further consultation letters were sent out in April 2020 owing to revised plans and documents being submitted.
- Two representations were received in response to the first round of consultation. All matters successfully concluded by Project manager, Planning consultant and Planning dept.

7.2 In addition to the Public Exhibitions, statutory planning consultation has been afforded to all those likely to be impacted by the projects, and responses have been managed by the Project Manager and the Planning Consultant acting on behalf of the Council.

7.3 Further meetings will be held as the commencement date approaches, and this will take the form of inviting Ward Members, Councillors, residents and neighbouring private owners to an open meeting where discussions will be held concerning the works. We will formally introduce all stakeholders to the project team and the contractor appointed to undertake the works.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None applicable

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.

9.2 Ten per cent of the evaluation criteria was assigned to evaluating the bidders social value proposals.

Report sign off:

Nick Ljustina

Operational Director,
Property and Assets