

	Officer Key Decision
	Report to the Strategic Director of Regeneration & Environment
AUTHORITY TO AWARD CONTRACT FOR NEW COUNCIL HOMES AT CLOCK COTTAGE	

Wards Affected:	Kenton
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 – Appendices 2,4,5 and 6 are 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:	6 Appendix 1 – Site Plan Appendix 2 – Exempt - Bidders Appendix 3 – Tender Evaluation Grid Appendix 4 – Exempt – Economic & Financial Standing Assessment Appendix 5 – Exempt – Client Reference Appendix 6 – Exempt – Financial Standing Position
Background Papers	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Henry Kuteyi Project Manager Henry.Kuteyi@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the award of a contract for the construction of new council homes at the Clock Cottage site. This report requests authority to award a contract as required by Contract Standing Order 88. This report summarises the process undertaken in procuring 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 building new Council homes Clock Cottage to Guildmore Ltd.

3.0 Detail

- 3.1 Further to Appendix 1 – Site Plan, the Kenton Grange site is located off the Kenton Road, HA3 0YG and comprises:

- Clock Cottage - a former stable block with grounds
- Scout Hut
- St Luke's Hospice

- 3.2 Clock Cottage has an area of 0.343Ha and was previously used as a Council depot. This report concerns the procurement of a contractor to undertake works at Clock Cottage, Kenton Road, HA3 0YG.

- 3.3 The Clock Cottage redevelopment includes the retention and part re-use of Clock Cottage, demolition of the single storey stable buildings and erection of a new two storey building. This will provide 13 self-contained units (Use Class 3b) to be used as assisted living accommodation for adults with disabilities.

- 3.4 Full planning consent 16/3294 was granted in January 2017. The full planning consent was then varied by a non-material amendment application 20/1003 which was granted permission in April 2020. A second variation to the original consent was approved on 27th August 2020 under planning ref 20/1561. This changed the scheme from 17 units to 13.

- 3.5 Various options for procuring a contractor were considered, such as an open tender or a mini-competition via a suitable framework. Following discussions with Procurement and Airey Miller, the Council's Employers Agent (EA) for this project, it was agreed that a mini-competition via the Notting Hill Genesis (NHG) Contractor Framework offered the best outcomes.

- 3.6 A mini-competition via an approved framework allows the Council to access suitable contractors to deliver a complex project that involves both new build/refurbishment and ensures that competitive submission(s) can be sought to support the Council's Best Value duties. For the Clock Cottage project, the Council invited five contractors from NHG Contractor Framework to the mini-competition and further details/outcomes from the tender process are outlined below:

The Tender Process

- 3.7 Advertisements were placed on Contracts Finder and the London Tenders Portal on 26th April 2021 to seek quotes.
- 3.8 The tendering instructions stated that the contract would be awarded based on 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%	50%
Design Development	25%	
Project Resources	20%	
Traffic Management	15%	
Community Engagement	5%	
Sustainability	5%	
Total for Quality/Technical	100%	
Social Value	Area weighting	Overall weighting
Social Value	100%	10%
Commercial - Cost	Area weighting	Overall weighting
Commercial (Price)	100%	40%
Total		100%

The Evaluation process

- 3.9 The tender evaluation was carried out by a panel of officers from the Property and Assets Team.
- 3.10 All tenders had to be submitted [electronically] no later than 12 Noon 25th June 2021. Tenders were opened on 25th June 2021 and two 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.
- 3.11 The panel met on 22nd July 2021 and each submission was marked by the whole panel against the award criteria.
- 3.12 The names of the tenderers are contained in Appendix 2 (exempt). The scores received by the tenderers are included in Appendix 3. It will be noted that Tenderer B was the highest scoring tenderer. Officers therefore recommend the award of the contract to Tenderer B, namely Guildmore
- 3.13 It is anticipated that the contract will commence w/c 27th 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 estimated value of this contract is £3,600,000.
- 4.2 The cost of this contract will be funded from the Housing Capital Programme Budget.
- 4.3 The highest scoring bidder has had their financial accounts evaluated by officers in Finance to ensure they meet the Council's requirements and are financially viable to enter into a contract. Further comments on the assessment are to be found in Appendix 4 (exempt).

5.0 Legal Implications

- 5.1 The estimated value of the proposed call off contract for works at Clock Cottage of £3,600,000 is below the threshold for Works under the Public Procurement Regulations 2015 (the "PCR 2015") and the procurement is therefore governed in part only by the PCR 2015.
- 5.2 Officers recommend the use of a framework to procure the works at Clock Cottage. The PCR 2015 allow 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.
- 5.3 The Council's Contract Standing Orders provide that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Chief Officer and provided that the Director of Legal, HR, Audit and Investigations has advised that participation in the framework is legally permissible. The Director of Legal, HR, Audit and Investigations confirmed on 10 June 2020 that participation in the Constructor Framework of the NHG Framework Agreement is legally permissible.
- 5.4 Given the value, the procurement is subject to the Council's own Standing Orders in respect of Medium Value Contracts and Financial Regulations. Under section 3(a) of the table at paragraph 9.5 of Part 3 of the Constitution, Chief Officers are able to approve the award of such contract without the need for Cabinet approval provided that the award of the contract or approval of the agreement would not place the Council in breach of public procurement legislation and that there is sufficient budgetary provision. It is considered that the Operational Director has delegated authority to approve the award as the

award of the contract will not place the Council in breach of public procurement legislation and because there is sufficient budgetary provision.

5.5. As the procurement of works is from a framework, there is no requirement for the Council to observe a 10 day standstill period under the Public Contracts Regulations 2015.

5.6 The Framework Agreement provides that the JCT Design & Build Contract 2016 as amended will form the basis of the contract. These allow for a bond and parent company guarantee to be required of the contractor. In addition, the ITT included provisions relating to the Council's social value action plan requirements. The contract documents are being collated accordingly.

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 Ward Members and St Luke's Hospice have been updated and they communicate regularly with officers to address any issues as/when necessary.

7.2 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, and formally introducing 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

Precedent 1(b)
Cabinet Authority to Award Report
Page 5

