

	Officer Key Decision
	Report to the Strategic Director of Community Wellbeing
Authority to appoint contractor for the Preston Community Library Redevelopment	

Wards Affected:	Preston
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 2 is exempt as they contain 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:	Appendix 1 Artist’s Impression for the Preston Community Library Redevelopment Appendix 2 Activity Schedule (exempt) Appendix 3 Project Programme
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Adeola Oke – Head of Capital Programme (Housing) 020 8937 1756 Adeola.Oke@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report requests authority to award a main works contract as required by Contract Standing Order 88. The report provides an update on progress with the Preston Community Library redevelopment and seeks approval to appoint Kier Construction Ltd for the purposes of undertaking the main construction works.

2.0 Recommendation(s)

2.1 That the Strategic Director of Community & Wellbeing in consultation with the Cabinet Member for Housing, Homelessness & Renters Security (formerly Lead Member for Housing and Welfare Reform) approves the award of works contract to Kier Construction Ltd for the construction of a new community library and 12 affordable homes at Preston Community Library.

3.0 Detail

3.1 In April 2021, the Council appointed Kier Construction Ltd ('Kier') under the SCAPE Minor Works Framework Agreement to provide detailed design services under a Pre-Construction Services Agreement (PCSA) and enabling works to bring forward the Preston Community Library.

3.2 The SCAPE Minor Works Framework Agreement is a single supplier framework. Prior to using the framework, officers sought and obtained relevant approval. Kier Construction Ltd is the only supplier on the framework. The core principle of the procurement and management of the SCAPE Framework is that single source partnering offers the greatest value to all parties.

3.3 The benefits of working with a single source tier 1 contractor include:

- **Managing Risks:** Enabling open dialogue concerning potential risks to determine the most appropriate mitigation strategy for the client and the project or programme.
- **Consistent delivery, local growth:** Harnessing significant economies of scale associated with a single national supplier and combining this with a local delivery ethos, driving social, economic and community benefits.
- **Efficiency:** The time and cost associated with traditional procurement is minimised by removing lengthy project specific tendering, allowing authorities to maximise what they spend from their budget on construction work.

3.4 Via the SCAPE Minor Works Framework Agreement, Kier secured planning permission for this development in January 2020 and on target to complete site-enabling works in July 2022. Subject to approval, this appointment, relates to undertaking the main construction works over a 47-week construction programme with a view to handing over the completed scheme by June 2023.

4.0 Alternative Options Considered

4.1 Alternative procurement options would be to carry out a mini competition from another Public Contracts Regulations 2015 compliant framework agreement or to advertise the requirements via an open tender process. Both of these options would entail engaging with different suppliers, shortlisting, and carrying out a tender competition, which would add significant time to the project without the guarantee of any time or cost benefit.

4.2 As Kier has progressed the delivery of the scheme proposals up to Pre-Construction Services (PCSA2) and Enabling Works, the technical knowledge and community engagement experience they have gained on the project would be lost by adopting an alternative procurement option with different suppliers. It is therefore recommended to continue with Kier via the SCAPE Minor Works Framework Agreement for the main construction works.

5.0 Additional Background

5.1 Planning Permission (Planning Reference: 19/1305) was granted in January 2020 to redevelop the Preston Community Library site and deliver 12 affordable homes on top of a new community centre. Please refer to Appendix 1 for an artist's impression of what the new scheme will look like.

5.2 Under the Cabinet report of 9th December 2019, Cabinet delegated authority to the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing & Welfare Reform, to award the contract to Kier using the procurement approach set out in the said report. Cabinet under the same report also gave delegated authority to award contracts, to bring forward the detailed design and construction.

5.3 Officers are satisfied with the estimated construction costs provided and recommend the appointment of Kier via the SCAPE Minor Works Framework Agreement for the main works contract.

6.0 Financial Implications

6.1 The cost for this appointment is as follows:

Community Library	£1,015,684.77
Residential Element	£5,058,701.83
Total	£6,074,386.60

6.2 The total cost of the scheme will be funded from a GLA grant of £1.2M, NCIL funding of £276K and S106 contribution of £659K. The remaining £3.939m to be funded from borrowing.

6.3 The supplier's financial strength has been checked and approved as sufficient for this project.

7.0 Legal Implications

7.1 The value of the contract over its lifetime is in excess of the threshold for Works under the Public Contracts Regulations 2015 ('PCR') and the award of the contract is therefore governed by the PCR.

7.2 The procurement was undertaken through a framework and the PCR provide the rules for use of framework agreements, and requires that the framework rules are adhered to when calling off from that framework. As detailed in section 3 above, relevant recommendation that it is legally permissible to call off from

the SCAPE framework was obtained before Officers commenced the procurement process under the framework.

- 7.2 The award is also subject to the Council's own Standing Orders ('CSO') in respect of High Value Contracts and Financial Regulations. This would ordinarily require Lead Member approval to award a Works contract worth in excess of £5M. However, under the Cabinet report of 9th December 2019, Cabinet delegated authority to the Strategic Director of Community Wellbeing in consultation with the Lead Member for Housing & Welfare Reform to award the contract for the Preston Community Library site should the final value of the contract be in excess of £5M.
- 7.3 As the contract is procured under a framework agreement, the contract will be administered using the framework terms and conditions which is based on NEC4 ECC with amendments agreed by both parties.

8.0 Equality Implications

- 8.1 The Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.
- 8.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.3 The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.
- 8.4 Officers believe that whilst redevelopment measures could result in temporary barriers for accessing community activities by affected groups, the redevelopment measures proposed are expected to provide ongoing community activities in the local area and have positive outcomes on the quality of life for local people.

9.0 Consultation with Ward Members and Stakeholders

- 9.1 Ward Members are kept up-to-date and communicate regularly with officers to address any issues as and when necessary.
- 9.2 Resident engagement sessions were undertaken on 18th September 2018 and 11th April 2019 about the redevelopment proposals for the Preston Community

Library site, prior to and after the planning application submission. Local residents and businesses were also consulted as part of the statutory planning process.

- 9.3 There will be further engagement sessions arranged once the Council has appointed its building contractor, subject to securing the necessary approvals.

10.0 Human Resources/ Property Implications (if appropriate)

- 10.1 There are no direct HR or staffing issues for Brent Council as a result of this report.
- 10.2 The Council acknowledges that the Preston Community Library building is coming to the end of its useful life and is therefore seeking to expedite the delivery of a replacement community library that can better respond to local needs and aspirations.

11.0 Public Services (Social Value) Act 2012

- 11.1 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.
- 11.2 The SCAPE framework provides a baseline of SCAPE Standards, relevant to all projects to ensure the success of the project, health and safety of the workforce and support of the supply chain. These include 100% time and cost predictability, 100% fair payment, zero health and safety and environmental accident standards, minimum 8/10 supply chain and client satisfaction. Performance data is then collected, collated and reported by the Delivery Partner to SCAPE every month, to enable the framework team to monitor performance.
- 11.3 The SCAPE framework allows for relevant and proportionate social value requirements to be set by the Client, Brent Council, based on key drivers. Social value targets including local spend and local labour and performance measures are to be agreed between the Council and Kier based on the Council’s requirements.
- 11.4 The Council is seeking innovative Social Value initiatives and deliverables which align with the Strategic Themes of the Council’s Brent Borough Plan 2019-2023 (the “Borough Plan”) (see www.brent.gov.uk).

Related Document:

Cabinet report of 9th December 2019

Report sign off:

TANVEER GHANI

Operational Director Property and
Assets.