

	Officer Key Decision
	Report to the Strategic Director of Community Wellbeing
Authority to Award Contract for the Learie Constantine Centre Redevelopment	

Wards Affected:	Willesden Green
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 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 Appendix 2 – Exempt Appendix 3 – Detailed Project Programme
Background Papers¹:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Adeola Oke Head of Capital Programme (Housing) 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 Learie Constantine Centre redevelopment and seeks approval to appoint Wilmott Dixon for the purposes of undertaking construction works.

2.0 Recommendation(s)

- 2.1 That the Strategic Director of Community Wellbeing in consultation with the Cabinet Member for Housing, Homelessness and Renters Security approves the appointment of Wilmott Dixon (Construction) Limited (‘Wilmott Dixon’) for

the construction of a Community Centre and 26 affordable homes in the sum of £12,259,479.28.

3.0 Detail

3.1 In March 2021, the Council appointed Willmott Dixon under the SCAPE Major Works Framework Agreement to provide detailed design services under a pre-construction services agreement and enabling works to bring forward the redevelopment of Learie Constantine Community Centre and 26 affordable homes. SCAPE Major Works Framework is a single supplier framework and prior to using the framework, Officers sought and obtained relevant approval/confirmation that it was legally permissible to call off from the framework. On completion of the design services and enabling works, Willmott Dixon as the only supplier on the framework was invited to submit their refined costs in respect of the redevelopment construction works.

3.2 The core principle of the procurement and management of the SCAPE Framework is that single source partnering offers the greatest value to all parties. During the enabling works, Willmott Dixon secured planning permission for this development in October 2019. 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 national single 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.

3.3 Subject to approval, this appointment relates to undertaking the main construction works over a 70 week construction programme with a view to handing over the completed scheme by January 2024.

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 Willmott Dixon has already progressed the scheme proposals up to Pre-Construction Services (PCSA2) and Enabling Works, the technical and design knowledge gained on the project would be lost by adopting an alternative procurement option with different suppliers. It is therefore recommended to continue with Willmott Dixon via the SCAPE Major Works Framework Agreement for the main works contract.

5.0 Additional Background

- 5.1 Planning Permission (Planning Reference: 19/1095) was granted in October 2019 to redevelop the Learie Constantine Centre site and deliver 26 affordable homes on top of a new community centre. Please refer to Appendix 1 for an artist's impression of what the new scheme could look like.
- 5.2 Since planning permission was granted, the Council has been liaising with the Learie Constantine West Indian Association and their legal representatives to agree Heads of Terms for a revised lease and a Deed of Surrender for the existing lease in order to secure vacant possession of the site. These Heads of Terms have now been agreed with the Learie Constantine West Indian Association and allows the Council to progress to the next phase of this project.
- 5.3 Under the Cabinet report of 09 December 2019 Cabinet, delegated authority to the Strategic Director of Community Wellbeing in consultation with the Cabinet Member for Housing, Homelessness and Renters Security to award the contract to Willmott Dixon to bring forward the detailed design and construction of this site.
- 5.4 Willmott Dixon was previously appointed to carry out the PCSA 2 and Enabling Works, providing pre-construction services to the completion of RIBA Stage 4.
- 5.5 Officers are satisfied with the detailed design services and enabling works provided by Willmott Dixon and the estimated construction costs provided and recommend the appointment of Willmott Dixon via the SCAPE Major Works Framework Agreement for the main works contract.

6.0 Financial Implications

- 6.1 The cost for this appointment is as follows:

Community Centre	£2,643,445.04
Residential Element	£9,616,034.24

Total	£ 12,259,479.28
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- 6.2 There is a total approved budget of £9,986,130 for 2022/23 and future years for the Learie Constantine Centre Redevelopment. Of this, a total of £100,770 has been spent/committed up to end of June 2022, leaving a remaining allowance of £9,885,360. This is not sufficient to meet the cost of the proposed contract.

Through the Report *Six Month Update on Supply of New Affordable Homes* dated 7 February 2022, the Cabinet approved an addition of £135.1m to the capital budget to progress the delivery of the New Council Homes Programme. Finance will liaise with the project team to work out the updated total budget requirement for this project including the cost of this contract and propose for approval of an allocation of the required amount out of the unallocated portion of the £135.1m approved budget in line with the Council's governance requirements.

- 6.3 Financial assessment of the proposed contractor Willmott Dixon Construction Limited has been carried out which shows a satisfactory outcome.

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.
- 7.3 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 Cabinet approval to award a Works contract worth in excess of £15M. However, under the Cabinet report of 9th December 2019, Cabinet delegated authority to the Strategic Director of Community Wellbeing, in consultation with the Cabinet Member for Housing, Homelessness and Renters Security, to award the contract for the Learie Constantine Centre Site redevelopment.

- 7.4 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.

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.

- 8.3 An Equality Impact Assessment (EIA) was previously completed in April 2015 as part of the Cabinet approval for redeveloping the Learie Constantine Centre site. Officers believe that whilst redevelopment measures could result in temporary barriers for accessing community activities by affected groups, the impact of the closure could be mitigated by provision of interim space for the West Indian Association at an alternative location within the borough. The positive impact of the redevelopment measures proposed are expected to provide ongoing community activities in the local area and outcomes related to improving the quality of life for local people.

9.0 Consultation with Ward Members and Stakeholders

- 9.1 Ward Members have been updated and they communicate regularly with officers to address any issues as/when necessary.
- 9.2 A resident engagement session was undertaken on 24th October 2018 about the redevelopment proposals for the Learie Constantine Centre site prior to the planning application submission. Local residents and businesses were also then 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/ TUPE/ 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 Learie Constantine Centre is coming to the end of its useful life and is therefore seeking to expedite the delivery of replacement community facilities 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 Wilmott Dixon 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 documents:

Cabinet Report 9th December 2019: New Council Homes Programme

Report sign off:

Phil Porter

Strategic Director, Community Wellbeing