

	Officer Key Decision
	Director Regeneration Growth and Employment
AUTHORITY TO AWARD CONTRACT FOR A DEVELOPER PARTNER FOR 1-8 NEVILLE HOUSE, 1-64 WINTERELEY, 113-128 CARLTON HOUSE AND CARLTON HALL (TOGETHER DEFINED AS NWCC PROJECT)	

Wards Affected:	Kilburn
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendices 1 and 3 are 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:	Three Appendix 1 – (Exempt) List of Tenderers Appendix 2 - Tender Evaluation Appendix 3 - (Exempt) Additional Evaluation and Legal Implications
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Amelia Bell, Senior Project Manager 020 8937 2354 Amelia.bell@brent.gov.uk Emma Sweeney, Head of Estates Regeneration 020 8937 1650 Emma.sweeney@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the development of 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and Carlton Hall that is scheduled to commence on site in 2022. 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 Director Regeneration Growth and Employment in consultation with the Lead Member for Regeneration and Planning:

- 2.1 Approves the award of the contract for the development of 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and Carlton Hall contractor to Countryside Partnerships Plc.

3.0 Detail

- 3.1 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and Carlton Hall site (the “NWCC Site”) is a key part of the wider South Kilburn regeneration programme sitting within Phase 4. The NWCC Site is located within the Kilburn Ward. The NWCC Site has significant local heritage and interest.
- 3.2 The NWCC Site will deliver new high quality homes for South Kilburn residents and an enhanced public realm as well as wider benefits explored below.
- 3.3 Following the successful grant of planning permission on the 18 February 2020, the Council requires a Developer Partner to demolish, 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and Carlton Hall and to comprehensively redevelop the NWCC Site. In turn, planning permission provided for the delivery of 219 new high quality homes of which 112 were specified to be affordable, with an enhanced and improved public realm.
- 3.4 Cabinet on 6 April 2021 considered procurement options and approved procurement of a developer partner to carry out the comprehensive redevelopment of the NWCC Site by way of a competitive procedure with negotiation (CPN).

4.0 Key Deliverables

This development will seek to deliver the following key objectives:

- 4.1 This development will deliver a mixed tenure scheme and provide 219 new, high quality homes, with 112 affordable (social rent) and 107 private sale homes. The affordable homes support the Council’s phased decant strategy for existing South Kilburn tenants ultimately

with the aim of having a single move to a suitable new home within the development.

- 4.2 During the procurement the Council encouraged bidders to propose an alternative affordable units mix to provide more family housing where possible whilst retaining a high level of affordable housing (54% by habitable room). The amended mix the preferred bidder, Countryside Partnerships Plc, submitted is as follows:

Unit Size	Consented	Proposed
1 bed	52	30 (-22)
2 bed	38	38 (0)
3 bed	20	24 (+4)
4 bed	2	9 (+7)
Total	112	101

- 4.3 Contribute to the revitalisation of the area, providing high quality architecture for this key scheme identified as part of the South Kilburn Master-plan.
- 4.4 Reinstate Neville Road and Denmark street, restoring the original neighbourhood urban grain;
- 4.5 Integrate the development with existing estate buildings to be retained, and co-ordinate with neighbouring emerging designs;
- 4.6 Improve safety in the local area by greatly increasing the amount of overlooking and active frontage;
- 4.7 Create a link between the original 19th century architectural style of South Kilburn and current contemporary design;
- 4.8 Create a 'tenure-blind' scheme meaning the affordable and private buildings will be designed to the same quality and visual style;
- 4.9 The layout creates two new private shared garden spaces within the new urban blocks, and each of these will be given its own special identity and character. Each garden is secure from the street and intended for the shared use of its surrounding residents. The eastern garden is intended to be shared by both new residents and the existing Carlton Houses, and leads on to a reconfigured and landscaped parking area – providing an improved setting for these spaces.
- 4.10 A land receipt and potential overage from the appointed delivery partner that will assist in delivering the remaining schemes in South Kilburn.

5.0 The Tender Process

- 5.1 The new contract will be let using a bespoke development agreement.
- 5.2 Advertisements were placed on Find a Tender Service on 29th April 2021 to seek initial expressions of interest, which elicited 15 initial enquires. Contractors were provided with an outline specification and details of the tender approach and were invited to complete a selection questionnaire using London Tenders Portal, which is the Council's Electronic Tendering Facility. 5 contractors subsequently completed the questionnaire.
- 5.3 Shortlisting was carried out on the basis of the contractor's technical ability and on the 11th June 2021, 3 contractors were invited to tender.
- 5.4 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:
- Demonstrated ability to provide the service
 - Quality assessment
 - Value for money and price
 - Land Receipt to the Council

Evaluation process

- 5.5 The tender evaluation was carried out by a panel of officers from Estate Regeneration team and moderated by a member of the Procurement Team.
- 5.6 All tenders had to be submitted electronically no later than 6th December 2021 at 12:00 (noon). Tenders were opened on 06th December 2021 at 14:19 and 3 tenders were received on time. 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.
- 5.7 The panel met on 11th January 2022 and each submission was marked by the whole panel against the award criteria.
- 5.8 The names of the tenderers are contained in Appendix 1 (classified as exempt). The scores received by the tenderers are included in Appendix 2. Further information concerning the evaluation process is contained in Appendix 3 (classified as exempt).

- 5.9 It will be noted from Appendix 2 that Contractor A was the highest scoring tenderer. After conducting a full financial viability assessment, Contractor A did not pass the financial requirements set by Brent's Finance department. Of the remaining tenderers, Contractor B was the highest scoring tenderer and Officers therefore recommend award to Contractor B, namely Countryside Partnerships Plc.
- 5.10 The contract will commence on 6th October 2022 subject to the Council's observation of the requirements of the standstill period noted in paragraph 7.2 below.

6.0 Financial Implications

- 6.1 The affordable housing rent levels will be at South Kilburn social rent levels.
- 6.2 There will be a capital receipt due to the council and potential overage, depending on the sales values generated by the private units, see Appendix 3 for details
- 6.3 Any capital receipt or overage income generated will be used to fund the South Kilburn regeneration and Brent capital programme.
- 6.4 There is a £4.9m SCIL contribution towards infrastructure undertaken by the developer, this will be paid on progression of works. This has been approved by Cabinet.

7.0 Legal Implications

- 7.1 The estimated value of this contract over its lifetime is in excess of the threshold for Works under the Public Contracts Regulations 2015 ("PCR 2015") and the award of the contract is therefore governed by the PCR 2015.
- 7.2 The award of the contract is subject to the Council's own Standing Orders in respect of High Value contracts and Financial Regulations. This would ordinarily require Cabinet authority to award the contract but Cabinet on 6th April 2021 delegated authority to the Strategic Director of Regeneration and Environment in consultation with the Lead Member for Regeneration, Property and Planning to award the Contract. Following Council re-organisation, award of the contract is the responsibility of the Communities and Regeneration Department.
- 7.3 Further Legal Implications are contained within Appendix 3
- 7.4 As advised in the Cabinet Report of 6th April 2021 requesting authority to tender this contract, the Council must observe the requirements of the PCR 2015 relating to the observation of a mandatory minimum 10

calendar day standstill period before the contract can be awarded. Therefore once the Operational Director Regeneration Growth and Employment in consultation with the Lead Member for Regeneration and Planning has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the PCR 2015. As soon as possible after the standstill period ends, the successful tenderer will be issued with a letter of acceptance and the contract can commence.

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 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

8.3 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.

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

9.0 Consultation with Ward Members and Stakeholders

- 9.1 Ward Members and Stakeholders have been kept up to date with the procurement process via Lead Member Briefing.

10.0 Human Resources/Property Implications (if appropriate)

- 10.1 This service is currently a new service which will be provided by an external contractor and there are no implications for Council staff arising from retendering the contract.
- 10.2 Neville House, Winterleys, Carlton House and Carlton Hall are Council assets which will be lost, however, new fit-for-purpose Council assets will be created in the form of affordable housing units.

11.0 Public Services (Social Value) Act 2012

- 11.1 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 and more detail is provided in section 11.2 below.
- 11.2 A weighting of 10% is allocated for Social Value and has been included within the final tender documents, this was be evaluated as part of the evaluation and scored between 0-5. The commitments are contractually required to be delivered and therefore have a monetary value against each element. Commitments will be monitored via the contract manager and in circumstances whereas Social value are failing commitment we are able to call upon the monetary values and in this occurrence the funds will be diverted the LBB Social Value pot which is dedicated to supporting local businesses within the borough.

Related Documents:

- South Kilburn Supplementary Planning Document 2017
Planning Ref: 18/4920
- Cabinet Report 06.04.21 – South Kilburn Regeneration Programme:
Approval of Procurement Processes for Future Phases and Associated Matters

Report sign off:

EMMA SWEENEY
Head of Estates Regeneration

Precedent 1(b)

Cabinet Authority to Award Report