

	<b>Officer Key Decision</b>
	<b>Report to the Corporate Director of Finance and Resources</b>
<b>AUTHORITY TO AWARD CONTRACT FOR THE REDEVELOPMENT OF 381- 397 EDGWARE ROAD, COLINDALE, NW9 6NJ</b>	

<b>Wards Affected:</b>	Kingsbury
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 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)"
<b>No. of Appendices:</b>	Appendix 1: List of Bidders Appendix 2: Bidders Scores
<b>Background Papers<sup>1</sup>:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Adeola Oke Head of Capital Programmes – Housing <a href="mailto:Adeola.oke@brent.gov.uk">Adeola.oke@brent.gov.uk</a> 0208 937 1756

## 1.0 Purpose of the Report

- 1.1 This report concerns the award of design and build contract for the redevelopment of 381- 397 Edgware Road, Colindale, NW9 6NJ. This report requests authority to award contract as required under the Contract Standing Order 88. It summarises the procurement 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 Corporate Director, Finance and Resources in consultation with the Lead Member for Finance, Resources and Reform:

- 2.1 Approves the award of two stage design and build contract for the redevelopment of the Edgware Road Site to Higgins Construction Limited for the delivery of 110 homes and 5 retail units at the total sum of £31,663,002.80 (inclusive of the PCSA (and demolition works) of £584,881).

## **3.0 Detail**

- 3.1 The council requires a contractor to deliver the redevelopment of the Edgware Road site through a design and build contract. Brent Council has embarked on an ambitious New Council Homes Programme (NCHP) with the aim to 'self-deliver' 1700 new affordable homes. The development of the Edgware Road site is part of the NCHP and is fundamental to delivering this target to meet the requirements of short and medium term temporary accommodation needs.
- 3.2 The Council is the freehold owner of the site and Planning permission (ref: 17/2284) was granted to deliver 110 homes and 5 retail units. The Council proposes to deliver the block as per the planning permission, but to change the tenure to 100% Temporary Accommodation. The site is bounded by Grove Park to the north, the A5 to the east and the Colindale retail park to the south. The existing site measures approximately 0.41 acres (0.16 ha) in size.
- 3.3 The scheme will be delivered as a two-stage process, the first stage being the pre-construction services and the second stage, the construction. The successful bidder will be appointed for both stages, and for the first stage will work with the Council to upgrade the scheme design to current Building Regulations, develop the existing design to RIBA Stage 4, progress pre-commencement planning and reserved matters and fix any provisional sums (if applicable); update and finalise the fixed price contract sum, and commence pre construction demolition. Subject to satisfactory completion of the first stage, the successful bidder will commence the second stage of the project, which will be the main construction works.

## **The Tender Process**

- 3.4 The Contract is being procured through the Notting Hill Genesis Developers

Contractors Framework (the “Framework”), established by Notting Hill Housing Trust (now Notting Hill Genesis Group). Officers will use the form of award and standard call off terms and conditions prescribed under the Framework, which is the JCT D&B 2016 (with the Council’s amendments). The Director of Legal, HR, Audit and Investigations confirmed that the use of the framework was legally permissible and was obtained on 11th June 2020.

- 3.5 A further competition exercise was carried out using the Framework in accordance with its rules.
- 3.6 In compliance with the Framework further competition guidance, the evaluation of tenders was on the basis of the evaluation criteria detailed in Appendix 2.

### **Evaluation process**

- 3.7 The tender evaluation was carried out by a panel of officers from Property & Assets and Housing & Partnerships (Housing) teams’ and the evaluation was moderated by the Council’s Procurement Officers.
- 3.8 All tenders had to be submitted electronically no later than 6<sup>th</sup> January 2023 – 12 Noon. Tenders were opened on 6<sup>th</sup> January 2023 at 3pm and four 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.
- 3.9 The panel met on 19th January 2023 and each submission was marked by the whole panel against the award criteria. An initial pricing valuation was undertaken by quantity surveyor, Martin Arnold. The initial pricing evaluation was subsequently accepted by the evaluation panel.
- 3.10 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. It will be noted that Contractor B was the highest scoring tenderer. Officers therefore recommend the award of the contract to Contractor Tenderer B, namely Higgins Construction Limited.

### **4.0 Financial Implications**

- 4.1 Cabinet on 14<sup>th</sup> November 2022 delegated authority to the Corporate Director, Finance and Resources in consultation with the Lead Member for Housing, Homelessness and Renter Security to award the Contract.
- 4.2 The award is for a two stage design and build contract in respect of Edgware Road at a contract sum of £31,663,002.80, inclusive of the PCSA (and demolition works) of £584,881.

- 4.3 The cost of the Contract will be funded from the Edgware Road Capital budget. Spend to January 2023 is £10.8m, leaving sufficient budget to allow for the award of this contract.
- 4.4 The Council's Financial Services evaluated the financial accounts of the highest scoring bidder following the tender evaluation process to ensure they meet the Council's requirements and are financially viable for the Council to enter into the contract with them.

## **5.0 Legal Implications**

- 5.1 The value of the Contract over its lifetime is in excess of the Public Contracts Regulations 2015 (the "PCR 2015") threshold for Works and the award of the Contract is therefore governed by the PCR 2015. The award is also subject to the Council's own Standing Orders ('CSO') in respect of High Value Contracts and Financial Regulations.
- 5.2 The procurement was undertaken through a framework and the Procurement Regulations provide the rules for use of framework agreements, and requires that the framework rules are adhered to when calling off from that framework. Officers have confirmed in paragraph 5 of this report that the procurement was in accordance with the Notting Hill Genesis Framework rules. The Director of Legal, HR, Audit & Investigations Services' confirmation that it is legally permissible to call off from the framework was obtained on 22<sup>nd</sup> June 2020 in accordance with CSO86(e)(ii).
- 5.3 As indicated in paragraph 5.1, the award of the contract is subject to the Council's own Standing Orders in respect of High Value Contracts in that Cabinet approval to award would have been required but the Cabinet at the meeting of 14<sup>th</sup> November 2022 delegated authority to the Corporate Director, Finance and Resources (in consultation with the Lead Member for Housing, Homelessness and Renter Security) to award the contract once the procurement has been concluded.
- 5.4 The contract will be administered using the JCT Design and Build contract 2016 with the Council amendments which was included as part of the tender documentation.
- 5.5 Whilst the Council will award the whole contract, as detailed in paragraph 3.3, the scheme will be delivered in two stages. The first stage involves the Council entering into a pre-construction services agreement whereby the contractor will work with the Council to upgrade the scheme design to current Building Regulations, develop the existing design, progress pre-commencement planning and reserved matters and fix any provisional sums (if applicable), update and finalise the fixed price contract sum and commence pre construction demolition. Subject to the

Council being satisfied with contractor's delivery of pre-construction services, it will trigger the second stage, namely the construction works.

## **6.0 Equality Implications**

6.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
- (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,

6.2 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.

6.3 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.

6.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

6.5 The redevelopment proposals in this report have been subject to screening and officers concluded that there are no adverse equalities implications. The delivery of the new homes, retail units and public realm improvements will have a positive impact on the local community.

## **7.0 Consultation with Ward Members and Stakeholders**

7.1 Ward Members have been updated and they communicate regularly with officers to address any issues as/when necessary. There will be further engagement sessions arranged once the Council has appointed its contractor to lead the project.

## **8.0 Human Resources/Property Implications (if appropriate)**

8.1 There are no Human Resources or property implications.

## **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 As indicated in Appendix 2, 10% of the overall evaluation criteria was allocated to Social Value and the submissions from bidders show a number of different social value commitments and the monetary value of the contract value.

### **Related Documents:**

1. Update on Supply of New Affordable Homes (Cabinet 14<sup>th</sup> November 2022)
2. Recordable Decision Authority to Tender – Edgware Road

**Report sign off:**

**TANVEER GHANI**  
**DIRECTOR OF PROPERTY & ASSETS**