

NOTICE OF MEETING

CABINET MEMBER SIGNING

Monday, 2nd September, 2024, 2.00 pm - Alexandra House, 10 Station Road, Wood Green, N22 7TR (watch the live meeting [Here](#))

Councillors: Ruth Gordon- Cabinet Member for Placemaking and Local Economy

1. FILMING AT MEETINGS

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

3. URGENT BUSINESS

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and

(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

5. DEPUTATIONS/QUESTIONS AND PETITIONS

6. BROADWATER FARM AGENCY AND PROJECT MANAGEMENT CONTRACT AWARD (PAGES 1 - 8)

7. NEW ITEMS OF URGENT BUSINESS

As per Item 3.

8. EXCLUSION OF THE PRESS AND PUBLIC

Item 8 onwards is likely to be subject to a motion to exclude the press and public be from the meeting as *they* contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paras 3 and 5, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

9. EXEMPT BROADWATER FARM AGENCY AND PROJECT MANAGEMENT CONTRACT AWARD (PAGES 9 - 30)

10. NEW ITEMS OF EXEMPT URGENT BUSINESS

As per Item 3.

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Thursday, 22 August 2024

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Report for: **Ruth Gordon, Cabinet Member for Housebuilding, Placemaking, and the Local Economy**

Title: **Approval of award of contract for Employers Agent and Project Management services to support the Broadwater Farm New Homes Programme**

Report

Authorised by: **David Joyce, Director of Placemaking and Housing**

Lead Officer: **David Sherrington, Programme Director**

Ward(s) affected: **West Green**

Report for Key/

Non-Key Decision: **Key Decision**

1. Describe the issue under consideration.

- 1.1 The Council is currently working on a transformative regeneration programme across the Broadwater Farm estate. In total, the council has committed to spend over £250m of resources to retrofit existing homes, build new homes and transform the wider environment, better connecting it to the local area and wider facilities.
- 1.2 Construction work is supported by an ambitious set of socio-economic programmes. These aim to better connect residents to each other, support residents into employment and training and maximise health and wellbeing outcomes.
- 1.3 This report seeks authority to award a contract for **Employers Agent and Project Management** for the Broadwater Farm New homes programme which is a key component of the overall regeneration programme. By awarding this contract the council will be able to continue and complete the BWF new homes programme. procuring a contractor to build the homes.

2. Recommendation

- 2.1 It is recommended that the Cabinet Member for House Building, Placemaking and Local Economy, pursuant to Contract Standing Order 9.07.1 (d) and CSO 16.02 approves the award of **Employers Agent and Project Management** consultancy contract to the company identified in the exempt part of this report for the total value of EXEMPT covering the period from September 2024 to 2031.

3.0 Reasons for Decision

- 3.1 In order to build new homes on the Broadwater Farm estate the Council is seeking a suitably qualified consultant to provide Project Manager and Employers Agent services. The appointed role is to act as Employers Agent and Project Manager. Without this appointment the council is unable to progress the new homes scheme.
- 3.2 As part of the commission the consultant will provide a range of services, including advising on procurement routes to secure the Most Economically Advantageous Tenders (MEAT), the supervision and management of the Design and Engineering Team, Pre-Construction Activities; Construction Stage activities including acting as the client representative to manage the building contracts; Post completion and commissioning including the new energy centre and Post Construction services. All services to support the development and delivery of the Broadwater Farm Estate regeneration programme for the remainder of the pre-construction programme and construction programme.
- 3.3 The council is procuring other professional services to complete the design and engineering team. A quantity surveyor/ cost consultant has been appointed. An architect and structural and civils engineer have been selected and appointed and other professionals will also be procured (Mechanical, Electrical, Plumbing and Heating engineers (MEPH), Fire Safety Engineer, Principal Designer, Clerk of Works). These appointments will be subject to separate decisions.

4.0 Alternative Options Considered

- 4.1 The council could have sought to resource the work in-house. Unfortunately, the council does not have the technical expertise or resources in house to do this work.
- 4.2 The council could have decided to not progress the scheme. The council has however committed to residents to deliver new homes and improvements to Broadwater Farm, so this option was discounted.

5.0 Background

- 5.1 In 2022 Broadwater Farm Residents overwhelmingly supported proposals for new homes and wider estate improvements through an estate wide ballot. In total 85% of residents supported the design work completed by the Council's architects. This followed extensive engagement and involvement with residents and wider stakeholders across the estate. The ballot result also unlocked GLA funding to support the delivery of the scheme.
- 5.2 Through the scheme the Council will be delivering 294 new high-quality homes alongside a new park, energy centre and local amenities including new shops, health centre and landscaping. 45% of new

homes will be family sized units and will considerably reduce over-crowding across the estate.

- 5.3 The scheme received full planning approval in late 2022 with minimal objections from the local community and strong support from local stakeholders.
- 5.4 Progress onsite is already well advanced, with the demolition of Tangmere nearing completion, enabling works to support the development onsite this month and work with UKPN to install new infrastructure well advanced.
- 5.5 In order to progress the new homes scheme, the Council is appointing a new design team to complete the design work ahead of going to market. By completing RIBA stage 4 itself the council reduces design risk and can work to secure value for money across the scheme. The new design team can also support the council to update designs to ensure they reflect changes to Building Regulations since RIBA 3 was concluded.
- 5.6 A procurement process for Employers agent/Project management services was commenced in April 2024 and tenders were invited via the council's London Construction Programme Dynamic Purchasing System (DPS).
- 5.7 The tenders were returned on 26 April 2024 and following evaluation and moderation the council is now ready to award the contract. 5.8 Once appointed, the Employers Agent/Project Manager will focus on the appointment of the contractor for the former Moselle site; developing the design for the Tangmere site, optimising the design and value engineering for the new homes scheme, advising on route to market for Tangmere and developing the tender documents for contractor procurement.

6. Procurement and Tender Process

- 6.1 The Dynamic Purchasing System (DPS) under the Project Management lot was used for the procurement process in accordance with CSO 9.04.1b (b) (use of the Council's DPS system).
- 6.2 The tender documents comprised the following:
 - Invitation to Tender document (ITT)
 - Scope of Service document.
 - Construction consultancy conditions of contract
 - Tender Pricing Schedule.
 - Supplier Information Form.
 - Tender Return checklist.

- 6.3 The tender evaluation criteria and weighting were set out in the tender documents as 70% quality and 30% price and clarified during the clarification process. Further minimum score thresholds were set for individual method statement questions to ensure that awarded supplier met certain quality standards and demonstrated competency in key areas.
- 6.4 Six tender returns were received. Three (3) suppliers did not meet the minimum quality score requirements and were therefore not considered for award.
- 6.5 Quality submissions were assessed by LBH officers. A moderation meeting was held to agree the final quality scores which were then combined with the pricing evaluation to determine the ranking of the tenderers .
- 6.6 Airey Miller LLP undertook the tender price evaluation and provided the final tender evaluation report, combining the quality and price scoring. The outcome of the evaluation was as follows:

Tenderer	Price Score (out of 30%)	Quality Score (out of 70%)	Total Score (out of 100%)	Rank
Tenderer A (Recommended)	30.0	63.0	93.0	1
Tenderer B	25.8	49.7	75.5	2
Tenderer C	0	0	0	Failed on quality
Tenderer D	19.5	42.0	61.5	3
Tenderer E	0	0	0	Failed on quality
Tenderer F	0	0	0	Failed on quality

- 6.7 The recommendation is based on a robust evaluation process following a competitive procurement process. The recommended Tenderer A's submitted tender was comprehensive and included well-chosen comparable examples, a good understanding of the contract's risks and challenges, and a good understanding of how to add social value to residents.

7.0 Financial

- 7.1 Financial provision for the Broadwater Farm New homes programme is included within the refreshed Housing Revenue Account business plan.
- 7.2 The total scheme costs for Broadwater Farm increased in the latest refresh due to significant build cost inflation. This has been

compounded by increasing interest rates which have negatively impacted the overall scheme Net Present Value (NPV).

- 7.3 The current NPV has a significantly negative impact on the council's overall Housing Revenue Account which in turn puts pressure on other demands within the HRA.
- 7.4 As such, the project team are working through all available options to improve this position through the next stages of design. The appointment set out in this paper will play a key role in improving the NPV as we enter into a phase of scheme optimisation to improve the scheme NPV.
- 7.5 Options to do this include (but are not limited to): changing elements of the design to reduce the build cost; looking at opportunities for additional grant; looking at opportunities to add additional units into the build; tackling some areas of design inefficiencies to improve build cost.
- 7.6 A detailed timetable to undertake this work will be developed by the Employers agent/Project managers once the design team is appointed.
- 7.7 The fee profile for this appointment is set out in the exempt version of this report.

8.0 Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes.

- 8.1 The recommendation in this report contributes to supporting the delivery of the Broadwater Farm programme which contributes to the delivery of the following four priorities set out in the Council's Corporate Delivery Plan (2022 to 2024) priorities:
 - 8.1 The scheme will contribute to the 'Responding to the Climate Emergency' theme in the Corporate Delivery Plan, presented to Cabinet on 17th January 2023. In particular the ambition for a Low Carbon Place by achieving net zero emissions on the new homes programme on Broadwater Farm. It will also support Haringey's Climate Change Action Plan – which sets out how and why the borough will become net zero carbon by 2041.
 - 8.2 The scheme is part of the Council's broader Housing Delivery Programme and will play a role in achieving the outcomes under the CDP theme: 'Homes for the Future'. In particular, the targeted outcomes to achieve 'an increase in the number and variety of high-quality and sustainable homes in the borough' and 'an improvement in the quality of housing and resident services in the social rented sector'.
 - 8.3 The scheme will support housing growth in a key regeneration area and will make a meaningful contribution to the Council's target of 3,000

homes by the end of 2031 and the provision of 10 no. three Bed and 4 no four Bed homes will help to address the acute need for larger affordable homes.

- 8.4 The scheme will support social value and placemaking in a key regeneration area (Broadwater Farm) under the CDP theme 'Placemaking and Economy'. The Social Value commitments made by contractors will deliver measurable and impactful training, employment and social opportunities. The Broadwater Farm improvement programme - 294 new homes, public realm improvements, refurbished homes, improved service delivery, embedded co production approach, 250 homes demolished will help to deliver the placemaking ambitions of the BWF community.

9. Carbon and Climate Change

- 9.1 The energy strategy for the Broadwater Farm development has been developed in line with the energy policies of the London Plan and of the London Borough of Haringey Local Plan policies. Broadwater Farm is expected to meet the minimum 35% CO2 reduction from on-site measures as required the London Plan policy. Remaining carbon emissions to reach the zero-carbon target will be offset by an 'over-provision' of new low carbon heating to serve existing dwellings served by the upgraded energy centre.
- 9.2 The key sustainable design and construction measures incorporated in the BWF new homes scheme are set out below:
- The inclusion of low carbon and renewable technologies through the specifying of air source heat pumps (or alternatively through connection to the Edmonton Energy from Waste centre) and photovoltaics.
 - The promotion of sustainable forms of transport through the provision of 592 cycle parking spaces.
 - An Increase in the urban greening factor of the estate by providing more community parks, play areas, balconies and terraces and the protection of natural features of ecological value and the improvement of biodiversity on site through on-site landscaping as far as possible.
 - Reducing surface water run-off from site through the incorporation of permeable paving and underground attenuation tanks and incorporating large areas of green roofs to enhance the biodiversity and also further reduce surface water run-off. 5.The specification of water efficient fittings to limit water consumption to dwellings to 105 litres/person/day.
 - Efficient design of the proposed massing, openings and internal layouts so that spaces benefit from abundant daylight and sunlight levels, whilst overheating and impacts to neighbouring buildings are minimised together with specification of high-performance fabric and glazing to

minimise heat losses and insulated pipework and efficient lighting to minimise heat generated internally.

- Minimising on-site NOx emissions and fossil-fuel combustion by specifying low NOx boilers as well as effective pollution management and control.

The development is not expected to cause any significant adverse effects to air, noise, land, or watercourses.

10. Statutory Officers comments

10.1 Finance

The total cost of this contact is included in the exempt report and is over a period of 8 years from 2024/2025 to 2031/2032.

This sum is based on the lowest tender submission.

This contract cost, including the cost of other professional services will be funded from BWF new build budget.

These costs should be kept within the overall BWF new build budget envelope as any cost escalation will impact on funds available for the build contract.

10.2 Strategic Procurement

Strategic Procurement (SP) note that this report relates to the approval to award a contract to Tenderer A to provide project management and employers agent services.

SP note that a competitive tender exercise was launched via the LCP's DPS for Professional Services. The adopted procurement is in line with Contract Standing Order (CSO) 9.04.1(b) and Regulation 34 of the Public Contracts Regulations.

The Tenderers' submissions were evaluated in accordance with the scoring methodology contained within the published Invitation to tender document.

The tender valuation was based on price and quality and the recommended Tenderer A's submission demonstrates value for money.

SP supports the recommendation to approve the award in accordance with CSO. 9.07.1 (d)

10.3 Legal

10.3.1 The Assistant Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

10.3.2 The Council has conducted a procurement utilising its own DPS (Project management category). This is a compliant procurement process under the Public Contracts Regulations 2015 (Reg 34) and is also provided for in the Council's Contract Standing Orders (CSO 9.04.1 (b) (use of Council's DPS).

10.3.3 As the award will be a Key Decision, approval would usually fall to Cabinet under CSO 9.07.1(d) (contracts valued at £500,000 or more). However, in-between meetings of the Cabinet the Leader may take any such decision or delegate to the Cabinet Member with the relevant portfolio (CSO 16.02).

10.3.4 The Assistant Director for Legal and Governance confirms that there are no legal reasons preventing the Cabinet Member for Housebuilding, Placemaking and the Local Economy from approving the recommendations in this report.

11.0 Equalities

- 11.1 Having reviewed the Council's Equality Impact Assessment (EQIA) guidance, the need for an EQIA is not considered necessary as the proposed Employers Agent/Project Management consultancy services on the Broadwater Farm Estate, will not have a negative impact on protected groups, or people who are socio-economically disadvantaged.

12.0 The following reports are appended.

Appendix A. EXEMPT Airey Miller BWF tender recommendation report and tender evaluation report for Employers Agent/Project Management services appended to exempt report.

Appendix B. EXEMPT Cabinet Member Report. Approval of contract for Employers Agent and Project Management services to support the Broadwater Farm New Homes Programme

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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