

Report for: Assistant Director for Regeneration

Item number: N/A

Title: Variation of the Council's Service Concession Contract with NWES Property Services Ltd for delivery of a specialist business support initiative from Wood Green Works premises at 40 Cumberland Road

Report authorised by: Beth Kay, Head of Area Regeneration – Wood Green

Lead Officer: Javad Ossoulion, Regeneration Manager (javad.ossoulion@haringey.gov.uk)
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Ward(s) affected: All

**Report for Key/
Non Key Decision:** N/A

1. Describe the issue under consideration

- 1.1. Request to vary the Council's Service Concession Contract with NWES Property Services Ltd, the Council's delivery partner managing 'Wood Green Works', the Council's meanwhile office, co-working and business support project at 40 Cumberland Road, to deliver an additional project from Wood Green Works premises.

2. Cabinet Members Introduction

N/A

3. Recommendations

- 3.1. For the Assistant Director of Regeneration to approve the variation under Contract Standing Order 10.02.1(a), of the Service Concession Contract awarded to NWES Property Services Ltd (NWES) for the delivery of an additional project, 'Women in Tech', from Wood Green Works at 40 Cumberland Road. The variation, an additional £47,500 to carry out building work and purchase capital asset and furniture, will enable NWES to secure £250,000 of funding from Deutsche Bank UK to invest in this scheme
- 3.2. To note that the further contribution referred to in paragraph 3.1 will result in a revised total contribution by the Council of £366,300 (comprising £280,000 GLA London Regeneration Fund grant and £83,300 LBH funding) towards the funding of the initial project outputs and the additional 'Women in Tech' project

4. Reasons for decision

- 4.1. The delivery of this project in Wood Green will make a significant contribution to the Council's aspiration to revitalise the area, in line with the Strategic Regeneration Framework for Wood Green this project will "increase employment levels for Haringey's working age and increase earnings. The aim is to deliver a better of jobs, including a

greater proportion of jobs in more highly skilled sectors, such as sustainable technology, digital design and skilled / craft manufacturing, with a local workforce able to access the opportunities.

- 4.2. By exclusively targeting women, the 'Women in Tech' scheme will help address the current income and employment opportunities imbalance between women and men in the borough.
- 4.3. As Nwes is currently undertaking building work at 40 Cumberland and has builders on site, it will make commercial and logistic sense to use the current team of operatives to carry out the necessary building and adaptation works.
- 4.4. There is also a time constraint in that the funder, Deutsche Bank, is expecting the project to start imminently. We risk losing this project as alternative options e.g. going to the market and procuring the building work will result in further delays.

5. Alternative Options considered

- 5.1. This is a unique opportunity to bring £250K of investment into the borough and deliver an interesting project in line with the Council's priorities. This initiative will further raise the profile of Wood Green as a hub for creative and Tech sector entrepreneurship.
- 5.2. Apart from the financial contribution, the Deutsche Bank offers a whole host of 'soft' benefits including marketing, mentoring for entrepreneurs, industry speakers, placements for trainees and apprenticeship opportunities.

6. Background Information

- 6.1. Nwes was awarded a service concession contract to carry out a meanwhile use project known as 'Wood Green Works' at 40 Cumberland Road in June 2017 (contract value £225,000) and amended in February 2018 (increased by £93,800), total contract value of £318,800.
- 6.2. It is now proposed to increase the scope of the project deliverables by NWES to include the delivery of the 'Women in Tech' project from 'Wood Green Works' offices. To deliver this project in Wood Green the operator needs to carry out capital work to sections of the building on 1st and 2nd floor and purchase equipment and furniture to house the 'Women in Tech' project.
- 6.3. Nwes and Ada - The National College for Digital Skills, have negotiated and agreed to work together to support Ada's female apprentices and local six form students interested in Tech careers.
- 6.4. The cost of the building work, the capital asset and furniture required to deliver the project are listed in Table 1 below. The proposed additional work referred to below will raise the total contract value to £366,300.

Item	Cost
Building work to 1 st & 2 nd floor	£30,500
Professional Fees	£4,500
Furniture	£7,500
Capital Asset	£5,000
Total	£47,500

Table 1: project costs

- 6.5. This project will be jointly funded by the 'Wood Green Regeneration capital budget (£17,000) and the 'Economic development and Growth' service (330,000 from its Employment Resilience Reserve fund).
- 6.6. The contemporary "Tech Sector" broadly encompasses all activities that use advanced technologies to produce goods and services. Some of the most common jobs identified as Tech Jobs by major employment and job brokerage agencies are: Social Media development and management; Web Development; Digital Marketing; Hardware and Software Development; App Design and Development; Game development; Graphic Design; data controller; Audio and video production and digital editing.
- 6.7. It is a recognised fact that there is a significantly lower number of women working in the tech sector compared to men. Research shows that women are sorely underrepresented in technology companies and jobs. Women fill less than 7% of tech jobs in UK.
- 6.8. Nwes (our Wood Green Works delivery partner) has developed a project and secured £250K funding from Deutsche Bank (DB) to support women entering into careers in Tech Sector. This project is to provide a host of bespoke and targeted business support interventions to assist women and equip them to pursue a career in the Tech Sector. This investment on the part of the Deutsche Bank is a further endorsement of this initiative both in terms of economic growth and addressing inequality in the sector.
- 6.9. The project will be delivered from Wood Green Works (40 Cumberland Road N22) bringing additional activities to the centre and raising the profile of Wood Green. Nwes has forged a partnership with Ada, the National College of Digital Skills and has developed a set of activities, complementing Ada's work, and intends to host specific activities aimed at women learners, apprentices and entrepreneurs.
- 6.10. The project will deliver the following services as its main outputs:
- 60 individuals supported
 - 150 hours of business support each
 - 10 new jobs created
- 6.11. In addition the activities will be delivered as a result of collaboration with Ada, the National College of Digital Skills:
- Speed networking events with women founders and female 6th form students -2
 - Events hosted by female students, delivering information about cyber security- 2
 - Weeklong consultancy by women business founders and Ada apprentices, part of the apprenticeship standard and qualification – 5
 - Industry talks and seminars for female students / apprentices – 5

7. Contribution to strategic outcomes

- 7.1. This project contributes directly to the delivery of Corporate Plan, Priority 4, Objective 3, by helping our residents to acquire the necessary skills, information and support that they need to take advantage of the growing local and London employment opportunities. Furthermore, this scheme will address a chronic under representation of women in this growing and important market by helping female residents of the borough to broaden their horizons and help them develop skills and contacts and break down some of the unseen barriers to enter the tech sector.
- 7.2. proposal also aligns with the Council's ambition for Wood Green as set out in the 'Wood Green Strategic Regeneration Framework', adopted January 2018' by 'Increasing employment levels- with increased earnings and educational achievement – is a key aim through this transformation. The plans look to create a greater proportion of jobs in more highly skilled sectors.'

8. Statutory Officers comments

Strategic Procurement (SP) – MM250718

- 8.1. SP acknowledges this request to vary the Council's Service Concession Contract with NWES Property Services Ltd by a further £47,500 bringing the revised contract value to £366,300. SP further acknowledges that this variation, to accommodate building work and the purchase of capital assets, will enable NWES to secure £250,000 of funding from Deutsche Bank UK to invest in this scheme. Given Deutsche Bank's expectation of an imminent start, SP notes the risk of losing the funding due to unnecessary delays.
- 8.2. SP appreciates the value of engaging NWES and the synergies that should exist by such engagement.
- 8.3. SP notes that, even though the total variation value for this contract is now £141,300 which equates to 62.8% of the original contract value, the revised contract total is sub OJEU and is not subject to PCR Reg 72 constraints. SP acknowledges that the additional £47,500 will be funded from the Wood Green capital budget (£17,500) and £30,000 will be drawn from the Employment Resilience Reserve.
- 8.4. SP has no objection to the approval of the recommendation made in section 3.1 of this report.

Finance:

- 8.5. This report recommends the approval of variation of the Service Concession Contract awarded to NWES Property Services Ltd (NWES) for the delivery of an additional project, Women in Tech, from Wood Green Works at 40 Cumberland Road.
- 8.6. The additional cost of this variation is £47,500 and this brings the total contract cost to £366,300. This is required to carry out building work and purchase capital asset and furniture.

- 8.7. All furniture and assets, costing £500 and above, financed by this sum, will remain with the Council at the end of this project (2 years).
- 8.8. Nwes secured £250K funding from Deutsche Bank (DB) to support women entering into careers in Technology sector. This will create jobs and apprenticeship opportunities in the borough.
- 8.9. The additional £47,500 will be funded from the Wood Green capital budget- £17,500 and from the Employment Resilience Reserve - £30,000. These is enough provision in these budgets for this additional costs.

Legal:

- 8.10. The Assistant Director of Corporate Governance notes the contents of the report.
- 8.11. Pursuant to CSO 10.02.1(a), a Director may approve the variation of a contract if the value of the contract is less than £500,000 and as such the Assistant Director for Regeneration has power to approve the variation of the Contract in this Report.
- 8.12. The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report.

9. Use of appendices

N / A

10. Local Government (Access to Information) Act 1985

N / A

