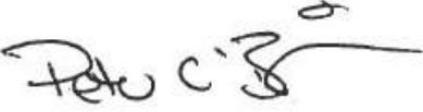


Haringey Council

Written Statement/Record of a decision made by an officer under delegated authority

Decision maker (Post Title)	Assistant Director of Regeneration and Economic Development
Subject to decision	Contract Award to Inner Circle for delivery of Project Management services Selby Urban Village.
Date of decision	5 September 2023
Decision	For the Assistant Director of Regeneration and Economic Development, as permitted by CSO 8.03 to award a contract to Inner Circle Consulting for project management services, related to the work described in para 5.13 for a total value of up to £145,031 for a period of 6 months, with the Council reserving the right to extend the period where this can be contained within the agreed contract budget.
Reasons for the decision	<p>Since the success of the Council's bid for Levelling-Up funding announced in January 2023, the Selby Urban Village masterplan project, the pace of the programme has accelerated to meet the milestone requirements set by the funding regime.</p> <p>Currently there are insufficient resources to deliver the programme at this accelerated rate, therefore an interim consultant resource is needed to bring the expertise and capacity required to progress the project.</p> <p>Following a competitive Request for Quotation (RfQ) process, Inner Circle was deemed to have submitted the most economically advantageous tender. As such it is recommended that the contract for project management services be awarded to them.</p> <p>This is an interim arrangement ahead of establishment to a permanent post to lead the projects.</p> <p>Until then Inner Circle have been appointed through a competitive tendering exercise under the RFQ and was the highest scoring bidder. Inner Circle are currently working on Selby from a previous appointment so this now ensures we will continue with the existing skillset and resource available in an expedient manner and that work can be completed quickly given Inner Circle's extensive knowledge of the area and project and the way the Council works including governance and decision making.</p>

<p>Details of any alternative options considered and rejected by the officer when making the decision</p>	<p>Do nothing – The Council have demonstrated a commitment to delivering the scheme by securing Levelling Up Funding. The ‘do nothing’ option was therefore rejected as the Selby Urban Village Project could not proceed without an experienced project management resource. Without this resource the Council would be at high risk of not meeting Levelling-Up fund deadlines and therefore risk forgoing £20M grant funding and the opportunity to deliver the proposed community benefits of the scheme.</p> <p>Direct Award – Due to the potential value of this commission, the Direct Award option was rejected as it would require a waiver of the Council’s Contract Standing Orders to do so. The RFQ process (RfQ) did not introduce significant delay to the programme and therefore it was deemed that a compliant procurement route was more advantageous to the Council’s overall interest.</p>
<p><u>Conflicts of interest – Executive decisions</u></p> <p>Details of any conflict of interest declared by a Cabinet Member who is consulted by the officer which relates to the decision and details of dispensation granted by the Council’s Head of Paid Service</p>	<p>N/A</p>
<p><u>Conflicts of interest – Non executive decisions</u></p> <p>Where the decision is taken under an express delegation e.g., by a Committee, the name of any Member who declared a conflict of interest in relation to this matter at the committee meeting,</p>	<p>N/A</p>
<p>Title of any document(s), including reports, considered by the officer and relevant to the above decision or where only part of the report is relevant to the above decision, that part)</p> <p>These documents need to be attached to the copy of this record/statement kept by the Authority but must not be published if they contain exempt information</p>	<p>N/A</p>
<p>Reasons for exemption with reference to categories of exemption specified overleaf or</p>	

<p>Reason why decision is confidential (see overleaf)</p> <p>Decisions containing exempt or confidential information falling within the categories specified overleaf are not required to be published.</p>	
<p>Signature of Decision Maker</p>	
<p>Name of Decision Maker</p>	<p>Peter O'Brien</p>
<p>Does the decision need to be published?</p> <p>Yes <input checked="" type="checkbox"/></p> <p><input type="checkbox"/></p>	

Decision Report

Report for: Assistant Director of Regeneration and Economic Development

Item number: N/A

Title: Appointment of Inner Circle for a Project Manager role for Selby Urban Village

Report authorised by: Peter Exton – Head of North Tottenham Regeneration

Lead Officer: Lauren Sinclair, Programme Manager

Ward (s) affected Bruce Castle

Report for Key/
Non Key Decision: Non Key Decision

1. Describe the issue under consideration

- 1.1 The Selby Urban Village is one of the Council's flagship regeneration opportunities, with the potential to deliver a range of social and community benefits in the North Tottenham area. In Summer 2022, the scheme was paused due to ongoing viability pressure that were being exacerbated by a challenging macroeconomic environment and changes to external funding conditions.
- 1.2 In January 2023, it was announced that the scheme was successful in securing £20M Levelling-up Funding (LUF) from the Department for Levelling Up, Housing and Communities (DLUHC). This funding will unlock the delivery of phase one of the programme, namely development of a new community centre and delivery of new sports and leisure facilities.
- 1.3 In order to meet LUF spend deadlines, a project management resources was required to accelerate the programme, leading on specific tasks (summarised in para 5.13 below), to support the development and progression of the project through to planning approval.
- 1.4 Following a competitive procurement process, Inner Circle Consulting was successful in its bid for the project management contract. This report therefore seeks approval to appoint Inner Circle Consulting to undertake consultancy works for the Selby Urban Village Project.

2 Recommendations

- 2.1 For the Assistant Director of Regeneration and Economic Development, as permitted by CSO 8.03 to award a contract to Inner Circle Consulting for project management services for a total value of up to £145,031 for a period

of 6 months. The Council reserves the right to extend the period where this can be contained within the agreed contract budget until planning application approval.

3.0 Reason for decision

3.1 The Council has secured £20M Levelling Up funding for the delivery of phase one of the Selby Urban Village project. The grant requires the project meets this spend by March 2025. Currently, there are insufficient skillsets and resources internally to coordinate and carry out the work streams required to accelerate the Selby Urban Village Project to meet this commitment.

3.2 As such, the officers will need to increase resources to deliver the project. As an interim arrangement, it is proposed that a project management consultant be procured to progress key project workstreams through to planning approval, scheduled for Winter 2023. In the meantime, officers will seek to establish and recruit an internal resource with the required skillset to manage the project over its lifetime.

3.3 As per the Council's standing orders, three firms were asked to submit quotes for the project management scope of work produced by officers. Each firm has a demonstrable history of delivering good quality services for the Council in a project management capacity, and therefore it was felt that this competitive exercise was the best way to secure a good outcome for the Council.

3.4 Of the three firms, only two firms submitted a compliant bid. Following an evaluation of the bids received, Inner Circle was deemed the most economically advantageous tender.

3.5 Inner Circle have had two previous appointments working on the Selby Urban Village project. Under the first appointment, Inner Circle was responsible for supporting the Council's bid for Levelling-Up funding. On their subsequent appointment, Inner Circle was responsible for supporting the Council's reassessment of the project following a period of challenging macroeconomic conditions.

4.0 Alternative Options Considered

4.1 **Do nothing** – The Council have demonstrated a commitment to delivering the scheme by securing Levelling Up Funding. The 'do nothing' option was therefore rejected as the Selby Urban Village Project could not proceed without an experienced project management resource. Without this resource the Council would be at high risk of not meeting Levelling-Up fund deadlines and therefore risk forgoing £20M grant funding and the opportunity to deliver the proposed community benefits of the scheme.

4.2 **Direct Award** – Due to the potential value of this commission, the Direct Award option was rejected as it would require a waiver of the Council’s Contract Standing Orders to do so. The RFQ process (RfQ) did not significantly delay to the programme and therefore it was deemed that a compliant procurement route was more advantageous to the Council’s overall interest.

5.0 **Background**

Selby Urban Village

5.1 The Selby Urban Village Project is an innovative collaboration between the Council and the Selby Trust, which seeks to put the local communities’ needs and aspirations at the heart of the development proposals. The Project is seeking to deliver an exciting mixed-use development on the existing Selby and Bull Lane Playing Field sites, comprising of 215 new homes, at least 50% of which will be Council rented homes; a modern, flexible and efficient community centre, a new sports centre with a modern sports hall, 3G pitch for football and rugby and a new community park. The Project represents one of the single largest investments the Council has made in social infrastructure in one of the most deprived wards in the borough.

5.2 The economic environment over the last 12 months has had a significant impact on the scheme. Substantial cost inflation, an increase in interest rates and changes to grant requirements had worsened an already challenging scheme viability. This led to officers submitting a bid for Levelling-up funding in Summer 2022.

5.3 In January 2023, DLUHC awarded the Council £20M LUF grant for the delivery of phase one of the programme, namely the community centre and sports and leisure facilities. There has been a c.6 month delay in application and award of round two of the Levelling Up funding, met by a standing requirement to spend these monies by March 2025. This has required the programme for phase one of the Selby Urban Village project to be accelerated.

5.4 These programme pressures will require multiple workstreams to be progressed in parallel, including the procurement of a contractor and the submission of a viable planning application. Therefore, a dedicated resource is required to manage the project and ensure momentum is maintained.

5.5 In lieu of a suitable internal resource, a competitive procurement was undertaken to commission project management services. This is an interim solution ahead of establishing a role to lead on this project.

Procurement Process

5.6 A Request for Quotation exercise has been undertaken to identify a supplier for the project management appointment. A brief was issued on the Council’s

HPCS procurement portal in April 2023 which required suppliers to:

- Provide a qualitative response as to how they would deliver the required outputs
- Provide a record of their experience in delivering driving project delivery for similar projects.
- Provide a detailed, fixed fee sum for all professional services and costs incurred in undertaking both scheme objectives and the tasks outlined in the brief

5.7 The responses were evaluated on the basis of the most economically advantageous offer being weight according to the following criteria
- Quality 60%
- Price 40%

5.8 Of the three firms that were invited to submit a quote for services, only two firms submitted a final bid.

5.9 The qualitative scores for each of the two tenderers are detailed below; Inner Circle scored highest in the quality section.

Tenderer	Quality score
Inner Circle	60
Tenderer 2	36

5.10 Tenderer 2 submitted the lowest price for the commission and therefore received the highest price score.

Evaluation- Total Scores

5.11 A summary of the scoring matrix is detailed in the table below:

Tenderer	Quality Score	Price Score	Total Score
Inner Circle	60	25	85
Tender 2	36	40	76

5.12 Inner Circle had the highest score for the quality element of this tender, while Tender 2 had the highest score for the price element. The combined scores indicate that Inner circle had the higher overall score and is therefore recommended to be appointed for this commission as providing the most economically advantageous bid.

Scope of works

5.13 A summary of the brief for the commission is set out below:

- a) Support and review the financial and viability information held on the Scheme, including development appraisals, cost reports and financial assumptions and ensure market alignment and assess where changes to the assumptions/scheme can be made to improve viability.
- b) Review the financial information held on the Scheme and make recommendations and put in place more efficient financial modelling and monitoring.
- c) Review the scheme objectives, funding conditions and timelines and develop a strategy for delivering the scheme to ensure compliance with scheme objectives and the funding conditions. This includes.
 - developing a detailed resource programme, identifying internal and external technical support which will be required to support the scheme,
 - developing and implementing a robust procurement strategy
- d) Review and support a planning application for the scheme that is viable and can deliver for all parties involved, including the LPAs.
- e) Review the draft Cabinet report for approving the scheme, make recommendations for improvement and support the drafting of the appendices/supporting documentation.
- f) Develop Heads of Terms with the Council's Property service
- g) Work with the Selby Trust to complete the Business Plan for the Selby Centre and ensure it is robust and deliverable.
- h) Provide technical advice and input into the scheme, including supporting the procurement of technical advisors and contractors.
- i) Support the Council with engagement with key stakeholders in relation to an changes/optimisation of the scheme.

5.14 Inner Circle were appointed last year to support the Levelling Up bid for which the project has now been awarded £20m. Following this, Inner Circle were recommissioned to work on the Selby project to develop a viable scheme that would receive planning approval. With the change in market conditions and inflationary rises the project current design and financial position was left in doubt and Inner Circle supported the Council to reassess the deliverability of the scheme. The value of each previous commission has been £32,331, and £72,981, respectively; totalling £105,312.

5.15 To meet the future resource requirement for the project, officers will seek to establish and recruit a Regeneration resource to lead on the delivery of the project.

6. Contribution to strategic outcomes

6.1 The Selby Urban Village's design process has been anchored on social and economic revitalisation, with the community's best interests at the core of the decision-making. The project contributes to Outcome 5 of the Corporate Delivery Plan's Placemaking and Economy theme by prioritising the essential

needs of the community, such as access to health and leisure facilities, affordable workspace, and a secure and safe places.

- 6.2 In alignment with Theme 6 of the Corporate Delivery Plan, through its co-productive partnership approach with the community organisation, Selby Trust, the Council has been able to realise the full social value of each of the scheme's components and maximise opportunities to enhance the local community.

7. Statutory Officers comments

Finance

- 7.1 The recommendation of the report is to appoint Inner Circle Consulting to a role as project manager for the Selby Urban Village project pending with a contract value of £0.145m. This award will bring the total spend with ICC to £0.283m. The current award will be funded from LUF grant of £20.0m.

Procurement

- 7.2 The SSC has no objections to the report against clause 8.03. However, considering there was only two quotes obtained, it is advised that in future if 3 quotes are required then more than 3 quotes should be obtain to get a good comparison and value for money

Legal

- 7.3 N/A

Equality

- 7.4 N/A

8. Use of Appendices

- 9.1 None

9. Local Government (Access to Information) Act 1985

- 9.2 N/A