

Report for: Cabinet 10th December 2019

Title: Appointment of Design Consultants for Broadwater Farm Estate

Report authorised by: Dan Hawthorn, Director of Housing, Regeneration and Planning

Lead Officer: Peter O'Brien, Assistant Director, Regeneration & Economic Development

Ward(s) affected: West Green Ward

**Report for Key/
Non-Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. This report considers the appointment of a design team to deliver a range of projects on the Broadwater Farm estate, including the development of detailed designs for new homes.
- 1.2. Submissions to the tender were based on a detailed brief that was developed internally by officers. The brief included the following key outputs:
 - 1.2.1. Detailed designs for replacement homes on Tangmere and Northolt
 - 1.2.2. Design briefs for new homes on three opportunity sites
 - 1.2.3. An urban design framework and new public realm strategy for the estate
- 1.3. This work is necessary following the Cabinet decision in November 2018 where Cabinet agreed, following extensive resident consultation, to demolish Tangmere and Northolt. Alongside that decision Cabinet committed to building at least as many council homes at council rents as those that were being demolished.
- 1.4. The designs will be developed through extensive resident and stakeholder engagement and will ultimately be subject to a resident ballot later in 2020.
- 1.5. This work is being done alongside various other projects on the estate, more detail of which is provided within the background section of this report.

2. Cabinet Member Introduction

- 2.1. When we took the difficult decision to rehouse residents on the Broadwater Farm estate following safety concerns we also committed to re-providing all homes lost through demolition with new council homes at council rents.
- 2.2. This report follows detailed work by officers to develop a comprehensive brief to appoint designers to support us in this ambition. Through this work we will not only develop designs for high quality new homes on the estate, but we will bring forward proposals to enhance the public realm and maximise the value of existing community assets, such as the community and health centres.
- 2.3. Residents and our partners will play a key role in this work taking forward an iterative design process, which will require their input from the start and through each design stage to achieve the right outcomes. This will ensure that our plans have resident support which we have committed to put to the test through a resident ballot once plans are ready.
- 2.4. Alongside commending this report to my cabinet colleagues, I would like to extend my thanks to members of the Broadwater Farm Residents' Association who provided resident input to officers when evaluating the tender submissions.

3. Recommendations

It is recommended that Cabinet:

- 3.1. Approves the award of the contract for the Broadwater Farm Design Architects - Urban Design Framework to Bidder A for the maximum sum of £1,396,357.60, in accordance with the provisions of the Council's Contract Standing Order (CSO) 7.01 (B));
- 3.2. Authorises the issue of a Letter of Intent for an amount not to exceed 10% of the value of the contract;
- 3.3. Approves a contingency allowance in the amount set out in paragraph 2.1 of the exempt report delegates power to the Director of Housing, Regeneration and Planning to approve any necessary variations to the contract to accommodate unavoidable cost increases within the contingency allowance.

4. Reasons for decision

- 4.1. The appointment of the preferred bidder will enable the Council to progress with the delivery of new replacement homes for Tangmere and Northolt sites in accordance with Cabinet commitments made in November 2018.
- 4.2. Alongside the design of new homes, this decision will bring forward the development of a new urban design framework for the estate. The purpose of this framework is to ensure that the design team considers the estate and surrounding areas a whole when developing designs. This means that:
 - 4.2.1. New housing developments take account of the existing estate and estate infrastructure (such as existing roads and pedestrian footpaths etc).

- 4.2.2. Ground floor usage on the estate can be explored in more detail, with the possibility (subject to consultation) of infilling some areas to provide community amenity, additional homes, or commercial space.
 - 4.2.3. A strategy for public realm enhancements on the estate can be brought forward to enhance the existing green spaces and connections to the park
- 4.3. Finally, the appointment will allow the council to develop design briefs for three opportunity sites on the periphery of the estate. This aligns to the council's commitment to develop a significant pipeline of new council housing developments in this administration and beyond.

5. Alternative options considered

- 5.1. Doing nothing was not considered acceptable as the Council has made a commitment to build new homes on the estate.
- 5.2. Consideration was given to procuring architects for the detailed design of the Tangmere and Northolt blocks only and then procure the remaining work separately. However, this approach would miss the opportunity to consider the wider benefits of the new build, could fetter future opportunities and options and, in the longer term, could cost more in both time and money. As an example, when the wider Public Realm Strategy is considered, this could result in the replacement homes being on a different footprint to the existing blocks to maximise the impact of any improvements. For these reasons, a single procurement exercise was undertaken.

6. Background information

Broadwater Farm Background

- 6.1. The preparation of the procurement brief follows work from 2017 and 2018, when the Council and Homes for Haringey undertook structural surveys on Broadwater Farm following advice and guidance from the Department of Communities and Local Government (DCLG).
- 6.2. These surveys identified structural issues on the estate related to the Large Panel System build methodology used when the estate was built. Large Panel System buildings are required to pass a number of tests that prove they are not at risk of progressive collapse in the unlikely event of an explosion within a flat caused by a gas leak or faulty gas/oxygen bottles.
- 6.3. 11 of the 12 blocks on the estate failed one or more of these tests which has led to a number of risk mitigation exercises to ensure the buildings are safe for residents.
- 6.4. The costs of rectification of Tangmere and Northolt blocks was particularly high so in 2018 the Council undertook a section 105 consultation with residents asking whether residents felt the council should seek to refurbish the buildings or demolish and build new council homes.

- 6.5. The consultation results favoured demolition and in November 2018 the Cabinet agreed to take forward a programme of rehousing, demolition and new build.
- 6.6. Alongside the Tangmere and Northolt rehousing programmes, the Council and Homes for Haringey have developed a broader programme of works on the estate led by a joint team of officers from both organisations. This programme includes the following workstreams:
- New build homes and urban design framework – this workstream is the subject of this report
 - District heating – this programme of works has removed all gas supplies from flats on the estate and replaced it with a new district energy system. This work was necessary as the structural surveys identified that the buildings were not suitable to have individual gas supplies
 - Strengthening and refurbishment – this programme will design and deliver structural works required to the flank walls of some blocks as well as renewal of other building components that have reached the end of their serviceable life. This scheme is currently in design and further proposals will be brought forward for Cabinet approval in 2020.
 - Demolition – this programme will procure contractors to demolish the Tangmere and Northolt buildings once they are vacant
 - Estate and Housing management – Homes for Haringey are working to improve the quality of the core housing management service, focussing in particular on the quality of estate cleaning and communal repairs
 - Socio-economic programme – through this programme the council is running multiple projects focussed on socio-economic issues, including positive activities for young people and employment and skills
 - Community and non-housing assets – through this programme we will be looking at how we can maximise the existing amenities on the estate such as community and health centres
 - Communications and engagement – this work ensures residents are well communicated with and engaged in our work

The Project Brief and Proposed Outputs

- 6.7. The Brief outlines the following key deliverables or outputs:
- a. **Developed Designs for Phase one Sites:** Detailed design and planning applications for new housing on two sites following the demolition of the Tangmere and Northolt blocks.
 - b. **Design Briefs for Phase two Sites:** Briefs for the three Opportunity Development Sites; these being former Moselle School, Broadwater Lodge and Brookside
 - c. **A Site-wide Urban Design Framework:** which will consider the whole area of Broadwater Farm Estate, including the two Cleared Sites (Phase 1) and the three Opportunity Development Sites (Phase 2). This will provide an opportunity to consider the estate in a

comprehensive way instead of focussing narrowly on specific development sites.

- d. **Public Realm Strategy:** This will consider improvements to public realm, providing proposals for a range of projects to enhance the spaces around homes.

Procurement Process

- 6.8. The competitive tendering exercise was led by the Regeneration Team and moderated by the Council's Strategic Procurement Team.

A Tender Brief was developed seeking a suitable bidder to act as Lead Consultant to undertake the work as set out in the brief and referenced within this report.

- 6.9. The procurement was undertaken through LOT 4 of the GLA's and TfL's Architecture Design and Urban Panel (ADUP) Framework. Consideration was given to using the Council's Dynamic Purchasing System (DPS) for Architectural Design Services but due to time constraints, and consideration of potential bidders available on both options at the time, it was decided to proceed by way of calling off a contract from the ADUP Framework.

- 6.10. An Invitation to Tender was issued via the Haringey Procurement and Contract System (HPCS) on the 6th August 2019. 12 suppliers are listed on the Framework and were invited to tender by a two-stage tender process.

- 6.11. A two-stage tender process was followed to allow greater emphasis to be placed on the quality of design and previous experience through the evaluation process. The scoring and weighting of the first stage of the process was designed to draw out the design quality aspects and proven track record for delivery of potential bidders at an early point. The second stage of the process required more detailed design principles along with price and social value responses.

- 6.12. An Evaluation Panel was established and consisted of:

- Director of Broadwater Farm, Homes for Haringey
- Regeneration Manager, Regeneration, Haringey Council
- Strategic Urban Design Manager, Regeneration, Haringey Council
- Senior Urban Designer, Regeneration, Haringey Council
- Broadwater Farm Residents' Association, Chair – advisory capacity
- Broadwater Farm Residents' Association, Secretary – advisory capacity

- 6.13. The deadline for Stage One was set at 9th September 2019. Stage One included seven questions to demonstrate appropriate responses to the brief for overall

design and examples of previous experience. The table below shows the evaluation criteria and weighting for Stage One.

CRITERIA		MAXIMUM SCORE	WEIGHTING
QUALITY			
1	Understanding of the estate and its context	5	15%
2	Design principles to guide regeneration	5	15%
3	Outline approach to the public realm across the whole estate	5	10%
4	Outline architectural approach for the new build	5	10%
5	Key principles of a consultation approach	5	5%
6	Possible approaches to repurpose the ground floor under crofts of the existing buildings	5	5%
SUB TOTAL		30	60%
PREVIOUS EXPERIENCE			
7	Previous Relevant Experience	5	40%
SUB TOTAL		5	40%
TOTAL		35	100%

6.14. At the close of the Stage One process, one completed tender was returned although eight companies reviewed the Invitation to Tender on the HPCS portal, and three companies actively engaged with the process by asking clarification questions. This necessitated a review of options to consider the best way forward, in order to consider all relevant issues including value for money, quality of the returned tender and the integrity of the procurement process.

6.15. The Evaluation Panel proceeded to evaluate the Stage One Tender submission, once it was confirmed that it was a compliant bid.

6.16. The table below details the evaluation scores for Stage One:

Tenderer	Quality % Score (60% Total)	Previous Experience %Score (40% Total)	Total Score
Bidder A:	52%	40%	92%

6.17. Following consideration of the options, Bidder A, having scored highly in the Stage One evaluation process, was invited to return a full tender for Stage Two. The revised deadline for Stage Two was set for 29th October. Stage Two had eight questions to demonstrate suitability, experience and price.

6.18. The table below shows the evaluation criteria and weighting for Stage Two.

CRITERIA		TOTAL POSSIBLE SCORE	WEIGHTING*
	QUALITY		
1	Overarching Principles of the Urban Design Framework	5	20%
2	Public Realm and Landscaping	5	10%
3	Architecture	5	10%
4	Consultation strategy	5	10%
5	Sustainability	5	5%
6	Social Value (Equality, Diversity and Inclusion)	5	5%
7	Relevant Previous Experience	5	10%
	SUB TOTAL	35	70%
	PRICE AND RESOURCES		
8	Price	5	30%
	SUB TOTAL	5	30%
	TOTAL	40	100%

6.19. The table below details the evaluation scores for Stage Two

Tenderer	Quality % Score (70% Total)	Price %Score (30% Total)	Total Score
Bidder A:	61%	30%	91%

6.20. Following Stage Two Tender Evaluations, it is the recommendation of the Evaluation Panel that the contract is awarded to Bidder A.

6.21. Subject to the recommendations being approved, the aim is to give notice of the contract award on 9th January 2020 following a standstill period. Soon after this, an Inception Meeting with the Design and Engagement Team will be held to consider the delivery programme, supported by an appropriate engagement and consultation strategy.

6.22. The work being commissioned through this award of contract is complex, requiring the successful bidder to also be responsive to a number of factors including other work ongoing across the estate. The bid has been submitted

based on an assessment of days required to deliver this. However, whilst it is recommended to award the contract based on this bid submission, costs will only be incurred for actual days worked. There will be robust contract management procedures in place to monitor performance and outcomes and to ensure costs are controlled within the deliverables required.

6.23. The delivery programme will be agreed following the Inception Meeting, which will be held once the contract is awarded. It is expected that expenditure in this financial year will not exceed £150,000. This will be funded from the existing new build programme capital budget.

6.24. The remainder of the contract cost has been factored into next year's budget.

7. Contribution to Strategic Outcomes

7.1. The works outlined in this report will contribute to achieving Priority 1 of the Borough Plan 2019 – 2023, which is “Housing: A safe, stable and affordable home for everyone, whatever their circumstances”.

7.2. The works outlined in this report will directly meet the first set of outcome and objectives identified for Priority 1 within the Borough Plan; these being:

“1. We will work together to deliver the new homes Haringey needs, especially new affordable homes -

a) Deliver as many new, good quality homes of all kinds as we can, in good quality neighbourhoods, getting as close as possible to the Mayor's emerging target for Haringey of 1,958 new homes every year.

b) Ensure that new developments provide affordable homes with the right mix of tenures to meet the wide range of needs across the Borough, prioritising new social rented homes.

c) Deliver 1,000 new Council homes at Council rents by 2022.

d) Secure the delivery of supported housing that meets the needs of older, disabled and vulnerable people in the borough.”

8. Statutory Officers Comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1. Finance

8.1.1. The total cost of this project is estimated at the amount indicated in paragraph 3.1 of the exempt report. This includes the maximum contract

sum of £1.4m and the contingency allowance indicated in paragraph 2.1 of the exempt report.

8.1.2. The procurement was based on a two-stage process. Stage 1 based on quality and previous experience. Stage 2 based on quality and price.

8.1.3. Only one bid was received during the stage 1. Following a stage two evaluation, it is recommended to award the contract to this sole bidder.

8.1.4. It is estimated that £0.2m will be spent in this financial year if approved. The estimated spend in 2019/20 will be met from the new homes programme budget.

8.1.5. The remaining estimated cost has been built into the current HRA financial plan and HRA budget/MTFS 2020/21-25; subject to full council approval in February 2020.

8.1.6. However, there is an inherent risk that if the capital works associated to this contract do not proceed then capitalised costs will be written off, which could result in an unbudgeted charge to revenue.

8.2. Strategic Procurement

8.2.1. Strategic Procurement are fully supportive of this award from ADUP in compliance with paragraph 7.01 (B) of the CSOs.

8.2.2. It is confirmed that we can access ADUP and assurance is given on the process to call off from ADUP framework.

8.2.3. It is agreed that the single tender return is acceptable and to continue with a single supplier.

8.2.4. We can also confirm that this route offers value for money through comparing rates on LCP frameworks.

8.3. Legal / Comments of the Assistant Director of Corporate Governance

8.3.1. This report is proposing the award of a contract called off by way of a mini-competition procedure under a framework agreement established by the GLA/TfL.

8.3.2. Pursuant to Contract Standing Order (CSO) 7.01(b) and Regulation 33 of the Public Contract Regulations 2015 the Council may award contracts called off under a framework duly established by another public sector body.

- 8.3.3. Strategic Procurement have given assurance on the framework agreement process followed and that the process offers value for money.
- 8.3.4. Pursuant to CSO 9.07.1(d), contracts valued at £500,000 or more may be awarded by Cabinet.
- 8.3.5. Pursuant to CSO 9.07.3, approval may also be granted for the issuance of a letter of intent for a sum not exceeding £100,000 or 10% of the total contract price pending the execution of a formal contract if it is in the best interest of the Council to do so.
- 8.3.6. The Assistant Director of Corporate Governance is not aware of any legal reason preventing Cabinet approving the recommendations in this report.

8.4. Equalities

8.4.1. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

8.4.2. The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.

8.4.3. Criterion 6 of the Evaluation Criteria was on Social Value (Equality, Diversity and Inclusion). Bidders were scored against this criterion to assess their consideration and application in respect of social value and equalities matters.

9. Use of Appendices

9.1. **Appendix 1 Exempt** - The exempt information is not for publication as it contains information classified as exempt under the following categories (identified in the amended Schedule 12A of the Local Government Act 1972):

Paragraph (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).

10. Local Government (Access to Information) Act 1985

10.1. Background documents - The following documents were used in the preparation of this report:

- Borough Plan 2019 – 2023

10.2. Cabinet Reports and Previous Decisions Taken

- Cabinet decision to demolish Tangmere and Northolt and sign off Rehousing and Repayments policy (BWF) (November 2018)
<http://www.minutes.haringey.gov.uk/mgConvert2PDF.aspx?ID=104902&ISATT=1#search=%22broadwater%20farm%20estate%20november%202018%20cabinet%22>
- Cabinet decision to demolish Tangmere and Northolt (December 2018) following Overview and Scrutiny call in
<http://www.minutes.haringey.gov.uk/documents/s105370/Monitoring%20Officer%20Report%20for%20OSC%206%20Dec%202018%20re%20BWF%20call%20in%20FINAL.pdf>