

## LONDON BOROUGH OF CROYDON

To: All Members of Council  
Croydon Council website  
Access Croydon & Town Hall Reception

### **PUBLIC NOTICE OF KEY DECISIONS MADE BY CABINET MEMBER FOR ENVIRONMENT, TRANSPORT & REGENERATION (JOB SHARE) ON 16 MARCH 2020**

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 24 March 2020** unless referred to the Scrutiny and Overview Committee (ie after 13.00 hours on the 6th working day following the day on which the decision was taken). The call-in procedure is appended to this notice.

The following apply to the decision below:

**Reasons for these decisions:** Contained within the Part A report attached.

**Other options considered and rejected:** Contained within the Part A report attached.

**Details of conflicts of interest declared by the decision maker:** None

**Note of dispensation granted by the Head of Paid Service in relation to a declared conflict of interest by that decision maker:**

The Leader of the Council has delegated to the decision maker the power to make the Key Decisions noted out below:

**Decision Title: NEW ADDINGTON WELLBEING CENTRE AND PHASE 3 REGENERATION**

**Key Decision No: 5419ETR**

Having carefully read and considered the Part A report, and associated confidential Part B report, and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Environment, Transport & Regeneration (Job Share) in consultation with the Cabinet Member for Finance & Resources.

**Details of decision:**

The Acting Cabinet Member for Environment, Transport and Regeneration (job share) is recommended to approve the award of contract to deliver the services of Lead Architect with the Multi-Disciplinary Team to support the delivery of the hybrid planning application (RIBA 0-3+) for the New Addington Regeneration scheme which includes the Wellbeing Centre, residential units, landscape and public realm improvements for a contract length of 18 months to the supplier and contract value listed in Part B of this report.

**Signed:** Council Solicitor and Monitoring Officer

**Notice Date:** 16 March 2020

## Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 24 March 2020** (the 6th working day following the day on which the decision was taken) unless referred to the Scrutiny and Overview Committee.
2. The Council Solicitor shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
  - i) the Chair or Deputy Chair of the Scrutiny and Overview Committee and 4 members of that Committee; or
  - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Victoria Lower by the deadline stated in this notice. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
  - i) The grounds for the referral
  - ii) The outcome desired
  - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
  - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Council Solicitor, this would cause undue delay. In such cases the Council Solicitor will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the decision taker for reconsideration, setting out in writing the nature of the concerns.
8. The Scrutiny and Overview Committee may refer the decision to Full Council if it considers that the decision is outside of the budget and policy framework of the Council.
9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.

10. The Full Council may decide to take no further action in which case the decision may be implemented.
11. If the Council objects to the decision it can nullify the decision if it is outside of the policy framework and/or inconsistent with the budget.
12. If the decision is within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision. The decision taker shall choose whether to either amend / withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
13. The response shall be notified to all Members of the Scrutiny and Overview Committee
14. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
15. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process.

**Signed:** Council Solicitor and Monitoring Officer

**Notice Date:** 16 March 2020

**Contact Officers:** [victoria.lower@croydon.gov.uk](mailto:victoria.lower@croydon.gov.uk) and [cliona.may@croydon.gov.uk](mailto:cliona.may@croydon.gov.uk)

**PROFORMA**

**REFERRAL OF A KEY DECISION TO THE  
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Victoria Lower, Democratic Services & Scrutiny  
e-mail to  
[Victoria.lower@croydon.gov.uk](mailto:Victoria.lower@croydon.gov.uk) and [cliona.may@croydon.gov.uk](mailto:cliona.may@croydon.gov.uk)

Meeting:  
Meeting Date:  
Agenda Item No:

**Reasons for referral:**

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

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**The outcome desired:**

**Information required to assist the Scrutiny and Overview Committee to consider  
the referral:**

Signed:

Date:

Member of \_\_\_\_\_ Committee

**For General Release**

<b>REPORT TO:</b>	<b>Cabinet Member for Environment, Transport and Regeneration (Job Share) under delegated powers</b>
<b>SUBJECT:</b>	<b>Lead Architect and Multi - disciplinary Team for design of New Addington Wellbeing Centre and regeneration scheme (RIBA 0-3+) Contract Award</b>
<b>LEAD OFFICER:</b>	<b>Shifa Mustafa, Executive Director, Place Stephen Tate, Director of Growth, Employment and Regeneration</b>
<b>CABINET MEMBER:</b>	<b>Councillor Paul Scott, Cabinet Member for Environment, Transport &amp; Regeneration (acting – Job Share) AND Councillor Stuart King, Cabinet Member for Environment Transport &amp; Regeneration (non-acting – Job Share) AND; Councillor Simon Hall, Cabinet Member for Finance and Resources</b>
<b>WARDS:</b>	<b>New Addington South</b>

**CORPORATE PRIORITY/POLICY CONTEXT:**

This proposal is aligned with the following Priorities:

**Croydon's Community Strategy priorities and outcomes:**

- Outcome 1: A great place to learn, work and live – in particular: Priority One; Deliver Infrastructure for Growth and; Priority Two; Build new Homes and; Priority Three; Support the local economy to grow and; Priority Five; secure a safer and greener borough.
- Outcome 2: A place of opportunity for everyone – in particular: Priority One; Reduce deprivation and poverty and; Priority Two; Support individuals and families with complex needs and; Priority Four; Prevent homelessness and; Priority Five: Secure a good start in life, improved health outcomes, and increased healthy life expectancy Improve health outcomes and life expectancy.
- Outcome 3: Priority One; Connecting our residents, local groups and community organisations.

**Croydon's Corporate Plan priorities and outcomes:**

- People live long, healthy, happy and independent lives
- Good, decent homes, affordable to all
- Business moves here and invests, our existing businesses grow

The provision of integrated health and community services also links to the Opportunity

and Fairness Commission theme:

- A connected borough where no-one is isolated – tackling social isolation through volunteering and joint commissioning, and better integration between health services and the community.
- Health – help people from all communities live longer, healthier lives

**AMBITIOUS FOR CROYDON & WHY WE ARE DOING THIS:**

The delivery of this project is critical in ensuring the Authority is able to deliver the Croydon Promise to enable Growth for All and support the Authority in meeting the following Objectives of:

- Achieving better outcomes for children and young people
- Better and more integrated health and social care
- Investing in schools, sports and community facilities
- Promoting economic growth and prosperity

**FINANCIAL IMPACT**

A budget of £15m has been allocated in the 2020/23 Capital Programme towards the first phase only of design and delivery of a proposed new Wellbeing Centre.

The outcome of the procurement detailed in this report, commits the Council to a maximum expenditure as detailed within Part B report, over the next 18 months, for the provision of a Lead Architect and Multi-Disciplinary Team to develop designs for a regeneration scheme involving the Wellbeing Centre and additional housing and public realm improvements towards a hybrid planning application (Phases 1-3).

The professional fees (design) for Phase 1 (only) associated with the project is split per RIBA stage on a 75:25 basis (Council: CCG) with the CCG. This has been confirmed by the CCG in an open letter to the Council and will be captured in a formal Agreement to Lease which will be signed by the CCG once approval to commence with the delivery of the project has been agreed with Cabinet at the end of RIBA Stage 2 design work.

**FORWARD PLAN KEY DECISION REFERENCE NO.:** 5419ETR

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

The Leader of the Council has delegated to the Cabinet Member for Environment, Transport and Regeneration the power to make the decisions set out in the recommendations below:

## **1. RECOMMENDATIONS**

- 1.1 The Cabinet Member for Environment, Transport and Regeneration is recommended to approve the award of contract to deliver the services of Lead Architect with the Multi-Disciplinary Team to support the delivery of the hybrid planning application (RIBA 0-3+) for the New Addington Regeneration scheme which includes the Wellbeing Centre, residential units, landscape and public realm improvements for a contract length of 18 months to the supplier and contract value listed in Part B of this report.

## **2. EXECUTIVE SUMMARY**

- 2.1. In accordance with the Borough's Health and Well Being Strategy 2019 and the Croydon Local Plan 2018, the How We Buy strategy report (CCB1525/19-20) was agreed therefore the Council undertook a mini-competition exercise via the Notting Hill CF1 Consultants Framework (Lot 2). This was to enable the Council to appoint a Lead Architect and associated multi-disciplinary team to deliver a hybrid application approach (RIBA 0-3+) for Phases 1-3 of the Central Parade regeneration scheme which includes the Wellbeing Centre, residential units, landscape and public realm improvements.
- 2.2. This allows for a fully co-ordinated RIBA stage 3+ detailed design for Phase 1 with potential to extend through novation for RIBA stage 4 and 6, and to provide an outline RIBA stage 2 and 3 design for Phase 2 and 3.
- 2.3. The proposed contract term will be for a period of an estimated 18 months commencing from March 2020. There is no intention for the Council at this time to explore the option to extend, in accordance with the existing Notting Hill Genesis Framework.
- 2.4. The contents of this report reflects the procurement process that has been undertaken and provides the recommended Provider to be awarded the contract following the outcome of a robust evaluation process.
- 2.5. A full procurement process has been completed and the recommended contract award can now be sought.

<b>CCB Approval Date</b>	<b>CCB ref. number</b>
27/02/2020	CCB1554/19-20



### 3. DETAIL

- 3.1 The agreed procurement process for the award of this contract was to call off the Notting Hill Framework which was procured in accordance with the restricted procedure of the PCR 2015 (The Public Regulations 2015).
- 3.2 This regeneration scheme has the opportunity to address significant health and socio-economic issues in New Addington and provide services that will work together to support the Council's Locality model and the NHS vision for an integrated Health and Social Care model in the future.
- 3.3 Since the initial funding allocation towards a new Wellbeing Centre in 2018, the proposals for the regeneration scheme (Phases 1, 2 and 3) have developed to include:
  - New housing, landscape and public realm improvements to the surrounding area, in addition to the Wellbeing Centre.
- 3.4 Phase 1 will be taken forward for delivery via a Detailed Planning Application. Phase 2-3 will be delivered at a later stage, and are therefore only taken forward to Outline Planning in this project (Hybrid Application).
- 3.5 The first stage of the Design Team's contract will be from March to June 2020 (RIBA Stage 0-2) will deliver essential design and construction cost analysis required to finalise the cost profile and business case for proceeding with the construction of the building(s) and associated works. This early design work will be used to undertake detailed feasibility and viability analysis in order to review at the end of RIBA Stage 2 as to whether the scheme should be supported to continue into the future stages of design and delivery.
- 3.6 There are break clauses within the proposed contract for the Design Team at each RIBA stage, should the scheme not progress as planned. In the meantime, the Council has agreed an Open Letter with the CCG confirming their agreement to fund 25% of the design fees.
- 3.7 The following principles were agreed in the RP2 How we Buy Strategy Paper ref. CCB1525/19-20, dated 14/11/19:
  - To appoint a lead Architect bringing a multi-discipline team via the Notting Hill Genesis Consultancy Framework CF1 (Lot 2) for RIBA stages 0-6 to deliver the proposed hybrid planning approach for the design and development of Phase 1-3 including a new Wellbeing Centre, residential units, landscape and public realm improvements for a contract term of approximately 30 months and for the approximate contract value of £4.36m.
  - The Appointment will be made for RIBA 0-3+ initially with the opportunity to extend the Architect's appointment to RIBA 4-6 through novation for Phase 1, although that would be subject to a separate decision.
  - A waiver in accordance with the Council's Tender and Contract Regulation 19, the requirement under regulation 22.4, and agree a

variation to the Council's standard evaluation weighting of 60% Quality/40% Price to 70% Quality and 30% Price in line with the framework requirements.

- The Council to have the discretion to terminate the contract on completion of each RIBA stage.

3.8 The provision of professional Lead Architect with a multi-disciplinary team to deliver the Hybrid planning application will include as a minimum the following roles:

- a) Lead Consultant Architect
- b) A Principal Designer (either as part of Lead Architect's scope of service or as a sub-consultant with relevant expertise)
- c) A Landscape Architect
- d) An Urban Designer
- e) A Structural and Civil Engineer
- f) A Mechanical and Electrical Engineer
- g) Supporting services and co-designers
- h) All Other Consultants.

3.9 In accordance with the agreed procurement strategy an Invitation to Tender was issued on Friday 15<sup>th</sup> November 2019. The procurement and evaluation process was carried out in accordance with the procurement strategy set out in the RP2 report (ref: CCB1525/19/20).

### **Procurement Process**

3.10 The following evaluation criteria, as agreed in the How to Buy strategy report, was used to evaluate the tenders:

- Cost 30%
- Quality 70%

3.11 The pre-determined scoring allocation (0-5) for the qualitative responses were notified to the Bidders including the minimum quality score threshold which was to be applied whereby, should a Bidder's response to any of the method statement question be allocated with a score less than 2, then its entire tender submission will be rejected.

3.12 In accordance with the Architect Lot 2 of the Notting Hill CF1 Consultants framework Agreement 26, appointed framework Providers were invited to participate in the Capability Assessment via the Council's E-Tender portal. The purpose of the Capability Assessment was to determine the shortlisted potential Suppliers who have demonstrated related experience to deliver the required project outcomes i.e. multi-use facility, civic building, housing and NHS space.

3.13 The capability assessment was evaluated by an Evaluator Panel consisting of LBC Project Manager (Regeneration Manager) and the Council's appointed professional services advisors, as Project Management Advisors and Cost

Consultants. Following the outcome of the Capability Assessments, nine Suppliers were successfully shortlisted to proceed with the invitation to tender which was published via the Council's E-Tender portal on 15<sup>th</sup> November 2019.

- 3.14 The Suppliers were encouraged to visit the site in New Addington and a clarification meeting was held on 11<sup>th</sup> December 2019. Six Suppliers attended this event whereby the Council could offer further clarity with regards to the Council's requirements and respond to some of the questions that were raised by the Suppliers. The Council released a copy of the clarification questions and responses provided during this event, to all the potential Bidders via the E-Tender portal to ensure transparency of information was offered to all those participating in this tender exercise.
- 3.15 In accordance with Notting Hill Genesis Consultants Framework methodology, six tender responses were received 24<sup>th</sup> January 2020, further details provided in Part B report. They were then subject to the relevant compliance checks.
- 3.16 For the qualitative assessments, an Evaluation Panel consisted of LBC Project Manager, Croydon CCG (Clinical Commissioning Group) and the Councils' appointed Project Management Advisors.
- 3.17 A minimum qualitative scoring threshold for all written method statements was applied, whereby a scoring allocation of less than two (2) would subject the respective Bidder's tender submission to being rejected in its entirety.
- 3.18 A moderation session was supported by the Council's Commissioning and Procurement team and the purpose of this was to determine the Council's consensus score and feedback based on the evaluation of each of the respective Bidders' qualitative responses. For an overview of the Quality scores, please see below:

**Table One: Overview of the Quality Scores (out of 70%)**

Tier Two/Three Quality Criteria	Weighting	Bidder A	Bidder B	Bidder C	Bidder D	Bidder E	Bidder F
Programme and Delivery Methodology	10%	8.00%	6.00%	4.00%	4.00%	6.00%	4.00%
<b>Delivery Team (10%):</b>							
Architect	2%	1.60%	1.20%	1.20%	1.20%	1.20%	1.60%
Mechanical and Electrical Engineer	1%	0.80%	0.80%	0.80%	0.80%	0.60%	0.60%
Structural/Civil Engineer	2%	1.20%	1.20%	1.20%	1.20%	1.20%	1.60%
Principal Designer	1%	0.60%	0.60%	0.00%	0.80%	0.60%	0.60%
Landscape Architect	2%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Urban Designer	2%	1.20%	0.80%	1.20%	1.20%	1.20%	1.20%
<b>Delivery Team: Total</b>	<b>10%</b>	<b>6.60%</b>	<b>5.80%</b>	<b>5.60%</b>	<b>6.40%</b>	<b>6.00%</b>	<b>6.80%</b>

<b>Previous Experience (20%):</b>							
<b>Architect</b>	4%	4.00%	3.20%	3.20%	2.40%	2.40%	3.20%
<b>Mechanical and Electrical Engineer</b>	2%	1.60%	1.60%	1.20%	1.60%	1.20%	1.60%
<b>Structural/Civil Engineer</b>	4%	3.20%	3.20%	2.40%	3.20%	3.20%	3.20%
<b>Principal Designer</b>	2%	1.60%	1.20%	0.00%	1.60%	1.20%	1.20%
<b>Landscape Architect</b>	4%	3.20%	2.40%	3.20%	2.40%	3.20%	2.40%
<b>Urban Designer</b>	4%	3.20%	1.60%	1.60%	2.40%	3.20%	2.40%
<b>Previous Experience: Total</b>	<b>20%</b>	<b>16.80%</b>	<b>13.20%</b>	<b>11.60%</b>	<b>13.60%</b>	<b>14.40%</b>	<b>14.00%</b>
<b>Concept Design</b>	<b>20%</b>	<b>20.00%</b>	<b>8.00%</b>	<b>12.00%</b>	<b>12.00%</b>	<b>16.00%</b>	<b>12.00%</b>
<b>Social Value</b>	<b>10%</b>	<b>10.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>6.00%</b>
<b>Total Tier 2 Quality Score (out of 70%)</b>		<b>61.40%</b>	<b>39.00%</b>	<b>39.20%</b>	<b>42.00%</b>	<b>48.40%</b>	<b>42.80%</b>

3.19 For the price evaluation, this assessment was carried out separately and independently by the Council's appointed cost consultant. Further details relating to the pricing submission is provided in Part B of this report.

3.20 An overview of the financial evaluation and the combined quality and price total results are shown below:

**Table Two: Financial Evaluation**

<b>Financial Evaluation</b>	<b>Weighting</b>	<b>Bidder A Score (%)</b>	<b>Bidder B Score (%)</b>	<b>Bidder C Score (%)</b>	<b>Bidder D Score (%)</b>	<b>Bidder E Score (%)</b>	<b>Bidder F Score (%)</b>
<b>Total (Price)</b>	<b>@ 30%</b>	<b>27.76%</b>	<b>27.50%</b>	<b>27.58%</b>	<b>19.29%</b>	<b>23.71%</b>	<b>18.85%</b>

**Table Three: Combined Qualitative Combined Financial and Qualitative**

	<b>Tender</b>	<b>Qualitative Score</b>	<b>Quantitative Score</b>	<b>Overall Score</b>
1	Bidder A	<b>61.40%</b>	<b>27.76%</b>	<b>89.16%</b>
2	Bidder B	<b>39.00%</b>	<b>27.50%</b>	<b>66.50%</b>
3	Bidder C	<b>39.20%</b>	<b>27.58%</b>	<b>66.78%</b>
4	Bidder D	<b>42.00%</b>	<b>19.29%</b>	<b>61.29%</b>
5	Bidder E	<b>48.40%</b>	<b>23.71%</b>	<b>72.11%</b>
6	Bidder F	<b>42.80%</b>	<b>18.85%</b>	<b>61.65%</b>

3.21 In accordance with the evaluation criteria, the financial score is based on the following:

- a) Top six Consultants Total Value (Lump Sum) for delivery of RIBA 0-3+ Stages and Phases 1-3: 20%

- b) All Other Consultants that will form part of the Multi-Disciplinary Team for all stages and Phases (1-3): 10%.
- c) The percentage score for the quantitative element is based on the total scores deriving from the Top six Consultants Lump Sum (reference a) and the average charge per resource for All Other Consultants (reference b).

3.22 Therefore the Further details with regards to the pricing submission is provided in part B of this report.

3.23 As a result of a comprehensive evaluation process, the recommendation is to award the contract to Bidder 'A' for the provision of Lead Architect with its Multi-Disciplinary Team to support the design of New Addington Wellbeing Centre and regeneration scheme (RIBA 0-3+).

3.24 The preferred Bidder has demonstrated a very strong and tailored submission that clearly showed their ability to meet the Council's requirements relating to New Addington, bringing with them an experienced and well-resourced Design Team. They will be requested to work closely with Croydon Works to ensure local residents can benefit from any employment opportunities; apprenticeships and work placements. Also demonstrated compliance with Council's requirements relating to London Living Wage. Further details of their social value offer is provided within Part B report.

#### **4. CONSULTATION**

4.1 The delivery of this regeneration scheme will address significant health and socio-economic issues in New Addington and provide services that will work together to support the vision of an integrated health and care model in the future.

4.2 The Project brief was led by the Council's Regeneration Team in consultation with a multi-disciplinary Council Steering Group and Croydon CCG; supported and advised by the Council's appointed Project Management Advisors.

4.3 Internal and external engagement and consultation have been undertaken with relevant stakeholders throughout the project and will continue, including: development management; spatial planning; housing; capital delivery homes and school; localities; libraries; economic growth; education; highways; and local members, stakeholders and residents.

#### **5. PRE-DECISION SCRUTINY**

5.1 The process for awarding the contract has followed set procurement rules and as such has not been considered by Scrutiny.

## 6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

The financial impact of this project is set out below however further details provided via Part B report:

### 6.1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2019/20 <i>£'000</i>	2020/21 <i>£'000</i>	2021/22 <i>£'000</i>	2022/23 <i>£'000</i>
<b>Capital Budget confirmed*</b>		3,000	£12,000	
<b>Capital Budget request</b>				
<b>Expenditure Effect of decision from report</b>				
Expenditure		(1,19)		
<b>Remaining budget Programme</b>		1,810	£12,000	£0
<b>Request</b>				

A confirmed project budget of £15m has been allocated to support the first phase of delivery of the New Addington Wellbeing Centre and regeneration scheme.

This supports the project related expenditure which is up to Planning submission by the end of 2020/21 as per following:

- Appointment of Lead Architect with its Multi-Discipline Team to deliver RIBA Stage 0-3+ for hybrid planning approach for Phase 1-3: further details shown via Part B report.
- Other Professional Services fees
- Demolition Works
- Project related resources including Staff
- Compensation to Parking Services due to TVG relocation
- 15% Contingency Fund
- Final cost to be refined once further design and analysis have been carried out.

## 6.2 The effect of the decision

This decision will commit the Council to a total sum reflected within the table above. The costs are shown after the 25% contribution being made by the CCG. The estimated construction cost to deliver Phase 1 is based on the 2017 Feasibility Study. Through the next stage of the design process (RIBA 0-3+), more detailed costing will be provided. The Lead Architect, via the Council's external Project Manager and Cost Advisor, will work closely with the Lead Architect to make sure the final design and associated construction costs are best value and affordable for the Council through value engineering exercises. The entire sum of money to be awarded through this contract award report is to be drawn down directly from the Council's £15m Capital funding.

Before the project moves on to its next phase, a review of the costs and specification will be carried out to support approval of additional budget

## 6.3 Risks

Risk	L	I	Mitigations
That the plans and proposals do not meet planning guidance, policies and other Croydon policy standards and guidance	L	H	<p>The original ITT pack containing the Project Brief/Specification is based on 2017 Feasibility Study which was endorsed by the Local Planning Authority (LPA) and subject to Pre-application discussions.</p> <p>Within specification there are review processes in place to ensure that the designs are regularly consulted on to ensure that they will be in line with Council policies.</p>
Funding for project not approved.	M	H	<p>The project funding has been reprofiled and increased to £15m, up to 2021/22.</p> <p>Funding for construction beyond FY 2021/22 has not yet been secured and will be subject to a new Capital Programme request in a Business Case submitted to the June Cabinet.</p> <p>LBC and CCG have agreed a fee split of 75/25 basis (LBC/CCG) for the design costs RIBA 0-7.</p> <p>CCG will be liable for penalty costs should they withdraw from</p>

			<p>the process.</p> <p>Break clauses after each RIBA stage have been included in the Architect's Appointment Deed.</p> <p>LBC and CCG are expected to agree Heads of Terms (HoTs) for the Agreement to Lease by the end of February.</p> <p>Subject to Cabinet approval to proceed with delivery of the scheme, the Agreement for Lease will be issued to CCG for signature.</p> <p>The HoTs and Agreement to detail any fee split and penalty costs.</p> <p>Should CCG withdraw from the process, the scope/use of the building will be subject to change.</p>
Project costs exceed budget	H	H	<p>Anticipated costs will be estimated and a decision to proceed made before committing to the full project. The costs will be monitored as part of the project management process and any cost overruns will be flagged. The project team will seek to minimize any possible overruns.</p>
There is lack of contingency available with regards to the proposed indicative timescales to complete the project. Any delay will have a direct impact on the delivery of the phase 1-3 of the project.	M/H	M/H	<p>Continued review and management of the delivery of the project. Key gateway milestones to be implemented and all internal departments to be kept informed of any project slippage.</p> <p>Effective contract management will ensure works are delivered within the agreed timeframe.</p>



Performance issues	M	M	Implement Key Performance Indicators and ensure that these are monitored closely each month. Performance dashboard and progress will be reported via the Council's Asset Management Board and Regeneration Board meetings in accordance with the Contract Management Framework.
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#### 6.4 Future savings/efficiencies

As this is a new commission no further savings and efficiencies have been identified at this time however, they will identified during the proposed design stage (RIBA 0-3+) of the project and continued value engineering exercise once the project is on site.

The supplier has been procured through the Notting Hill framework which sets out the agreed contract rates that have to be adhered to. Their cost submission has been fully reviewed by LBC appointed external cost consultants. It has been deemed that the project is in line with the market rates and offers the most efficient value for money.

#### 6.5 Options

Other procurement options were reviewed within the agreed How We Buy Strategy report and the approved route to market was to carry out a mini competition via the Notting Hill CF1 Consultant Framework Lot Two tender process.

Approved by: Felicia Wright, Head of Finance- Place

### 7. LEGAL CONSIDERATIONS

7.1 The Director of Law and Governance comments that there are no additional legal considerations directly arising from this report.

Approved by Sonia Likhari on behalf of the Director of Law and Governance and Monitoring Officer.

### 8. HUMAN RESOURCES IMPACT

8.1 There are no immediate HR implications in this report. If any should arise, they will be managed under the Council's policies and procedures.

Approved by: Jennifer Sankar, Head of HR Place & Interim Head of Resources,  
for and on behalf of Sue Moorman, HR Director.

## **9. EQUALITIES IMPACT**

- 9.1 The project will support the delivery of the New Addington Wellbeing Centre regeneration scheme. This has an opportunity to address significant health and socio-economic issues in New Addington and provide services that will work together to support the vision of a locality model and an integrated health and care model in the future. We have not identified any potential negative impact on groups that share protected characteristics. The project will help the Council meet its duties as stipulated in the Equality Act 2010. An equalities impact assessment will be carried out during the project RIBA stage 0-3+ process.

Approved by: Yvonne Okiyo, Equalities Manager

## **10. ENVIRONMENTAL IMPACT**

- 10.1 There are no environmental impacts from the award of this contract.
- 10.2 The design proposals will achieve the highest standards possible within the various site constraints, the new wellbeing centre will be required to achieve BREEAM 'Excellent'

## **11. CRIME AND DISORDER REDUCTION IMPACT**

- 11.1 There are no immediate Crime and Disorder consequences of this proposal.

## **12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

- 12.1 In accordance with the original How We Buy Strategy report (CCB1525/19-20), it was agreed for this contract to be procured via the Notting Hill Framework. Following the outcome of the evaluation of tender responses, as identified within section 3.20 of this report, Supplier A has submitted the most economically advantageous tender based on achieving the highest combined score for quality and price.
- 12.2 It is therefore recommended to award the contract to Supplier A for the maximum term of 18 months for the delivery of RIBA stage 0-3+.

## **13. OPTIONS CONSIDERED AND REJECTED**

- 13.1 The Council does not have the necessary skills available to undertake the lead Architect role bringing its various disciplines to support the delivery of this

project. Failure to procure for this requirement will impact the Council's ability to support the delivery of the New Addington Wellbeing Centre and regeneration scheme. This has an opportunity to address significant health and socio-economic issues in New Addington and provide services that will work together to support the vision of an integrated locality model and health and care model in the future.

#### **14. DATA PROTECTION IMPLICATIONS**

##### **13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

##### **13.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

This report does not involve the processing of 'PERSONAL DATA'.

The Director of Council Homes, Districts and Regeneration comments that there are no additional data protection implications arising directly from the report.

Approved by: Stephen Tate, Director of Council Homes, Districts and Regeneration

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#### **CONTACT OFFICER:**

<b>Name:</b>	Jane Nielsen
<b>Post title:</b>	Regeneration Manager

**BACKGROUND DOCUMENTS:** None

