

Item No.	Classification: Open	Date: 18 May 2016	Meeting Name: Strategic Director Environment and Leisure
Report title:		Gateway 2 - Contract Award Approval Nelson Square improvements	
Ward(s) or groups affected:		Cathedral	
From:		Director of Leisure	

RECOMMENDATION(S)

1. That the strategic director of environment and leisure approves the award of a contract for improvement works at Nelson Square to Blakedown Landscapes (SE) Limited.

BACKGROUND INFORMATION

2. Nelson Square is located within three housing estates, Vaughan House, Applegarth House, and Rowland Hill House. The square in need of much needed improvements and will be funded through a number of Section 106 agreements.
3. Planning approval was granted in July 2015 with conditions attached requiring minor revisions to the design.
4. After consultations, design reviews and planning approval a Gateway 1 was approved on 22 December 2015. In line with the approval and to ensure we get a minimum of five tenders back we invited seven companies.

Procurement project plan (Key Decision)

5.

Activity	Completed by/Complete by:
Forward Plan for Gateway 2 decision	01/05/2016
Approval of Gateway 1: Procurement Strategy Report	22/12/2015
Invitation to tender	07/01/2016
Closing date for return of tenders	12/02/2016
Completion of evaluation of tenders	15/03/2016
DCRB Review Gateway 2:	18/05/2016
Notification of forthcoming decision – Five clear working days	25/05/2016
Approval of Gateway 2 : Contract Award Report	31/05/2016
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	17/06/2016

Activity	Completed by/Complete by:
Contract award	22/06/2016
Add to Contract Register	22/06/2016
Contract start	05/09/2016
Contract completion date	28/11/2016

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

6. Six valid tenders were received to deliver these improvements to Nelson Square which includes a new play area and gardens for all residents and visitors to enjoy.

Key/Non Key decisions

7. This report deals with a key decision based on the value of the contract.

Policy implications

8. This procurement will help the council to deliver its fairer future promise of a greener borough and our commitment to deliver a high quality children's play area in every local area.

Tender process

9. Seven companies were invited from our approved list; six companies returned a tender with four compliant bids. One company failed to return their tender, no reasons were given.

Tender evaluation

10. The tenders were evaluated based on the most economically advantageous tender using a 70:30 price / quality ratio. The quality aspect of the tenders was evaluated by the project manager and the landscape architect. Our appointed quantity surveyors Appleyard and Trew LLP carried out the financial evaluation in terms of the pricing document.

Evaluation table Quality (30%)

Area	Weighting	Sample tender score (0-5)	Sample weighting x score	Maximum possible score (if tenderer scored highest mark i.e. 5)
Contract management and delivery	4	4	16	20

Procedures of quality control	10	4	40	50
Contract resources	12	4	48	60
Experience of successful delivery of similar projects	4	4	16	20
TOTALS	30		120	150

Evaluation scoring criteria

Score	Criterion for Method Statements
0	Failed to submit a method statement or address the question in full
1	A detrimental answer - a limited answer with poor supporting evidence, which lacks clarity.
2	Answer meets some, but not all of the method statement question. In part, lacks convincing evidence and understanding of the requirement.
3	Acceptable answer to the method statement. Answer is comprehensible.
4	Above acceptable - answer demonstrates real understanding and gives much more detail to the method statement.
5	Excellent answer - gives real confidence that the statement provides much more in added value, which is realistic and achievable, and gives greater understanding than that of an acceptable response.

11. Blakedown SE Ltd have been recommended for ward of contract based on the quality and financial scores as below.

Name	Quality score	Finance Score	Total score
Blakedown Landscapes (SE) Ltd	26.40	70.00	96.40

Plans for the transition from the old to the new contract

12. N/A

Plans for monitoring and management of the contract

13. The works contract will be managed by the landscape architects on a daily basis who will report to the project manager. A client / contractor meeting will be scheduled every two weeks to review progress of works, adherence to works programme, identifying and addressing all known risks and ensuring works programme is within budget.

Identified risks for the new contract

14. Although the risk assessment at gateway 1 stage did not include the provision of a contract bond, a bond has been included within the tender price.

Risk No.	Risk Identification	Likelihood	Risk Control
1.	Reputation	Low/Medium	Regular updates to all stakeholders on progress.
2.	Financial - The project is not completed within the allocated timescale and budget	Low	A pre-contract meeting will establish and agree a detailed programme of delivery. A comprehensive monitoring regime will be implemented, comprising of regular progress and budget review meetings with the lead architect and the quantity surveyor. The programme will be closely monitored with regular site meetings with the architect and the contractor.
3.	Unexpected conditions and delays	Med/low	A contingency sum of 10% has been budgeted to mitigate risks.

Community impact statement

15. The new improved open space with a new play area, football multi-use games area, and landscape gardens will have a positive impact on the community. These facilities are much needed for local residents in the north of the borough. The addition of new outdoor gym equipment will also help foster healthy lifestyles.

Sustainability considerations

16. The Public Services (Social Value) Act 2012 requires the council to consider a number of issues including how what is proposed to be procured may improve the economic, social and environmental well-being of the local area. These issues are considered in the following paragraphs which set out economic, social and environmental considerations.

Economic considerations

17. When sub-contracting the main contractor will be encouraged where possible to use a local company from the councils approved list

Social considerations

18. All specialist construction companies will be required to ensure that they comply with the councils London Living Wage (LLW).

19. Pursuant to section 149 of the Equality Act 2010 the council has a duty to have due regard in its decision making process to the need to:

- (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct.
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
- (c) Foster good relations between those who share a relevant characteristic and those that do not share it.

20. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equalities Duty also applies to marriage and civil partnership, but only in relation to (a) above.
21. There are considered to be no known equalities issues arising from procuring a contractor from the council's approved list. The proposed procurement strategy will provide benefits for all sections of the local community. The works specification has been shaped in response to the comments received from the community as part of the consultation exercise. The design process has taken into account the needs of users with disabilities.

Environmental considerations

22. The appointed contractor will be required to recycle materials where possible to reuse materials in line with the design. The contractor will be required to reduce or keep to a minimum any transport related impacts (CO2 emissions), when delivering materials to and from site.

Market considerations

23. Blakedown Landscapes (SE) Ltd is a subsidiary of Blakedown Ltd.
- National area of activity with subsidiary company local to the London Borough of Southwark.
 - Employs in excess of 250 people

Staffing implications

24. There are no implications for staffing as the client function will be funded from with the parks and open spaces revenue budget.

Financial implications

25. The award of contract for improvements works to Nelson Square will be funded from the special projects capital budget and from section 106 agreements.
26. The total expenditure incurred against the capital allocation for the scheme will be monitored and reported as part of the overall capital programme.
27. Any future maintenance costs arising from this investment will be funded from the existing Parks and Leisure business unit's revenue budgets.

Investment implications

28. None

Legal implications

29. The contract has been procured in line with the council's Contract Standing Orders and with all relevant statutory duties and powers.

Consultation

30. Consultations with the local community took place over the last four years with over 100 responses being received.
31. The last round of consultations was delivered in two phases from 20 September 2014 through to 9 January 2015 which included hosting an open event in the Square on Saturday 20 September 2014. Two concepts designs were presented and feedback was collated on the day and also via an online questionnaire. The event was attended by over a 100 people including ward councillors, Member of Parliament Simon Hughes and local residents. A total of 48 responses were received which were evaluated to inform the design process in readiness for the next phase of consultation.
32. On the 9 December 2014 phase 2 of the consultation process invited all stakeholders to attend an open evening with a view to reviewing the revised design. The meeting was held at the Blackfriars Settlement with 24 people in attendance. Feedback was collated from the open evening as well as from another online questionnaire which was used to inform the final design. The final design was then on display at Blackfriars Settlement from March 2015 to April 2015. The feedback received from these consultations informed the design process and the final design was submitted to planning. Statutory consultation was also undertaken as part of the planning process.

Other implications or issues

33. None

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (CAP16/011)

34. This report seeks the approval of the strategic director of environmental and leisure to award the contract for improvement works at Nelson Square to Blakedown Landscapes (SE).
35. The strategic director of finance and governance also notes that the capital costs associated with this contract will be fully contained within the departmental capital budget for "Nelson Square" and the expenditure for this scheme will be monitored and reported as part of the overall capital programme.
36. Staffing and any other future maintenance costs connected with this contract will be contained within existing departmental revenue budgets.

Head of Procurement

37. A formal procurement concurrent is not required for this report as the contract value is below the EU threshold.

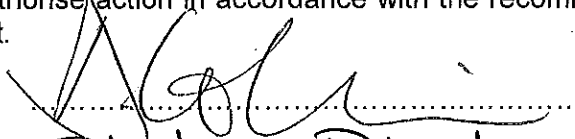
Director of Law and Democracy

38. A formal legal concurrent is not required for this report as the contract value is below the EU threshold.

FOR DELEGATED APPROVAL

Under the powers delegated to me in accordance with the Council's Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report.

Signature



Date

3/6/16

Designation

Strategic Director of Environment & Leisure

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Nelson Square	Parks & Leisure 160 Tooley Street London SE1 2QH	Max Nakrani 020 75251202
Link: (Insert hyperlink here)		
Title of document(s)	Title of department / unit address	Name Phone number
Link: (Insert hyperlink here)		

APPENDICES

No	Title
Appendix 1	Tender evaluation report
Appendix 2	Gateway 1 report

AUDIT TRAIL

Lead Officer	Fiona Dean – Director of Leisure	
Report Author	Max Nakrani – Service Development Officer	
Version	Final Open version	
Dated	18 May 2016	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes/No
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes/No
Corporate Contract Review Board	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team	N/A	

