

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> July 2019	<b>Meeting Name:</b> Strategic Director of Environment and Leisure
<b>Report title:</b>		<b>Gateway 2 - Contract Award Approval</b> Area Z Camberwell Old Cemetery, Placement & Landscaping Works Contract	
<b>Ward(s) or groups affected:</b>		Dulwich Hill	
<b>From:</b>		Director of Leisure	

## RECOMMENDATIONS

1. That the Strategic Director of Environment and Leisure approves the award for the Area Z Camberwell Old Cemetery, Placement & Landscaping Works contract for a period of 32 weeks to Blakedown Landscapes Ltd, in accordance with the Landscape Framework for the parks capital programme.
2. That the Strategic Director of Environment and Leisure approve the allocation of a contingency which will be held within the capital project budget.

## BACKGROUND INFORMATION

3. Southwark Council is implementing the 2012 Cemetery Strategy<sup>1</sup> to provide sustainable capacity for burial in the short, medium and long-term, within their cemeteries, addressing the shortage of burial space in the borough.
4. Area Z, Camberwell Old Cemetery, was one of the sites identified for new burial space. Area Z had been subject to illegal dumping of contaminated material in 2003 and as such there was a need to undertake remediation works. These works have been completed and the area now needs to be landscaped to provide burial space.
5. Planning consent was granted for the Area Z works in October 2015. Faculty consent from the diocese was granted in Feb 2017.
6. The pre-tender estimate for the Area Z contract was detailed in the Gateway 1 for the Landscaping framework for parks capital programme 8 December 2016.
7. Gateway 2 approval for the landscape framework was granted on the 27 July 2017 which included the decision to award the landscape multi-supplier framework to the following contractors for a four year period:
  - a. Blakedown Landscapes SE Ltd
  - b. Ground Control Ltd
  - c. Tilhill Forestry Ltd

<sup>1</sup> <https://www.southwark.gov.uk/search?q=cemetery%20strategy%202012&type=3>

## Procurement project plan (Key Decision)

Activity	Completed by/Complete by:
Forward Plan for Gateway 2 decision*	21/06/2019
Approval of Gateway 1: Procurement Strategy Report for the Landscaping Framework contracts for parks capital programme	08/12/2016
Approval of Gateway 2: Landscaping Framework contracts for parks capital programme	27/07/2017
Invitation to tender	20/03/2019
Closing date for return of tenders	26/04/2019
Completion of evaluation of tenders	24/06/2019
DCRB Gateway 2: Report for Area Z works contractor	04/07/2019
Briefed relevant cabinet member (over £100k)	11/07/2019
Notification of forthcoming decision – Five clear working days	04/07/2019
Approval of Gateway 2: Contract Award Report	10/07/2019
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	18/07/2019
Contract award	19/07/2019
Add to Contract Register	19/07/2019
Contract start	19/08/2019
Publication of award notice on Contracts Finder	19/08/2019
Contract completion date	27/03/2020

## KEY ISSUES FOR CONSIDERATION

### Description of procurement outcomes

8. The Cemetery Strategy<sup>1</sup> approved at the Cabinet Committee in June 2012, includes an action plan to create new burial space within the borough's cemeteries in the short term (2015 – 2022) and medium term (2022 – 2040).
9. This contract is essential to ensure continuity of service provision in the immediate term and will deliver approximately 650 new burial plots. At current rates, this will help provide sufficient burial capacity to 2028.
10. This procurement will deliver the placement of clay material and final landscaping of the area. This appointment will be awarded under the JCT Intermediate with Contractor's Design 2011 conditions of contract.

### Key/Non Key decisions

11. This report deals with a key decision.

## **Policy implications**

12. The procurement of this contract will allow the council to fulfil its obligation to implement the short term burial proposal as set out in the future service strategy for Southwark Cemeteries report approved by Cabinet in June 2012.

## **Tender process**

13. In accordance with the Landscape Framework for the parks capital programme, all projects with an estimated value equal or over £500,000 shall be determined through a mini competition between the three contractors within the framework for Lot 2 projects:
  - Blakedown Landscapes SE Ltd
  - Ground Control Ltd
  - Tilhill Forestry Ltd

14. The Tender Evaluation Methodology is detailed in Appendix 1.

## **Tender evaluation**

15. The tender evaluation panel consisted of:
  - Client Project Manager, Parks and Leisure
  - Lead Consultant & Principal Designer, Harrison Design Development
  - Environmental Engineer, Sevenoaks Environmental Consultants
  - Quantity Surveyor, Appleyard & Trew
16. Tender evaluation followed a weighted model of 70:30 price/quality. The framework agreement that was issued as part of the landscape framework contract tender detailed the call-off procedure and the proposed 70/30 price/quality ratio at mini-tender stage.
17. Tendered rates were assessed by the quantity surveyor who tested them against market rates to ensure value for money was being achieved.
18. This tender process and the associated 70/30 price/quality provided the opportunity to gain additional price assurance.

## **Stage 1 – Compliance**

19. Tender Submissions were subject to an initial compliance check to confirm that they
  - a) have been submitted on time,
  - b) are completed correctly and in full,
  - c) meet all the requirements of the Invitation to Tender

20. All three tender submissions met the compliance criteria.

## **Stage 2 – Suitability**

21. The three companies were required to provide a written statement confirming that all statements they made in response to the suitability questionnaire within the Landscape Framework still applied or had changed for this mini competition.

22. All three companies provided written statements confirming their suitability and financial and economic standing still applied for this mini competition.

### **Stage 3 – Quality**

23. All three companies met the minimum requirements for quality.
24. Tilhill Ltd achieved the highest quality score overall. The panel considered that their submission was concise, providing clear methodologies and demonstrated a good understanding of the site, specification and project constraints and risks.
25. The score for each question was equally weighted at 5 points. There were 6 questions therefore the maximum possible total quality score is 30.
26. A summary of the companies' quality scores is below. The evaluation methodology for scoring each method statement question can be seen in Appendix 1.

### **Stage 4 – Price Evaluation**

27. The initial tender bids returned were over budget therefore a value engineering and re-pricing exercise was undertaken.
28. The 3 companies were invited to reprice based on a reduced specification. Two of the three companies made submissions by the revised deadline.
29. The tender price evaluation was undertaken by Appleyard & Trew, the council's appointed quantity surveyor.
30. The price evaluation score accounts for 70% of the final score.
31. The following methodology was applied for price comparison of the four tenders based on the price: quality ratio of 70:30

$$\text{Price of lowest tender} / \text{price of tender} \times 70$$

### **Summary of final scores**

32. On the basis of the completed price and quality evaluation it is recommended that Blakedown SE Ltd is appointed for the Camberwell Old Cemetery, Area Z Placement & landscape works contract.
33. The form of contract for this project is JCT Intermediate Contract with Contractor's Design 2011 which will include the council's amendments.

### **Plans for the transition from the old to the new contract**

34. There is no existing contract in place.

### **Plans for monitoring and management of the contract**

35. The contract shall be monitored by the Principal Designer from Harrison Design Development Ltd and the client officer from the parks and leisure team.

36. Payment of invoices will be certified on satisfactory completion of works in accordance with an agreed payment schedule.
37. Progress meetings with the contractor, Principal designer, CDM advisor, and quantity surveyor shall be held where necessary to monitor progress against the programme and the budget.
38. Any significant unexpected deviance from either programme or budget shall be highlighted to relevant officers, as issues arise, for resolution.
39. Cemetery based staff will be on hand to respond to operational issues which may arise.
40. 6 monthly reports on this contract will be reported to DCRB

#### Identified risks for the new contract

Risk	How Mitigated
Ensuring the project is completed within the allocated budget.	A comprehensive monitoring regime will be implemented, comprising of regular updates and budget meetings with the consultant and quantity surveyor to ensure no additional costs are attributed to the project.
Ensuring the project is completed on time.	A comprehensive monitoring regime will be implemented, comprising of regular updates and progress meetings with the consultant and lead client officer to ensure delays are kept to a minimum.
The works cause disturbance to residents of properties neighbouring the cemetery and users of the cemetery.	The contract requires that the appointed contractor adheres to a timetable restricting movement of delivery vehicles to daytime hours. A separate access will be used for vehicle movements. Noise and dust monitoring will be undertaken in accordance with the approved CMP.
Unforeseen underground obstructions and/or high levels of ground contamination	<p>Works to remove all known contaminated materials have been completed. However, a risk exists for the possibility of a small amount to remain. The contractor will be fully briefed and works overseen by the appointed Environmental Engineer. Should any contamination be identified, it will be managed and removed in accordance with the conditions of the LEP notice, which is in force from the EA.</p> <p>A substantial contingency is recommended in order to deal with situations as they arise.</p>

## **Community impact statement**

41. The development is part of a wider strategy to ensure that the needs of all sections of Southwark's diverse community continue to be met by the cemetery and crematorium service, by ensuring that burial remains an available choice. Through well planned, high quality landscape design the new burial space will provide accessible grave plots and allow Southwark to deliver an improved burial service to the public.
42. The strategy will allow the council to continue with its existing service provision and no equality group will be disproportionately affected.
43. Grave spaces are required by approximately 30% of bereaved families accessing the Southwark's Cemetery and Crematoria Service. Approximately 65% of people purchasing graves are from BME communities. 71% of people purchasing graves state a religion or faith.

## **Social Value considerations**

44. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.
45. The contractor is also required to produce and work to, method statements to ensure the health and wellbeing of the staff on site, users of the cemetery and neighbouring residents. These method statements will be scrutinised by the lead consultant and appointed Construction Design and Maintenance Advisor.

## **Economic considerations**

46. The promotion of local economic benefit will be built into this procurement by:
  - Requiring contractors to use local companies in their sub-contracting and supply chain arrangements where possible.
  - Should the successful contractor need to employ additional staff to deliver this contract, we request they target the local labour market.

## **Social considerations**

47. The contract requires the successful company to ensure that all appropriate staff engaged in the delivery of the services are paid the London Living Wage or above and to encourage its sub-consultants (if any) to do the same.
48. The contract will be let in accordance with section 149 of the Equality Act 2010. The council has a duty to have due regard in its decision making processes for 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.

49. 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.
50. As noted in paragraphs 43- 45 this procurement will provide benefits for all sections of the community and will not negatively impact or disadvantage any individual or group.
51. There are considered to be no equalities issues arising from the award of this contract.

### **Environmental/Sustainability considerations**

52. Where possible, materials specified in the scheme shall be obtained from sustainable sources.
53. The landscape architect will be required to address all issues within the works specification to protect trees, and the surrounding habitat.
54. The contract will deliver ecological enhancements with the introduction of buffer planting in areas between Area Z and the cemeteries western boundary, and to the northern most part of the cemetery.
55. The scheme includes significant measures to promote nature conservation in the cemetery such as the creation of hibernaculum (for amphibians and reptiles), retention of log piles and deadwood, and appropriate additional planting of native flora..
56. A pedestrian gate providing new access into the cemetery from Underhill Road has already been installed and once these works are completed pedestrian access to the site will be possible. This will benefit local residents who will have access to this tranquil and ecologically rich open space as well as those who are accessing the site as a burial area.
57. The scheme seeks to ensure minimal on-going use of resources such as water, energy and chemicals. Of particular importance will be consideration of whole-of-life costs associated with the improvement works and the implications for future maintenance.

### **Market considerations**

58. The successful supplier is a private organisation.
59. The successful supplier has fewer than 50 employees.
60. The successful supplier has a national area of activity.

### **Staffing implications**

61. There are no implications for staffing as the client function will be provided by the Parks and Leisure team.

## **Financial implications**

62. The report is proposing to award to contract to Blakedown Landscapes Ltd.
63. The report is recommending approval to hold a project contingency in order to allow for increased costs to manage any unforeseen issues e.g. additional ground contamination or Japanese knotweed removal. Whilst all known contamination has been removed, there remains a risk of finding additional hotspots which may have been compacted into the underlying ground.
64. The total expenditure incurred against the capital allocation for the scheme will be monitored and reported as part of the overall Capital Programme.
65. Staffing and any other future maintenance costs connected with this contract will need to be contained within existing departmental revenue budgets.

## **Legal implications**

66. The proposed contract award is consistent with corporate policy and with relevant legislative duties and powers and is recommended following a mini competition which has been conducted in line with the procedure set out under the framework agreement. There are no other specific legal implications arising from this report.

## **Consultation**

67. Consultation was undertaken in November 2014 which included an exhibition detailing the proposals for Area Z.
68. A stakeholder group was also set up to share information and detail on the proposed plans for Area Z and the proposed design has been amended to reflect some of the feedback received.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance and Governance**

69. This report is requesting the strategic director of environment and leisure to approve the award of the contract for Area Z Camberwell Old Cemetery, Placement & Landscaping Works, following a tender evaluation process as detailed in the report.
70. The strategic director of finance and governance notes that the proposed contract cost can be contained within approved departmental capital budgets.
71. Staffing and any other costs relating to this report to be contained within existing departmental revenue budgets.

### **Head of Procurement**

72. A formal procurement concurrent is not required for this report as the estimated value of the proposed contract is below the EU advertising threshold for works.




**Director of Law and Democracy**

73. A formal legal concurrent is not required for this report as the estimated value of the proposed contract is below the EU advertising threshold for works.

**PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS**

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: 24<sup>th</sup> July 2019

Designation: Strategic Director, Environment & Leisure

**PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:**

- 1) All key decisions taken by officers
- 2) Any non-key decisions which are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available.

<b>1. DECISION(S)</b>
As set out in the recommendations of the report.
<b>2. REASONS FOR DECISION</b>
As set out in the report.
<b>3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION</b>
Not applicable.
<b>4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION</b>
None

**5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST**

*If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.*

None

**6. DECLARATION ON CONFLICTS OF INTERESTS**

**I declare that I was informed of no conflicts of interests.**

**BACKGROUND DOCUMENTS**

Background documents	Held At	Contact
Title of document(s) 1. Gateway 1: Landscape Framework for parks capital programme and Burgess Park West 2. Gateway 2: Landscape Framework for parks capital programme and Burgess Park West Appendix 2:	Environment and Social Regeneration/Parks and Leisure	Emily Xi 02075251236
Links:		
1. <a href="\\Lbsish-chat-ns1\pns\$\Parks\Parks Programme\15 PMO\Landscape Contractor Procurement\Gateway Report\Gateway 1 report final.pdf">\\Lbsish-chat-ns1\pns\$\Parks\Parks Programme\15 PMO\Landscape Contractor Procurement\Gateway Report\Gateway 1 report final.pdf</a>		
2. <a href="\\Lbsish-chat-ns1\pns\$\Parks\Parks Programme\15 PMO\Landscape Contractor Procurement\Gateway Report\Report Gateway 2 Contract award approval - landscaping framework for parks capital programme and B.pdf">\\Lbsish-chat-ns1\pns\$\Parks\Parks Programme\15 PMO\Landscape Contractor Procurement\Gateway Report\Report Gateway 2 Contract award approval - landscaping framework for parks capital programme and B.pdf</a>		
3. Cemetery Strategy: <a href="https://www.southwark.gov.uk/search?q=cemetery%20strategy%202012&amp;type=3">https://www.southwark.gov.uk/search?q=cemetery%20strategy%202012&amp;type=3</a>		

**APPENDICES**

No	Title
Appendix 1	Tender Evaluation Methodology

## AUDIT TRAIL

<b>Lead Officer</b>	Tracy Umney, Group Manager, Business Development, Parks and Leisure	
<b>Report Author</b>	Sharon Lomas, Service Development Officer, Parks and Leisure	
<b>Version</b>	Final	
<b>Dated</b>	July 2019	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Director of Exchequer (for housing contracts only)	N/A	N/A
Cabinet Member	Yes	TBC
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	N/A	N/A
Cabinet	N/A	N/A
Date final report sent to Constitutional/Community Council/Scrutiny Team		N/A

## BACKGROUND DOCUMENT – CONTRACT REGISTER UPDATE - GATEWAY 2

Contract Name	Area Z Camberwell Old Cemetery, Placement & Landscaping Works Contract
Contract Description	Supply and placement of cohesive material and landscaping of the site ("Area Z") to bring into use for burials.
Contract Type	JCT Intermediate Works 2011
Lead Contract Officer (name)	Sharon Lomas
Lead Contract Officer (phone number)	020 7525 0878
Department	Environment and Leisure
Division	Parks and Leisure
Procurement Route	Landscape Framework for parks capital programme Lot 2
EU CPV Code (if appropriate)	N/A
Departmental/Corporate	Departmental
Fixed Price or Call Off	Fixed
Supplier(s) Name(s)	Blakedown Landscapes Ltd
Contract Total Value	
Contract Annual Value	N/A
Contract Start Date	August 2019
Initial Term End Date	September 2020
No. of Remaining Contract extensions	N/A
Contract Review Date	N/A
Revised End Date	N/A
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	N/A
Comments	None
London Living Wage	Yes

This document should be passed to the member of staff in your department responsible for keeping your departmental contracts register up to date.