

CABINET PROCUREMENT & INSOURCING COMMITTEE

CONTRACT AWARD REPORT

Title of Report	New Homes Programme - Multi Disciplinary, Engineering and Technical Consultancy Services
Key Decision No.	CHE S275
CPIC Meeting Date	4 December 2023
Classification	Open (with Exempt Appendices)
Ward(s) Affected	All Wards
Cabinet Member	Cllr Guy Nicholson Deputy Mayor for Delivery, Inclusive Economy & Regeneration
Key Decision	<p>_____</p> <p>Yes</p> <p>_____</p> <p>This results in the Council incurring expenditure or savings which are significant having regard to the Council's budget for the service/function.</p> <p>Significant in terms of its effects on communities living or working in an area comprising two or more wards.</p>
Group Director	Rickardo Hyatt Group Director, Climate Homes and Economy
Contract value, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)	<p>Approval value: £2,922,650 excl VAT (£3,507,180 incl VAT)</p> <p><u>Breakdown (Excl VAT)</u></p> <p>Initial contract value (New Homes Programme): £2,435,542</p> <p>10% contingency (New Homes Programme): £243,554</p> <p>10% allowance (for work on existing schemes to cover anticipated costs for Colville Phase 4-7 and other sites): £243,554</p>
Contract duration (including extensions)	3 years

1. Cabinet Member's Introduction

- 1.1. Since 2011 when Hackney's in-house, not-for-profit house building programme was reaffirmed by Cabinet, the Council has managed to meet austerity head on and respond to government under-investment to fund and build much needed new Council homes for social rent. This innovative Hackney model enabling the building of new Council homes has been adopted by Councils across the UK.
- 1.2. In May 2018 Hackney made a commitment to deliver almost 2,000 new homes over the following four year period. Despite the challenges caused by Brexit and the coronavirus pandemic, by May 2022 the Council had started, completed or received planning permission for 1,984 new homes. You can visit and see these often award-winning new Council homes at King Edward's Road, Colville, Aikin Court, Bridge House, St Leonard's Court, Frampton Park, Tower Court and in Clapton Park, with hundreds of families across Hackney benefiting from this investment.
- 1.3. More than half of these homes are genuinely affordable - whether social rent Council homes for those who need them most, low cost home ownership options for people struggling to get on the housing ladder, or new Hackney Living Rent homes that give private renters a more affordable way to rent a high-quality home.
- 1.4. The Council's commitment is always to ensure that local people are first to benefit. That's why we've always insisted that we prioritise Council tenants whose current homes don't meet their needs when new Council homes are built in their neighbourhood, and ensured that anyone whose home is directly impacted by housing-led regeneration gets the right to return to a brand new Council home to rent or buy. The Council also aims, through our in-house sales team at Hackney Sales, all shared ownership homes at people living and working in Hackney, alongside focused marketing of the outright sale element that funds new Council homes to local buyers instead of investors or buy-to-let landlords.
- 1.5. While there is a deal of pride in the fact that Hackney is still a Council housing pioneer, as the housing shortage grows and the cost of living crisis hits, there's a need to deliver even more - and ensure the homes we build are prioritised for the people who need them most. That's why in 2022 Hackney committed to delivering 1,000 new Council homes for social rent by 2026.
- 1.6. Following the approval of the New Homes Programme by Cabinet in December 2022, we are bringing forward over 400 homes in 15 locations where underutilised land can be repurposed, alongside estate improvements to benefit everyone who lives there. Crucially, additional

Council investment will mean that three out of every four of these homes will be for Council social rent.

- 1.7. The comprehensive range of engineering, technical and building safety specialisms needed to bring forward and deliver the New Homes Programme are provided in this Multi Disciplinary contract. I therefore commend this report to Cabinet Insourcing and Procurement Committee.

2. Group Director's Introduction

- 2.1. The Council has operated a successful regeneration and house building programme for more than a decade. Since April 2011 we have completed 1,515 new and refurbished homes, including 522 for social rent, 24 Hackney Living Rent and 154 shared ownership, as well as 815 outright sale homes in order to help pay for the affordable housing and other public infrastructure in the absence of sufficient Government funding.
- 2.2. As well as providing high quality additional and upgraded homes, we have invested in new and improved community, public and work spaces on our housing estates - making sure the benefits of these projects are felt by both existing and new residents. Further, the Council has worked closely with our construction partners to maximise the training and employment opportunities for residents, and support for local businesses and community groups.
- 2.3. The Strategic Plan 2022-2026 sets out a commitment to continue our award-winning Council house building programme, to deliver 1,000 additional Council homes for social rent. Therefore, following the approval of the New Homes Programme (NHP) by Cabinet in December 2022, we are now delivering on this commitment.
- 2.4. The Business Case seeking authority for the procurement strategy and contract award approval procedure for Consultant Teams within the NHP was approved by Hackney Procurement Board in April 2023.
- 2.5. The purpose of this procurement is to appoint a suitably experienced and capable Multi Disciplinary Engineering & Technical Consultant (MDC) and specified supporting consultant disciplines to all sites comprising the New Homes Programme.

Project name	Locations	Ward	Approx. new homes
Broadway & Regents	Orwell Court garages & Welshpool Street depot and car park; Regents Court garages	Haggerston, London Fields	120-150
Buckland & Cropley	Cropley Court garages; Buckland Court garages	Hoxton West	80-100

Fellows & Weymouth	Fellows Court garages; Weymouth Ct garages	Haggerston	40-60
Wayman & Graham Rd	Wayman Court car park; 161 Graham Road	Hackney Central	30-50
Blackwell Close	Blackwell Close garages	Kings Park	15-25
Nye Bevan	Nye Bevan Estate garages	Kings Park	5-15
Morris Blitz	Morris Blitz Court neighbourhood office	Stoke New.	15-25
Selman & Wellday	Selman & Wellday House garages	Hackney Wick	20-30
Parkside	Morpeth Grove garages and car park	Victoria	15-25
Blandford Court	Blandford Court garages	De Beauvoir	10-20
Total 10 projects	15 sites/locations	9 wards	350-500

3. Recommendations

Cabinet Procurement & Insourcing Committee is recommended to:

- 3.1. **Approve the appointment of Bidder D to provide Multi Disciplinary, Engineering and Technical Consultancy Services to the Council's New Homes Programme, following a Restricted Tender Procedure under the Public Contracts Regulations 2015**
- 3.2. **Enter into a contract with Bidder D for a duration of three years to a value of £2,922,650 excl VAT.**

4. Related Decisions

- 4.1. On 12 December 2022 Cabinet approved the ['New Council House Building Programme and 1,000 Homes for Social Rent Commitment'](#) Key Decision No. CHE S142.
- 4.2. Further to this, Hackney Procurement Board approved the [NHP Strategy for procurement and structure of consultant teams and contract award process](#) for the new housing regeneration projects, inclusive of the sites within Architect Design Team Package 1 in April 2023.

5. Reason(s) For Decision / Options Appraisal

5.1. Background

- 5.1.1. On 12 December 2022 [Cabinet Approval](#) was received for the New Homes Programme, as part of the Council's ambitious plan to bring forward 1,000 new Council homes for social rent by 2026. The new programme includes 15 anchor site locations on Housing Revenue Account land identified through the Asset Review process as having the potential to accommodate new homes along with surrounding improvements. In order to progress to the design development and planning stages a series of consultant teams providing a full range of design and development professional services must now be assembled.
- 5.1.2. This new programme of housing delivery is expected to provide over 400 new homes across the borough, enabling the Council to continue to address Hackney's acute and ongoing crisis of housing affordability.
- 5.1.3. The professional services included in this report are wide-ranging and in some cases highly specialist, including environmental consultants, mechanical and electrical engineers and specialist technical consultants in relation to building safety, fire engineering, highways and transport, ground conditions, ecology, trees and utilities, amongst other disciplines.
- 5.1.4. The range of services and specialist expertise required is typical of the contemporary construction and housing development process. Careful consideration has been given particularly to securing appropriate expertise for the rapidly evolving building safety and sustainability contexts, and to maintaining industry best practice and implementing lessons learned from existing and previous regeneration programmes.
- 5.1.5. The December 2022 Cabinet approval provided budget and authority to commence design development work on the new sites and to submit planning applications. It requested a further report in due course on the proposed plan for construction delivery. The consultant services for procurement in this report reflect that position by including for services from RIBA Stage 0/1 (Initiation) to RIBA Stage 3+ (Developed Design, Planning and Tender).
- 5.1.6. Whereas the in-house Asset Review Team and Regeneration Strategic Design (RSD) team have prepared initial project appraisals and capacity options for the sites, much more significant design development, site due diligence and technical work is now required to develop implementable and viable designs and to secure planning permissions. The Council does not have the in-house expertise nor capacity to undertake this specialist work directly therefore the only option is to procure these services from external consultants. This approach also has the advantage of securing the expertise and skills of sector leading designers and engineers to bring

forward designs for high quality, sustainable, safe and affordable homes and places in Hackney.

- 5.1.7. A detailed options appraisal on the structure of the consultant services across the new projects has been carried out, assessing key priorities and risks against a range of consultant team structures and contracting arrangements. See section 5 below. The key drivers and issues to be considered are around suitable consultant capacity and financial stability proportional to the diverse project characteristics; access to the required specialist services for technical, quality, environmental and building safety assurance; cost efficiency including Council project management resources, socio-economic benefits, and EDI and procurement policy objectives.

5.2. **Alternative Options (Considered and Rejected)**

- 5.2.1. A number of options for this procurement and the wider NHP procurement strategy were appraised at the Business Case stage and are provided in section [7.5 of the Business Case document](#).
- 5.2.2. With respect to in-sourcing, the council does not have the required expertise nor resources to provide these extensive and specialist services in-house. The engagement of professional consultants is therefore essential to enable the New Homes Programme to be delivered.

6. **Project Progress**

6.1. **Developments since the Business Case approval**

The procurement has been successfully executed in line with the approved Business Case.

6.2. **Whole Life Costing/Budgets**

There is funding for this contract within the New Homes Programme (NHP) budget approved by Cabinet in December 2022.

- 6.2.1. The initial contract sum of £2,435,542 has a 10% general contingency applied to it for the New Homes Programme, and a further 10% to cover costs to existing schemes in the Estate Regeneration and Housing Supply Programmes (for example Colville Phase 4-7) taking the approval value to £2,922,650 excluding VAT. The contingency figure is set by the available budget. The purpose of the contingency is to enable additional instructions to be given rapidly, preventing avoidable delay to services and project delivery. The additional amount for existing schemes is anticipated to cover consultant reports required to achieve planning (or revised planning) permissions, and will enable work to be instructed rapidly, efficiently and of a consistent quality. The total value remains within the programme budgets for these packages of work. The contingency shall be carefully

managed across the programmes. Any variations which may be required that take the total value above the contingency shall be sought through the normal variations process.

6.2.2. The Council's Housing Regeneration and Delivery service has, in consultation with Housing Services, produced a standardised New Build Design Specification for new build homes and landscaping, which takes into account whole life costs of new build properties.

6.2.3. The Council will take on the management and maintenance of the new homes once complete. In approving the design specification, Housing Services has considered both the requirements and the costs of future maintenance and management. These costs are built into the Housing Revenue Account Business Plan.

6.2.4. New non-residential units will be marketed by Strategic Property Services, which will lease the units directly.

6.3. Risk Assessment/Management

A Risk Analysis Tool (RAT) and Procurement Impact Assessment (PRIMAS) have been completed by the service with the engagement of Procurement colleagues. These indicate a medium risk position.

Risk	Likeli hood	Impact	Overall	Action to avoid or mitigate risk
	L - Low; M - Medium; H - High			
Poor consultant performance	L	M	L	Robust governance in place to ensure project objectives are clear from inception. Supported by an established contract monitoring process to review performance on a quarterly basis using Key Performance Indicators (KPI's).
Variation to the design contract due to a change of scope causing an uplift in design fees.	M	M	M	The design will be reviewed at key Gateway stages to ensure that it meets the objectives set within the scope of services and New Homes Programme Brief.
The design proposals are too expensive to viably build.	M	H	M	This project benefits from a programme wide Cost Consultant who will review the design as it progresses and provide relevant costing information for review by the project team and other internal stakeholders to inform decision making and monitor the financial viability of the design proposals.
Stakeholders not being happy with the design proposals	M	H	M	One of the early outputs of the Design Team is to produce a comprehensive engagement strategy to effectively communicate and provide engagement opportunities for all stakeholders. This will be signed off by the Project Manager and Senior Consultation & Engagement Officer

Design not able to achieve a successful planning application.	L	H	M	The Council's Project Manager and Design Team will work with the programme-wide Planning Consultant who will be responsible for liaising with Hackney's Planning Service, ensuring that the design develops in accordance with Local and National Planning requirements. The parameters of this engagement will be agreed at the inception of the project through a Planning Performance Agreement.
Dun and Bradstreet financial checks could result in a moderate risk status for the recommended bidder.	L	H	H	PM will monitor the status on an ongoing basis and implement contingency plans as required, as part of the established contract monitoring process.

7. Savings

Not applicable.

8. Sustainability Issues and Opportunities, Social Value Benefits

8.1. Procuring Green

The Council is committed to delivering procurement of works in accordance with the Sustainable Procurement Strategy, which engages with fair, sustainable practice that seeks to benefit the local community; and minimise any negative environmental impacts of goods, services and works contracts procured.

This contract addresses environmental impacts through the engagement of consultants with the excellent capabilities and knowledge in sustainable design and construction. This was a key factor in the quality assessment undertaken as part of the tender process.

The NHP Programme Brief sets out detailed standards to be met and priorities for the design and construction that address sustainability issues and social value benefits holistically. The selected consultant team has demonstrated comprehensive expertise and a track record of delivery, relevant to the NHP sustainability requirements. This includes the design and delivery of new housing achieving net zero carbon and Passivhaus standards of energy efficiency and environmental impact.

This approach is as set out in the Business Case for this procurement, approved in March 2023.

8.2. **Procuring For A Better Society**

The appointed consultant is required to meet employment and training obligations specified in the ITT and has committed to:

- Provide short term paid work experience placements for Hackney residents (including young people with learning disabilities or autism) for a minimum duration of 2-4 weeks per contract year.
- A minimum of one unpaid work experience placement per contract year for young Hackney residents.
- Provide one level 6 or 7 (higher level degree) Apprenticeship with the added commitment to make every effort to retain the apprentice through to qualification or a follow-on position for the candidate.

These commitments will be monitored throughout the contract duration through the use of KPIs. Refer to Contract Management arrangements detailed in section 11.

8.3. **Procuring Fair Delivery**

The appointed consultant team will comply with the Council's requirements regarding local labour, employment and skills, and the Fair Payment Charter.

They have agreed to the Council's targets in these areas, including payment of the London Living Wage to all employees - a commitment also extended to the subcontractor supply chain and cooperation with Hackney Works to promote diversity in their workforce.

8.4. **Equality Impact Assessment (EIA) and Equality Issues**

- 8.4.1. An EIA was conducted for the New Homes Programme to inform Cabinet consideration and can be found [here](#). This document sets out a range of equality issues that will be considered across the lifecycle of the New Homes Programme including in the design and planning stages encompassed by this report.

8.5. **Social Value Benefits**

- 8.5.1. The successful bidder has committed to providing the mandatory social value requirements set out above in section 8.2. In addition to this they have also committed to engaging with local schools, community and youth organisations, which they have an impressive track record of doing. They have assembled a diverse and inclusive team to collaborate with on this project, many of whom are SMEs and some of which are based in Hackney.

- 8.5.2. Long term social value benefits are embedded into their company ethos and will be reflected in the proposed much needed high-quality new homes for social rent; non-residential units to support small enterprises; and reducing anti-social behaviour and crime through a safer public realm design and housing design.

9. Tender Evaluation

9.1. Procurement Process

- 9.1.1. Multi Disciplinary Consultant services to the Council's New Homes Programme were procured through a two stage Restricted Tender Procedure comprising of a Selection Questionnaire (SQ), followed by an Invitation to Tender (ITT). The opportunity was advertised using the Find A Tender Service, following the Public Contracts Regulations 2015.
- 9.1.2. The first stage of the tender process consisted of an online selection questionnaire ("SQ"). This stage enabled the Authority to obtain information about potential suppliers to determine the suitability of candidates to perform the contract. It was divided into parts which asked for economic and financial standing, technical and/or professional ability to perform the proposed contract; and project specific quality questions to identify the bidders organisational ethos and suitability for the project.
- 9.1.3. The SQ was released on 24 May 2023 with a submission deadline of 23 June 2023. There were 5 submissions, all of which were evaluated and scored against the criteria set out in the procurement documents. The bids received were assessed using a combination of pass/fail questions and Project Specific Questions (PSQ) which were evaluated and scored. On conclusion of the evaluation of this first stage, 4 suppliers were shortlisted to proceed to the 2nd stage, Invitation to Tender (ITT).
- 9.1.4. Following an invitation issued on 7 July 2023 to the shortlisted bidders via the Council's e-tendering portal (ProContract), full tender packs along with pricing schedules were received from all 4 bidders on the deadline date, 15 August 2023.
- 9.1.5. Tender Clarification meetings were held with all bidders and the evaluation panel on 22 September 2023. The meetings were supervised by a Procurement Category Manager, from the Council's Construction & Environment Procurement Category team.
- 9.1.6. Tender evaluation criteria at ITT stage was 70% quality and 30% price.
- ### **9.2. Quality**
- 9.2.1. Quality was scored out of 100% and then weighted to 70% of the final score, using the criteria set out below:

No.	Quality scoring criteria	Weighting (%)
1	Energy Strategy	15
2	Added Value and Sustainability	15
3	Transport and Travel	15
4	Fire Safety	15
5	Social Value & EDI	10
6	Team Management	10
7	Team Organisation	10
8A	Quantity of Resource	5
8B	Adequacy of Resource	5
	Total	100

9.3. Price

- 9.3.1. Bidders were asked to submit a fixed tender price for all elements of the design work and scope, set out in the tender documents. This was inclusive of the cost for apprenticeships and paid work placements which is to be priced at paying London Living Wage, (currently £11.95 per hour, as of 04/2023).
- 9.3.2. For the Price element, bidders were required to provide a Financial Submission, details of which were provided in the ITT. The prices submitted were scored using the published pricing methodology; whereby the lowest priced bid achieves the highest score of 30%, with the other prices scored in proportion to the highest scored price.

9.4. Evaluation

- 9.4.1. Prior to the tender responses being evaluated, the submissions were screened for compliance. All of the relevant financial checks were carried out by the Council's Finance & Resources Team on all four bidders. The entire process was supervised by a Procurement Category Manager, from the Council's Construction & Environment Procurement Team.
- 9.4.2. The evaluation panel comprised:
- Head of Housing Delivery - South, Housing Regen and Delivery
 - Project Manager, Housing Regeneration & Delivery
 - Design and Technical Standards Manager, Housing Services
 - Procurement Category Lead
- 9.4.3. Clarifications were sought regarding the submitted pricing and resourcing schedules, in particular, to clarify that the proposal was for a fixed fee.

- 9.4.4. On receipt of updated pricing and resourcing schedules an evaluation of the bids on a like for like basis was completed, which enabled the project team to identify the bidder that offered best value for the overall service.
- 9.4.5. Tender Clarification meetings were held with all bidders and the evaluation panel on 22 September 2023, followed by a moderation meeting on 26 September 2023.
- 9.4.6. On conclusion of the evaluation process, the scores achieved for price and quality were combined for each bid, and the bidder with the highest overall score emerged as the successful bidder. A summary of the scores achieved is set out in the table below in descending order. For the purpose of this open report, the four bidders have been anonymised.

Bidder	Quality total weighted out of 70%	Price total weighted out of 30%	Total %	Rank
Bidder D	53.92%	23.19%	77.11%	1
Bidder B	61.12%	14.34%	75.46%	2
Bidder A	55.30%	13.85%	69.15%	3
Bidder C	38.52%	30.00%	68.52%	4

9.5. Recommendation

- 9.5.1. A preferred bidder was selected using the award criteria and scoring methodology set out in the ITT. Bidder D's bid achieved the highest score overall, in combination with price and quality. Their combined score emerged as the Most Economically Advantageous Tender.
- 9.5.2. It is therefore recommended that the contract for **Multi Disciplinary Consultant services to the Council's New Homes Programme** is awarded to bidder D. The design contract will run for 3 years.
- 9.5.3. A full analysis of each bidders submission is included in Exempt Appendix 2.

10. Reason For Recommendation

- 10.1. Overall, Bidder D achieved reasonable to high scores across all quality criteria. Their response included relevant examples of recent work in Hackney, and other work of a suitable scale in inner London. In relation to Added Value and Sustainability, their work demonstrated bringing very valuable experience to their client's project in a neighbouring London Borough.

- 10.2. They scored the 2nd highest on price and are within the project's estimated budget, with only a nominal 7% difference from the bidder that submitted the lowest price. This is outweighed by a significant difference in the quality submission of 15.5%. It is noted that the highest scoring bidder for quality (bidder B) was not the MEAT due to a poor price score due to their significantly higher priced submission than the winning bidder.
- 10.3. In accordance with the Council's Sustainable Procurement Strategy, a core objective of this procurement exercise is to promote diversity and inclusion in the design team. Bidder D satisfies this objective being an engineering consultancy situated in the neighbouring borough of Islington and bordering Hackney. They have partnered with several sub-consultants including SME organisations. They have also exceeded our robust mandatory social requirements as set out in section 9.2.

11. Contract Management Arrangements

11.1. Resources and Project Management (Roles and Responsibilities)

- 11.1.1. The necessary resources and skills to ensure that the project will be successfully managed have been identified and are either available within the Council or have been procured externally.
- 11.1.2. The contract will be let and managed on the terms set out in Hackney's Professional Services Agreement.
- 11.1.3. This project will be managed by the Council's Regeneration Project Manager with support from the Regeneration Strategic Design Team and overseen by the Head of Housing Delivery - South. The full project delivery team is:
- Project Sponsor – Assistant Director - Housing Regeneration and Delivery
 - Project Head of Service – Head of Housing Delivery - South
 - Project Head of Service – Head of Housing Delivery - North
 - Project Lead – Project Manager, Housing Delivery - North
 - Project Support – Project Officer, Housing Delivery - South
 - Procurement Solicitor from the Council's in-house legal team
 - Design Advice – Regeneration Strategic Design Team
 - Employment Advice – Employer Engagement Officer
- 11.1.4. Design Team meetings will be held, fortnightly to track design progress and monthly Project Team meetings led by the Council's Project Managers will be held with the full Project Team to ensure smooth running of the project and to review the wider project objectives in relation to programme, cost, quality, stakeholder and risk management.

- 11.1.5. Throughout the design development stage, the Council's Project Manager will work with the Consultant, and issue instructions on a stage-by-stage basis aligning with RIBA Stages and Council gateway approvals. This will enable sound decision-making on scheme variations and performance prior to committing to the next stage.
- 11.1.6. Day to day management of the contract will be by a dedicated Project Manager from the council and by a dedicated supplier representative, with contractual systems in place for dispute resolutions, contract variation procedures and communications.
- 11.1.7. Further oversight of the contract will be by the Heads of Service and Assistant Director for Housing Regeneration and Delivery who will hold regular senior relationship and contract management meetings with the chosen supplier.

11.2. Key Performance Indicators

- 11.2.1. Quarterly Contract Monitoring meetings will be held by Hackney Council to assess the client's satisfaction with the Multi Disciplinary Consultant against a number of Key Performance Indicators (KPIs).
- 11.2.2. The following KPIs were established in the Invitation to Tender (ITT) and shall be implemented in the contract, along with any further KPIs added as the contract is finalised:

	KPIs	Measurable target	Monitoring
1	Adherence to programme	Achieve required progress and milestones against agreed project programme (adherence in no. of weeks per work stage and milestone event)	Monthly project team meetings and at each project gateway Quarterly contract monitoring review meetings
2	Partnership working with LBH	Understanding of Council objectives and Programme Brief requirements. Collaborative and proactive work with Council team and other consultants. (Level of understanding and collaborative working scored quarterly)	Quarterly contract monitoring review meetings
3	Adherence to brief	Compliance with all Programme Brief requirements as monitored in 'Adherence to Brief Monitor' tool (pass/fail and justification	NHP Programme Brief and Adherence to Brief Monitor Hackney New Build Design Specification

		against each brief requirement)	Quarterly contract monitoring review meetings
4	Resource deployment including senior management involvement	Compliance with contractual Pricing & Resourcing Schedule across all disciplines, staff grades and work stages (contract management across all projects; invoice approvals scrutiny)	Monthly and milestone invoicing scrutiny and approvals Quarterly contract monitoring review meetings
5	Response timescale (queries and instructions)	Email response within 5 working days to all instructions, decisions and requests for information	Monthly project team meetings and at each project gateway Quarterly contract monitoring review meetings
6	Quality assurance of deliverables	Delivery of full contractual scope of services in line with agreed Quality Assurance system and industry best practice (Strategic Design and Development team review of all deliverables at each work stage submission)	Quarterly contract monitoring review meetings Hackney Internal Gateway Review Process (including Building Safety Gateway)
7	Work experience/ placement status	Delivery of committed contractual apprenticeship and work experience obligations (number of apprenticeships and placements secured and mobilised)	Monthly by Employer Engagement Officer Quarterly contract monitoring review meetings

12. Comments of Interim Group Director of Finance

- 12.1. The report recommends awarding the contract to Bidder D, who scored highest overall and second highest on price.
- 12.2. It should be noted that whilst the preferred bidder scored second highest on price, their quantity of resource scoring was the second lowest and they also had the second most expensive day rate. However, the project team are confident that the amount of resourcing the bidder has allocated to the service is sufficient and that there shouldn't be a need for additional resourcing in the future.
- 12.3. There is budget within the individual New Homes Programme projects to pay for the works relating to the contract sum.
- 12.4. There are also 2 lots of contingency being requested in the report. These are to cover additional works both on the New Homes Programme and

wider Regeneration projects. If required, these will need to be approved by the relevant Head of Service at the appropriate time. Budget availability will also need to be validated by Finance.

13. VAT Implications On Land & Property Transactions

Not applicable

14. Comments of the Acting Director of Legal, Democratic and Electoral Services

- 14.1. On the 14th March 2023, Hackney Procurement Board agreed a Medium Risk Business Case in respect of procuring for consultancy services in relation to the New Homes Programme. The contract in this report was part of such Business Case.
- 14.2. Paragraph 2.19 of Contracting Standing Orders states that, all procurements with a risk assessment of “Medium Risk” will be overseen by Cabinet Procurement and Insourcing Committee if the award of contracts are above £2m. This contract is valued above this threshold and is therefore being presented to Cabinet Procurement and Insourcing Committee for approval.
- 14.3. Details of the procurement process undertaken to appoint the consultant for this matter are set out in this Report.

15. Comments of the Procurement Category Lead

- 15.1. The procurement exercise to appoint a consultancy to deliver the New Homes Programme - Multi Disciplinary, Engineering and Technical Consultancy Services followed a two stage Restricted Tender Procedure comprising of a Selection Questionnaire (SQ), followed by an Invitation to Tender (ITT). The opportunity was advertised using the Find A Tender Service, following Public Contracts Regulations 2015.
- 15.2. Prior to this exercise a business case, PRIMAS, RAT was approved. In tendering, Social Value was assured and KPI's measures incorporated. All in-tender and evaluation clarification questions have been closed out. The tender exercise has been transparent, fair, equal and non discriminatory.
- 15.3. Following a low risk financial evaluation rating of the recommended consultant the Procurement Team has advised the Service to adopt some mitigating measures prior to contract execution. This proposal has been taken up and in contract risk management will be carried out.
- 15.4. It is the considered opinion of the procurement team that this exercise followed a compliant process and has resulted in the Most Economically Advantageous Tender recommendation and is assessed as meeting all necessary requirements to deliver these works satisfactorily.

Appendices (EXEMPT)

Exempt Appendix 1 - Selection Questionnaire Submissions Summary

Exempt Appendix 2 - Tender Evaluation Summary

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

BACKGROUND PAPERS

None

Report Author	Name Bronwen Thomas Title Project Manager Email bronwen.thomas@hackney.gov.uk Tel 020 8356 6131
Comments for and on behalf of the Interim Group Director of Finance prepared by	Name Adam Jauncey Title Group Accountant Email adam.jauncey@hackney.gov.uk Tel 020 8356
Comments for and on behalf of the Acting Director of Legal, Democratic and Electoral Services prepared by	Name Chantelle Pink Title Lawyer Email chantelle.pink@hackney.gov.uk Tel 020 8356 5027
Comments of the Procurement Category Lead	Name Divine Ihekwoaba Title Procurement Category Lead - Construction & Environment Email divine.ihekwoaba@hackney.gov.uk Tel 020 8356 4681

