



Cabinet Member Report

Decision Maker:	Cabinet Member for Regeneration and Renters
Date:	21 st February 2024
Classification:	For General Release but that the Appendices, be declared as exempt from publication as (i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, (ii) it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph 5 of Schedule 12A of the Local Government Act 1972; (iii) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
Title:	Ebury Phase 2 – Quantity Surveyor Appointment
Wards Affected:	Knightsbridge & Belgravia (previously Churchill ward)
Policy Context:	The proposed estate renewal of Ebury provides an important opportunity to deliver on a number of key pillars of the Council's Fairer Westminster vision, including Fairer Housing, Fairer Communities and Fairer Economy. A transparent process will be undertaken and demonstrated as part of a continuous engagement strategy with the community, residents and key stakeholders.
Key Decision:	Yes, due to consultant fees over £300k
Financial Summary:	This report is seeking approval of expenditure for Quantity Surveyor Services to support RIBA Stages 4 & 5, demolition, and delivery of the project to completion on Ebury Phase 2, up to the initial contract value of £300,750 as part of the Ebury Phase 2 Renewal Scheme which was approved by the Cabinet on 8 th March 2021.
Report of:	Debbie Jackson, Executive Director, Regeneration, Economy, and Planning

1. Executive Summary

- 1.1. The regeneration of the Ebury Bridge Estate will provide more affordable housing and bring about the long-term physical, economic and social sustainability of the neighbourhood.
- 1.2. The hybrid planning application for Ebury Phase 1 & 2 was originally approved on the 6th of October 2021, with the amended application approved on the 21st of July 2023.
- 1.3. The proposed appointment of Stace LLP for Quantity Surveying services sought within this report is consistent with the capital budget approved by full Council on 8th March 2021. Cabinet Member approval is required as the value of the consultancy contract is over £300,000 (excl. VAT).
- 1.4. The appointment of a Quantity Surveyor is proposed to support RIBA Stage 4, 5 and demolition on Ebury Phase 2.
- 1.5. A rigorous and competitive procurement exercise has been undertaken to procure the Quantity Surveyor, which has been endorsed by the Council's Commercial Gateway Review Board (CGRB), the paper of which is appended to this report (Appendix B).
- 1.6. The proposed commencement date of the contract is 26th February 2024, further to conclusion of the standstill period. The anticipated end date of the contract is 31st March 2030, which coincides with the end of the defect liability period of the new build.
- 1.7. A JCT Consultancy Agreement with the Council's standard amendments will be used, which will include the option to instruct work RIBA Stages 4 and 5 as Additional Services.
- 1.8. Subject to approval of this report, officers will progress the appointment of the contracts.

2. Recommendations

- 2.1. That the Appendices be exempt from publication under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information which should be exempt from publication in that it contains information relating to the business and financial affairs of the authority and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph 5 of Schedule 12A of the Local Government Act 1972; and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.2. That the Cabinet Member for Regeneration and Renters approves:
 - Notes the tender result in the total sum of £779,865 for Stace LLP.

- The contract award for Quantity Surveyor services with a contract value of £300,750 to Stace LLP, with the option in the contract to place orders for future RIBA stages, a total of up to £779,865
- Spend of £300,750, up to the completion of RIBA Stage 4 and demolition works.
- Notes that remaining spend of £479,115 for RIBA Stage 5 and budget requirement for subsequent stages will be addressed in the Outline Business Case and accompanying Cabinet Member Report for Ebury Phase 2, along with a refresh of the projects overall viability.
- Delegates authority to the Executive Director of Regeneration, Economy and Planning (REP) to approve the options in the contract to place orders for future RIBA Stages up to a total contract value of £779,865 subject to budget confirmation and satisfactory completion of initial deliverables.

3. Reasons for Decision

- 3.1. The reason for the recommendation is to secure fees and appoint a Quantity Surveyor to support the Technical Design, Demolition and Delivery of Ebury Phase 2.
- 3.2. The overarching objective of regenerating Ebury Bridge Estate is to create a comprehensive renewal that brings about physical, economic and sustainable change that creates additional homes and improves the lives of residents, businesses and visitors alike.
- 3.3. The proposed redevelopment of Ebury is in line with the Council's ambitions for a Fairer Westminster and aims to deliver on the following objectives:
 - Re-provision of existing homes and explore opportunities to deliver high quality new homes of all tenures.
 - Construction of high quality and energy efficient sustainable new buildings which utilise cutting edge design and technological innovation.
 - Improvement to place shaping including play space, bio-diverse green space and enhancement of the public realm including increasing permeability and connectivity with the canal and surrounding areas.
 - Promoting a safer and vibrant neighbourhood, which encourages positive community interaction.
 - Enhancing community assets and maximising impact through linking to wider provision in the surrounding area.
 - Encouraging and facilitating strong public participation from the community in the design and development of the scheme.
 - Increasing opportunities for employment and business growth and initiatives.
 - Responsible Procurement ensuring ethical treatment and consideration and mitigation of environmental impacts.

4. Background, including Policy Context

- 4.1. The Ebury Bridge Estate is one of the five priority estates identified in the Council's Housing Renewal Strategy (2010) as needing significant improvement and investment.
- 4.2. In line with the Council's City for All objectives, the overarching objective of regenerating Ebury Bridge Estate is to create a comprehensive renewal that brings about physical, economic and sustainable change that creates additional homes and improves the lives of residents, businesses and visitors alike.
- 4.3. This proposal will help meet the Council's objectives for the regeneration which include:
 - The regeneration should be a Council-led;
 - The Council should retain long term ownership of the estate;
 - The regeneration should produce a range of tenures or ladder of opportunity for people on different incomes to live and work in central London; and
 - Delivering the regeneration in a sensitive and inclusive way, setting a standard for quality and place-making for this important Westminster neighbourhood.

5. Procurement

- 5.1. As approved at Gate 2, the LHC Framework was used to seek proposals from a list of established Quantity Surveyors. In July 2023, LHC conducted an expression of interest to all 17 suppliers in the framework, with 13 organisations opting into the opportunity to tender. An initial tender exercise took place in July 2023, although this was abandoned due to the scope of services for the Quantity Surveyor expanding. Subsequently, a new mini-competition took place in November 2023, capturing the updated scope and pricing schedule, with four responses received from the following firms:
 - Academy Consulting
 - Faithful+Gould
 - Potter Raper Partnership
 - Stace LLP
 - Stace LLP
- 5.2. The four responses were checked for completeness, with all bidders submitting compliant tender responses, which were formally evaluated and moderated on the 8th of January 2024. The moderation panel comprised of:
 - Senior Commercial Specialist, Procurement and Commercial Services (Moderation lead)
 - Commercial Manager, Procurement and Commercial Services (Moderation support and commercial evaluation)
 - Project Delivery Manager, Development Services
 - Development Senior Commercial Manager, Development Services
 - Development Finance Officer, Development Services

- 5.3. The result of this tender evaluation and moderation was that Stace LLP were the successful organisation as their bid was identified as the “most economically advantageous tender”.
- 5.4. The Council’s Fairer Westminster vision was heavily promoted with suppliers, with three questions relating to Responsible Procurement comprising a total of 25% of the Technical Criteria.
- 5.5. For each tender undertaken, the Evaluation Strategy was based on the Most Economically Advantageous Tender (MEAT) made up of Quality (70%) and Price (30%).
- 5.6. The Quantity Surveyor tendered services have received endorsement from the Executive Director and the Council’s Commercial Gate Review Board (CGRB), the paper of which is appended to this report (Appendix B). The CGRB endorsement was received on Wednesday 24th January.

6. Financial Implications

- 6.1. This report is to approve the contract award for quantity surveyor services for Ebury Bridge Renewal Phase 2 to Stace LLP (company number OC312683). The original project management, employer’s agent and quantity surveyor contract was awarded to G&T in November 2021 for £6.126m for RIBA Stages 1-5. The spend against the contract was approved by CRG in November 2021.
- 6.2. This procurement strategy and subsequent contract is a direct replacement of the existing quantity surveyor service, with the new quantity surveyor taking over the existing budgeted scope.
- 6.3. A JCT Consultancy Agreement with the Council’s standard amendments will be used. The fixed value of the RIBA Stage 3 order is £300,750 (£360,900 incl. VAT), with options for future RIBA Stages under the contract for a total of up to £779,865 excl. VAT (£935,835 incl. VAT).
- 6.4. The project has a budget allocation of £1.371m for QS services for Phase 2, of which £796k has already been spent with G&T on the original contract award leaving a balance of £575k. Budget is available for the initial order of £300,750. However, there is a funding gap of £205k against this contract of £779k.
- 6.5. There have been changes to the project programme including the delays and changes in the design to meet new legislation, namely the introduction of the second staircase, the G&T quantity surveyor services had been expanded, adding £276,335 to the anticipated costs.
- 6.6. A detailed review of the above changes will be undertaken to understand the financial impact and Cabinet member approval sought along with the Outline

business case in autumn. It is important for project continuity the contract is awarded but spend is restricted to the initial contract value of £300,750 until further budget is approved and there is satisfactory completion of initial deliverables.

7. Legal Implications

- 7.1. The recommendation in this report is seeking endorsement for approval of a contract award to Stace LLP (Company Reg No: OC312683) (the “Consultant”) for the provision of quantity surveyor services in respect of the Council’s Ebury Bridge Renewal Phase 2 development projects. The recommended contract award sum is £300,750 excl. VAT (£360,900 incl. VAT).
- 7.2. The contract will include Additional Services for work on further RIBA stages subject to approval by the relevant Executive Director as set out in the recommendations up to a total of up to £779,865 excl. VAT (£935,835 incl. VAT).
- 7.3. The proposed contract period is from 1 February 2024 to 31 March 2030 which is to coincide with the construction works and end of defect liability period.
- 7.4. Section 5.1 of the report sets out the details of the re-tender as a mini-competition under the London Housing Consortium Multi-Disciplinary Consultancy Services Framework. Regulation 33 of the Public Contracts Regulations 2015 requires mini-competitions to be undertaken based on the same terms as the award as set out in the framework agreement ensuring that: all economic operators on the framework who are capable of performing the contract were contacted in writing about the contract; that a reasonable time limit was set for the return of the tenders, and that the contract is awarded to the tenderer who submitted the best tender based on the award criteria in compliance with the framework. Procurement colleagues have confirmed that the process was run in accordance with the Framework requirements.
- 7.5. As the value of this contract is above the threshold (£214,904 inclusive of VAT) under the Public Contracts Regulations 2015, the Council may choose to run a voluntary standstill period on award.
- 7.6. When awarding a contract based on a framework agreement, the Council must, within a reasonable time, publish a notice on Contracts Finder.
- 7.7. Legal Services should be consulted to provide assistance with the drafting and execution of the contract for the Consultant’s appointment.

8. Carbon Impact

- 8.1. Ebury Phase 2 will propose a high performing sustainable development that seeks to minimise the Carbon Impact in line with the Council’s commitment to becoming carbon neutral Council by 2030 and carbon neutral City by 2040.

9. Equalities Impact

- 9.1. In the decision to enter into contracts for professional services up to a value of £779,185 for Quantity Surveyor Services to support RIBA Stages 4 & 5, demolition and delivery of the project on Ebury Phase 2, the Council must pay due regard to its Public Sector Equality Duty (PSED), as set out in Section 149 of the Equalities Act 2010 (the 2010 Act). The PSED provides that a public authority must, in the exercise of its functions, have due regard to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the 2010 Act.
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 9.1. The development of the site will be designed to address the needs of a wide range of people. Across development schemes there are always likely to be a range of outcomes, some of which will be negative for some people; however, the development aspiration aims to maximise the positives for many people and for a longer period. An Equalities Impact Assessment (EQIA) is required to ensure that any detriment experienced by residents is not a result of their protected characteristic.
- 9.2. Consideration will be given to future recommendations and, if they go ahead, whether it is possible to mitigate any adverse impact on a protected group, or to take steps to promote equality of opportunity by, for example, treating an affected group more favourably.
- 9.3. Officers are mindful of this duty in making the recommendations in this Report. An EQIA will be updated throughout the progress of the project and incorporated into the contract management processes to ensure compliance with statutory duties, considering the impact on those with protected characteristics and how the design development, along with consultation with the community, will take these into account.

10. Consultation

- 10.1. Ongoing, meaningful engagement with the local community underpins the delivery of the Ebury Bridge Regeneration scheme. Since the project was initiated in 2017, a dedicated onsite engagement team has been based on the estate to provide support to residents. This team also provides a direct interface between our contractors and the Ebury Bridge community and surrounding neighbours. The Tender process demonstrated that work undertaken by the chosen contractor will have consultation with Officers and Community Representatives at its heart.
- 10.2. The Ebury Bridge Community Partnership Group (CPG) has met monthly since October 2017. This is the strategic resident steering group that provides a strong community voice on key decisions throughout the project. The group has been consulted on the appointment of contractors, delivery routes, best

value, changes in tenancy (Under Section 105 legislation) and will continue to play an important role as the project progresses. Should the appointment be approved, the chosen contractor will be instrumental in ensuring that there are opportunities for regular resident participation in design development, material choices for the CPG.

11. Next Steps

11.1. Over the next few months, WCC officers will progress the following items on Ebury Phase 2:

- Progress the appointment of Stace LLP as Quantity Surveyor to support Ebury Phase 2 on RIBA Stage 4 and demolition.
- Submit the Reserved Matters Application (RMA) for Ebury Phase 2.
- Progress the Main Works Contractor procurement on Ebury Phase 2.
- Return to the Cabinet Member at Outline Business Case for the remaining spend of £479,115 for Stace LLP for RIBA Stage 5 and budget requirement for subsequent stages.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Brian Arscott barscott@westminster.gov.uk
John Ndukuba jndukuba@westminster.gov.uk

APPENDICES (EXEMPT FROM PUBLICATION)

Appendix A – Exempt Legal Comments

Appendix B – Ebury Phase 2 – CGRB Gate 3 Quantity Surveyor

For completion by the **Cabinet Member for Regeneration and Renters**

Declaration of Interest

I have no interest to declare in respect of this report.

Signed: Matt Noble

Date: 08/03/2024

NAME: **Matt Noble**

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled 291 Harrow Road – Multi-Discipline Consultant Team (MDCT) Appointment and reject any alternative options which are referred to but not recommended.

Signed: Matt Noble

Cabinet Member for Climate Action, Regeneration and Renters

Date: 08/03/2024

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

.....
If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.