<table>
<thead>
<tr>
<th>Sands End Community Centre – Procurement of a Design Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report of the Leader – Councillor Stephen Cowan</td>
</tr>
<tr>
<td>Open Report</td>
</tr>
<tr>
<td>Classification - For Decision</td>
</tr>
<tr>
<td>Key Decision: Yes</td>
</tr>
<tr>
<td>Wards Affected: Sands End Ward</td>
</tr>
<tr>
<td>Accountable Director:</td>
</tr>
<tr>
<td>Jo Rowlands Housing &amp; Regeneration Service Lead Director</td>
</tr>
<tr>
<td>Report Author: Matt Rumble, Regeneration Manager</td>
</tr>
<tr>
<td>Contact Details: Tel: 07786747488 E-mail: <a href="mailto:matt.rumble@lbhf.gov.uk">matt.rumble@lbhf.gov.uk</a></td>
</tr>
<tr>
<td>Reasons for Urgency:</td>
</tr>
<tr>
<td>In order to achieve the programme for the development of the new community centre, approval of the procurement strategy is required urgently.</td>
</tr>
<tr>
<td>Date by which decision is required: 14th February 2017</td>
</tr>
</tbody>
</table>

AUTORISED BY:

The Leader has signed this report.

DATE: 14 February 2017
1. **EXECUTIVE SUMMARY**

1.1. The Council wishes to ensure the long term availability and sustainability of community-based assets and it recognises that:

   1.1.1. dynamic and well run community buildings can be the bedrock for local communities; housing a wealth of services, support and facilities upon which neighbourhoods can develop and thrive and local citizenship and engagement can be strengthened.

   1.1.2. third sector organisations and charities can access funding, donations and expertise which are not available to local authorities and which can open opportunities and build community resilience.

1.2. In line with this strategy, this report describes the Sands End Community Centre, a project being delivered in partnership with the local community to provide the replacement Sands End Community Centre in South Park, Fulham. The Council's aim is that a community organisation is formed with the local community and will run the new centre, following its construction.

1.3. This report summarises the design brief for the centre and seeks approval for the procurement strategy to appoint a multi-disciplinary team to design the new centre and submit and secure planning consent.

1.4. The report also outlines resident and stakeholder engagement processes and the proposed approach to the appointment of a construction partner, which will be subject to a future report in line with the Council's standing orders.

1.5. The funding of this project is ultimately expected to be £2m from a Thames Tideway Grant, and up to £1.6m from the Stamford Bridge S106 agreement. Both these agreements are still being finalised, with receipt of the Stamford Bridge S106 agreement funds being expected by June 2017.

2. **RECOMMENDATIONS**

2.1. To approve the procurement strategy (attached at appendix A) to appoint and fund a design team for the replacement Sands End Community Centre and associated budget of £500k required for the initial design and survey costs.

2.2. That the design and survey costs of £500k will be funded from the Stamford Bridge S106 agreement but that funds be made available from the Council funds pending receipt of these funds anticipated by June 2017. To note that the Stamford Bridge S106 agreement is not yet signed, until this happens there is a risk that this will need to be funded by the Council.

2.3. That the Lead Director of Housing and Regeneration consult and agree with the Cabinet Member for Regeneration and Economic Development
the award of the contract for design services. To delegate to the Lead Director of Housing and Regeneration the contract award.

2.4. To note the recommended approach to stakeholder and resident engagement in the design process as well as the proposed approach to appointment of a construction partner.

3. REASONS FOR DECISION

3.1. The decision is required to allow the Council to appoint a multi-disciplinary design team of professional consultants to bring forward a detailed design for the community centre and to allow the Council to submit a planning application.

4. INTRODUCTION AND BACKGROUND

4.1. Hammersmith and Fulham Council has committed to replacing the Sands End Community Centre on the site of the existing Clancarty Lodge Depot in South Park, Fulham.

4.2. The Council has worked with residents in the development of the design proposals which have been consolidated within the design brief summarised in Appendix A.

4.3. Following negotiations between Tideway and the Council, Tideway has agreed to commit £2m towards the development of the new community centre. The grant agreement for the £2m contribution is in draft form, will involve input from relevant council departments including finance and legal and will be subject to appropriate approvals.

4.4. Tideway (or Bazalgette Tunnel Limited) is the Infrastructure Provider set up to finance, build, maintain, and operate the Thames Tideway Tunnel. The super sewer, as it is also known, connects Acton to Fulham as part of the west region of the project and Fulham to Blackfriars as part of the central region.

4.5. The contribution from Tideway is an investment in the area following Carnwath Road being confirmed as a main drive site for the super sewer. This grant funding is in addition to any community infrastructure levy or S106 requirements resulting from the construction of the super sewer.

4.6. The Council is entering into a Section 106 agreement with Chelsea FC as part of the permission for the stadium scheme. This has also allocated up to £1.6m of S106 funding to the Sands End Community Centre project. It is currently expected that these funds will be received by June 2017, this will bring the available funding for the project to a maximum £3.6m.

4.7. The Council’s aim is for a newly formed community organisation to operate the community centre following its construction. The costs of the design
and surveys will be in the region of £500k including a £40k contingency. The construction budget, including site assembly costs of £200k, is £2.2m. This leaves a budget of up to £900k for fit out and the operating costs of the organisation for the first 3 to 5 years.

4.8. Allowing a total construction budget (including design fees, construction, fit out, and demolition) of £2.9m equates to a Gross Internal Area cost per sqm of £5,800. This is comfortably above benchmarked cost advice of between £2,990 and £3,070 per sqm for community buildings.

4.9. All costs are indicative at this stage.

4.10. The location of the community centre on the depot site in South Park is part of wider improvements to the park.

4.11. The aim is to complete the project by the end of February 2018.

5. PROPOSAL AND ISSUES

5.1. The Council’s ambition for the new community centre is a multi-purpose building which is flexible to maximise the range of uses and ensuring it is financially sustainable in the long term.

5.2. The facility will be managed on a lease by a community based organisation and the Council will support the development in the organisation while the build process is underway with set up and running costs covered by the project budget of up to £3.6m.

5.3. The community centre complex will be designed to the principles set out in section 6.5 of the procurement strategy (Appendix A).

5.4. To complete building work to the new community centre by February 2018. This requires an accelerated programme for design and construction with limited contingency. To meet the timetable, a design team must be appointed and the contract mobilised as soon as possible.

5.5. The Council’s aim will be to submit a detailed planning application in May 2017. A design and planning programme will be developed as part of the design team mobilisation.

5.6. Officers have identified Westminster City Council’s Design Services Dynamic Purchasing System (DPS) as a suitable vehicle to appoint a design team with the necessary skill-set to build a high quality facility.

5.7. The use of the Westminster DPS reduces the need for a full tender process, having been procured via an OJEU compliant process. This will significantly speed up the appointment of a design team as well as anticipated start on site.
5.8. Westminster City Council have successfully used the DPS system to procure professional design services for several housing and mixed use building projects. The DPS includes a strong field of recognised architects with experience of delivering mixed use buildings of this nature and of working closely with local communities in the design of building projects.

5.9. It is proposed that the Council run a mini-tender exercise using lot K – Architecture for mixed use buildings as set out in the procurement strategy attached at Appendix A.

5.10. The Council intends to appoint an architect/principal consultant who will project manage the design and planning application processes including appointment of a multi-disciplinary team of sub-consultants and project management of a construction contractor tender process as set out in section 6.1 of the procurement strategy (Appendix A).

5.11. The cost of design and professional fees to secure planning consent has been benchmarked against costs for other community buildings of a similar size and use. It is expected that total fees will be between 17% and 20% of total construction costs, which equates to £340,000 to £400,000. Surveys, the planning application, and contingency of £40k bringing the budget requirement to £500k.

5.12. The lead consultant will also be responsible for instructing and coordinating necessary surveys including but not limited to structural, topographical, ground conditions and asbestos.

5.13. The report seeks approval of the procurement strategy and budget of £500k from the overall project budget for design and survey work.

5.14. **Procurement of a construction partner**

5.15. It is proposed that a further procurement strategy is developed to appoint a construction partner and employers’ agent to manage the construction phase. This will need Cabinet approval due to the estimated value of the construction phase.

6. **OPTIONS AND ANALYSIS OF OPTIONS**

6.1. As set out in section 3 of the attached procurement strategy in Appendix A

7. **CONSULTATION**

7.1. Consultation with residents, councillors and internal council departments has taken place through the Sands End community centre project board. The board, has approved the procurement approach and use of the design brief to procure an architect and lead consultant.
7.2. Throughout the design process the Council and its appointed design team will hold a minimum of two design engagement and consultation sessions involving the local community, the Sands End Project Board and relevant council departments, as part of the design process the Council will consult with the appropriate statutory consultees, such as Heritage England, and council departments on the proposed design and development. The scheme will require planning consent and this will include statutory consultation and with the planning decision taken by the council’s planning committee.

8. **EQUALITY IMPLICATIONS**

8.1. An EIA is not required for the procurement process. The equalities and diversity policy of Companies on the Design Services Dynamic Purchasing System Framework have already been tested as part of the procurement process carried out by Westminster Council.

9. **LEGAL IMPLICATIONS**

9.1. The recommendations in this report are lawful and within the Leader’s authority under the Constitution. The new centre will be leased to a community organisation. The terms and conditions of that lease will be subject of a separate decision.

9.2. Implications verified/completed by: Andre Jaskowiak, Solicitor, Shared Legal Services 0207 361 2756

10. **FINANCIAL AND RESOURCES IMPLICATIONS**

   **Initial Design and survey costs**

10.1. The initial design and survey costs are estimated to be up to £500k including a £40k contingency. These are expected to be funded solely from the Stamford Bridge S106 agreement which is not yet signed, funds are expected by June 2017.

10.2. The Council will as a minimum need to fund this until June 2017, although it is unlikely the full amount will be required by then.

10.3. All the agreements to fund this project are not in place at therefore the Council could end up incurring the full cost of this project

   **Budgets for the Community Centre**

10.4. The construction budget, including site assembly costs of £200k, is £2.2m. This leaves a budget of up to £900k for fit out and the operating costs of the organisation for the first 3 to 5 years.
10.5. Allowing a total construction budget (including design, construction, fit out, and demolition) of £2.9m equates to a Gross Internal Area cost per sqm of £5,800 (£4,800 per sqm excluding fit out costs). This is comfortably above benchmarked cost advice of between £2,990 and £3,070 per sqm for a building of this type.

10.6. These costs (including the initial design and survey costs) will be funded from a combination of Section 106 agreements of £1.6m and the £2.0m grant from Tideway as set out in the table below.

<table>
<thead>
<tr>
<th>Expected Costs</th>
<th>Revenue Costs</th>
<th>Capital Costs</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
</tr>
<tr>
<td>Design team</td>
<td>500</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>Fit out, initial set up, running costs</td>
<td>500</td>
<td>400</td>
<td>900</td>
</tr>
<tr>
<td>Site assembly</td>
<td>200</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Build</td>
<td>2,000</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>1,000</strong></td>
<td><strong>2,600</strong></td>
<td><strong>3,600</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Available Funding</th>
<th>Section 106 Reference</th>
<th>Section 106 Site</th>
<th>Purpose / Grant</th>
<th>Revenue Funding</th>
<th>Capital Funding</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>To be confirmed</td>
<td>500</td>
<td>1,100</td>
<td>1,600</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
<td>Tideway Grant</td>
<td>500</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Total Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>1,000</strong></td>
<td><strong>2,600</strong></td>
<td><strong>3,600</strong></td>
</tr>
</tbody>
</table>

10.7. It is recommended that finance and legal officers review the terms and conditions of the grant allocation to ensure that financial and other risks (such as clawback, abortive costs, capital / revenue split and payment milestones) are assessed and mitigated, and that monitoring / auditing / performance arrangements are set up in accordance with Council policy.

10.8. As stated above in section 4.5, the Section 106 funding of £1.6m is yet to be received by the Council. Likewise, the grant agreement for the £2m from Tideway is also not signed yet.

10.9. At this stage it is assumed that ongoing running costs of £0.5m would be funded from these two agreements. After this period this will become a budget pressure for the Council which is currently not in its MTFS plan.

10.10. Therefore, there is currently a risk that, for the project to proceed further, funding will be required from the Council if the section 106 agreement and grant agreement are not both signed.

10.11. If grant funding was assured but not available simply due to timing issues the Council could consider making temporary use of council funds to provide ‘bridging finance’. These funds would then be reimbursed upon receipt of the grant and S106 funds. Any such use of funds in this manner
would need to be the subject of a separate decision. The risks and their mitigation are set out in further detail in sections 11 and 12 below.

10.12. The appointment of a construction partner and the associated financial implications will be subject to a future report.

**VAT**

10.13. There are a number of potential VAT risks and implications, some of which can only be assessed once any eventual leasing arrangements become clear. In general, the issues will be as follows:

- Construction of a new community centre could only be zero-rated for VAT purposes if the whole building qualified as a relevant charitable purpose (RCP) or a village hall (or similar building). This means that the building would have to be used by the local community to a high degree, with a wide variety of activities taking place. As such, if any part of the building cannot be used solely (at least 95%) for a variety of social or recreational activities, it cannot be seen as being used as a ‘village hall’ and the whole building may be subject to standard rate VAT and recoverable under Section 33 rules.

- Guidance says that where a local authority applies for and is awarded grant aid for the purposes of carrying out work or providing equipment for a voluntary organisation, the funds may be treated as the authority’s own funds for the purposes of reclaiming VAT under 33 provided that the funding is awarded to the authority itself (rather than the organisation). The indicative flow of funding in this instance appears sufficient to treat as the authority’s funds for the purpose of reclaiming VAT under Section 33, however officers and decision makers will need to be mindful of this risk should any aspect of the funding change throughout the course of the project.

- The eventual arrangement may impact on the Council’s partial exemption position. The Council can recover VAT on VAT-exempt activities provided, in each tax year, these do not exceed 5% of the Council’s total input tax. Where the Council exceeds its partial exemption threshold all VAT recovered on exempt activities is repayable to HMRC – this would effectively cost the Council upwards of £2 million in the year of a breach.

In light of these risks it is requested that Corporate Finance are kept abreast of this project as it proceeds and develops to allow the VAT risks to be carefully monitored and managed.


10.15. Implications on VAT verified by: Chris Harris, Head of Corporate Accountancy and Capital, 020 8753 6440
11. IMPLICATIONS FOR BUSINESS

11.1 The procurement of the lead architect and design team will have a neutral impact on business in the borough, any local business already on the Design Services Dynamic Purchasing System will have the opportunity to bid for the tender opportunity.

11.2 Comments of the Director of Planning and Development

11.3 It must be highlighted that in reaching this decision, there is a risk that the funding from the S106 agreement may not come forwards in the timescale set out in the report. To date the S106 agreement has not been entered into and decision issued, as such there is a risk, that things may change albeit limited. If this is the case, then other sources of funding will need to be found.

11.4 It must be noted that there are a significant number of constraints with the development of this site, including the loss of a local heritage asset and public open space. As such there may be issues in the planning process that may delay the development.

11.5 Comments of the Director for Planning and Development prepared by Peter Kemp, Planning Change Manager ext. 6970

12. RISK MANAGEMENT

12.1 Finance risk – Due to the complex nature of major development schemes, there is a risk that the S106 funds assigned to this project are delayed or ultimately not received. This would result in a risk to the general fund of up to £500k. There is also a risk that the grant agreement may not be completed. This would mean the Council had spent £500k on a project which was not fully funded.

12.2 It is expected that the S106 funds will be received by June 2017. This is before significant spend is incurred in the design process (it is unlikely that a design team will be procured and mobilised before June 2017) and therefore the risk may be redundant. Further options to mitigate total loss of the S106 funds include:

- Revising the overall project budget - ensuring the Tideway Grant agreement is flexible to cover the design costs, revisiting the prosed fit out and legacy operational budgets allocated to the community organisation
- Revising the design specification and looking for cost efficiencies the design process.
- Reviewing other S106 opportunities which could be allocated to the project
12.3 Negotiations are proceeding well on the grant agreement with Tideway and this is expected to be signed by March 2017, before the procurement of any contractor for the project. None of the grant agreement money is needed to fund the £500k.

12.4 Project and procurement risks as set out in section 3 of the Procurement Strategy (Appendix A)

13. COMMERCIAL & PROCUREMENT IMPLICATIONS

13.1 A procurement strategy relating to this report is attached at Appendix A. This has been co-written between the Project Manager and the Interim Head of Procurement who supports the use of WCC’s Dynamic Purchasing System and procurement approach recommended by the Director of Housing and Regeneration.

13.2 Implications verified/completed by: Alan Parry, Interim Head of Procurement (Job-share). Telephone 020 8753 2581.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

<table>
<thead>
<tr>
<th>No.</th>
<th>Description of Background Papers</th>
<th>Name/Ext of holder of file/copy</th>
<th>Department/Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>None</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

LIST OF APPENDICES:

Appendix A – Procurement strategy
APPENDIX A:
SANDS END COMMUNITY CENTRE
BUSINESS CASE AND PROCUREMENT STRATEGY REPORT

1. BACKGROUND

1.1. Hammersmith and Fulham Council has committed to replacing the Sands End Community Centre on the site of the existing Clancarty Lodge Depot in South Park, Fulham.

1.2. The Council has worked with residents in the development of the design proposals which have been consolidated within a design brief for the scheme. The core principles of the brief described later in the strategy.

1.3. Following negotiations between Tideway and the Council, Tideway has agreed to commit £2m towards the development of the new community centre. The grant agreement for the £2m capital contribution is being completed at present.

1.4. The contribution from Tideway is an investment in the area following Carnwath Road being confirmed as a main drive site for the super sewer. This grant funding is in addition to any community infrastructure levy or S106 requirements resulting from the construction of the super sewer.

1.5. The Council has also allocated up to £1.6m of S106 funding to the Sands End Community Centre project, bringing the maximum total budget for the project to £3.6m. It is expected that the construction envelope (for shell and core) will be £2m including site assembly costs of up to £120k.

1.6. The Council’s aim is for a newly formed community organisation to operate the community centre, following its construction. Fit out, initial set up and running costs of the organisation will be funded from the total project budget and will be £1m of the total budget with fit-out costs being determined through the design process.

1.7. The location of the community centre on the depot site in South Park is part of wider improvements to the park.

1.8. The aim is to complete the project by the end of February 2018.

1.9. In order to deliver the Council’s ambition to have a building open for community use by February 2018 the Council must move quickly to appoint an architect and a design team to work on the detailed design of the building, work with residents and develop a planning application and to manage the construction project.

1.10. This procurement strategy proposes the use of the Westminster City Council’s Design Services Dynamic Purchasing System (DPS) to appoint an architect/principal consultant. The framework will be used to run a mini competition using Lot K – architecture for mixed use buildings.
1.11. The DPS has been set up in compliance with the Public Contracts Regulations 2015 (as amended) through a Contract Notice appearing in the Official Journal of the European Union (OJEU) that named the Council as being able to access it. As at 11 January 2017 there were 38 pre-qualified architectural firms with experience of delivering mixed use buildings. As the DPS is an open arrangement further architectural firms may apply to join it and provided that they are admitted prior to tenders being sought the number available will increase.

1.12. With the establishment of the DPS the Council may award contracts using it by inviting all suppliers admitted to the relevant category to bid, in accordance with regulations 34 & 54 of the Public Contracts Regulations 2015 (As amended). WCC in calling off from their DPS have adopted an approach of selecting bidders following an invitation through an Expression of Interest stage. The Council is currently seeking legal advice whether this is permissible under the Regulations as a means of expediting the selection arrangements.

1.13. The Council intends to appoint an architect/principal consultant who will project manage the design process including appointment of a multi-disciplinary team of sub-consultants providing professional services including the following:
   - Structural Engineering
   - Quantity Surveyor/ costs consultancy
   - Mechanical, Electrical & Plumbing
   - Planning Consultancy
   - Landscape Architecture
   - Principal Designer

1.14. The proposed evaluation and award criteria will be based upon 70% for quality and 30% price. This is on the basis that the project has a high public profile and the need to complete the overall construction no later than February 2018.

1.15. The principal consultant/ architect will co-ordinate submission of a planning application and will project manage on behalf of the Council a two stage tender process for a construction partner. The principal consultant will also be responsible for instructing and coordinating necessary surveys including but not limited to structural, topographical, ground conditions and asbestos.

1.16. The total budget for design fees, planning and surveys is £500k from the overall project budget for design and survey work.

2. **FINANCIAL AND LEGAL INFORMATION**

2.1. The total budget for the project is a maximum of £3.6m.

2.2. £2m has been secured from Tideway as a contribution to the local community in sands end. This will be paid to the Council to deliver the project under a grant agreement.

2.3. Up to £1.6m has also been allocated from S106 funding agreements.
Of the maximum £3.6m budget for the project, £2.2m has been allocated specifically to the construction of the new centre, including site assembly and remediation costs. This excludes professional fees, surveys, contingency and fit out costs which we funded from the £3.6m maximum total budget.

**Design fees and professional service costs**

The cost of design and professional fees to secure planning consent has been benchmarked against costs for other community buildings of a similar size and use. It is expected that total fees will be between 17% and 20% of total construction costs, which equates to an upper limit of £400,000.

The total budget allowed for design and professional service fees and surveys is £500k.

**OPTIONS APPRAISAL AND RISK ASSESSMENT**

**Options appraisal**

There are three options, of which there are is only one that appear to be appropriate

**Option 1 – do nothing.** This would result in the Sands End community centre not being provided and the missed opportunity to deliver much needed community infrastructure in Fulham. The do nothing option would also prevent the council from making use of the grant agreement funding from Tideway

**Option 2 – use the Design Services Dynamic Purchasing System.** The DPS has been procured under and OJEU compliant process and includes a comprehensive suite of 38 architects with proven experience of delivering community buildings. Each firm has completed the equivalent of a Pre-Qualification Questionnaire stage of tender process and have been vetted in terms of insurance cover, financial liquidity, and other relevant OJEU policies. Use of the DPS can only be carried out using electronic means (this would be through the Council’s capitalEsourcing portal). It will speed up the procurement of a design team as it replaces the need to run a full OJEU compliant tender process (required for services contract above £164,716)

**Option 3 – procure a design team through an open tender competition.** This would require a full OJEU tender process which would take between three and four months to procure adding significant time and resources to the project programme

Option 2 (set out in 3.1.2) is the recommended option and approach

**Risk**
3.3. The key risks associated with the procurement project are:

3.4. Risk that a suitable architect and design team will not be appointed – mitigated using the Design Services Dynamic Purchasing System which includes at least 38 architects prequalified for mixed use buildings of this nature.

3.5. Risk of challenge by architects not on the Design Services Dynamic Purchasing System. The DPS has been procured through a regulated procurement process and is open to LBHF to use. The risk of challenge is low and a successful legal challenge will only emerge if (a) due process has not been followed; and/or (b) any new applicant to the DPS is not processed in accordance with the Public Contracts Regulations 2015 (as amended). WCC have already used the DPS for its own projects so it is likely that (a) is not applicable.

3.6. Risk of tender price exceeding budget for project – desktop analysis from past projects alongside soft market testing has informed the budget for the design process. The risk of tender submissions exceeding the design budget requested in this report is low.

3.7. Risk of delay to design and development programme – the procurement process will run through the Council’s capitalEsourcing procurement portal in partnership with the procurement team. This will ensure the process is efficient and the scoring and decision process are programmed to deliver a quick decision on the preferred provider. At the same time as planning the tender process evaluation criteria have been drafted and the evaluation process diarised.

4. **THE MARKET**

4.1. As described above, the procurement strategy is to use the Westminster Dynamic Purchasing System to appoint an architect/lead consultant. The selected firm will be required to appoint a design team of professional services, manage the planning application process including co-ordinating surveys and support the Council with the procurement and selection of a construction partner.

4.2. The market for design services is strong and prosed framework includes 36 firms who have been pre-vetted for experience in delivering multi-purpose community type buildings.

4.3. Given the number of firms on the framework it is expected that the Council will receive strong tender responses to the opportunity. The framework will speed up the selection and appointment process as it is compliant with the Public Contracts Regulations 2015 (as amended).
5. **PROCUREMENT STRATEGY**

6. **CONTRACT PACKAGE, LENGTH AND SPECIFICATION**

6.1. The contract will be to manage the design process for the sands end community centre in south park from inception through to planning consent with some disciplines continuing through the construction process to practical completion. The services covered will include the following professional disciplines.

- Architect and Lead consultant who will be responsible for delivery of the following services, either directly or via sub appointments:
  - Structural Engineering
  - Quantity Surveyor/ costs consultancy
  - Mechanical, Electrical & Plumbing
  - Planning Consultancy
  - Landscape Architecture
  - Principal Designer
  - Employers Agent.

6.2. The architect/lead consultant will also be responsible for co-ordinating the two-stage procurement for a construction partner and site surveys to include structural, asbestos and land contamination.

6.3. The contract is expected to last until practical completion with some services including Employers Agent retained through the entire construction phase of development. The majority of services will conclude once planning consent for the scheme is achieved.

6.4. The timetable in section 12 below outlines key milestones.

6.5. The project scope is contained within the design brief; however, the core principles are summarised below:

- A high quality iconic building for South Park, with flexible interrelated spaces.
- Consideration of off-site, modular, and environmentally sustainable construction methods to reduce the construction process
- An overall footprint of circa 500sqm
- An overall build and site assembly cost of £2m excluding professional fees and fit out costs
- A predominantly single storey building, with the possibility of some second storey space equivalent to the existing second storey space of Clancarty Lodge
- A new main centre of approx. 320sqm to include a180sqm main hall which will be divisible to facilitate concurrent use
- Additional independently bookable meeting/breakout rooms
- Kitchen space for events/refreshments
• Toilets and changing facilities suitable for sport use
• A nursery for up to 32 children (ages 2-5)
• A café accessible from the park.

7. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS

7.1. In order to achieve the Council’s ambition for a high quality development by the end of February 2018, this procurement strategy does not propose to introduce any requirements into the tender specification for additional social value from the contractor, there are no specific requirements on use of local supply chains or weighting toward local businesses. Scoring will consider the contractor’s ability to deliver high quality community infrastructure projects at pace and in close partnership with local residents.

8. OTHER STRATEGIC POLICY OBJECTIVES

8.1. This contract is critical to the delivery of the Council administrations objectives to deliver a replacement sands end community centre.

9. STAKEHOLDER CONSULTATION

9.1. There has been extensive consultation with the Residents Working Group and Sands End Project Board who have been consulted on all proposals and designs for the new community centre. They have been engaged in informal meetings with the Cabinet Member for Commercial Revenue and Resident Satisfaction as well as further meetings and discussions between the Council and Thames Tideway.

9.2. Consultation has taken place with appropriate Lead Council Members and the Chief Executive. Consultation has also taken place with the Council’s commercial director regarding the strategy to use the Dynamic Purchasing System.

10. PROCUREMENT PROCEDURE

10.1. The use of a Dynamic Purchasing System set up, as previously explained, by Westminster City Council. Paragraphs 1.10 to 1.13 above set out how Hammersmith and Fulham intends to call off from this DPS.

11. CONTRACT AWARD CRITERIA

11.1. A supplier will be selected from the DPS who demonstrably offers best value for money, highest design quality, quality of resident and stakeholder engagement and speed of delivery within the timetable. The high level award criteria are set out in paragraph 1.13 above. Each tender response will be assessed against a set of criteria which will be finalised in line with the procurement timetable.
12. PROJECT MANAGEMENT AND GOVERNANCE

12.1. This procurement process will be led by the Lead Director of Housing and Regeneration with operation management of the process including supplier selection, evaluation and contract negotiation delivered by the Regeneration Manager and the Sands End Community Centre Project Board in consultation with the Council’s procurement, finance and legal teams.

13. INDICATIVE TIMETABLE

- Leaders urgency decision – 2nd February 2017
- Implement decision/procurement strategy 7th February 2017
- Expression of interest issued 8th February 2017
- Tenders invited from the DPS 15th February 2017 (3 weeks)
- Evaluate quality and price submission – 9/10 March 2017

14. CONTRACT MANAGEMENT

14.1. Post implementation the lead officer for the contract with be the Housing and Regeneration Service Lead Director.