


<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>2 SEPTEMBER 2019</b></p>	
<p><b>PROJECTS FOR ANNUAL PARKS CAPITAL PROGRAMME 2019/20</b></p>	
<p><b>Report of the Cabinet Member for the Environment – Councillor Wesley Harcourt</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Wards Affected:</b> Avondale &amp; Brook Green, Fulham Broadway, Fulham Reach, Hammersmith Broadway, North End, Palace Riverside, Parsons Green and Walham, Ravenscourt Park and Shepherds Bush Green.</p>	
<p><b>Accountable Director:</b> Sharon Lea, Strategic Director of Environment</p>	
<p><b>Report Author:</b></p> <p>Silvera Williams</p> <p>Parks Project Officer</p>	<p><b>Contact Details:</b></p> <p>Tel: 020 8753 4240</p> <p>Email:</p> <p><a href="mailto:silvera.williams@lbhf.gov.uk">silvera.williams@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1. This report seeks Cabinet approval to continue to enhance and improve the borough's parks and open spaces in 2019/20 by using £500,000 of Section 106 (s106) funding to carry out the projects identified in section 5 of this report.
- 1.2. The full list of proposed improvement works is a combination of operational priorities and requests from parks friend's groups, resident's groups and ward councillors.

## 2. RECOMMENDATIONS

### **It is recommended that Cabinet:**

- 2.1. Approve that the £500,000 s106 contributions are used to fund the full list of new parks projects identified in section 5 of this report.
- 2.2. Approve the Business Case and Procurement Strategy set out at Appendix 1 in accordance with the Council's Contract Standing Orders (`CSOs`) 8.12.

- 2.3. Approve the procurement of individual projects in accordance with CSO 10.2 (table 10.2d) and 11.2, where the total value of the works does not exceed the £500,000.
- 2.4. To delegate the decision to award the contracts in respect of each project to the Strategic Director of Environment in consultation with the Cabinet Member for the Environment.

### **3. REASONS FOR DECISION**

- 3.1. The purpose of this report is to provide a spending plan for the annual parks capital improvement programme to improve the borough's parks and green spaces. This will update worn equipment and infrastructure that has reached the end of its lifespan, provide new facilities for our residents and communities, support the green flag criteria, and improve the quality of parks assets and services for our residents.
- 3.2. The Parks annual improvement programme supports the following council priorities:
  - Taking Pride in Hammersmith & Fulham: which seeks to ensure a safe, clean and green borough for our residents.
  - Creating a Compassionate Council: which seeks to help children participate in sport and have free access to active play.
  - Doing things with residents not to them: we will consult with residents and stakeholders on individual projects as required.
  - Ruthlessly Financially efficient: Through our procurement strategy contracts will be awarded to the most economically advantageous tender or call off contracts.
- 3.3. The investment will support the Council's ambition to be the greenest borough. The investment in the parks also provides health and well-being benefits to our residents by providing space for physical activity and a place to socialise - helping tackle mental health, loneliness and isolation.

### **4. INTRODUCTION AND BACKGROUND**

- 4.1. Hammersmith & Fulham Council are committed to improving the borough's parks and open spaces. This is reflected in the 15 Green Flag awards the borough has achieved for high standards of maintenance and facilities within our parks and open spaces. These improvements also support the council objective of being the greenest borough.
- 4.2. The planned £500,000 investment in Parks for 2019-20 is part of a rolling programme of investment in the borough's parks which has seen £500,000 invested annually over the past four years.

- 4.3. The Parks Capital Improvement Programme addresses issues in our parks and open spaces that need investment to improve the quality of parks assets and services for residents.
- 4.4. Each project will have a formal decision paper written for it when the project team has undertaken the procurement exercise and are ready to award the contracts for the work.

## 5. PROPOSAL AND ISSUES

- 5.1. Listed below are the projects proposed to be delivered this year (previously committed contracts and ongoing projects nearing completion are not included for the sake of clarity). All projects will be procured in line with the council's procurement and governance rules and regulations.

<b>Project</b>	<b>Description</b>	<b>Ward(s)</b>
£112,000 – Playground Improvement Programme	Replacement of various items of play equipment of the end of lifespan at Normand Park, Marcus Garvey, Margravine Gardens and Rowberry Mead. It is likely these will be procured together.	Fulham Broadway Fulham Reach North End Palace Riverside
£100,000 – Eel Brook Common footpath improvements (north side)	Replacement footpath in Sustainable Urban Drainage system (Suds) compliant material, to replace tarmac path in poor state of repair.	Parsons Green & Walham
£25,000 – Hammersmith Park	Refurbishment of basketball court surface to prevent ponding and colour coating.	Shepherds Bush Green
£53,000 – Bishops Park outdoor gym and moat garden improvements	New outdoor gym £25,000. Moat Garden footpath resurfacing, interpretation, outdoor classroom £25,000. Metal edging to rose beds by Spanish Memorial £3,000.	Palace Riverside
£35,000 – Westcroft Square	Footpath resurfacing with self binding gravel, fencing improvements and new signage.	Ravenscourt Park

<b>Project</b>	<b>Description</b>	<b>Ward(s)</b>
£15,000 – Upper Mall	Investigation works into tank underneath play area, planting and some play area replacement.	Ravenscourt Park
£30,000 – St Paul’s Church	Hard and soft landscaping works, including replacement paving slabs, fencing, planting and eco garden.	Hammersmith Broadway
£30,000 – Gwendwr Gardens	Planting improvements, replacement fencing to dog area and cedec surfacing to dog area.	Avonmore & Brook Green
£100,000 – Cross Cutting	General asset improvements including, fence replacement, various Green Flag improvements, benches, bins, SUDS, surfacing, signage, building enhancements. No individual contract or element will exceed £100,000.	All wards

## 6. OPTIONS AND ANALYSIS OF OPTIONS

6.1. The above list represents a good balance of priority developments across the portfolio as identified by the parks service, members, residents, and stakeholder’s requests for improvements.

- **Option 1.** Do nothing. Many of these developments and improvements are urgently required - this option is not recommended.
- **Option 2.** Approve some of these projects. This list takes into consideration operational priorities identified by the service as well as specific development requests from members, residents, and stakeholder groups. This option is not recommended.
- **Option 3.** Approve the full list. Procurement for individual projects to follow CSO 10.2 (table10.2d) and 11.2, this option is recommended.

6.2. Officers recommend progressing Option 3; the Procurement Strategy is set out in Appendix 1.

## 7. CONSULTATION

7.1. For each project, consultation will be undertaken, and local communities and other stakeholders will be involved in the development of the proposals as appropriate to scale.

## **8. EQUALITY IMPLICATIONS**

- 8.1. It is not anticipated that there will be any negative impacts on any groups with protected characteristics, under the terms of the Equality Act 2010, from the approval of these parks' improvement programmes.
- 8.2. *Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.*

## **9. LEGAL IMPLICATIONS**

- 9.1. Approval of a Procurement Strategy and Business Case as set out at Appendix 1, is a requirement for all contracts in excess of £100,000 (CSO 8.12). It is possible for a Strategy to cover more than one procurement. This strategy is proposed to cover the period until the end of financial year 2019/2020.
- 9.2. The value of the proposed contracts under the Strategy fall below the current EU threshold for works of £4,551,413 under the Public Contracts Regulations 2015 ('PCR') therefore the provisions under the PCR do not apply in full. CSO 10.2 (table 10.2d) provides that all low value works contracts (below £250,000) may be subjected to a procurement exercise in the absence of a suitable framework agreement. This strategy proposes using an open procedure for procuring these work contracts which is permitted under CSO 10.2 (table 10.2d) and 11.2.
- 9.3. The report seeks delegation of the decision to approve the contract awards in respect of each project to the Director for Transport, Highways, Parks and Leisure in consultation with the Cabinet Member for Environment. This delegation is permitted under CSO 17.3.1 and 8.12.2.
- 9.4. Officers may wish to seek legal advice on the appropriate terms for the individual projects in section 5 of the report prior to the commencement of each procurement. Officers have used the JCT minor works 2011 contracts for projects of a similar value and scope of works in the past and this form of contract is deemed appropriate for the projects set out in section 5 of this report however officers should seek advice on using the form of minor works under the JCT 2016 suite.
- 9.5. Section 106 agreements containing planning obligations are entered into between developers and the Council as the Local Planning Authority
- 9.6. The use of such obligations is controlled by legislation, including regulation 122 of the Community Infrastructure Regulations 2010 which requires planning obligations to be:
  - (i) Necessary to make the development acceptable in planning terms
  - (ii) Directly related to the development; and
  - (iii) Fairly and reasonably related in scale and kind to the development.

9.7. Officers are asking the Cabinet to approve the use of £500,000 of S106 contributions to fund the full list of new parks projects identified in section 5 of this report.

9.8. Section 106 Details

9.8.1 Fulham Reach

The Council entered into Section 106 agreement for Fulham Reach London W6 on 23 December 2011. The terms of agreement required the developer to pay a contribution of £800,000 to be used to improve public space within a two miles radius (3.2 km) of the development. The Council is proposing to use £100,000 from this contribution in accordance with the terms of this agreement, for the following:

- (a) Rowberry Mead play area improvements -£37,000
- (b) Upper Mall works to the play area - £15,000
- (c) Margravine play area improvements -£28,000
- (d) St. Paul's church landscaping -£20,000

Having reviewed the terms of the agreement and the proposed purposes, the section 106 contribution can be used for what is proposed above under the terms of Section 106 agreement.

9.8.2 The council entered into Section 106 Agreement for Chelsea Creek, Imperial Wharf on 27 March 2012. The terms of agreement required the developer to pay a contribution of £500,000 to be used to enhance and improve local public open space within a two miles radius (3.2 km) of the development. The Council is proposing to use £100,000 from this contribution in accordance with the terms of this agreement, for the following:

- (e) Bishop's Park new outdoor gym & moat garden improvements - £53,000
- (f) Normand Park play area improvements -£26,000
- (g) Marcus Garvey play area improvements -£3,000
- (h) Margravine play area improvements £18,000

Having reviewed the terms of the agreement and the proposed purposes, the section 106 contribution can be used for what is proposed above under the terms of Section 106 agreement.

9.8.3 The council entered into Section 106 Agreement for Kings Mall Car Park and West 45 Glenthorne Road on 1 July 2013. The terms of agreement required the developer to pay a contribution of £150,000 to be used to enhance and improve local parks, playgrounds, public realm and amenity spaces within a radius of two miles (3.2 km) from the site. The Council is proposing to use £100,000 from this contribution in accordance with the terms of this agreement, for the following:

- (a) Gwendwr Gardens improvements - £30,000
- (b) St Paul's Church landscaping works - £10,000
- (c) Westcroft Square footpath resurfacing and improvement - £35,000
- (d) Hammersmith Park improvement to ball court -£25,000

Having reviewed the terms of the agreement and the proposed purposes, the section 106 contribution can be used for what is proposed above under the terms of Section 106 agreement.

9.8.4 The Council entered into Section 106 Agreement for the land southwest side of the Chelsea Harbour Drive on 2 July 2013. The terms of agreement required the developer to pay a local parks contribution of £350,000 to be used towards the costs of the provision and maintenance of the parks within the locality. The Council is proposing to use £100,000 from this contribution in accordance with the terms of this agreement, for the following

- (a) Eel Brook Common northside footpath improvements -£100,000

Having reviewed the terms of the agreement and the proposed purposes, the section 106 contribution can be used for what is proposed above under the terms of Section 106 agreement.

9.8.5 The Council entered into Section 106 Agreement for Riverside Studios and Queens Wharf on 22 January 2014. The terms of agreement required the developer to pay a sports facility contribution of £425,000 to be used towards sports facility, play equipment and leisure or recreational facilities within the borough. The Council is proposing to use £100,000 from this contribution in accordance with the terms of this agreement, for the following

- (a) – Cross Cutting -£100,000

Having reviewed the terms of the agreement and the proposed purposes, the section 106 contribution can be used for what is proposed above under the terms of Section 106 agreement.

*Implications provided by: Hannah Ismail, Solicitor, Sharpe Pritchard LLP, external legal advisers seconded to the Council tel 020 7405 4600.*

*S106 Legal implications Gerta Kodhelaj, Senior Solicitor, Planning, Licensing and Highways Team tel. 020 8753 6081*

## **10. FINANCIAL AND RESOURCES IMPLICATIONS**

10.1. The projects proposed in section 5 to deliver the parks capital programme total £500,000. This amount is to be fully funded by S106 developer contributions already received and held by the council. The planned expenditure will be eligible under the relevant of S106 agreement as set out in the table below.

<b>AKA</b>	<b>S106</b>	<b>S106 Purpose</b>	<b>Amount</b>
716	Fulham Reach	Open Space Contribution	£100,000
722	Chelsea Creek, Imperial Road	Open Space Contribution	£100,000
776	King's Mall Car Park, Glenthorne Road and 45 Beadon Road, W6	Sports and Leisure Contribution	£100,000
777	Land Bounded By Harbour Avenue And Lots Road London AKA Chelsea Island	Local Parks Contribution	£100,000
801	Riverside Studios and Queens Wharf, Crisp Road, W6	Parks Contribution/Sports Facility Contribution	£100,000

*Implications completed by: Sally Swaray, Principal Accountant Tel: 020 8753 2524.*

*Implications verified by: Emily Hill, Assistant Director, Corporate Finance, tel.020 8753 3145.*

## **11. IMPLICATIONS FOR BUSINESS**

- 11.1. The projects will be consulted on with local businesses in the area to minimise disruption, also the parks and open spaces will be improved which will benefit local employees by providing pleasant and improved park environments for them to take lunch breaks from work.
- 11.2. The majority the projects will be put out to open tender using the council's capital esourcing system, which is open to everyone as well as local businesses to submit and bid, we will specify in the tender documents that where practicable tenderers use local suppliers and businesses to source materials and create employment opportunities by using local sub-contractors.
- 11.3. *Implications verified/completed by: Alben Karameros, Economic Development Team, 07739 316 957.*

## **12. RISK MANAGEMENT**

- 12.1. The report sets out a range of proposed schemes, using s106 funding, to improving the boroughs parks and open spaces. The borough has achieved high standards of maintenance and facilities within its Parks and open spaces. These improvements also support the council objective of being the greenest borough. Contracts for the proposed works will be competitively procured in line with the Councils contract standing orders, which supports the Council's priority to be Ruthlessly Financially Efficient.



12.2. *Implications verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance, tel: 020 7361 2389*

### **13. COMMERCIAL AND PROCUREMENT IMPLICATIONS**

13.1. This report seeks approval of the procurement strategy presented in Appendix 1. The strategy proposes the procurement of the projects identified in section 5.1. of this report.

13.2. The value of the contracts is well under the statutory threshold for works (£4,551,413). As a result, the full provisions of the Public Contracts Regulations (PCR) 2015 do not apply. The proposed approach of using an open procedure for procuring the contracts are in line with the Council's Contracts Standing Orders (CSOs) which would require the contracts to be awarded following an advertised open procedure or a call off from an established framework agreement.

13.3. All procurement exercises must use the Council's e-tendering system, capitalEsourcing, and be advertised accordingly, in Contracts Finder, as proposed in the Business Case attached to this report.

13.4. A tender appraisal panel (TAP) shall be formed to evaluate the tender responses against the awarding criteria.

*Implications completed by: Ilaria Agueci, Procurement, Procurement Consultant (e-projects), tel. 0777 667 2878;*

*Implications verified by Andra Ulianov, Head of Contracts and Procurement, tel. 0777 667 2876.*

### **14. IT STRATEGY IMPLICATIONS**

14.1. There are no IT Implications resulting from the proposal in this report.

14.2. *Implications verified/completed by: Karen Barry, Strategic Relationship Manager, tel. 020 8753 3481*

### **15. SOCIAL VALUE CONSIDERATIONS**

15.1. Details of the Social Value considerations identified under the requirements of the Public Services (Social Value) Act 2012 are given in Appendix 1 (see Section 6).

15.2. *Implications completed/verified by: Ilaria Agueci, Procurement, Procurement Consultant (e-projects), el. 0777 667 2878.*

## **16. SECTION 106 IMPLICATIONS**

- 16.1. Following a successful bid to S106/CIL board in March 2019, it has been agreed that £500,000 of S106 funds can be drawn down to fund the 2019/20 Capital Parks Programme. These funds are to be drawdown from parks, open space & leisure related s106 contributions to help improve facilities and increase capacity.

*Implications verified/completed by: David Gawthorpe, Team Leader  
Development Planning, tel. 020 8753 3384.*

## **LOCAL GOVERNMENT ACT 2000**

### **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	None		

### **LIST OF APPENDICES:**

### **APPENDIX 1 - BUSINESS CASE AND PROCUREMENT STRATEGY PARKS ANNUAL IMPROVEMENT PROGRAMME 2019/20**

## APPENDIX 1:

### BUSINESS CASE AND PROCUREMENT STRATEGY PARKS ANNUAL IMPROVEMENT PROGRAMME 2019/20

#### **BUSINESS CASE**

##### **1. BUSINESS CASE - WHY THE PROCUREMENT IS NEEDED**

- 1.1 Hammersmith & Fulham Council is committed to Taking Pride in Hammersmith and Fulham and specifically making sure our residents deserve a place that is safe, clean and green.
- 1.2 Our parks and open spaces need investment and improvements to replace worn infrastructure and equipment that has reached the end of its lifespan and to provide new facilities and enhance the quality of the parks and open spaces through the proposed improvements and support the green flag award criteria.
- 1.3 The programme of improvement projects is a combination of operational priorities, requests from friend's groups, resident's groups, and ward councillors.

##### **2. FINANCIAL INFORMATION**

- 2.1 Capital investment in Parks from 2019/20 will be added to the capital programme once funding of new schemes has been approved, either from Section 106 (S106) or other external funding resources where available and confirmed and in accordance with the Parks Capital Improvement programme.
- 2.2 The proposed £500,000 for the projects listed in section 5 of the main report for parks annual improvement works are expected to be funded from s106 contributions.

##### **3. OPTIONS APPRAISAL AND RISK ASSESSMENT**

- 3.1 The following options have been reviewed:
  - **Option 1.** Do nothing. Many of these developments and improvements are urgently required this option is not recommended.
  - **Option 2.** Approve some of these projects. Along with the urgent items, this list takes into consideration operational priorities identified by the service as well as specific development requests from members, residents, and stakeholder groups. This option is not recommended.
  - **Option 3.** Approve the full list. Procurement for individual projects to follow contract standing order 10.2 (table 10.2d) and 11.2, this option is recommended.

- 3.2 Overall, the route that meets the Council's objectives of Taking Pride in Hammersmith and Fulham and provide value for money is to procure the individual projects through open public procurement process, three quotations, term contractors or call off contracts depending on the value and nature of the project is Option 3.

#### **4. THE MARKET**

- 4.1 Given the number of companies on CapitalEsourcing it is expected that the council will receive a strong tender response to the advertised opportunities. For all projects over £25,000 an opportunity listing on CapitalEsourcing will be placed, as well as being advertised on Contracts Finder. Unless we are using the alternative options of a term contract or Dynamic Purchasing system.

#### **5. PROCUREMENT STRATEGY**

- 5.1 Each project will be assigned a project officer, who will run the project and procurement.
- 5.2 The brief and specification will be agreed with the parks team, friend's groups, ward councillor's and other key stakeholders as required.
- 5.3 Most of the projects are works contracts and will be awarded on a JCT Minor Works contract.
- 5.4 The individual contracts will last until the completion of the defects/maintenance period, usually 12 months from the date of practical completion, but this can vary depending on the nature of the works.

#### **6. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS**

- 6.1 The Council's employer's requirements that form part of the construction contracts for the individual projects will include provisions for social return on investment.
- 6.2 The social value, local economic and community benefits will form part of the technical criteria, it is recommended that 5% of the award criteria for the individual projects be allocated to this section. The Social Value Act (2012) requires you to consider the social, economic and environmental added benefit delivered through the life cycle of the contract. The 5% considered in the award criteria, satisfies the Act.
- 6.3 The approach will be developed for the individual projects throughout the pre-procurement period, but considerations could include:
- Setting out appropriate standards for environmental performance and considerate construction.

- Requiring engagement with local communities in the vicinity of new projects and taking account of their views, including questions with number of hours dedicated to engaging residents and other specific questions that include tangible outcomes.
- Social value requirements will be included in the contractual obligations and monitored during the life of the contract to ensure social benefits are delivered.

## **7 OTHER STRATEGIC POLICY OBJECTIVES**

- 7.1 The award of the individual project's construction tenders aligns with Hammersmith and Fulham's commitment to providing high quality outdoor green space for its residents.

## **8 STAKEHOLDER CONSULTATION**

- 8.1 The project officers assigned these projects will carry out consultation with residents, stakeholders, friend's groups and ward councillors as required considering the scope of the project.

## **9 PROCUREMENT PROCEDURE**

- 9.1 An open procurement procedure will be used for the projects to ensure the most economically advantageous tender is awarded the contract. The tenders for the individual projects will be run as an open procedure on the CapitalEsourcing system.
- 9.2 Where possible, term contractors will be used to procure items such as footpath resurfacing. For footpath resurfacing services it is proposed to use current contractual arrangements with current suppliers such as FM Conway.
- 9.3 Where appropriate, it is proposed to use the Council's Dynamic Purchasing System for capital worksto call off works and encourage bids from local suppliers. An awarding report will specify the results of the mini-competition following the call-off from the DPS.
- 9.4 All procurements for the projects are below the statutory amount for works related tenders (OJEU value £4,551,413).
- 9.5 For below threshold procurements, the Public Contracts Regulations 2015 (as amended) require the opportunity to be advertised in the UK's Contracts Finder website.

## **10 CONTRACT AWARD CRITERIA**

- 10.1 The award criteria for the individual projects will be determined by the individual project officers, but it is expected that the quality criteria will be at least 60% and 40% on price.

## **11 PROJECT MANAGEMENT**

- 11.1 Members: Regular updates will be provided by the Strategic Director of Environment to the Cabinet Member for Environment – Councillor Wesley Harcourt. Ward Councillors will also be kept updated with developments by the Project Officer.
- 11.2 Internal: The Parks and Leisure Service will manage this process and ensure that internal colleagues in Finance, Procurement and Legal are well informed of the progress and any decisions made.
- 11.3 External: The Project Officers will ensure stakeholders and Friend's Groups are kept up to date of project progress and developments.

## **12 TIMETABLE**

- 12.1 The project will have individual time tables set by the Project Officer's that are leading on them, but all works are expected to be completed within the financial year 2019/20.

## **13 CONTRACT MANAGEMENT**

- 13.1 The Park's Project Officers will manage the contracts, in the Parks Service. The project progress is reported on at monthly Capex meetings.