

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: The Strategic Director of Environment

Date: 19/10/2023

Subject: Contract Award for Frank Banfield Park Community Garden

Report author: Hugo Ross-Tatam, Parks Projects Officer

SUMMARY

This report requests approval to award a contract to T Loughman Ltd of £402,788.08 to facilitate the construction and installation of the community garden in Frank Banfield Park, and allocate sums as recommended to ensure the good management and involvement of the Friends of Frank Banfield Park in the project. These works are wholly funded using secured S106 monies (AKA 716).

The new community garden will provide a new facility for residents to enjoy. This project will contribute to the Council's priorities and aspirations, becoming the country's greenest borough and 'doing things with residents not to them'.

RECOMMENDATIONS

1. To agree that Appendices 1 and 2 are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. That the Strategic Director of Environment agrees, in consultation with the Cabinet Member for Public Realm, to award a contract of £402,788.08 to T Loughman Ltd to facilitate the construction and installation of a new community garden at Frank Banfield Park.
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Wards Affected: Hammersmith Broadway

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Working with the community to create a new community garden and hub will help to build community cohesion and a sense of pride from having a new space to enjoy.
Creating a compassionate council	Creating a new community hub and garden and instilling ownership and management of the new space will provide a new space for all.

Doing things with local residents, not to them	Officers will continue to consult with Friends groups, residents and stakeholders, in the development of this new community space.
Being ruthlessly financially efficient	Contracts will be awarded to the most economically advantageous tender through an open tender on the Council's Capital E-sourcing Portal. Ongoing maintenance will be incorporated into the existing Grounds Maintenance contract and through community involvement and ownership.
Taking pride in H&F	A new community garden will dramatically improve the look and feel of Frank Banfield Park.
Rising to the challenge of the climate and ecological emergency	A new community garden and hub will provide new habitat for fauna and flora and provide learning opportunities for the community. Tree planting will help in negating the impacts of climate change.

Financial Impact

The total estimated project cost is £460,000, comprised of the proposed works contract award (£403,000), external consultant fees (£36,000) and project officer time (£21,000/5% of direct costs, based on estimated time spent on this project). It should be noted that the original tender received for the works contract (adjusted for submission errors) was £497,000 and in excess of budget. Following discussions with the contractor, the price has been successfully value engineered and is now within available budget. The total project cost can be fully funded from secured S.106 developer contributions (AKA716). A capital budget of £483,000 is included in the parks capital programme for this project.

Kellie Gooch, Head of Finance (Environment), 19 October 2023

James Newman, Assistant Director of Finance, 31 October 2023

Legal Implications

The Council has the power to undertake these works in accordance with its powers to maintain open spaces under the Open Spaces Act 1906.

The contract is below the relevant threshold for a works contract under the Public Contracts Regulations 2015. There are therefore no statutory requirements in relation to the procurement.

This is a high value contract for the purposes of the Council's Contract Standing Orders. The chosen method of procurement, an open tendering process is compliant with CSO 18. The CSOs have therefore been complied with.

The tendering process resulted in only one bid, which was outside the parameters of the budget. Since there was only a single bid and the changes resulting from the value engineering exercise do not make this a substantially different contract, the exercise was lawful.

The award of this contract is a key decision under the Council's Constitution and the details need to be included in the key decision list on the Council's website.

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals

1. Hammersmith and Fulham Council is committed to providing high quality outdoor spaces for its residents and a key aspiration is to become the greenest borough in the country. This project fits with the Council's values of 'Taking pride in Hammersmith and Fulham' and 'Doing things with residents, not to them', as this is very much a resident-led project.
2. Creating a community garden and improving other amenities, will benefit all park users, including residents and visitors to the area. This area of Hammersmith has many businesses, and Charing Cross Hospital is nearby. Staff, customers, and visitors will all benefit from making Frank Banfield park a more relaxing and biodiverse space to visit.
3. Twenty-one of the borough's parks have Green Flag status, including Frank Banfield Park. Frank Banfield Park obtained its Green Flag for the first time in 2018 and improving the park and increased community involvement will significantly contribute to safeguarding this award of excellence in future years.
4. The council is committed to creating spaces for wildlife and a new community garden within the park will increase biodiversity. New features including native planting, a new pond, a living wall and an orchard will encourage wildlife throughout the borough, improving the quality of life for all residents.
5. Several schools lie within a short distance of the park, and it is expected that pupils will be offered the opportunity to be involved directly with the maintenance of the community garden and to use the new classroom and outdoor spaces for learning. Inspiring young people to understand and care for the environment is critical to addressing the challenges we face now and in the future.

Reasons for Decision

6. A procurement strategy was approved by the Strategic Director of Environment in consultation with the Cabinet Member for Public Realm on 4th April 2023. An open tender opportunity was then carried out between the 19th June and 26th July. During this process only one bid was received which was from T Loughman Ltd.
7. The Council has carried out an evaluation of the tender and T Loughman scored good on the technical envelope with a good score on the social value element as well. However, their commercial submission was significantly higher than expected.

8. Their tender submission of £528,095.42 exceeds the initial construction budget of £385,000. However, there was an error in their pricing of £31,396.16, so the true value of their submission is £496,699.26, still £111,699.26 over budget.
9. The Parks team sought advice from the Councils Procurement and Legal teams on the best way to take this forward. It was agreed that the quantity surveyor, Baillie Knowles Partnership LLP could engage with T Loughman Ltd and discuss the possibility of value engineering to reduce the overall costs. This was preferable to conducting a re-tendering process. Legal advised that the risk of a challenge from value engineering and excluding some elements would be low due to only one bid being received.
10. Through discussions with T Loughman and Baillie Knowles Partnership LLP, T Loughman have agreed to revise their tender submission to the value of £402,788.08 which is in line with the revised construction budget. A summary of some of the savings are listed below. All savings and adjustments to the contract are shown in Appendix 2 – Draft Tender Negotiations
 - a. Reduction in the length of the project programme and prelims accounted for a saving of £11,705.58
 - b. Reduction of required amount of hand digging in the RPA zone (tree protection) saved £9,539.64
 - c. Deletion of cladding to sleeper wall on the pond saved £8,900.97
 - d. Deletion of the Community Bench saved £31,514.56
 - e. Deletion of hedging saved £25,520.36
11. The Parks Team now seek approval to formalise a contract with T Loughman so that they can begin their mobilisation and works can start on site as soon as practicable. It is the intention of the Parks Team that works would be completed before the end of the financial year (March 2024).

Equality Implications

12. An Equality Impact Assessment has been completed and is shown below in Appendix 3. It highlights neutral/positive equality impact anticipated from the contract award.

Risk Management Implications

13. The report recommends the award of a contract following a competitive tender process and a value engineering exercise (on which legal advice was sought and provided) to ensure the project can be delivered within the budget. This is in line with the objective of being ruthlessly financially efficient. Officers will need to ensure robust project and contract management arrangements are in place to ensure the project is delivered on time and to the agreed contract value.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 11 October 2023

Climate and Ecological Emergency Implications

14. The new community garden expands capacity in the local community to learn about and take part in projects which benefit climate change and biodiversity on site. It also allows them to take that knowledge and apply it to their lives.
15. The new building is mainly recycled materials with a green roof and an ecology wall, there are growing areas and areas of new native planting to increase biodiversity on site.
16. The use of energy, transport and recycling will all be considered and form part of the licence agreement with the Community Garden facilitator. The option of solar panels and potential funding opportunities for energy saving will be explored with the facilitator.
17. The new facility will require some increase in hard surfacing over existing. Previous hard surfaces have already been removed, but porous surfaces and trees and other planting will be used where possible.

Implications verified by Hinesh Mehta, Assistant Director for Climate Change, 09/10/2023

Procurement implications

18. The results of the evaluation process have been verified against the e-tendering system on 16/10/2023.
19. On contract award, a notice will be issued, and the contract will be added to the contract register. A contract manager will be assigned to ensure effective delivery.

Jason Barrett Category Specialist. 16/10/2023

Local Economy and Social Value Implications

20. It is a requirement that all contracts awarded by the council with a value above £100,000 provide social value commitments that are additional to the core services required under the contract. These commitments must amount to at least 10% in value of the price of the contract proposed. In addition, the evaluation of social value should account for a weighting of a minimum of 20% of the overall score.
21. Paragraph 6 states only one bid was received.
22. Loughman has proposed measures amounting to a value of 8.1% of the contract value. Most of this is a commitment to include local businesses, including SMEs, in the supply chain of this contract by commissioning them.
23. It is recommended that the commissioner works with the Legal Service to ensure appropriate social value clauses are included in the contract so that the council can enforce its right to financial remedies if social value commitments are not delivered.

Paul Clarke, Social Value Officer, 19/10/23

Consultation

24. The Friends of Frank Banfield Park have been closely involved in the formulation of the brief for the improvements and the selection of an appropriate designer. They are supportive of value engineering the specification to be able to award the contract and deliver this project. The Parks department will continue to work with the Friends Group and residents throughout the delivery stage and beyond.

LIST OF APPENDICES

Exempt Appendix 1 – Tender Report

Exempt Appendix 2 – Tender Negotiations

Appendix 3 – Equality Impact Assessment

Appendix 4 – Data Protection Impact Assessment