

LONDON BOROUGH OF HAMMERSMITH & FULHAM

APPENDIX 3 – RECOMMENDED AVONMORE PRIMARY SCHOOL MAIN CONTRACTOR PROCUREMENT STRATEGY

Summary

This procurement strategy sets out the procurement route, for commissioning a 'high value', design and build works, by a principal construction contractor, for the proposed redevelopment of the site known as Avonmore Primary School, Avonmore Road, W14 8RL.

The proposed scheme, in respect of which a full planning application was submitted in November 2023, and allocated reference number 2023/00087/FR3, co-produced primarily with the Avonmore school and governors, along with local residents and the wider community and delivered directly by the council, will see the redevelopment of the Site, which currently accommodates Avonmore Primary School, a one form entry school (1FE), together with nursery and limited Special Educational Needs and Disabilities (SEND) facilities.

The proposed redevelopment will look to provide a new modern, fit for purpose one form entry (1FE) Primary School for 30 pupils in reception through to year 6, with complementary nursery accommodation and enhanced SEND and community facilities throughout, alongside, the provision of 91 new modern and sustainable homes, of which 50% will be affordable.

The proposed redevelopment of Avonmore school delivers against the council's Community Schools Programmes' (CSP) strategic objectives by providing environments that contribute to improving children's self-esteem and self-worth, improving the flexibility of classroom space to meet new expectations around an agile curriculum, in line with the emerging OFSTED framework, more creative use of play space to support healthy school outcomes, aiding teacher recruitment and retention, by providing modern fit for purpose environment and improving inclusion by designing sufficient space and facilities for learners requiring extra support. In addition, it is self-funded, which will support the long-term financial health of the Housing Revenue Account and General Fund, without putting pressure on other council budgets.

The scheme also delivers against the Council's Building Homes and Communities (Growth) Strategy, underwrites the Council's Financial Strategy and responds to the Council's approved Climate and Ecology Strategy and transitional targets.

The development is currently designed to achieve elevated levels of ecology and sustainability standards, consequently, achieving BREAAAM 'excellent' and reducing operational 'on-site' carbon emissions by c. 75% respectively, thereby, helping to reduce running costs and energy bills to the school, users and residents accordingly.

The council's ambition is to maximise affordable housing across the borough and its development programme therefore, subject to planning, may look to convert the market homes in this scheme to affordable through the use of subsidy such as section 106 funding.

Alongside this, the council will develop a local lettings policy and an innovative model of intermediate affordable housing, aligned to its wider Industrial Strategy objectives of placemaking, inclusion and economic growth. Intermediate affordable homes will be prioritised for 'key workers' on a range of incomes; to support young, growing families on lower incomes; and growth employment sectors of science and innovation.

Financial Impact

1. This report proposes to procure through the Notting Hill Genesis framework under a single stage design and build JCT contract for the proposed development.
2. There is no direct financial impact of approving this strategy except for minor legal costs which can be funded from the existing RIBA stage 3 development capital budget. The full cost of the construction will not be known until the tender process is complete. Full financial implications and checks on the financial standing of the successful tenderer will be set out in the subsequent contract award decision report.
3. Further funding will be sought from the Cabinet subject to financial viability and deliverability of the project, prior to the agreement of a principal construction contract.

Harun Guleid, Principal Accountant (Development), 27th March 2024

Verified by: Sukvinder Kalsi, Director of Finance, March 2024

Legal Implications

1. The value of the contract will be over EU thresholds and so the Public Contracts Regulations 2015 (PCRs) will apply.
2. It is also a High Value Contract under the Council's Contract Standing Orders (CSOs).
3. The procurement strategy proposed has identified using the Notting Hill Genesis framework, which is a compliant framework. This strategy would comply with both the PCRs and the CSOs.
4. All procurement strategies must be submitted to the Contracts Assurance Board before being submitted for approval to the decision maker in accordance with CSO 18.1. Where the procurement strategy concerns a contract with estimate value in excess of £300,000 in value or the expenditure is otherwise significant, then it is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council's website.

5. As the contract value will be over £5,000,000 this procurement strategy would need to be approved by the Cabinet (CSO 18.1).

Joginder Bola, Senior Solicitor (Contracts & Procurement), 22nd January 2024

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Background

1. The council's approach to economic growth is guided by its ambitious Industrial Strategy. Economic growth in Hammersmith and Fulham is rooted in imaginative placemaking that creates vibrant, sustainable public spaces and strategic development that allows communities to maintain and grow their diversity, cohesion and ambition. Only by having inviting, liveable places, housing and facilities that is accessible to all can the borough realise its ambition of fostering inclusive economic growth.
2. Recognising that the council is well-placed to make a significant direct contribution towards the delivery of high-quality housing, it established the Building Homes and Communities Strategy in 2019. Its overarching aim is to foster diverse, collaborative communities through the provision of a range of affordable housing options targeted at lower-income households and intermediate options for key workers. It also provides important community infrastructure such as schools and community halls, promoting opportunity and cohesion.
3. More recently, the council pledged to secure up to 3,000 new affordable homes over the next four years through a range of avenues including the development programme, partnership initiatives and the planning pipeline. The council is committed to defining creative approaches to tackling the housing crisis and exploring the role of intermediate housing options in retaining and attracting workers needed to grow the borough's most exciting growth sectors and deliver the borough's most important public services.
4. Running parallel with these housing and growth initiatives, in March 2019, recognising there was little or no funding available from the Department for Education (DfE), Cabinet approved the strategic case for the Community Schools Programme (CSP), which had three core aims:
 - To re-provide modern, fit for purpose schools to support the borough's ambition to give children the best start in life,

- To support the funding of education in Hammersmith & Fulham, including future repair and planned maintenance requirements across the school community, and,
 - To fund school redevelopment through the creation of badly needed affordable housing which will help maintain the borough's vibrant social mix.
5. As part of that report, Cabinet also approved both the Flora Gardens Primary School and Avonmore Primary Schools as being the first two projects within the community schools programme (CSP), and, that further work be undertaken to proceed to planning application stage (RIBA Stage 3). An initial budget of £1,165,940 was originally allocated for Avonmore to proceed to this stage. Decisions regarding the use of this budget were delegated to the Strategic Director for Growth & Place in consultation with the Strategic Directors for Finance & Governance and for Children's Services and the Cabinet Member for Economy and the Arts, as appropriate.
 6. The Avonmore Primary School site is home to an existing One Form Entry (1FE) Primary School with both nursery and limited SEND facilities and Ofsted rated 'outstanding'.
 7. Notwithstanding the above, the present physical school building was only built as a temporary post war structure, which has been supplemented with various ad-hoc module and prefabricated building additions and alterations over the years, as and when additional space was needed, resulting in an inefficient site with operational challenges with spill-over rooms to the main building, poor-quality circulation spaces, and, hard-to-manage play areas etc.
 8. All of which, are dilapidated and have also fallen into disrepair, with the fabric and structure considered beyond their life expectancy and economic repair. Debatably, it is not fit for purpose and the current school facilities are outdated and not sustainable and do not offer the best learning environment for pupils or staff.
 9. In December 2019, following a successful procurement exercise, the Council appointed the multi-disciplinary 'Design Team' through BPTW, for LBHF's Development Stage 2: Planning (RIBA Stages 1, 2 & 3) on both Avonmore Primary School and Flora Gardens Primary School schemes – as part of the Community Schools Programme (CSP). The 'Design Team' is made up of Architects, lead design coordinator, structural and civil engineers, M&E consultants and associated professional advisers – which was procured through Notting Hill Genesis Housing Consultants Framework 'CF1' for RIBA Stages 1 to 3.
 10. In addition, and following a successful procurement exercise, the Council commissioned, in July 2019, professional 'Cost Consultancy Services' through Core 5. The cost consultant role is normally part of the overall 'Control Team', but it was decided back in 2019/20 to separate this service and limit its term.

This commission was for services from RIBA Stages 1 to 3 only, with appropriate break clauses. The commission was procured via Notting Hill Genesis Housing Consultants Framework for RIBA Stages 1 to 2 of the Council's Development Gateway process (RIBA Stages 1 – 3) and called off by stage accordingly.

11. Furthermore, the Council recognised the need to supplement the 'cost consultancy services' delivered by C5, along with the necessary and wider 'Control Team' services, and, to span all RIBA Stages 1 to 7.
12. Therefore, and following another successful procurement exercise, also commissioned, in June 2020, the fuller 'Control Team' services through Arcadis. This commission was for full services and across all RIBA Stages 1 to 7 inclusive, with appropriate break clauses. The full services of the 'Control Team' are made up of project managers, cost consultants, employers agents and CDM Principal Designers. The commission was again procured via Notting Hill Genesis Housing Consultants Framework, but this time, for all stages of the Council's Development Gateway process (RIBA Stages 1 – 7) and called off by stage accordingly.
13. Since the appointment of the integrated project teams, the design development of a co-produced, coordinated scheme to redevelop Avonmore Primary School progressed through RIBA stages 1 and 2 accordingly.
14. However, continuation of development activities was deferred to accommodate an extended 'listening phase', from March 2021 to May 2022, and as a result, a regulatory options review, in Summer/Autumn 2022 also followed. The project recommenced its journey, in January/February 2023, since when the project has been steadily progressing through RIBA Stage 3 activities towards the submission of a planning application in November 2023.
15. The proposed redevelopment of the site has been co-produced with the school and community, and currently demonstrates the possible delivery of a new modern 1FE school with enhanced educational, nursery and SEND facilities alongside the provision of 91 new sustainable homes of which, 50% would be affordable and made available for residents under a local lettings policy and for 'key workers'.
16. The scheme is currently designed to achieve an 'intermediate' level of sustainability standards, achieving an operationally c. 75% CO2 emission reduction 'on-site', whilst the school achieves a BREEAM 'Excellent' rating – all helping to reduce running and utility costs and help tackle fuel poverty.
17. Consequently, and, to respond accordingly, the budget required has changed since the initial approval, in March 2019, and the main report provides more detail on this in 'financial considerations and appendix 2 (finance comments).
18. Approved funding to date, amounts to £3,512,031, which facilitates the progression of development activities associated with the redevelopment of the Site, up to and including planning and procurement (RIBA Stages: 1, 2, 3 & 4).

Reasons for Decision

19. The project's stage now requires the approval of this procurement strategy, and authorisation to progress activities to procure a 'high value', design and build works contract, by a principal construction contractor, for the proposed redevelopment of the site

Contract Specifications Summary

20. An industry recognised standard form of building contract (JCT) will be used for commissioning the principal construction contractor services, to deliver the scheme, through a design and build contractual mechanism and will include all sub-consultant and sub-contractor services to enable the delivery of the full and detailed project scope of works.
21. The recommended length of contract for the works will be circa 24 months and will be confirmed during the procurement process. A defects liability period will commence after practical completion. There will be provisions to extend the contract and have break clauses to ensure the Council delivers the full scope of the project and this will be managed by the Site's project delivery team.

Procurement Route Analysis of Options

22. The council's technical consultants (Arcadis) have undertaken 'soft market testing' and an analysis of the preferred route to market, which takes into consideration the;
 - current analysis,
 - understanding, engagement and feedback of the market,
 - size and complexity and mixed-use nature of the proposed scheme, and,
 - the potential principal construction services available, with the ability to not only successfully deliver the scheme, but, desire to potentially tender for the scheme.
23. In addition to the above, the project team and Arcadis have also assessed the market and undertaken a review of the potential procurement routes available, which are identified as:
 1. Do nothing option.
 2. Find a Tender service
 3. Undertake further competition via existing Framework Agreement
(recommended)

Do nothing (not recommended)

24. The "do nothing" option would either mean (a) not proceeding with this decision or (b) not proceeding with the development of the site or (c) not appointing a construction contractor at this stage and extending the involvement of the architects to produce detailed design to RIBA Stage 4.

25. Not proceeding with this decision but proceeding with the development would result in a delay to procurement of the construction principal contractor. This option would significantly delay commencement on site, and ultimately delay the delivery of a much-needed new school and affordable housing.
26. The decision to not procure a construction contractor at this stage but proceed with the development would mean continuing the detailed design with the existing Architect and associated consultants (after securing new budgets and approval to vary the previously tendered commissions). While this may offer some advantages in terms of offering certainty about design integrity it would mean significant detailed designs would be completed by the architect with no direct 'buildability' input from an experienced contractor.
27. If we decided to not proceed with the development, it would constitute significant abortive costs from concept design to the Planning Application submission stage.

Find a Tender Service (not recommended)

28. Given the anticipated value of the proposed contract the Public Contract Regulations (2015) would apply. Under the regulations there is a requirement to carry out a call for competition through either an Open, Restricted, Competitive Procedure with Negotiation or a Competitive Dialogue Procedure. The Open and Restricted procedures are the usual methods of procurement for works, services or goods at LBHF and these are the procedures that have been considered but deemed not suitable for this procurement.

Open Procedure

29. This procedure is where all providers interested in the procurement and who have responded to an advertisement (Contracts Finder Notice) can submit tenders. All tenders received must be considered without any prior/pre-selection process. The selection and evaluation is carried out after the submission of the tenders.
30. The open procedure is suitable for simple procurements where the requirement is straightforward. It is most commonly used in practice for the purchase of goods/services where the requirement can be clearly defined and where the least expensive supplier would be desirable. As there is no "pre-qualification" of tenderers, anyone can submit a tender and it is possible that a large number of tenders are received and deemed unsuitable.
31. Given the complexities of the procurement it was deemed that a pre-qualification stage would be required and subsequently the Open Procedure would not be suitable.

Restricted Procedure

32. The Restricted Procedure is a two-stage process which allows LBHF to draw up a short-list of interested tenderers by undertaking a pre-qualification stage (via a Standard Selection Questionnaire -SQ), prior to the issue of the Invitation to Tender documents. This pre-qualification process would ensure that tenders would be received by tenderers who are suitably qualified financially and technically.
33. Although a good option the Restricted Procedure comes with strict timescales which must be adhered to and given the nature of the procurement it was deemed that this procedure would be too restrictive and could cause significant delays to the delivery of the programme.

Framework Agreement (recommended)

34. A wide range of live construction frameworks were reviewed, accompanied by soft market testing to determine suitability.
35. The consultant project team reviewed the following frameworks, in relation to their project suitability:
 - Notting Hill Genesis
 - A2 Dominion, Lot LN3
 - Procure South East, £12m+
 - Crown Commercial Services (CCS), Lot 6.2
 - CCS, Lot 7.2
 - Pagabo
 - Hyde Housing
36. Following the framework review and accompanying soft market testing the consultant project team found that all contractors on the framework agreements had been pre-evaluated for their suitability for inclusion which meant that a pre-qualification stage would not be necessary. However, some of the frameworks that were reviewed allowed for the SQ to be used as a shortlisting stage if required.
37. It has been established following the review that there are several frameworks that require an access fee to be payable which is roughly 1-2% of the contract value. However, these fees were not accounted for within the project budget so subsequently these frameworks have not been considered.
38. It was found that the expected Avonmore Primary School contract 'value' sits outside of the primary levels sought by larger principal construction contractors (Tier 1, being contractors with an annual turnover exceeding £500m) populating several of the framework lots. Therefore, the focus has been on identifying frameworks that have a larger number of Tier 2 contractors.
39. After a thorough review it has been deemed that the Notting Hill Genesis (NHG) framework would be suitable for the project. The Notting Hill Genesis Contractors and framework has the largest number of Tier 2 contractors within

it and market testing suggests that at least five contractors, including two Tier 2 contractors, would be interested in tendering for the project.

40. Notting Hill Genesis have confirmed that we are able to include the Standard Selection Questionnaire (SQ) as part of a pre-qualification stage. The Framework Terms have been reviewed by Joginder Bola, Senior Solicitor (Contracts & Procurement) and Sophie Uddin, Procurement Category Lead (Procurement & Commercial).

Market Analysis, Local Economy and Social Value

41. The UK construction sector is at present facing some headwinds. The sector is economically sensitive and has been impacted by the rising cost of raw materials, labour, fuel and energy, particularly for firms operating under fixed-price contracts signed before the inflation spike 12 months ago.
42. Despite the recent slowdown in construction industry business activity, cost pressures remain primarily due to energy costs and global supply chain pressures. Employment numbers within the industry remain strong.
43. The Council with the support of its external consultants, Arcadis, has carried out detailed soft market analysis, including direct engagement with proportionately sized construction principal contractors. This was to understand market capacity, contractors' appetite for a development of this size, complexity and type, deliverability of the development within the Council timeline, as well as relative desirability of different procurement routes.
44. The soft marketing exercise has identified that the scheme can be procured using a single stage procurement route. This exercise identified that contractors were keen to have a level playing field in terms of contractor size and capability; sufficient design information to mitigate pricing risk (i.e: issue supplementary RIBA 3+ information); a pre-qualification and adherence to a tender programme.
45. It is the council's policy that all contracts let by the council with a value above £100,000 commit to 10% social value contributions that are additional to the core services required under the contract, and/or, those required by SV planning conditions.
46. As part of the ITT documents, tenderers will be invited to consider Social Value commitments aligned with council strategies and therefore deliverable Social Value can be on a scale commensurate with the large value of this contract. This is to maximise the social value that can be realised from this tender.
47. The Council will secure Social Value through the use of bespoke measures that are suited to construction works and bidders will be required to offer Social Value for evaluation. As a proportion, the 20% weighting will be accommodated

within the overall quality score portion and will be ascribed to Social Value and both the value, and the quality of bidders' proposals will be scored.

48. The scoring will incentivise bidders to maximise their social value offer, however, bids offering a social value of less than 10% of a bid's price will not automatically be rejected. This procurement strategy is seeking dispensation from the requirement to invalidate bids not offering a social value of less than 10% of a bid's price.
49. Social value measures committed to by the winning bidder should be included as conditions in the contract agreement with financial remedies sought for non-delivery. It is advised that the winning bidder contact the Economic Development team to help them design a detailed delivery plan for the agreed measures. Council services are available to support the winning bidder plan, deliver and measure social value contributions.

Risk Assessment and Proposed Mitigations

50.

No.	Identified risk	Likelihood	Risk Control/Mitigation measure
1	Insufficient interest from suitable contractors in the tender which results in no bids.	Low	The project team carried out soft market testing in Summer 2023, and this revealed that there is sufficient market interest and capacity. The council will also develop a procurement strategy, route and brief that is sufficiently detailed and clear to encourage wide contractor participation.
2	Procurement does not achieve required competitiveness and does not provide value for money.	Low	Market engagement has established interest and appetite for this development and to ensure engagement of contractors the tender pack will be reviewed for simplicity and clarity.
3	Construction market inflation and the period for which tenders might remain valid.	Medium	This risk is managed, monitored and mitigated with regular reviews with our cost consultants' and where possible supplementary and/or simplification of some aspects of detailed design to ensure design buildability retain costs within budget envelope.
4	Contractor becomes insolvent or no longer has the capacity to deliver scheme	Medium	While the likelihood of this risk is low, the potential impact might be significant depending on construction stage. Before a contract is awarded, robust financial assessments will be undertaken including independent financial and credit checks and where necessary and applicable insolvency cover, bonds and/or parent company guarantees may be requested.

5	Mobilisation/ construction delayed due to unforeseen site issues	Medium	Council to ensure that the internal and external resources are in place to deliver the project in a timely manner. The site has been de-risked through extensive site investigations to eliminate technical issues prior to start on site.
7	No tender commits to a Social Value of 10% or more	Medium	This is mitigated against by inviting tenderers to Social Value commitments that are more aligned with council policies so as to maximise Social Value from the contract to be awarded.
8	Extended procurement programme.	Low	The inclusion of a SQ period and proportionate ITT period have been included in the overall project programme and will not impact overall project target dates.

Timetable

Development Board	March 2024
Key Decision Entry	March 2024
Contracts Assurance Board (Strategy)	April 2024
Cabinet (for Procurement Strategy)	May 2024
Tender Publication (SQ Issue)	Late May 2024
Tender Deadline (Closing Date for Submissions)	October 2024
Evaluation of Tenders	November 2024
Key Decision Entry (Award)	November 2024
CAB (Award)	January 2025
Cabinet Member (Award)	January 2025
Find a Tender Service Contract Award Notice	March 2025
Contract engrossment	April 2025
Contractor mobilisation and implementation Period	Feb-April 2025
Possession & Contract Commencement date	April 2025

Selection and Award Criteria (Recommended)

51. Accessing the Notting Hill Genesis Contractors Framework Agreement has been deemed as the best route to market and subsequently the Mini Competition process will be followed. Due to the complexities the procurement presents it is appropriate to include an SQ stage as a way to pre-qualify tenderers. NHG have confirmed that the conditions for the framework allows a pre-qualification stage and the framework terms and conditions have been reviewed by Legal and Procurement.

Standard Selection Questionnaire Stage

52. All suppliers listed within the framework agreement will be invited to submit a tender.
53. A compliance check will be undertaken to ensure Qualification responses are complete and have been submitted in accordance with the instructions. Tenderers may be rejected at that stage if their response is not compliant.

54. The Technical and Professional ability questions will be weighted out of 100% and focus on previous experience with sustainable developments and on-site quality control. The top 4 scoring tenderers will be shortlisted to the next stage.

Mini Competition (ITT Stage)

55. The top 4 tenderers will be invited to submit their response to the Mini Competition/Invitation to Tender (ITT). The Method Statement questions will be focused on project delivery, approach, programme, logistics, resources, and Added Value. An interview may also be included as part of the quality assessment.
- 56.
57. In accordance with the council’s CSOs and the PCR 2015 Regulations, the contract will be awarded on the basis of the Most Economically Advantageous Tender (MEAT) using the 60% Quality and 40% Price weighting.
- 58.
59. Tenders will be evaluated at ITT stage in accordance with the following criteria:

Element	Weighting	Scoring basis
Price	40%	Lowest price submitted will receive 40% and the remaining submissions will be scored in accordance with their difference from the lowest price as follow: Pricing Percentage: $\text{Lowest Price} / \text{Bidder Price} \times 40\%$
Quality	60%	Quality scoring will be carried out in accordance with the Framework’s terms. The individual Method Statement questions will have a weighting assigned to it and tender responses will be evaluated using a scoring scale of 0-5. The quality formula is as follows: Quality Percentage: $\text{Score} / 5 \times \text{weighting} = \text{total percentage}$ Social value will form part of the quality and be given a total weighting of 20%.

60. The council will not bind itself to accept the lowest submission or any tender/submission and reserves the right to accept the whole or any part of any tender submitted.

61. The council will also reserve the right to seek clarifications before concluding the evaluation stage and where the pricing of a tender seems abnormally low the Council reserves the right to reject the tender, so it does not affect scoring.
62. The technical specifications, including levels of indemnity and insurances are currently being finalised by officers.
63. The scores awarded to each tender for the quality and price elements of the evaluation will be added together to establish the total percentage in line with the MEAT principles.

Tender Appraisal Panel (TAP)

64. A Tender Appraisal Panel (TAP) will be set up in accordance with the Contract Standing Orders to oversee the procurement process and evaluate tenders. TAP will include representatives from the Council's Procurement Team, the Development Team and Asset Management colleagues who are supported by external professional consultants.

Contract Management

65. The contract will be managed by a project development team supported by a team of professional services appointed under a separate procurement strategy for the whole life cycle of the development.
66. A suite of KPI's will be used to monitor, measure and report on the performance of both principal construction contractor and sub-contractors. Example of KPI's that might be used to monitor performance are below:
 - Meeting or exceeding programme expectations
 - Design Development within the requirements of the Client Brief
 - Response times to client RFIs (Requests for information)
 - Successfully engaging and involving wider local residents and other stakeholders e.g., Considerate Constructors Scheme
 - Responsiveness to issues or concerns raised by residents within a defined period
 - Time taken to rectify defects in line with H&F repairs response times
 - Understanding and mitigating environmental impact, waste control, noise, water usage, dust during construction.
 - Equality Implications

Equality Implications

67. It is not anticipated that the approval of this Procurement Strategy, as set out in the Recommendations, will have any direct negative impact on any protected groups, under the Equality Act 2010.

Risk Management Implications

68. This appendix of the report identifies, in the table in paragraph 39, a number of procurement-related and construction market risks, including material price instability which has arisen due to Covid-19 and post-Brexit economic conditions. Officers have set out a range of mitigations to manage these risks and will need to keep these risks under close review throughout the procurement and contract delivery phases. Officers will need to ensure that robust programme and governance arrangements are in place to oversee the scheme, including the maintenance of a programme risk register.
69. A range of procurement routes have been assessed and an option recommended by the appointed technical consultants. The proper use of the FTS procurement route enables a variety of contractors to enter the procurement process, which is in line with the Council's objective of being ruthlessly financially efficient.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 16 February 2024

Climate and Ecological Emergency Implications

70. On 17th July 2019 LBHF declared a climate emergency, pledging to cut CO2 emissions from the Council's activities to net zero by 2030.
71. The proposals for Avonmore will target high levels of sustainability for the new development and will aim to promote the climate emergency via a variety of different methods. Through-out the design process the project team have designed clear ways in which to insulate buildings and use recyclable material where possible. The proposal also includes the elimination of fossil fuels along with the installation of solar panels or other renewable energy generation and will look to switch to a renewable energy provider and install measures to help manage building energy demand, such as smart meters, timers on lighting, or building management systems.
72. The design has considered multiple factors to promote ecological benefits of the project, which include avoiding converting green space to hard surfacing and use underutilised space for planting, such as green roofs and walls. The project will also provide space for animals e.g. long grass areas, bird boxes, bat boxes and insect hotels.
73. The design will also look to install water-saving devices in taps, showers and toilets, re-use grey water in new developments and ensure all new building models and mitigates future overheating risk, with adequate ventilation and shading. The development will also convert hard surfacing to green and permeable surfacing where possible and install Sustainable drainage systems (Suds).
74. The Contractor will also seek to construct using construction methods that reduce overall energy use, such as modular, factory-built components, or use of electrical plant on-site.

Jim Cunningham, Climate Policy & Strategy Lead, 14th January 2023

Local Economy and Social Value Implications

75. It is a requirement that all contracts let by the council with a value above £100,000 provide social value commitments that are additional to the core services required under the contract. In addition, the evaluation of social value should account for a weighting of a minimum of 20% of the overall score.
76. Paragraph 35 states that the social value will have a weighting of 20% of the overall score and scoring criteria including social value set out in paragraphs 43 and 44.
77. As a planning application has been submitted by the council, any social value measures invited to be proposed by bidders should not duplicate any contributions required in a Section 106 agreement or unilateral undertaking to mitigate the impact of the development on the local area. Similarly, social value measures should not be double-counted with Passivhaus standards committed. Paragraph 34 in this strategy commits that social value will be in addition to any planning obligations. Paragraph 37 set out a strategy to align the social value measures available in the tender to those appropriate for a development.
78. It is a requirement that all contracts let by the council with a value above £100,000 propose and commit to social value contributions that are additional to the core services required under the contract. These contributions must amount to at least 10% in value of the price of the contract proposed. Paragraph 38 states that dispensation is being sought to not dismiss bids with a social value proposal of less than 10% of the contract price.
79. Social value measures committed by the winning bidder should be included as conditions in the contract agreement with financial remedies sought for non-delivery. It is advised that the winning bidder contact the Economic Development team to help them design a detailed delivery plan for the agreed measures as set out in paragraph 39.

Paul Clarke, Social Value Officer, Economic Development Team, 15th December 2023

Consultation

80. A wide-ranging engagement strategy has been adopted and followed during the design development stage of this project. Full details of this are included in the Statement of Community Involvement submitted with the planning application.

LIST OF APPENDICES

None