

Committee: Cabinet

Date: 14.02.2020

Wards: Cricket Green

Subject: The Canons 'Parks for People' Landscape and Building contracts

Lead officer: James McGinlay, Head of Regeneration

Lead member: Councillor Caroline Cooper-Marbiah

Contact officer: Alison Plant, Project Manager - The Canons

Reasons for urgency: The Chair has approved the submission of this report as a matter of urgency as delaying the report would delay the contracts and have significant cost implications for the project.

The following paragraph of [Part 4b Section 10 of the constitution](#) applies in respect of information within Appendix A, B and C and it is therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of the appendix.

Recommendations:

- A. That the Council award Lot 1 - Landscape Contract to Tenderer D
 - B. That the Council award Lot 2 - Building Contract to Tenderer E
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to summarise the tender process for the Landscape and Building contracts for the Canons 'Parks for People' project and seek the approval of Cabinet for the award of these two contracts following a two stage restricted tender process.

2 DETAILS

- 2.1. The Canons 'Parks for People' project was awarded £4.4 million of 'Parks for People' grant funding in 2017 by the National Lottery Heritage Fund (NLHF) and Big Lottery Fund to restore and enhance the Grade II* listed Canons House & Grounds, Mitcham.
- 2.2. The project was granted Listed Building Consent 17/P1450 in February 2018 and granted Planning permission in February 2018 Decision notice 17/P1449.

- 2.3. Design work and the preparation of tender documentation for the delivery stage of this project was undertaken by consultants Southern Green Ltd and their professional design team. The team included Conservation Architects, Landscape Architects, Engineers, and Ecologists. The team also included the Quantity Surveyors Faithful & Gould Ltd who oversaw the tender process following the production of tender drawings and specification by the design team.
- 2.4. The refurbishment of the House and Grounds was split into two contract lots for this tender: Lot 1 - Landscape Contract for works to restore and enhance the grounds surrounding the Canons House; and Lot 2 - Building Contract for works to refurbish Canons House, demolish the former changing rooms and the construction of a new café. The works were tendered as two separate lots due to the nature of the work and specialisms required.
- 2.5. The evaluation of cost was carried out by Faithful & Gould and the evaluation of quality was carried out by the tender evaluation team which included representatives from the lead consultants, the design team and from Merton's Canons project team. The tender was overseen by Commercial Services.
- 2.6. The tenderers were selected following a pre-qualification exercise known as the Selection Questionnaire (SQ) in order to produce a shortlist of contractors that would be capable of delivering this type of work.
- 2.7. Four tenderers were invited to submit a tender for Lot 1 - Landscape following the SQ scoring procedure which was carried out by the tender evaluation team. All tenderers confirmed their willingness to submit a tender and further details of the submission can be found in Appendix B Section 4.0.
- 2.8. Five tenderers were invited to submit a tender for Lot 2 - Building Contract following the SQ scoring procedure. One contractor was successful on both Lots 1 & 2 and therefore had the opportunity to submit tenders for both projects. All tenderers apart from one confirmed their willingness to submit a tender and further details of the submission can be found in Section 11 of the Faithful & Gould Tender report.
- 2.9. Four tenders for each lot were received on the return date of 5th December 2019 via the London Tenders Portal. Tenders were acknowledged and opened by Commercial Services.
- 2.10. Tenderers were evaluated based on the pre-defined criteria stipulated within the Invitation to Tender (ITT) document. The pre-defined criteria were based on overall best value, consisting of a scoring split on cost and quantity. For Lot 1 - Landscape the weightings of cost and quality were 70% cost 30% quality. For Lot 2 – Building the weightings of cost and quality were 60% cost 40% quality.
- 2.11. The quality submissions initially scored individually by evaluators and were then moderated to arrive at an agreed score for each tenderer.
- 2.12. The pricing documents received were subject to arithmetical and technical checks by Faithful & Gould. Details of the tenders received are identified in Appendix A.

- 2.13. Several post tender queries and clarifications regarding cost were issued to the tenderers asking for clarity and confirmation where applicable.
- 2.14. One tenderer also submitted a combined offer to deliver both lots which was not accepted as it was more expensive than the two lowest tenderers on each lot combined.
- 2.15. For Lot 1 - Landscape, the tender submitted by Tenderer D is the most economically advantageous. All arithmetical and technical checks were undertaken to ensure the tender represents value for money and adheres to the project requirements. The tender submitted by Tenderer D is open for acceptance until 3rd April 2020 (120 days from tender submission).

Lot 1 – Landscape – evaluation table

Bidder	Quality Score	Quality Weighting	Price (Lowest)	Final Weighted Score	Rank
Tenderer A	26.0	24%	52.43%	77%	4
Tenderer B	25.0	23%	59.80%	83%	2
Tenderer C	15.0	14%	67.33%	82%	3
Tenderer D	19.0	18%	70.00%	88%	1

- 2.16. For Lot 2 – Building, the tender submitted by Tenderer E was the most economically advantageous. All arithmetical and technical checks have been undertaken to ensure the tender represents value for money and adheres to the project requirements. The tender submitted by Tenderer E is open for acceptance until 3rd April 2020 (120 days from tender submission).

Lot 2 – Building – Evaluation table

Bidder	Quality Score	Quality Weighting	Price (Lowest)	Final Weighted Score	Rank
Tenderer E	27.0	35%	60.00%	95%	1
Tenderer F	20.0	27%	52.58%	80%	3
Tenderer G	24.0	29%	52.74%	82%	2
Tenderer H	14.0	23%	55.89%	79%	4

3 ALTERNATIVE OPTIONS

- 3.1. Grant funds were awarded by the NLHF and Big Lottery fund and were specifically assigned to this 'Parks for People' project.
- 3.2. The Council could withdraw from the grant funding agreement with the National Lottery Heritage Fund. The other alternative is that the National Lottery Heritage Fund could withdraw Grant funds from Merton. As either of

these outcomes would result in the works not taking place they are not desirable or recommended.

- 3.3. The recommended option is to proceed with awarding the contracts to the two tenderers identified in Appendix A.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The Canons 'Parks for People' project team hold quarterly stakeholder meetings consulting with local groups and organisations involved with the Canons. These include representatives from Mitcham Cricket Green Community and Heritage, Mitcham Society, Friends of the Canons, Mitcham Cluster and Better Leisure. In addition to these meetings consultation is also held with other stakeholders such as the Toby Carvery which is on the Canons site.
- 4.2. Quarterly reports are a requirement of the NLHF grant conditions and these are submitted to coincide with quarterly meetings with them. Meetings are attended by Merton Council officers, the project team, the lead consultants, representatives of the Design team and the NLHF.
- 4.3. There are also ongoing monthly officer meeting of Merton Council staff which are chaired by the Assistant Director of Regeneration and attended by representatives of Future Merton, the project team and the Greenspaces manager.

5 TIMETABLE

- 5.1. The next stages of the project are detailed below:

Procurement Board	18 th February 2020
Cabinet	24 th February 2020
Internal Call In Period	24 th February – 2 nd March 2020
Inform Bidder of intention to award	3 rd March 2020
Standstill period	4 th – 13 th March 2020
Confirmation of award	16 th March 2020
Mobilisation	1 st April 2020
Contract start date	1 st May 2020

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. This project is grant funded by the National Lottery Heritage Fund. The grant is ring fenced and can only be only spent on the 'Parks for People' project as per the grant terms and conditions.
- 6.2. The 'Parks for People' grant funds two members of staff employed by the Council who form the project team. The team consists of the Project Manager and the Community Engagement Officer and are managed by the

Greenspaces manager. The project sponsor is the head of regeneration within the Environment and Regeneration Department.

- 6.3. The Council is contributing 13% match funding towards the project. There is an allocation of £560,100.00 in the Capital programme funded from the Council. This was approved by Cabinet in October 2017 Agenda item 5.
- 6.4. Any surplus funds will be reallocated to fund items which were reviewed during the design phase and removed from the tender to reduce anticipated costs.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. This process for procurement of the construction works under this report is compliant with the requirements of the Council's Standing Orders and on the basis may proceed to award as a procurement below the construction threshold as required by regulation 5 of the Public Contracts Regulations 2015.
- 7.2. The Council should within a reasonable time publish the necessary award information on Contracts Finder as required by the Public Contracts Regulations 2015 under regulation 112.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. When complete the Canons House will have a community meeting room on the ground floor which can be hired out via the service operator for the Canons House.
- 8.2. There will be community rooms in the basement of the house with opportunities for local groups and organisations to contribute to displays and exhibitions. Level access will be provided to the basement of the house with the installation of a lift which ensures unimpeded access to the Canons House facilities.
- 8.3. The new build café will have a community room which can be partitioned off from the rest of the café and booked out to community groups.
- 8.4. The tender for a café proprietor will ask tenderers how they will contribute towards the local community through the provision of events and activities.

9 ENVIRONMENTAL AND SOCIAL VALUE

- 9.1. Bidders for both lots were asked to complete a question about community engagement. The question stated that as part of the National Lottery Heritage Project there is a requirement to deliver a number of activities some of which are related to construction work. Tenderers were asked to refer to the separate list provided in the tender documentation for details. They were asked to outline their approach to delivering these activities alongside the construction works.
- 9.2. Further information about the bidders' community engagement offering can be found in exempt Appendix C.

- 9.3. Mechanical, electrical and plumbing solutions for the project were based on the delivery of a low energy and economic solutions. The building properties have been improved wherever practicable with lowered insulation values and glazing values. The proposed works will also concentrate on lowering infiltration rates over the building. Any areas of the building being new works are designed to be in accordance with the current thermal standards.
- 9.4. The electrical systems have been designed to be low energy particular lighting with LED emitters and where possible occupancy control light switching ensuring that lighting is off when the space is unoccupied
- 9.5. The café area, which is new build has been designed to current low U value and low infiltration levels to conserve energy.
- 9.6. Part of the overall building solution is to install solar panels to the roof areas adjacent to the café to allow offset electrical generation to the building and reduce carbon emissions.
- 9.7. High quality building materials will be used to match the Grade II* listed house. The choice of landscape materials are also dictated by the setting of the Grade II* listed house. Porous materials will be used where possible to reduce the amount of run off. A significant benefit to the project is capturing the water from the roof and other hard surfaces such as the car park which will be recycled and following a filtering process will be used to top up the water levels in the pond.
- 9.8. An Ecological Impact Assessment has been prepared which highlights a number of ecological enhancements that will be included in the project.
- 9.9. The planned development will largely retain existing parkland habitats. Tree works including tree felling and tree pruning will take place to allow for proposals such as the car park and the restoration of historic views. Tree planting will take place within the new car park, to improve the Commons side West frontage and through the new Canons Place small events area.
- 9.10. The restoration of on-site woodland and the pond are proposed which will in time improve the biodiversity potential of the site. Trained fruit trees, shrub and herbaceous planting in beds along the garden walls. Over 4,000 shrubs and herbaceous plants will be planted to restore the historic planting in beds adjacent to Canons house and approximately 1,000m² of wildflower meadows will be created.
- 9.11. A Biodiversity Management Plan will be produced to enable the correct future management of ecological features at the site and the measures described will help to deliver net gains in biodiversity and secure long-term, appropriate management of the ecological features.
- 9.12. Recycling facilities will be provided in screened recycling bays adjacent to Madeira Hall to serve both the House and Café operations and for attic flat tenancy.

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. There are no crime and disorder implications for this project.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. Health and safety implications were covered in the tender response as part of the bidders' method statements.
- 11.2. There will be two contractors working alongside each other on the Canons House & Grounds. A constraints and access plan was included as part of the tender documents which showed clearly defined contract site boundaries and compound areas for the building and landscape contracts. The drawing highlighted some pedestrian and vehicular access routes which are to remain open at all times.
- 11.3. Two contractors working together has been identified as a risk. Bidders were asked about the opportunity to work with another contractor and demonstrate their experience of working with other contractors. They were asked to provide a method statement of how the project would be successfully and safely managed.
- 11.4. In the tender response for the Landscape contract, tenderer D demonstrated their experience of working with other contractors. They recognise that the key to successful implementation of such contracts is good communication with all parties prior to and during the works
- 11.5. The Building contractor Tenderer E has proposed to manage the risk by recognising the need for close liaison between both contractors to ensure that both projects are managed with respect to shared access requirements and procedures. Good communication will ensure the health and safety of park users, staff and visitors to the visitor centre, neighbouring properties and members of the public are not compromised in any way.
- 11.6. Two contract administrators will be appointed, one for each contract. Southern Green will be the contract administrators for the Landscape Contract. Simpson and Brown will be the contract administrators for the Building contract.

12 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

The Appendices are confidential and are contained separately and form the confidential element of this report.

- Appendix A – Identity of bidders and details of winning bids
- Appendix B – Faithful & Gould tender report
- Appendix C – Community engagement/social value offer

13 BACKGROUND PAPERS

- National Lottery Heritage Fund (NLHF) Grant award letter dated 30 June 2017.
- Gateway 1 (business case) presented to Procurement Board on 8 July 2019

- OJEU contract notice 2019/S 163-399772
- Tender documentation