

# Croydon Council

<b>For General Release</b>	
<b>REPORT TO:</b>	<b>Cabinet Member for Homes and Regeneration 16 March 2015</b>
<b>AGENDA ITEM:</b>	Background report to Agenda item 19 Cabinet 16 March 2015
<b>SUBJECT:</b>	<b>Award of the College Green and Fairfield Halls Development – Scheme design and development</b>
<b>LEAD OFFICER:</b>	<b>Jo Negrini, Executive Director - Place</b>
<b>CABINET MEMBER:</b>	<b>Councillor Alison Butler Cabinet Member for Homes and Regeneration <i>And</i> Councillor Simon Hall, Cabinet Member for Finance and Treasury</b>
<b>WARDS:</b>	<b>Fairfield</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT:</b> The recommendation within this report addresses the priorities for developing Croydon as an attractive place in which to live, work and visit. The new Cultural Quarter and rejuvenation of the Fairfield Halls will address the following priorities: <ul style="list-style-type: none"><li>• An Enterprising City</li><li>• A Creative City</li><li>• A Connected City</li></ul> The new “Cultural Quarter” will play a significant role in contributing and benefiting from the regeneration and growth of the borough; improving the attractiveness of Croydon as a destination, as well as an increased sense of belonging, wellbeing and independence through increased participation in a broad range of cultural, community and artistic activities.	
<b>AMBITIOUS FOR CROYDON &amp; WHY WE ARE DOING THIS:</b> This contract award will meet help the Council meet the aspirations in Ambitious for Croydon by creating an innovative and inspiring area with a lively and sustainable mix of commercial, residential, cultural, educational uses and a well-connected and high quality public realm with the Fairfield Halls at the centre.	
<b>FINANCIAL IMPACT SUMMARY:</b> This report recommends commitment to a Contract Award of £1.854m over the next year.	

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**KEY DECISION REFERENCE NO.:** 9/15/HR

This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 13.00 hours on 5<sup>th</sup> working day after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

## 1. RECOMMENDATIONS

The Leader of the Council has delegated to the Cabinet the powers to make the decisions set out in the recommendations below;

- 1.1 The Cabinet Member for Homes & Regeneration in consultation with the Cabinet Member for Finance and Treasury is recommended to approve the award of contract scheme design and development consultancy services for the College Green and Fairfield Halls Development – to the bidder detailed within the Part B report at a contract value of £1,685,650.53 plus a 10% contingency sum to give a maximum contract value of £1,854,216
- 1.2 The Cabinet Member for Homes & Regeneration is asked to note that the name of the successful contractor will be released once the contract award is approved and implemented.

## 2. EXECUTIVE SUMMARY

- 2.1 On 15 September 2014 the Cabinet report 'Cultural Quarter – Rejuvenating Fairfield' (Min. ref. A66/14) recommended changing the development approach on College Green from one focussed solely on Fairfield Halls to one which would enable us to take forward a more holistic, place based approach for the wider College Green area. This will enable the Council to fully integrate the cultural components with the wider development, and place College Green at the centre of the Cultural Quarter offer.
- 2.2 This report recommends the award of a contract to deliver the College Green and Fairfield Halls Development – Scheme Design and Development (the Contract), which will enable this integrated approach to progress. The procurement strategy was approved at the Contracts and Commissioning Board meeting held on 4 December 2014 (ref. CCB 0952/14).
- 2.3 The detail section of this report sets out the background to the integrated project (the Project) as well as the procurement approach and evaluation process to select a multi-disciplinary consultancy service to facilitate the

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project, calling off the Homes and Communities Agency (HCA) Multi-Disciplinary Framework for this purpose.

- 2.4 The contact sum totals at £1,854,216. This includes a 10% contingency sum of £168,566 to be expended against risk items and consultation costs. Expenditure of the contingency sum will be subject to the contract terms.

## 3. BACKGROUND

- 3.1 The College Green area and immediate surroundings are crucial to defining the future of Croydon and its town centre. It has real potential to be Croydon's cultural centre - an innovative and inspiring area with a lively and sustainable mix of commercial, residential, cultural, educational uses and a well-connected and high quality public realm.
- 3.2 Following the Cabinet decision in September 2014, the new approach to the area will see a rejuvenated Fairfield Halls being delivered as part of the wider College Green area encompassing the whole of the Fair Field masterplan area.
- 3.3 The vision for the comprehensive development of College Green and Fairfield Halls is to deliver a vibrant cultural offer including:
- A scheme of national architectural significance.
  - A unique and vibrant mix of uses including office, residential, cultural, retail, leisure and employment to define and complement the existing uses within the area, and exploit the unique spatial context of Croydon College and Fairfield Halls.
  - A modernised, flexible Fairfield Halls which is sympathetic to the architectural and heritage qualities of the building, stripping it back its original 1960's design in order to reveal and celebrate a joyous example of post war civic architecture. This should include new food and beverage spaces and improved integration with the wider area.
  - A very high quality new public space suitable for both passing through as well as relaxing, alongside other amenity provision for residents and visitors alike.
  - A variety of public art and opportunities for creative expression giving a modern, attractive and culturally flexible space for Croydon.
  - A new high quality, animated, step free through route to and from East Croydon station, the town centre and wider borough.
- 3.4 This overall approach is flexible and has already seen a number of quick wins since the summer of 2014. In particular, the Fairfield Halls, has delivered a new cinema offer, the studio, a new entertainment space in what was the green room and improvements to the Arnhem Gallery will enable the Fairfield Halls to expand their offer and attract new audiences.

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- 3.5 The Council is proposing to submit a hybrid planning application for a culture-led mixed use scheme for this area. This will deliver, across a number of phases, innovative public buildings and cultural facilities alongside major residential and commercial development as well as significant landscaping, public realm and public art elements.
- 3.6 As part of the hybrid application the Council will secure detailed consent on the phase 1 schemes to be delivered. These phase 1 schemes will include a high quality mixed use scheme on Council owned land and the modernisation of the Fairfield Halls. The Council owns the freehold of the Fairfield Halls and the lease with Fairfield (Croydon) Ltd, the operator, facilitates the modernisation to take place.
- 3.7 In order for the Council to deliver the hybrid application, it requires a multi-disciplinary consultancy service with the relevant experience to assist the project team.
- 3.8 Approval of the award of this contract will enable us to commence the design and feasibility work and subsequently the hybrid planning application for the College Green and the Fairfield Halls development.
- 3.9 As part of the flexible approach to this development, and to ensure that momentum for the project is continued, it is proposed that a number of early priorities for the Fairfield Halls are identified by the consultants to be delivered in 2015 in parallel to the planning application. This will be undertaken alongside Fairfield (Croydon) Ltd.
- 3.10 The procurement approach for the former standalone modernisation of the Fairfield Halls has been paused. The procurement approach for the standalone project is on hold until the new procurement, as set out above is completed, at which point a decision will be made on the old procurement process.

## **4. PROCUREMENT APPROACH**

- 4.1 In accordance with the approved procurement strategy, a mini competition was conducted, calling off the Homes and Communities (HCA) Multi-Disciplinary Panel Framework. This is an OJEU compliant framework which has 18 consultancies as panel members and complies with the Councils Contracts and Tender Regulations in its provisions.
- 4.2 The HCA framework requires a sifting brief (Mini Competition Part A) to be issued to all 18 panel members inviting them to participate and to respond to the sifting brief criteria. 8 panel members responded by the return date of 24 December 2014. They were evaluated in accordance with the published criteria and 5 panel members were shortlisted and invited to submit a full bid (Mini-Competition Part B). This was issued to the 5 qualified panel members

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on 3 February 2015 via the Council's procurement portal website, with a submission deadline of 24th February 2015.

- 4.3 Due to the large number of clarification Q&A's received from the panel members during the Part B tender stage it was agreed to extend the tender submission deadline to 2nd March 2015. This was to ensure we received good and fully considered tender submissions. Responses were received from all 5 panel members invited to participate in the Part B mini competition.

## 5. CONSULTATION

- 5.1 The procurement and project brief have been undertaken in partnership with the Fairfield (Croydon) Ltd who operate the building. They were consulted as part of the evaluation process and are supportive of the winning bid.
- 5.2 Discussions are underway with other landowners and stakeholders on the development as partners to understand their aspirations for the area and how they will be involved moving forward.
- 5.3 Further consultation will take place as part of the design phase of the project, with a comprehensive consultation being undertaken with stakeholder and the community to ensure the project is meeting the needs of communities in Croydon. Statutory consultation will also be undertaken as part of the planning process.
- 5.4 A communications strategy has been developed for the project.

## 6. FINANCIAL AND RISK ASSESSEMENT CONSIDERATIONS

### 6.1 Revenue and Capital Consequences of Report Recommendations

- 6.1.1 The total budget and expenditure for this contract award is detailed in the table below. The contract sum is £1,854,216. This includes a 10% contingency sum of £168,566 to be expended against risk items and consultation. Expenditure of the contingency sum will be subject to the contract terms.
- 6.1.2 The contract sum will be funded from the carry forward of the 2014/15 Fairfield Halls capital budget:

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<b>Year</b>				

## 6.2 Effect of the Decision:

6.2.1 The award of this decision will commit £1,685,650.53 plus a 10% contingency sum to give a maximum contract value of £1,854,216 to enable the Council to progress the design and submit a hybrid planning application for the College Green and Fairfield Halls scheme.

## 6.3 Risks:

- Delay in procuring the consultancy services may result in delays beyond the envisaged start date and add costs to the scheme due to prolongation and consequent increases in tender prices.
- Delay could potentially impact on the revenue budget of the theatre due to loss of use of the performance spaces.
- Delay or cancellation of the project for any reason will impact on increased resource and expenditure on depreciated items.

6.4 **Future Savings / Efficiencies:** As the project continues it will be essential that value for money and efficiency savings are sought at all stages of the project.

6.5 **Approved by:** Lisa Taylor – Head of Finance and Deputy 151 Officer

## 7. COMMENTS OF THE COUNCIL SOLICITOR

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The Council Solicitor comments that the procurement process as detailed in this report meets the requirements of the Council's Tenders and Contracts Regulations and its statutory duty to secure best value under the Local Government Act 1999.

**Approved by:** Michael Leech, Corporate Solicitor, deputising in this matter for Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer

## 8. HUMAN RESOURCES IMPACT

8.1 There are no human resources implications arising from this report.

8.2 **Approved by:** Adrian Prescod, HR Business Partner, for and on behalf of Director of HR, Resources department.

## 9. EQUALITIES ANALYSIS

9.1 A full Equalities Impact Assessment has been completed and approved for the Fair Field Masterplan.

9.2 An initial EqIA has been completed for the modernisation of the Fairfield Halls. A full EqIA will be prepared as part of the development of the Cultural Quarter and will be monitored throughout the programme of works. The creation of the Cultural Quarter with a revitalised Fairfield Halls provides an excellent opportunity for the development of new activities and events which support community cohesion, bringing people together, attracting and involving new audiences.

9.3 The initial EqIA highlighted that Fairfield Halls are a part of the boroughs cultural infrastructure and without this remodelling the building will continue to deteriorate, putting the organisation at risk. This project could have a positive impact on young people, which accounts for a large proportion of Fairfield audiences, in allowing them to continue to access events and programmes.

9.4 The development will allow the Fairfield Halls to continue to operate whilst the main modernisation project is developed, and the Halls will continue to run programmes and hire to organisations and groups within the borough, which can benefit, BME groups, young people and older people.

9.5 As part of the modernisation project, a new Box Office and CRM system has been installed that will enable Fairfield Halls to capture demographic information so as to better target groups including young people and BME groups and encourage the widest use of the facilities and participation in arts, cultural and community activities.

9.6 Access Requirement; in addition to Equality Act 2010 requirements within the Building Regulations, this project should seek to improve accessibility which is

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currently achieved by a series of 'bolt on' and compromise measures. Improvements required include:

- (i) access through the main entrance from the car parking outside
- (ii) step free access from the box office area to the grand foyer removing the need for the platform lift
- (iii) repair, upgrade the lifts to conform to BS 8300 standards
- (iv) more flexible seating in the theatres by introducing removable seats
- (v) means of escape strategy for the evacuation of disabled people
- (vi) way-finding, lighting and signing to consider the choice of colour & materials to assist the sensory impaired and those with learning disabilities

9.7 The project will seek to address these issues.

## 10. ENVIRONMENTAL IMPACT

10.1 The Project plan presents an excellent opportunity to create a truly integrated site-wide environmental strategy. The scale and mix of buildings allows centralised energy plant by linking complementary energy profiles. This project should be mindful of these wider aspirations as it offers potential for a wider energy strategy.

10.2 In terms of the Fairfield Halls, the building regulations will impact on the performance of the environmental services and new & renovated thermally exposed fabric, as well as to structural alterations, changes in layout and construction that affect loading, fire safety and accessibility.

## 11. CRIME AND DISORDER REDUCTION IMPACT

11.1 There are no direct crime and disorder reduction impacts arising from the recommendations of this report.

## 12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

12.1 The submitted tenders were reviewed and validated by the evaluation panel to ensure compliance with the ITT tender documents and in accordance with the advertised evaluation criteria:

<b>Quality</b>		<b>Total</b>
Understanding	15%	<b>70%</b>
Design approach	20%	
Team	20%	



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Method statement	10%	
Social Value	5%	
<b>Price</b>		<b>30%</b>

12.2 The pricing documents were first checked for arithmetical errors. Submissions also required clarifications on a number of qualitative responses and on some aspects of the price submission.

12.3 The Evaluation Panel was formed by representatives from the following:-

- Category Manager for D&E (Moderator for the evaluation process)
- Director of Development – Croydon Council
- Director of Community & Support Services – Croydon Council
- Regeneration Manger – Croydon Council
- Deputy Team Leader, Place Making – Croydon Council

12.4 The evaluation scores for each tender received for both lots are detailed below.

SCORES	Panel Member 1	Panel Member 2	Panel Member 3	Panel Member 4	Panel Member 5
Quality	34%	34%	51%	48%	40%
Price	16%	16%	29%	28%	26%
Total	49.99	50.52%	81%	76%	66%
Rank	<b>5</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>3</b>

12.5 Following analysis of the commercial and qualitative aspects of the tenders received, it is recommended that the contract for the provision of services to deliver the Project be awarded to Panel Member number 3 as the supplier whose response scored highest in both quality and price.

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## 13.ANY OPTIONS CONSIDERED AND REJECTED

13.1 No appropriate alternative delivery options were identified and a suitable compliant qualified tender submissions was received so no further options were considered.

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### CONTACT OFFICER:

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Background documents: Exempt from disclosure.