



City of Westminster

Cabinet Member Report

- Decision Maker:** Cabinet Member for Climate Action, Regeneration and Renters
- Date:** 1st December 2023
- Classification:** For General Release but that the Appendices, be declared as exempt from publication as (i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, (ii) it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph 5 of Schedule 12A of the Local Government Act 1972; (iii) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- Title:** 291 Harrow Road – Multi-Discipline Consultant Team (MDCT) Appointment
- Wards Affected:** Westbourne
- Policy Context:** The potential redevelopment of 291 Harrow Road provides an important opportunity to deliver a number of key pillars of the Council's Fairer Westminster vision, including Fairer Housing, Fairer Communities and Fairer Economy. A transparent process will be undertaken and demonstrated as part of a continuous engagement strategy with the community, residents and key stakeholders.
- Key Decision:** Yes, due to significant expenditure
- Financial Summary:** 291 Harrow Road has an approved General Fund budget allocation of £57.730m which was agreed by full Council in February 2023. This report is requesting approval to enter into contract and incur expenditure for a range of professional services. The total value of the contracts is up to £4.84m but with authority to spend up to £2.148m to develop design options and an Outline Business Case prior to returning to the Cabinet Member in consultation with Capital Review Group (CRG) to seek approval to progress to the Full Business Case and incur further expenditure.
- Report of:** Debbie Jackson, Executive Director, Regeneration, Economy, and Planning

1. Executive Summary

- 1.1. The Site was acquired by Westminster City Council (WCC) with a view to options being brought forward for a residential lead mixed used development.
- 1.2. It is located on the corner of Harrow Road and Elmfield Way, in the Westbourne Ward within the North Paddington Programme (NPP) and Economic Activity areas. The site comprises 291 Harrow Road (Flats A, B & C), 1-2 Elmfield Way (which provide 18 specialist accommodation residential care beds for users with Learning Disabilities), a Multi-Use Games Area (MUGA) and an enclosed green area to the rear (the 'Site').
- 1.3. The project presents a significant opportunity to deliver new homes in the Harrow Road area and to work with the community and stakeholders in delivering the Councils Fairer Westminster Vision including the opportunity to enhance the public realm, local play space, connectivity with the surrounding neighbourhoods, community space, retail and commercial offer and to increase economic activity due to its location and proximity to the Harrow Road High Street.
- 1.4. The proposed redevelopment of 291 Harrow Road aims to deliver:
 - Re-provision of existing homes and explore opportunities to deliver new homes of all tenures including Truly Affordable Homes and specialist housing such as Learning Disability housing.
 - Improvements to place shaping including play space, bio-diverse green space and enhancement of the public realm.
 - Construction of high quality and energy efficient sustainable new buildings which utilise cutting edge design and technological innovation.
 - Promote a safer and vibrant neighbourhood, which encourages positive community interaction.
 - Encouraging and facilitating strong public participation and community involvement in the design and development of the scheme.
 - Increasing opportunities for employment, business growth and initiatives.
- 1.5. The Cabinet Member Report (CMR) Acquisition of 291 Harrow and 1-2 Elmfield Way, W9 (September 2021) approved the acquisition of the Site and feasibility budget expenditure of £1.5m (of which £0.148k has been spend to date) to appoint a multi-discipline team and undertake design development. This was then reflected within the 2021/22 Capital Budget agreed by Council in March 2021.
- 1.6. The appointment of a Multi-Discipline Consultant Team (MDCT) is proposed to take the scheme from early feasibility optioneering through RIBA Stages 1 to 7 including design, procurement, delivery, hand over, operation and in-use (within the Main Works Contract defect liability period) and to support the Councils Business Case Stages including Strategic Outline Case (SOC), Outline Business Case (OBC) and Full Business Case (FBC).
- 1.7. A rigorous and competitive procurement exercise has been undertaken to procure the core MDCT to support the design development of the Council's

vision for the scheme. The Architect, Project Manager (PM), Cost Consultant, Structural Engineer, Mechanical Electrical Plumbing (MEP) Engineer and Landscape Architect services have been endorsed by the Council's Commercial Gateway Review Board (CGRB) the papers of which are appended to this report (Appendix C, D, E, F, G and H).

- 1.8. CRG endorsed the recommendation to enter into contracts and increase the approved expenditure to £2.148m to include the initial expenditure under the above contracts (see 1.7) and other Professional Services, associated costs and contingency (see Appendix A, Financial Implications) on 20th October 2023.
- 1.9. Subject to approval of this report, officers will progress the appointment of the contracts (see 1.7) and will draw down the necessary specialist and technical resources as required from the other Professional Services and costs (see 1.8) to progress the Feasibility Stage, develop design options and return to the CRG in consultation with the Cabinet Member with Outline Business Case Part 2.

2. Recommendations

- 2.1. That the Appendices be exempt from publication under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information which should be exempt from publication in that it contains information relating to the business and financial affairs of the authority and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph 5 of Schedule 12A of the Local Government Act 1972; and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
- 2.2. That the Cabinet Member for Climate Action, Regeneration and Renters approves:
 - 2.2.1. The Council to enter into Professional Services contracts with a value greater than £300k totalling £4.84m to carry out design development.
 - 2.2.2. This includes appointment of the following:
 - 2.2.2.1. Carter Gregson Gray as Architect (contract value £1.74m)
 - 2.2.2.2. Arcadis LLP as Project Manager (contract value £1.14m)
 - 2.2.2.3. Ward Williams Associates as Cost Consultant (contract value £606k)
 - 2.2.2.4. CR8 Structures as Structural and Civil Engineer (contract value £456k)
 - 2.2.2.5. Hoare Lea as Mechanical, Electrical & Plumbing Engineer (contract value £566k)
 - 2.2.2.6. Farrer Huxley as Landscape Architect (contract value £329k)
 - 2.2.3. Delegates authority to the Executive Director of Regeneration, Economy and Planning (REP) to approve other Professional Services and associated costs totalling £3.44m. Where the Constitution does not

allow for the Cabinet Member to delegate authority (namely for the award of Consultancy contracts with a value greater than £300,000).

2.2.4. Additional expenditure of £796k to progress the scheme to Outline Business Case Part 2 (total expenditure £2.148m).

2.2.5. To note the balance of expenditure under these contracts and other Professional Services and associated costs (totalling £6.128m) will come forward for approval once an OBC is concluded in 2025. A breakdown of the costs can be found in Appendix A (Financial Implications).

2.2.6. To note that any potential additional development options to be progressed beyond the feasibility stage options analysis (RIBA Stage 1) would be the subject of a separate decision which is required to return to CRG in consultation with the Cabinet Member for additional budget and expenditure approvals.

3. Reasons for Decision

3.1. The reason for the recommendation is to secure fees and appoint the design team to enable design development to be progressed and produce the Outline Business Case in Spring 2025.

3.2. In order to support design development the following core MDCT consultants are required to provide technical and specialist support:

- Architect
- Project Manager
- Cost Consultant
- Structural & Civil Engineer
- Mechanical, Electrical and Plumbing (MEP) Engineer
- Planning Consultant
- Landscape Architect

3.3. The proposed redevelopment of 291 Harrow Road is in line with the Council's ambitions for a Fairer Westminster and aims to deliver on the following objectives:

- Re-provision of existing homes and explore opportunities to deliver high quality new homes of all tenures including Truly Affordable Homes and specialist housing such as Learning Disability housing.
- Improvement to place shaping including play space, bio-diverse green space and enhancement of the public realm including increasing permeability and connectivity with the canal and surrounding areas.
- Construction of high quality and energy efficient sustainable new buildings which utilise cutting edge design and technological innovation.
- Promoting a safer and vibrant neighbourhood, which encourages positive community interaction.
- Enhancing community assets and maximising impact through linking to wider provision in the surrounding area.

- Encouraging and facilitating strong public participation in community participation in the design and development of the scheme.
- Encouraging and enhancing the local economy through the Creative Enterprise Zone.
- Increasing opportunities for employment and business growth and initiatives.
- Responsible Procurement ensuring ethical treatment and consideration and mitigation of environmental impacts.

4. Background, including Policy Context

4.1. The Site is located on the corner of Harrow Road and Elmfield Way, in the Westbourne Ward within the North Paddington Programme (NPP) and Economic Activity areas. The site comprises 291 Harrow Road (Flats A, B & C), 1-2 Elmfield Way (which provide 18 specialist accommodation residential care beds for users with Learning Disabilities), a Multi-Use Games Area (MUGA) and an enclosed green area to the rear (the 'Site').

4.2. The Cabinet Member Report (CMR) Acquisition of 291 Harrow and 1-2 Elmfield Way, W9 (September 2021) approved the acquisition of the Site and feasibility budget expenditure of £1.5m (of which £0.148k has been spend to date) to appoint a multi-discipline team and undertake design development. This was then reflected within the 2021/22 Capital Budget agreed by Council in March 2021.

4.3. OBC Part 1 Strategic Case which was appended to the CMR Acquisition of 291 Harrow Road and 1-2 Elmfield Way and identified how the Site could help contribute towards the following Council strategic objectives:

- The Big Plan for Adults with Learning Disabilities (2018-21)
- City Plan 2019-40
- North Westminster Economic Development Area

4.4. The Council previously explored opportunities to acquire the Site in 2013. Although negotiations were unsuccessful, a planning consent was approved which included the provision of a range of intermediate and supported homes via a two-phase scheme which sought to minimise disruption to current residents. Key feedback received during the consultation has been provided to the MDCT as part of the procurement exercise to inform thinking and design proposals from the outset.

4.5. Running alongside but separate to the negotiations, the Council explored a Masterplan for the area which included health uses and potentially could respond to some of the concerns raised during the consultation for the 2013 scheme. As part of the early design feasibility stage options analysis of the Site, the Council will carry out due diligence and the MDCT will explore a number of potential additional development options surrounding the site which could enhance the community, public realm, health and housing offers to local residents. If an enhanced scheme presents itself, this would be subject to a separate decision or decisions at a later date and is required to return to CRG in

consultation with the Cabinet Member for additional budget and expenditure approvals.

4.6. An extensive procurement exercise has been undertaken to procure a core MDCT resulting in the recommendations contained within this report and the CGRB Papers appended to it (see Appendices C to H). The MDCT Procurement is summarised in the below section of the report.

5. Procurement

5.1. A rigorous and competitive procurement exercise was undertaken over a 6-month period resulting in the recommended practices to take forward design development and optioneering for the Site. The Procurement Exercise was undertaken in line with the constitution and the Public Contract Regulations 2015.

5.2. The Crown Commercial Services (CCS) Dynamic Purchasing System (DPS) Construction Professional Services Lot 1 RM6242 was utilised for all seven core MDCT disciplines for the reasons listed below:

- **Value for Money:** Access to a wide range of quality suppliers. A competitive process was held with all members who met the requirements invited to tender.
- **New Supplier Registrations:** The DPS is able to accept new registrations making it accessible to suppliers and maintaining competition. WCC worked with the CCS and market resulting in over 20 new suppliers including local businesses and SME's registering on the DPS across all disciplines.
- **Quality:** Each core discipline was procured individually to ensure quality outcome and alignment with WCC's values.

5.3. Other professional services including Building Management Strategy, Commercial and Development Sales Consultants will be procured separately in line with the Councils Procurement Code under delegated authority.

5.4. The Councils Fairer Westminster vision was heavily promoted with suppliers including the Social Value and Responsible Procurement & Commissioning Strategy and local initiatives including the North Paddington Programme (NPP). A single MDCT Brief was developed to inform all disciplines for consistency and completeness. Suppliers were required to clearly set out their proposals for Social Value commitments that they will deliver that benefits Westminster's residents, businesses and organisations.

5.5. For each tender undertaken, the Evaluation Strategy was based on the Most Economically Advantageous Tender (MEAT) made up of Quality (60%) and Price (40%).

5.6. As part of the tender, the following requirements apply:

- Suppliers submitted a fixed fee based on deliverables (not linked to programme, construction cost or other).
- Utilise the JCT Consultants Agreement including WCC latest amends (2022).

- WCC reserves the right to terminate at its discretion with 14 days-notice.
- Deliverables & Invoicing Protocol applies requiring consultants to set out their fee schedule and proposed deliverables for approval by WCC prior to commencing each RIBA Stage.
- 10 year contract including the defect liability period under the main contract.

5.7. The Architect, Project Manager, Cost Consultant, Structural & Civil Engineer, MEP Engineer and Landscape Architect tendered services have received endorsement from the Executive Director and the Council's Commercial Gate Review Board (CGRB), the papers of which are appended to this report (Appendix C, D, E, F, G and H). The CGRB endorsement for all disciplines was received on Thursday 9th November.

6. Financial Implications

6.1. 291 Harrow Road scheme has an approved General Fund allocation of £57.730m with prior year spend of £12.156m as part of 2022/23 capital budget approved by Full Council in February 2023.

6.2. This report is requesting approval to enter into contracts and incur expenditure for a range of professional services for the project. The total contract value is up to £4.834m. However, authority to spend is limited to up to £1.352m against these contracts.

6.3. Please note the feasibility budget of £1.5m was approved in September 2021 to appoint a multi disciplined project team. The sum of £0.148m has been spent to date. An additional expenditure of £0.796m is sought for other Professional Services, associated costs and contingency to carry out the options analysis to OBC stage 2.

6.4. A rigorous procurement process has been undertaken to appoint a Multi-Discipline Consultant Team for the project. There is sufficient scheme budget allocation to support the approval to enter into contract with Carter Gregson Gray as Architect (£1.737m), Arcadis LLP as Project Manager (£1.141m), Ward Williams Associate as Cost Consultant (£0.606m), CR8 Structures as Structural & Civil Engineer (£0.456m), Hoare Lea as MEP Engineer (£0.566m), and Farrer Huxley as Landscape Architect (£0.329m). Authority to enter contract for the other professional services will be made under the existing delegated authority to the Director of Regeneration, Economy & Planning.

6.5. A new budget bid of £81.378m has been submitted for the scheme as part of 2023/24 capital budget request based on the CGG architects' feasibility study for the site and adjusted to 50% affordable housing strategic vision of the Council.

6.6. Please refer to Appendix A for detailed financial implications.

7. Legal Implications

7.1. The Council has sought to procure a MDCT via the Crown Commercial Services (CCS) RM6242 Construction Professional Services DPS. The procurement of the MDCT consists of the appointment of the following:

- Carter Gregson Gray as Architect;
- Arcadis LLP as Project Manager;
- Ward Williams Associates as Cost Consultant;
- CR8 Structures as Structural and Civil Engineer;
- Hoare Lea as Mechanical, Electrical & Plumbing Engineer;
- Farrer Huxley as Landscape Architect; and
- Associated costs and other professional services related to the MDCT.

7.2. Governance

7.2.1. The Council has a general power of competence under section 1 of the Localism Act 2011. This provides that the Council has a general power to do anything an individual can do, unless it is prohibited by legislation. The Council also has the power under section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate or is conducive or incidental to the discharge of its functions.

7.2.2. In accordance with Appendix 2 of the Council's Procurement Code, the appropriate Cabinet Member may approve expenditure commitments and contract awards over £1.5m on Capital Schemes following endorsement to approve from the appropriate Executive Leadership Team member and CGRB. Cabinet Member approval is required for all Consultancy Agreements valued at £300,000 or more in accordance with the relevant Committee's Terms of Reference.

7.2.3. Procurements must be in compliance with Appendix 2 of Council's Procurement Code and the Public Contracts Regulations 2015 (PCR 2015), unless an exemption is available. Section 4.1.3 of the Council's Procurement Code permits the use of Frameworks and Dynamic Purchasing Systems. For the procurement of the MDCT, the Council has utilised an existing dynamic purchasing system established by CCS, RM6242 Construction Professional Services DPS.

7.3. Approved Expenditure

7.3.1. The MDCT contracts for the basic services are for a fixed price sum however additional fees are payable for additional services.

7.3.2. In respect of these contracts, we note that OBC approval for the expenditure has only been granted up to RIBA Stage 2 as such the contracts are not fully funded; we note that the proposed contracts with the successful bidders have provision to be terminated by the Council at any time by giving 14 days' notice. The Council could exercise this right if approval for expenditure is not received, however such right must be exercised subject to and accordance with the terms of the relevant contract.

7.4. Social Value Commitments

7.4.1. The Council has established a Responsible Procurement and Commissioning Strategy.

7.4.2. The Council sought bids for the MDCT contracts on the basis that 10% of the overall evaluation was scored on a tender submission's social value commitments. The contract with the successful bidder will be amended to ensure that the social value commitments made by the successful bidder are enforceable by including the requirement to comply with the social value commitments under the Client Brief of the contract.

8. Carbon Impact

8.1. The total anticipated carbon emission impact of all professional services including the MDCT, over the lifespan of the project is 1,316 (tonnes of CO₂e).

8.2. 291 Harrow Road will propose a high performing sustainable development that seeks to minimise the Carbon Impact in line with the Council's commitment to becoming carbon neutral Council by 2030 and carbon neutral City by 2040. Design development will explore sustainable and Modern Methods of Construction (MMC) and non-fossil fuel hot water, heating and cooling strategies alongside incorporating energy efficiency measures and renewable energy generation. A Carbon Impact Assessment will be prepared as part of the Concept Design to support the Outline Business Case Part 2 decision.

9. Equalities Impact

9.1. In the decision to enter into contracts for professional services up to a value of £8.24m for Professional and Development Management Fees to carry out design development in relation to 291 Harrow Road, the Council must pay due regard to its Public Sector Equality Duty (PSED), as set out in Section 149 of the Equalities Act 2010 (the 2010 Act). The PSED provides that a public authority must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the 2010 Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

9.2. The development of the site will be designed to address the needs of a wide range of people. Across development schemes there are always likely to be a range of outcomes, some of which will be negative for some people; however, the development aspiration aims to maximise the positives for many people and for a longer period. An Equalities Impact Assessment (EQIA) is required to ensure that any detriment experienced by residents is not a result of their protected characteristic.

9.3. Consideration will be given to future recommendations and, if they go ahead, whether it is possible to mitigate any adverse impact on a protected group, or to take steps to promote equality of opportunity by, for example, treating an affected group more favourably.

9.4. Officers are mindful of this duty in making the recommendations in this Report. An EQIA will be updated throughout the progress of the project and incorporated into the contract management processes to ensure compliance with statutory duties, considering the impact on those with protected characteristics and how the design development, along with consultation with the community, will take these into account.

10. Consultation

10.1. In preparing this report, officers have consulted with the ward Councillors for Westbourne. A summary of the report has been provided in the form of a briefing note on 17th November 2023. The Ward Cllrs had no further comments in relation to the report.

10.2. The Council consulted on previous scheme in 2013 which included supported housing for people with learning and physical disabilities and intermediate affordable housing. A public exhibition was held for the community explaining what was proposed on the site and for residents to provide feedback on the architect's design proposals. Overall people that attended the exhibition strongly agreed that they supported the principle of redeveloping the site and welcomed more and better accommodation for people with learning disabilities, feeling that this is important. They also strongly supported an improved play area as part of the overall scheme.

10.3. With the project at its inception, 291 Harrow Road represents a unique opportunity to deliver on the Council's goal to make resident engagement fundamental to any future schemes. Any Communication and Engagement on 291 Harrow Road will seek to:

- Engender support for the project from stakeholders including residents, businesses, local neighbours, amenity groups, elected members etc.
- Establish strategic stakeholder groups for the project.
- Listen to residents and stakeholders and their vision(s) for the future of the estate.
- Maximise participation in consultation prior to planning submission.
- Residents/stakeholders have a full understanding of any impact the proposals will have on them.
- Provision of timely and accessible information about the project as it progresses, incl. designs in easily accessible and digestible formats.
- Offer various engagement methods to facilitate community involvement.
- Use jargon-free content when communicating with residents and the community.
- Ensure a clear link between the 291 Harrow Road Consultation Process and the NPP, with a North Paddington Partnership Board (incl. representatives from education, VCSE, health etc.) established in early 2023.

- Consideration to maximising opportunity for engagement and overcoming barriers e.g., language and interpretation needs, needs of specific ethnic groups, support for vulnerable residents, accessibility needs etc.

10.4. The table below sets out the proposed engagement at each of the key RIBA stages:

RIBA Stage	Engagement	Aims of Engagement
RIBA Stage 1	Resident Stakeholder Working Groups	Listening exercise with key members of the local community inc. residents & VCSE's.
RIBA Stage 2	Options Consultation (as required)	Consult with qualifying residents on a range of options from do nothing to full redevelopment (s105).
	Pre-Pre-Planning Consultation (2 Stage)	Present the emerging and updated proposals to the community and gain feedback on the Concept Design proposals.
RIBA Stage 3	Pre-Planning Consultation (2 Stage)	Present and gain community feedback on detailed and update design proposals.
RIBA Stage 4	Pre-Start Consultation	Engage with the community prior to works starting on site.
RIBA Stage 5-6	Newsletter & Ongoing Responsive Engagement	Keep the community up-to-speed with progress on site, delays etc.
RIBA Stage 7	Clear communication with residents, WCC & contractor)	Provide clear communication to new tenants & leaseholders.

11. Next Steps

11.1. Subject to approval from the Cabinet Member, Officers will issue the award notifications to bidders, finalise the appointment of the MDCT, enter into contracts and progress the feasibility stage options analysis prior to returning to the Cabinet Member with the outcome in Spring 2024.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

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APPENDICES – EXEMPT FROM PUBLICATION

- Appendix A - 291 Harrow Road - Financial and Legal Implications
- Appendix B - 291 Harrow Road - Emerging Strategic Programme
- Appendix C - 291 Harrow Road - CGRB Architect Gate 3 Paper
- Appendix D - 291 Harrow Road - CGRB Project Manager Gate 3 Paper
- Appendix E - 291 Harrow Road - CGRB Cost Consultant Gate 3 Paper
- Appendix F - 291 Harrow Road - CGRB Structural & Civil Engineer Gate 3 Paper
- Appendix G - 291 Harrow Road - CGRB MEP Engineer Gate 3 Paper
- Appendix H - 291 Harrow Road - CGRB Landscape Architect Gate 3 Paper

BACKGROUND PAPERS

- Cabinet Member Report (CMR) Acquisition of 291 Harrow and 1-2 Elmfield Way, W9 (September 2021)

For completion by the **Cabinet Member for Climate Action, Regeneration and Renters**

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report.

Signed: _____ Date: _____

NAME: _____

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled 291 Harrow Road – Multi-Discipline Consultant Team (MDCT) Appointment and reject any alternative options which are referred to but not recommended.

Signed: _____

Cabinet Member for Climate Action, Regeneration and Renters

Date: _____

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.