

Cheltenham Borough Council

Cabinet Member decision report: Appointment of Lead

designer, Architect, Master Planning and Landscape

Design consultants for the redevelopment of the former

Monkscroft School site.

Accountable member:

Victoria Atherstone, Cabinet Member for Housing

Accountable officer:

Gemma Bell, CBC Director of Finance and Assets (Deputy S151 Officer)

Accountable scrutiny committee:

N/A

Ward(s) affected:

St. Marks

Key/Significant Decision:

No – Not required as the budget falls within the HRA budget approved by Cabinet/Council February 2023.

Executive summary:

Since CBC acquired the former Monkscroft School site in March 2020 for the purpose of delivering circa 60-70 new affordable homes, progress has been made regarding the overarching objectives to be achieved. Initially the intention was to pursue Modern Methods of Construction (MMC) on this site, however, considering the numerous key MMC suppliers going into administration of late and the need to expedite delivery on this site, it has been collectively agreed between CBC/CBH that we will now be employing a traditional construction approach.

The redevelopment of this site is a key priority for CBC/CBH. The appointment of the lead designer, Architect, Master Planning and Landscape Design consultants is one of the initial

milestones to be achieved to enable us to progress with the scheme.

This report outlines the recommendation to appoint BDP. Ltd. (BDP.) to act as lead designer, Architect, Master Planning and Landscape Design consultant through RIBA stage 1-4a in respect of the potential development at the former Monkscroft Primary School site. BDP. are an international and national leading and award-winning design company who provide services across all technical disciplines. The appointment has been secured via a tendering process through the Procurement Hub's Consultants Dynamic Purchasing System (DPS), which CBC can access.

Recommendations:

The Cabinet Member of Housing is recommended to: -

- **Approve the appointment of BDP. to act as lead designer, Architect, Master Planning and Landscape Design consultants through RIBA stages 1-4a, through the Procurement Hub's Consultants DPS tendering process, in respect of the potential development at the former Monkscroft Primary School site. Details of the proposed fee can be found at Appendix ii (exempt).**
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1. Background

- 1.1. The Monkscroft Primary School, St Mark's, was closed in 2008 and subsequently demolished. Part of the former school site has since been redeveloped to create the Monkscroft Care Home. The remaining undeveloped part of the site extends to approximately 1.8 hectares (4.5 acres). In 2019, Gloucestershire County Council (GCC) submitted a planning application (19/01190/OUT) to redevelop this parcel of land to provide 60 new homes. The application was recommended for approval but deferred due to objections from highways with the request for further information in relation to the proposed highways arrangements. The proposed scheme of 60 dwellings was noted by the Architects Panel as a low-density scheme of only 33 dwellings per hectare with the request that the proposed site layout be reviewed with a view to increasing the density.
- 1.2. The site is located close to Princess Elizabeth Way and is on the edge of the Poets Conservation Area in St Marks. The site adjoins the public highway to the North on Shakespeare Road and to the South on Shelley Road. In 2018 the site was identified as a strategic priority for CBC/CBH in consideration of the wider estate regeneration ambitions focused on the West Cheltenham area, and the site is allocated for residential development in the Cheltenham Local Plan. Monkscroft School site is the single largest parcel of land suitable for housing development within the vicinity (excluding Golden Valley), it is located within close proximity to Coronation Square, and within 1 mile of the Golden Valley Cyber Innovation Centre.
- 1.3. The redevelopment of the site at Monkscroft school represents an opportunity to deliver significant and much needed improvements to the whole of the West Cheltenham area. The site will be redeveloped as a wholly affordable scheme to provide homes for those in need, and an application for funding will be made to Homes England in due course.

- 1.4. In March 2020, CBC acquired the site from GCC with the intention to deliver 60-70 new affordable homes to meet local housing need. Since this time, CBH has been working closely with CBC colleagues to determine and agree our approach to realising our collective ambitions that have in turn informed the proposed objectives and brief for the site.
- 1.5. The size and location of the site warrants the delivery of an exemplary scheme both in place making terms, architectural approach and in creating a cohesive community that connects with the existing homes that surround.
- 1.6. Over the last 2 years CBH has carried out site specific surveys and searches, as well as exploring the proposed sustainability criteria to be met, to deliver the optimum solution to help us realise our objectives to deliver an outstanding sustainable project. This will include net zero carbon features to support CBCs ambition to be net zero carbon by 2030.
- 1.7. Discussions have been ongoing between CBH/CBC, Publica and One Legal since August 2022 to inform the proposed procurement strategy to appoint the lead consultant. Initially the intention was to explore MMC¹ as a potential delivery route.
- 1.8. In the Spring 2023 discussions between Senior CBC/CBH officers took place and it was agreed to proceed with traditional construction due to concerns with the MMC market and potential risks associated with exploring this site as a pilot. Since this time, the procurement strategy has been reviewed and amended to reflect this with the procurement of the wider consultancy team required to support the delivery of the site remaining the key priority.
- 1.9. By end of July 2023 the first appointment was made of Henry Riley Ltd acting as the lead consultant, QS and Employers agent / project manager.
- 1.10. In collaboration between CBH's development team, Henry Riley, Publica and One Legal, in December 2023 the Council appointed the planning consultant. At the end of November 2023, a tendering process was carried out for the appointment of a lead designer, architects, master planning and landscape consultants.
- 1.11. The tenders were returned Tuesday 28th November 2023. Following the tender closing date, a round of clarification and questions were issued to all tenderers, which concluded on 15th December 2023.
- 1.12. Following the tender evaluation process, the recommendation is for CBC to award the contract to BDP, through the DPS tendering process, to act as lead designer, master planner, architect, and landscape architect, for RIBA stages 1a-4a.

2. Reasons for recommendations

- 2.1. BDP. offer a full range of design and technical services and have been in operation since 1961. As part of the due diligence that formed the initial review to identify a

¹ Modern Methods of Construction

preferred consultant, we have sought references and undertaken research into their financial capacity and expertise and are satisfied that their approach to partnering and eagerness to working on this project will support us to proceed with the development swiftly.

- 2.2. The tenders were scored based on a 60:40 cost to quality ratio.
- 2.3. The tender requested consultants to provide a price with a fee breakdown, and method statements on how they would meet and achieve the objectives of the project, client references, experience with projects of a similar scope and scale, as well as an organogram of the proposed team. Each of these criteria were weighted based on the importance of their relevance and importance to the scheme.
- 2.4. Following a competitive tendering process, a total of 18 tenders were submitted and provided a wide range of quality responses. In discussion with Publica it was determined that 2 consultants submitted tenders that gave reason for concern (one with an abnormally high cost the other abnormally low fee) and on this basis both consultants have been excluded from the evaluation process. Via the tender evaluation process, BDP. Have demonstrated value for money as well as evidenced confidence that the services can be carried out in line with CBC's / CBH's expectations of quality. BDP. scored highest on all quality questions and criteria.
- 2.5. The successful tenderer, BDP., has provided us with an excellent response, which was comprehensive and provided a clear understanding of the particulars of the site/scheme and local Cheltenham environment. They furthermore provided full confidence that they have digested and embrace CBH/CBC's design brief and objectives of the project.
- 2.6. They are committed to creating a flagship project for the region with an inspiring approach.
- 2.7. One Legal have advised as to the use of the DPS, and Publica have been involved in the procurement process, including involvement in the tender evaluation. Publica support the recommendation to appoint BDP.
- 2.8. Prior to tendering some soft market testing was completed to inform the likely value of the commission. The proposed fee from BDP. is below the benchmark following this exercise. Their fee proposal together with their high scoring on the quality question has therefore satisfied us that this represents value for money. Please see further details at Appendix ii.

3. Alternative options considered.

- 3.1. Pursue an alternative procurement route either via an open tender or in employing an alternative Framework – both alternative options have been rejected based on the delays this would cause to the overall project programme.

4. Consultation and feedback

- 4.1. The site has been discussed at the overarching governance structure overseeing the

CBC/CBH affordable homes programme, which includes the Strategic Housing Delivery Group (SHDG) and Cabinet Member Housing Working Group (CMHWG). These forums include Senior officers from CBC/CBH and the Cabinet Member for Housing. It is collectively agreed that the key priority is to expedite progress on this site.

- 4.2. With the transition of CBH to CBC and the imminent changes within the CBH Development and Executive Teams, responsibility and accountability for new supply is to be led by CBC comprising the CBC Major Projects and Regeneration team with the remaining CBH development team members reporting into this Directorate. The overarching governance arrangements for overseeing new supply (currently SHDG, CMHWG) will be reviewed in due course as part of the medium-term arrangements. In the meantime, regular reporting will continue via the current governance arrangements for new supply including the joint SHDG, CMHWG, Cabinet/Council as required, to be led by CBC Major Projects and Regeneration Director.

5. Key risks

- 5.1. Please refer to the risk assessment at Appendix 1.
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6. Implications

6.1. Financial implications

- The budget for the consultancy services including BDP. required to redevelop this site are within the HRA Capital Programme Budget approved by Council in February 2023.
- Once planning consent has been secured for the site, and tenders received to procure a main contractor to redevelop the site, in accordance with the schedule of delegations approved by Cabinet (March 2020), approval will be sought from the Cabinet Member Housing to award the contract to the favourable contractor. The required budget for redevelopment of this site will be included in the 4-year capital budget proposals presented Council in February 2024.
- The terms of the appointment with BDP. are such that payment for services will be made upon successful completion of key milestones, via payment upon completion of stages throughout the duration of the contract. Payments will be made in arrears for services completed.

Signed off by: Gemma Bell, CBC Director Finance and Assets

6.2. Legal implications

- 6.2.1. CBC intends to enter into a JCT Consultancy (Public Sector) Contract 2016 through the Procurement Hub's Consultancy DPS (Ref: 2019/S 130-319565), a Dynamic Purchasing System set up by Procurement Hub for use by bodies governed by public law. CBC is permitted to use this DPS pursuant to Regulation

34 of the Public Contracts Regulations 2015 (PCR 2015) and the DPS holder's rules.

6.2.2. CBC undertook a tendering exercise through the DPS for lead designer, Architect, Master Planning and Landscape Design consultant through RIBA stage 1-4a, as required by the DPS. CBC should be satisfied that the consultancy services offered by the DPS meets its needs.

Signed off by: One Legal, legalservices@onelegal.org.uk

6.3. HR implications

Not applicable

6.4. Environmental and climate change implications

- In support of CBC's ambition to be a sustainable and net zero carbon council by 2030, in developing and delivering the new homes for Monkscroft school site, the aim is to deliver a sustainable project that takes a fabric first approach, driving towards the attainment of net zero operational carbon. The project will deliver highly energy efficient, homes which will be heated using alternative forms of energy and there is a potential of using solar PV or other low carbon heat technologies as appropriate.
- The Council's Climate SPD have been shared with BDP. and will be used as a reference and guide against which the sustainability performance of the project will be considered. Net zero carbon (operational) will be calculated and considered within the project. One of the key objectives for developing the project is to implement a biodiversity net gain strategy as part the landscape and open green space design. The site is circa 1.800 hectare which includes a large number of mature trees which we will try to retain as far as practically possible.
- The initial flood risk assessment indicates the need for implementing an element of open attenuation which will form part of the enhancement to the landscape experience for the enjoyment of the future tenants and local community as well add to the overall biodiversity. The detail is to be worked up in due course.
- We will be working with the appointed consultants to prepare a site and construction strategy. Within the procurement exercise to appoint a main contractor we will be requesting a detailed environmental waste management plan in line with the government guidelines, as well as the guidelines set out by DEFRA².

Signed off by: Maizy McCann and Debbie Baker, CBC Climate Change team

6.5. Property/asset implications

The UK is faced with a chronic housing shortage, a 'levelling up' agenda and pressing net zero carbon targets. Due to the geographically constrained nature of Cheltenham, bringing this site back into use to deliver new affordable homes will make best use of brownfield

² The Department for Environment Food and Rural Affairs

land and support us in realising our HRA business Plan target of delivering 450 affordable homes by March 2028.

Signed off by: Gemma Bell, Director Finance and Assets

6.5 Corporate policy framework implications

Increasing the delivery of affordable housing forms a central tenet of CBC's Corporate Plan and HRA Business Plan 2023-2028. The scheme will explore and investigate the best way to support the Council's aspiration to be net zero carbon by 2030 as outlined in the Climate Change Supplementary Planning Document (SPD) and Climate Emergency Action Plan – Pathway to Net Zero.

7 Promoting equality and reducing discrimination

N/A

8 Performance management – monitoring and review

- Appropriate programme monitoring and management mechanisms are established as part of a gateway approach following the RIBA Stages.
 - The CBH Regeneration Manager will manage the project on a day-to-day basis supported by Henry Riley the appointed PM/EA and QS consultants, and through biweekly and monthly meetings with the team. In line with the transition arrangements with the transfer of CBH to CBC, the CBH development team will be managed by CBC Director Major Projects and Regeneration, who will be responsible for the overall delivery of the project and services from BDP.
 - Review measures are in place on key performance indicators covering client's satisfaction of services, time management, project quality, technical ability, Social added Value, Cost predictability, Collaboration Skills and so forth.
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Report author:

Alison Salter, CBH Head of Development

Alison.Salter@cbh.org 0778 5345912

Appendices:

- i. Risk Assessment
- ii. Climate Impact Assessment Tool
- iii. D&B check - (exempt)
- iv. Evaluation template – (exempt)
- v. Tender evaluation report – (exempt)

Background information:

- Report to Cabinet – 3rd March 2020, Acquisition of Monkscroft School site.

Appendix i: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1	If the appointment of BDP. is not supported there is the requirement to re-commence the procurement exercise at the right time to appoint a lead designer, architect, master planning and landscape team with resultant delays on the programme.	Paul Minnis	4	2	8	Avoid the risk	Appoint consultant in line with recommendation.	Dorthe Riis Jones	22/01/2024
2	If the appointment of BDP. is delayed it is likely that there will be a further impact on the remaining design team build which is depended on the role of the lead designer to ensure design and coordination of technical disciplines.	Paul Minnis	4	4	20	Avoid the risk.	Work with CBC colleagues, One Legal and Publica to ensure everything is in hand to enter contract as soon as approval has been given.	Dorthe Riis Jones	22/01/2024