



Mayor and Cabinet

Approval to Award Concession Contract for The Design, Build and Operation of a Café at Mountsfield Park

Date: 9th February 2022

Key decision: Yes

Class: Part 1

Ward(s) affected: Rushey Green

Contributors: Jessica Kyle – Nature Conservation Officer
Vince Buchanan – Head of Parks, Sports and Leisure
Sorcha Rooney – Senior Procurement & Contracts Officer
Katy Delaney – Senior Contracts Officer
Russell Edwards – Project Manager (Capital Programme Delivery)
Sohagi Patel - Contract Lawyer, "Contracts, Education and Employment"
Chris Goddard - Business Partner, Group Finance - Communities

Timeline and Engagement

Friday 20th November 2019 – Approval to go to tender from Mayor and Cabinet

February 2022 – Award presented to Mayor and Cabinet for approval

Outline and recommendations

The Mayor and Cabinet are recommended to award a concession contract for the design, build and operation of a new café at Mountsfield Park to Bright & True. The contract will be for an initial period of 15 years, commencing around March 2022.

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1. Summary

- 1.1 The Greenscene Team commission a range of services to meet the needs of the park users. The current café contract is a monthly rolling contract and can be terminated at any time. Permission to procure the design, build and operation of a cafe this service was agreed by Mayor and Cabinet on 20th November 2019.
- 1.2 The Rushey Green Renewal Area (“RGRA”) team (part of the Council’s former Regeneration Directorate) identified through extensive consultation that Mountsfield Park was considered underused and felt unsafe by local residents and park users. As the largest open space within the RGRA area the programme funded a number of small projects to address some of these issues.
- 1.3 A sum of £50,000 was originally set aside in the Council’s 2019/20 capital budget to assist with the construction of the new café in Mountsfield Park and this sum will be made available to the successful bidder on completion of the build process. This sum is a non-repayable capital contribution.
- 1.4 This report summarises the work undertaken and the procurement approach implemented to recommend the award of a design, build and operation of a café contract at Mountsfield Park.

2. Recommendations

- 2.1 The Mayor and Cabinet are recommended to award a contract to:
Bright & True to deliver the **design, build and operation of a café at Mountsfield Park**: The concessionaire contract will be for an initial period of **15** years, commencing around March 2022.

3. Policy Context

- 3.1 The Council’s Corporate Strategy 2018 – 2022 sets out as one of its key themes the ‘Preservation of our award-winning greenspaces’. It is anticipated the building of a new café and toilet facilities will contribute to this objective by attracting more residents to the park and meeting the long term aspirations of the ‘Friends of Mountsfield Park’.
- 3.2 The Council’s Parks and Open Spaces Strategy 2020-2025 sets out how it hopes the borough’s parks to be, “the heart and lungs for Lewisham, connecting active, healthy and vibrant local communities.” A key priority of the Strategic Social Aims is to, “improve, protect and provide clean and safe parks, allotments and Nature Reserves by seeking inward investment, prioritising neglected and rundown areas”.

4. Background

- 4.1 In the early 2000s the Rushey Green Renewal Area (“RGRA”) team (part of the Council’s former Regeneration Directorate) identified through extensive consultation that Mountsfield Park was considered underused and felt unsafe by local residents and park users. As the largest open space within the RGRA area the programme funded a number of small projects to address some of these issues.
- 4.2 A sum of £50,000 had been set aside in the 2019/20 capital budget to assist with the construction of the new café and this sum will be made available to the successful bidder on completion of the build process. This sum is a non-repayable capital contribution.
- 4.3 The existing café building is located in a single converted shipping container. It was proposed to provide a new facility – providing a much expanded facility including an

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internal seating area that will spill out onto the children's play area. There has been a café concession operating in the temporary container at various times since 2011, remaining open to the public for at least 10 months of the year.

- 4.4 In November 2019 Mayor & Cabinet approved permission to procure a concession contract to design and build a new café and to run the café at Mountsfield Park. The evaluation weighting was 60% costs and 40% quality to incentivise all bidders to offer market value for the lease to seek to ensure we achieve best value consideration.
- 4.5 Unfortunately, the process was delayed due to the COVID-19 pandemic.
- 4.6 This project was published on the Tender portal on Friday 24th September 2021.
- 4.7 The tender pack informed bidders that the Council will ensure that the remedial for drain works will be carried out and paid for from the £50,000 capital budget. The bidders were therefore informed of the risks in connection with the drains. Should any funds remain from a £50,000 capital budget they will be provided to the concessionaire contributing towards the completion of the project.
- 4.8 The ongoing repair and maintenance costs, will be met by the concessionaire under the terms of the lease prepared by Lewisham's Regeneration and Place team. This will be a 15 year lease. This would be outside The Landlord and Tenant Act 1954, which means there is no security of tenure after the end of the 15 year lease.
- 4.9 The successful bidder will run the new café once it has been designed and built, and it is expected this will generate a rental income stream to the Council. Although it is not possible to quantify at present, an indicative estimate can be made from the café at Folkestone Gardens. It must be noted that this isn't 'like for like', because the Folkestone Gardens café was the refurbishment of a toilet block, whereas this is a new build café. Rent was based on £11.11 sq foot. Allowing for the 2.4% Retail Price Index uplift this would make it £11.38sq foot or £122.50 sqm. Therefore a building of 150sqm would generate approximately £18,374 in rent per year.
- 4.10 The existing café in the park, which is to be closed, currently pays rent to Glendale who manage the park. From around November 2023 management of the parks service will be brought 'in-house'. Rent will become payable by the contractor from the start of the concessionaire contract around March 2022.
- 4.11 Discussions will be held with the current occupiers of the café as to whether it would be possible for them to continue trading under their existing conditions whilst the café is being built. This would be subject to agreement with relevant parties such as Glendale, Greenscene and the Friends of Mountsfield Park.
- 4.12 Under the concession, contract market rent will be achieved given that bidders were required to submit proposals for rent rates at market value of the café they are proposing to build, taking into account that the lease would include maintenance and repairing costs of the new build and toilet facilities for public use (see section 4.). A lease incentive of a concessionary low rent of only £1,000 pa will be charged by the Council for the first five years.
- 4.13 The estimated value of the contract to the contractor in accordance with the Concession Contracts Regulations 2016 is the total turnover of the concessionaire generated over the duration of the contract plus payments and other financial advantages from the Council. Over the 15 years contract period officers estimate this to be £3,338,175 plus the contribution of £50,000 set aside from the 2019/20 Capital Budget. The estimate was based on the following (*please also see the Mountsfield Park Procurement report points 4.8 & 4.9 report attached*):

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- The average value of tenders submitted during the previous procurement process: £134,266, so £150,000 to allow for inflation etc.
- The average cost of the projected sales in year 1 were £212,545 which over 15 years would be £3,188,175.

This value does not take into account the £400,000 investment by the concessionaire.

5. Procurement Arrangements

5.1 Officers believed that the best procurement route would be the 'open' procedure whereby all organisations expressing an interest are invited to tender.

5.2 Officers used the Pro Contract to advertise the following contract:

1) **The design, build and operation of Mountsfield café**

5.3 The tender for **the design, build and operation of Mountsfield café** went live on **24th September 2021** and closed on **26th November 2021**.

5.4 The following criteria were assessed during the evaluation process:

Financial	60%
Experience and Technical Capability	5%
Service Delivery	8%
Project Management	5%
Design Approach	10%
Social Value	10%
Continuous Improvement	2%

5.4 In accordance with 'Best Value' the specification produced for the contract was 'output based'. Tenderers were asked to submit a description of their proposals in the form of Method Statements, in order to test tenderers' understanding of service requirements. These included proposals for assisting the Council in delivering continuous improvements.

5.5 The Method Statements were assessed under the non-financial criteria and those provided by the successful tenderers will form part of the Contract documentation against which their performance will be monitored. An example of the information required by the method statements is given in **Appendix 2**.

5.6 The pricing schedule used to assess the financial aspects of the bids are shown in **Appendix 3**.

5.7 Contract Title

- Following the placement of an 'open' advertisement in Pro-Contract for this service, four organisations expressed an interest in providing this service.
- Out of these four organisations, two did not submit full tender documentation.

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Therefore two organisations went through to the evaluation process:

6. Synopsis of the bids received.

6.1 Full synopsis of the bids received are set out in **Section 6** of the **Part 2** report.

7. Financial implications

7.1 The latest Credit Safe report has been reviewed and the successful company has scored 44 which is acceptable. A copy found in Section 14.2 of the Part 2 report.

7.2 A sum of £50,000 has been set aside in the 2019/20 capital budget to assist with the construction of the new café and this sum will be made available to the successful bidder on completion of the build process. This sum is a non-repayable capital contribution.

- a. As per paragraph 4.7 above, it is proposed that the Council will utilise part of the existing £50,000 capital budget allocated to the project to investigate and address any challenges associated with the existing infrastructure. The Council will commission work with costs being met from the £50,000 with the remainder being made available to the successful bidder to contribute towards the completion of the project.
- b. The Council has been provided with an estimated cost of £7000 for the works for a new drain run and inspection chamber (Appendix 1).
- c. The ongoing repair and maintenance costs, will be met by the successful bidder under the terms of the lease prepared by Lewisham's "Regeneration and Place" team. This will be a 15 year lease, and will be outside of the Landlord and Tenant Act 1954, which means there is no security of tenure after the end of the 15 year lease.

7.3 The successful bidder will run the new café once it has been designed and built, and it is expected this will generate a rental income stream to the Council. Although it is not possible to quantify at present, paragraph 4.9 provides an indicative estimate. The existing café in the park, which is to be closed, currently pays rent to Glendale who manage the park.

7.4 Bright & True are recommended to deliver a concession service for the design, build and operation of a café at Mountsfield Park for the London Borough of Lewisham for an initial period of 15 years, commencing in around March 2022. The value of the concession contract is estimated to be £3,338,175 based on projected sales over the contract period, the initial low rent period for the first five years and the £50,000 set aside from the 2019/20 Capital Budget. This value does not take into account the £400,000 investment by the concessionaire.

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8. Legal implications

Disposal of Property

- 8.1 Under Section 123 of the Local Government Act 1972 the Council may not dispose of land for less than the Best Consideration reasonably obtainable without the consent of the Secretary of State, unless the General Disposal Consent is applicable. The Head of Asset Strategy and Development will need to confirm in due course that this requirement is satisfied by the grant of the lease to the winning bidder. If the winning bidder does not offer the highest rent, then the Council will need to be satisfied that the terms of the General Disposal Consent apply. The terms of the Consent mean that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area, subject to the condition that the undervalue does not exceed £2,000,000. If the terms of the Consent are not met, then Secretary of State's consent will be required to the grant of the lease.
- 8.2 Before disposing of any land consisting of or forming part of an open space, the Council is required to publish open space notices advertising its intention to dispose of the land and must consider any objections to the proposed disposal which may be made in response to the notices.
- 8.3 The **concessionaire** will be responsible for the Planning Application and associated costs.
- 8.4 An 'Agreement for Lease' will be signed by **the concessionaire at the same time as the concession contract is signed**. This will give the Council more security that the bidder will not pull out.

Concession Contract

- 8.5 The value of the concession contract falls below the EU threshold, therefore the Concession Contracts Regulations 2016 do not apply.
- 8.6 A concession contract is a contract for the supply of works or services to the Council where the consideration for the contract consists of either the contractor's right to exploit the works with or without payment from the Council; and where the concessionaire takes some risk. The Council does not pay for the service. The concessionaire receives payment from a third party.
- 8.7 Concession contracts are covered by different legal requirements than those applicable to other contracts, including regarding the estimated expenditure threshold.
- 8.8 Concession contracts are still subject to competition in accordance with the Regulations and the Council's Contract Procedural Rules. The relevant Category for determining the procurement route under these Contract Procedure Rules will be calculated by calculating the total turnover of the concessionaire generated over the duration of the

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contract (net of value added tax) including any payment from the Council the estimated consideration which would have been given if the entire cost of the services had been paid for by the Council.

- 8.9 In light of the value of the concession contract provided in this report, this is a Category A contract. The Contract Procedural Rules for Category A contracts has been followed. As a Category A contract, it would be for Mayor and Cabinet to take a decision on the award of any contract.

Due to the value of the concession contract, this is a Key Decision.

- 8.10 Since this contract is below the value at which the Concession Contracts Regulations apply, the provisions of the Public Services (Social Value) Act 2012 do not apply. However, the Council has adopted a Social Value policy which must be considered and applied; and the Council's Sustainable Procurement Code of Practice will be applied to the contract. The matters to be considered must only be those relevant to the services to be procured and it must be proportionate in all the circumstances to take those matters into account. The report sets out the social value issues which arise, and any future decision by the Mayor and Cabinet will also need to take those matters into consideration.

- 8.11 The Council has a public sector equality duty (under the Equality Act 2010 (the Act)). It covers nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

- 8.12 The duty is a "have regard duty", and the weight to be attached to it is a matter for the decision maker, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

- 8.13 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling

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reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>.

- 8.14 The Equality and Human Rights Commission (EHRC) has issued guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

9. Equalities implications

- 9.1 Consideration for access for those with disabilities, young children and mobility difficulties will be designed into the new building. Menus will reflect the diversity of the park users and local population.
- 9.2 The Council's Equalities objectives are addressed in the contract documentation and were part of the tender evaluation criteria.

10. Climate change and environmental implications

- 10.1 As this is a construction project there are certain environmental impacts due to the nature of Construction but it is anticipated that any such impacts shall be minimised and where possible materials will be recycled and or reused.
- 10.2 Method Statements asked the bidders to:
- 10.2.1 Evidence how you would make the new café and your business as carbon neutral as possible, showing how you are making ongoing reductions.”
- 10.2.2 “Evidence your use of sustainable timber and other resources in the build.”
- 10.2.3 “Provide evidence of your commitment to reducing single use plastics during the life of the project.”
- 10.2.4 The Council's Environmental objectives are addressed in the contract documentation and are part of the tender evaluation criteria.

11. Crime and disorder implications

- 11.1 This proposal to design, build and operate a new café at Mountsfield Park would increase the footfall, thereby improving feelings of safety amongst the community when visiting the park.
- 11.2 “Fear of crime” will be reduced with the addition of having permanent staff on site and with increased footfall.

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11.3 Antisocial behaviour will be reduced with the addition of new public toilet facilities.

12. Health and wellbeing implications

12.1 MS5 states that potential bidders should "...provide a menu showing how you offer high quality refreshments with broad appeal, showing the promotion of healthy lifestyles. This must include 'Sugar Smart' options in line the Borough's 'Sugar Smart' Scheme."

12.2 The services detailed in this report will have a positive impact on health, mental health, and wellbeing because it is anticipated that the café will bring more and new users to the park. Use of parks for walking and recreation has a proven benefit on people's mental and physical wellbeing.

12.3 The proposed winning building has a function room which can be hired out for activities including physical exercise.

13. Social Value

13.1 The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured.

13.2 The project itself has a high social value for a number of reasons;

13.2.1 The proposal for a new café in Mountsfield Park will encourage more people to use the park and make use of its many facilities.

13.2.2 Lewisham was the first Living Wage council in the country and is an officially accredited London Living Wage (LLW) Employer. It has increased the number of Living Wage employers in the borough by 800% since 2015. Lewisham is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Lewisham pay their staff at a minimum rate equivalent to the LLW rate. Officers therefore asked bidders to price on the basis of paying the London Living Wage where possible.

13.2.3 Officers asked bidders to comply with the Council's Social Value KPI in relation to Employment, Skills and Economy as much as possible i.e. the promotion of the London living wage, creating jobs for LBL residents, creating apprenticeships, providing training opportunities for residents, work.

13.2.4 The incorporation of Social Value into Lewisham contracts will significantly help the Council to deliver on its strategic corporate and Mayoral priorities and deliver added value for the borough as a whole. The Method Statements (**Appendix 2 and background papers**) have a number of Social Value requirements which the bidders needed to address.

13.3 Bidders were therefore asked to submit a method statement that has a weighted score of 10%. Bidders needed to demonstrate how the service will contribute to the key social value outcomes, including how the organisation works with local employers and training organisations to remove stigma and barriers to support individuals in returning to employment, training and/or education.

13.4 Once contracts have been awarded the Social value delivery and monitoring be

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formally reported on the KPI Performance report.

14. Contract Management

- 14.1 In accordance with the Council's contract management framework this contract is a **Tier 1** contract. Contract Management meetings will be held on a monthly basis and the key performance indicators (KPIs) on the contract management dashboard will be monitored and reported on accordingly.

15. Background papers

- 15.1 Permission to Procure Report for Mayor and Cabinet



Mountsfield Park
Procurement Report

- 15.2 Credit Safe report – in Point 14.2 of the Part 2 report.

16. Glossary

Term	Definition
RGRA	Rushey Green Renewal Area
LLW	London Living Wage

17. Report author and contact

- 17.1 Jessica Kyle jessica.kyle@lewisham.gov.uk
- 17.2 **Comments for and on behalf of the Director of Law, Governance and HR**
- 17.3 Sohagi Patel, Commercial, Education and Employer Solicitor, Legal Services
- 17.4 **Comments for and on behalf of Finance**
- 17.5 Chris Goddard Business Partner, Group Finance - Communities

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Appendix 1 – Drainage Quote



LDL Contractors Quotation

Vince Buchanan
Service Group Manager Green Scene
Block 2 Wearside Service Centre
Wearside Road
Lewisham
SE13 7EZ

Date: 9th October 2019

Mountsfield Park Drainage Run

Survey

Carry out Basic CCTV Survey of existing drainage run to determine if it is still usable and where it goes. £500.00

New Drain Run and Inspection Chamber

Excavate for new drain run from existing Interceptor located in path approximately 43-46 lm away from new IC location. £4,500.00
Lay new 4" soil on a bed of shingle from Interceptor to new IC location.
(IC Location will be on the Grass corner adjacent to the existing 2 cabins)
Encase Soil in Shingle and back fill.

New IC to encased in Concrete. £850.00

Option to install additional IC in run to allow easier access for blockages. £850.00
(Please note that the maximum recommended run from IC to IC/Manhole is 45 lm. The run is around this figure).

Should you go ahead with the New Drain Run then a refund will be given on the additional CCTV charge. £250.00

Please note that the price does not include to remove surplus soil. We will need a location to spread this.

Total Ex Vat £6,450.00

LDL Contractors
Brambletye, 14 Burntwood Lane
Caterham, Surrey
CR3 5UL
Tel:- 07930 303517
Fax:- 01883 343898
Email:- info@ldlcontractors.co.uk
www.ldlcontractors.co.uk



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Appendix 2 – Method Statements

Main Criteria (& Weighting)	Sub-criteria Weighting	Sub-criteria	Evidence	Method Statement
Experience Technical & Capability (5%)	2%	Please provide an overview of each staff member who will be working on this project. Include details on their relevant experience, qualifications and competencies	✓	MS 1
	3%	Please provide two (2) case studies/examples of operating a café business. Please include details of the location of the premises.		
Service Delivery* (8%) (Must achieve a minimum score of 7)	3%	Please provide a detailed and clear proposal on how you will deliver the café service outlined in the Specification. This must include how you will ensure your service will meet the diverse needs of service users.	✓	MS 2*
	3%	Please submit your 5 year café business plan on how you would fulfil the objectives of this project as outlined in the Specification.	✓	MS2*
	2%	Please clearly describe the staffing model you will use to manage and operate the café including an organisation chart detailing resource allocation.	✓	MS2*
Project Management (5%)	3%	Please provide your proposed programme of works and how this will follow on from procurement timetable outlined within the ITT (Point 4) . This should include how you would project manage the responsibilities of any subcontracted services, those of the principal contractor.	✓	MS 3
	2%	You should describe clearly the process you will undertake to appoint any principal contractor and subcontractors including how you will mobilise and manage the project from award of this tendered contract.	✓	MS3

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Design Approach* (10%) (Must achieve a minimum score of 8)	10%	Please submit your proposals in accordance with the Specification for the internal decoration with accompanying site plans and timetable for completion of these works. Architects drawings for the café design must reach Stage 2 of the 2013 RIBA Outline Plan of Work and should include at a minimum site plan, floor plan and a visual. Elevations are required.		MS 4*
Social Value (10%)	2%	Please evidence you use of sustainable timber and other resources in the build.	✓	MS 5
	2%	Please evidence how you would make the new café and your business as carbon neutral as possible, showing how you are making ongoing reductions.		MS5
	2%	Please evidence how you would seek to engage Lewisham companies and organisations in subcontracting opportunities.		MS5
	1%	Please provide evidence of your commitment to reducing single use plastics during the life of the project.		MS5
	1%	Please provide a menu showing how you offer high quality refreshments with broad appeal, showing the promotion of healthy lifestyles. This must include 'Sugar Smart' options in line the Borough's 'Sugar Smart' Scheme.		MS5
	2%	Where possible to comply with the Council's Social Value KPI in relation to Employment, Skills and Economy i.e. the promotion of the London living wage.		MS5
PLEASE NOTE		<i>Additionally please provide any additional economic, social and environmental benefits that are on the list of KPI's that you can also provide as part of this service</i>		
Continuous Improvement	2%	Please detail how you would provide any additional activities and/or services to promote the café and increase footfall in the park.		MS6

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Appendix 3 – Pricing Schedule

1. PRICING SCHEDULE

a) Capital to be contributed per square metre of building

Evaluation of Tenderer's Financial Proposals will be undertaken on a cost comparison based on proposed capital per square metre.

THIS WILL BE EVALUATED AT 40% OF THE PRICE EVALUATION

Table A

Cost Breakdown	
i)	Total capital to be contributed to building cost (including the £50k contribution from the Council)
ii)	Building size allocated: Total internal size of the proposed build in square metres (SQM)
Total: Cost per square metre (Total Capital ÷ SQM)	

b) Rental sum to be paid per square metre of building

Evaluation of Tenderer's Financial Proposals will be undertaken on a cost comparison based on rental proposed per square metre. Please ensure all years are allocated a value. For years 1 to 5 a concessionary low rent of only £1,000 pa will be charged by the Council. Thereafter the Café rent will seek to achieve the amount of rent that can be expected for the use of a property, in comparison with similar properties in the same area ("Market Rent").

Please note: Should you submit rent below the Market Rent the Council reserve the right to reject your tender and no longer consider it. Should you submit a rent per annum that exceeds Market Rent then you will pay the rent per annum that you submitted below which will be at a higher rate than the Market Rate.

THIS WILL BE EVALUATED AT 20% OF THE PRICE EVALUATION

Table B: Total Rental Average for years 6-15

Cost Breakdown	Rent per month	Total rent per annum	SQM (from ii above)	Total £ Per SQM (Total Rent ÷ SQM)
Rental paid year 6				
Rental paid year 7				
Rental paid year 8				

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Rental paid year 9				
Rental paid year 10				
Rental paid year 11				
Rental paid year 12				
Rental paid year 13				
Rental paid year 14				
Rental paid year 15				
Total				
10 Year Total £ Per SQM				
10 Year Average £ Per SQM				

The calculation for this is as follows [price score = price weighting x (tendered percentage/highest percentage)]

SECTION 2 – PAYMENT PROCEDURES

2.1 Frequency of payments

Payments will be made in arrears. Successful tenderers will be required to provide consolidated electronic invoices on a weekly/monthly basis and in addition will be required to accept payment by Government Procurement Card in those instances where supplies (under a monthly total of £5000) are made ancillary to the main contract. The Council has implemented an e-procurement system to allow it to trade electronically with suppliers. Further information can be obtained from eproc@lewisham.gov.uk.

2.2 Form to be used

Where appropriate, third party suppliers will receive system-generated purchase orders from LBL to provide goods, works and services to the Council. All invoices must quote the Lewisham Purchase Order Number or they will be returned to the supplier. The Invoice must be supported by an Account that must be in a form acceptable to the Council to substantiate the items in the invoice.

2.3 Justification

The Authorised Officer will require the Provider to justify the Account by giving whatever

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further details the Authorised Officer thinks fit. The Provider shall at its own expense supply the Council with all information and facilities required by the Authorised Officer for that purpose.

2.4 **Deductions**

Where it appears to the Authorised Officer that the amount claimed in the Account is greater than the value of the Service performed, or where the service provided has not been provided in accordance with the provisions of the Agreement between the Provider and the Council, the Authorised Officer is entitled to decide on the value of the work for which payment is due under the Agreement.

If the Authorised Officer decides that the value of the work is less than that set out in the Account, s/he must write to the Provider setting out the figure which the Authorised Officer has decided is the correct figure and explaining why that figure is less than that set out in the Account.

2.5 **VAT**

Where any deduction is made from the Account under the previous provision, and where the Provider has issued a VAT invoice against the higher figure claimed in the Account, the Provider must cancel that VAT invoice and issue a fresh invoice in the sum decided on by the Authorised Officer.

2.6 **Price Increase**

Rent will increase in accordance with Market Rent or in accordance with the rent per annum submitted above if this is greater than Market rent.

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2.7 Time for payment

The Council will pay within 30 days of receipt of the appropriate VAT invoice either:

- the amount set out in the Account or
- the amount which the Authorised Officer has decided on under paragraph 2.4 of this document (although that amount will only be paid once the Provider has issued a VAT invoice in accordance with paragraph 2.5 of this document)

2.8 Disputes

Any disputes about the payment will be dealt with under the dispute procedure set out in the Agreement.

Signed for Tenderer:

Signature	Print name(s) in full	Position held by each signatory (in the case of a company)

Dated this _____ day of _____ 20__

Full name of Organisation _____

Address for correspondence _____

Registered Address
(if different from above) _____

Telephone No _____ Fax No _____

E-mail address _____

State whether sole proprietor YES/NO* (delete as appropriate)

In case of partnership the full names and address of each partner:

Name	Address

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