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Contract

Delivery Partner for Growing Brixton's Rec Quarter – 49 Brixton Station Road and 6 Canterbury Crescent

London Borough of Lambeth

F20: Modification notice Notice identifier: 2025/S 000-006029 Procurement identifier (OCID): ocds-h6vhtk-02a25a Published 19 February 2025, 9:46pm

Section I: Contracting authority/entity

I.1) Name and addresses

London Borough of Lambeth

Town Hall, Brixton Hill

London

SW21RW

Contact

Valentine Onwuchekwa

Email

vonwuchekwa@lambeth.gov.uk

Telephone

+44 7785660185

Country

United Kingdom

Region code

UKI45 - Lambeth

National registration number

n/a

Internet address(es)

Main address

http://www.lambeth.gov.uk

Buyer's address

https://uk.eu-supply.com/ctm/Company/CompanyInformation/Index/18

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Delivery Partner for Growing Brixton's Rec Quarter – 49 Brixton Station Road and 6 Canterbury Crescent

Reference number

43828

II.1.2) Main CPV code

• 45000000 - Construction work

II.1.3) Type of contract

Works

II.2) Description

II.2.2) Additional CPV code(s)

- 7000000 Real estate services
- 70100000 Real estate services with own property

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

II.2.4) Description of the procurement at the time of conclusion of the contract:

The London Borough of Lambeth is seeking to secure a delivery partner/consortium that will be able to realise the Council's ambitions of supporting the long-term resilience of Brixton town Centre through the sustainable, net zero development of two sites in Brixton Town Centre which will deliver significant benefits for the local community.

The partner will be required to work with the Council through a Joint Delivery Board and set

up structures to support robust community engagement and involvement. The development will be required to provide a minimum of 6,500 sqm of workspace (20% of which will be delivered as affordable workspace) around 240 homes (50% of which will be affordable (with a 70% Council rent and 30% London Living Rent/Shared ownership split)), reprovision of enhanced Street Market Infrastructure (trader parking, waste facilities and storage space) and public realm improvements to Pope's Road and Brixton Station Road.

A robust employment and skills package is also required with at least 25% of the future job opportunities created being prioritised for local people alongside commitments to paying the London Living Wage in relation to all jobs related to the development, both during the construction and operational phases.

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Start date

28 September 2022

End date

1 April 2034

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section IV. Procedure

IV.2) Administrative information

IV.2.1) Contract award notice concerning this contract

Notice number: <u>2025/S 000-004447</u>

Section V. Award of contract/concession

Contract No

2025/S 000-004447

Title

Delivery Partner for Growing Brixton's Rec Quarter – 49 Brixton Station Road and 6 Canterbury Crescent

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

28 September 2022

V.2.2) Information about tenders

The contract/concession has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

London Square Developments Limited

One York Road, Uxbridge, Middlesex, UB8 1RN

Uxbridge

Country

United Kingdom

NUTS code

• UK - United Kingdom

The contractor/concessionaire is an SME

No

V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract; excluding VAT)

Total value of the procurement: £161,978,600

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

The High Court

United Kingdom

London

WC2A 2LL

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

The High Court

United Kingdom

London

WC2A 2LL

Country

United Kingdom

VI.4.4) Service from which information about the review procedure may be obtained

Cabinet Office

70 Whitehall

London

SW12AS

Telephone

+44 207261234

Country

United Kingdom

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

• 45000000 - Construction work

VII.1.2) Additional CPV code(s)

- 7000000 Real estate services
- 70100000 Real estate services with own property

VII.1.3) Place of performance

NUTS code

• UK - United Kingdom

VII.1.4) Description of the procurement:

The London Borough of Lambeth is seeking to secure a delivery partner/consortium that will be able to realise the Council's ambitions of supporting the long-term resilience of Brixton town Centre through the sustainable, net zero development of two sites in Brixton Town Centre which will deliver significant benefits for the local community

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Start date

28 September 2022

End date

1 April 2034

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£161,978,600

VII.1.7) Name and address of the contractor/concessionaire

London Square Developments Limited

One York Road, Uxbridge, Middlesex, UB81RN

Uxbridge

UB81RN

Country

United Kingdom

NUTS code

• UK - United Kingdom

National registration number

07160957

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

The location, duration and nature of the works will remain broadly the same after the

modification, still delivering new build housing, workspace, street market facilities and public realm improvements. The key variations comprise a reduction in minimum affordable housing levels from 50% to 40%, a reduction in the minimum required level of commercial workspace reprovision in alignment with Local Plan policy for mixed-use regeneration schemes and a reduction in the Council's land receipt in line with revised financial modelling and which represents best consideration in today's market

VII.2.2) Reasons for modification

Need for modification brought about by circumstances which a diligent contracting authority/entity could not foresee.

Description of the circumstances which rendered the modification necessary and explanation of the unforeseen nature of these circumstances:

The modification is being made under regulations 72(1)(c) and 72(1)(e) of the Public Contracts Regulation 2015 due to changing circumstances since the contract was signed. This is to ensure the scheme's viability and deliverability amidst significant economic turbulence, including build cost inflation, rising UK interest rates, and post-COVID shifts in workspace usage, along with new Building Safety regulations. The scheme remains largely the same, delivering housing, workspace, market facilities, and public realm improvements. External commercial advice has confirmed that the revised financial appraisal is reasonable and reflects the wider market, ensuring best consideration for the council. The Developer's return has decreased.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptions and average inflation)

Value excluding VAT: £194,374,320

Total contract value after the modifications

Value excluding VAT: £161,978,600