

London Practice Forum practiceforum.london mail@practiceforum.london

28 June 2024

Councillor Peray Ahmet Haringey Council River Park House 225 High Rd London, N22 8HQ

cc. David Joyce, Director of Placemaking and Housing
Barry Phelps, Head of Procurement, Haringey Council
(Open letter also published on LPF website)

Dear Councillor Ahmet

Cancellation of Bruce Grove Tender, London Borough of Haringey

At the end of February 2023, Haringey launched an open tender for a potentially brilliant project for a number of infill sites in blocks that make up Tottenham High Road near Bruce Grove. It encompassed many topics of interest for practices who share an interest in the complex urban and socio-economic conditions, rejuvenation of London's high streets, affordable housing provision, and the negotiation of many overlapping and conflicting interests in the associated public realm. The project was procured via the council's Dynamic Procurement System—and, given the number of suppliers on the DPS, it was effectively an open tender.

After deferring a decision multiple times, in June 2024 more than a year on, architects were notified via the procurement portal that the tender had been abandoned by the Council. The London Practice Forum conducted a short survey to gauge the cost of submitting amongst its members, and whilst many had avoided the complex and onerous tender (partly due to Haringey's previous form in cancelling tenders prior to award), the cost to the practices that took part was well over £100,000. This total was spread unevenly across nine firms, some of them acting as lead, some supporting other practices; and some of them micro-enterprises.

The project related to a £30m construction budget across five buildings, and was described in a complex set of tender documentation produced by Haringey. Updates and clarifications ensued until the end of April 2023, with a final submission in early May 2023.

The fixed fee (lump sum) tender required each tendering architect to assemble a full team of technical sub-consultants, with eight sub-consultant roles ultimately required: an onerous obligation conferring considerable—and uninsurable—risk on the architect. This required undertaking a diligent process of back and forth to navigate and interpret inconsistent tender information to arrive at an agreed scope of work and fee for each sub-consultant for each of five sites for each stage of work. The fee document alone had 720 numerical cells to be completed with fixed fees and percentages. A cost for all surveys was also required for five buildings on complex, constrained sites.

Lead architects were also invited to detail their site and project specific approach and methodology, produce detailed programmes, risk assessments, resourcing plans and extensively detail relevant projects. The tender required that the lead architect team up with a BAME-led micro design practice as a subconsultant and set out an approach to partnering with them in a meaningful collaboration. The brief also had an onerous and complex social value requirement with value worked through on the Social Value Portal.

At over £100,000, LPF practices' own contributions to Haringey's procurement process will have been a drop in the ocean. It goes without saying that this money could have been far better spent among LPF's participating small firms on staff wellbeing, staff benefits, improvements to premises, cost of living

bonuses, pro-bono work, donations - really anything. We would welcome Haringey's openness about the number of tenders it received.

We recognise that local authorities have suffered as a consequence of budget cuts and underfunding over many years, inevitably reducing their capacity to manage and deliver such projects. However, this is only the latest in a growing number of abortive tender processes that place an unfair burden on practices. It also serves to highlight the extent to which the cost of bidding in relation to the depression of potential fees and increasing cost of doing business has become unreasonable and unsustainable. This also severely limits the social value that lead consultants are able to deliver as part of their appointment.

In particular, while this tender was for a multi-disciplinary design team (MDDT), the identified Lead Consultant was required to be the architect, the vast majority of which are not multidisciplinary firms. Transferring onto these businesses the cost and burden of procuring, negotiating contract terms, establishing detailed scope of works and price for each party in a large technical sub-consultant team, before they have even been appointed to a job, is something peculiar to the public sector, and this is an expectation that must be robustly challenged.

Recommendations for future tenders include (noting that these are neither exclusive nor exhaustive):

- Appropriate due diligence and stress testing that projects can be delivered in some capacity, even
 if not the full capacity, prior to launching an onerous tender process;
- Architects invited to procure technical sub-consultants on behalf of public clients only after they
 have been selected as the Lead Consultant, and for a fee commensurate with the work and risk
 involved;
- A two-stage process involving only the Lead Consultants, with a simple, quick first stage, leading to a much smaller number of practices shortlisted to carry out the final, more comprehensive tender:
- Local authority clients procure their own technical consultants directly.

We would welcome a constructive dialogue with Haringey and other local authorities about how we can work together to develop a more proportionate and appropriate procurement that better serves the needs of the authorities whilst obtaining the best team for the project. The current way of doing things is not sustainable, and cannot continue.

Yours sincerely

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