

2223-0324 – Regent's Wharf Affordable Workspace

Islington Council is seeking to partner with a socially-focused and innovative workspace operator to deliver a net zero carbon focussed affordable workspace situated in the Caledonian Ward. A fifteen-year lease will be awarded at peppercorn rent in exchange for well-defined social value outputs (to be outlined in a services concession agreement).

Our vision

We want to build a more equal Islington and create a local economy that works for all; where everyone, whatever their background, has the opportunity to reach their potential and where fairness, social justice and sustainability informs everything we do. As a result of the pandemic, this mission has never been more urgent.

Islington is a borough of great prosperity paired with intense poverty and social exclusion. COVID-19 has exacerbated this contrast, creating major challenges for residents, businesses and communities.

Our [Affordable Workspace Strategy](#) is central to this vision – the council secures new affordable workspaces through the planning process, activating under-utilised assets in its portfolio and through external funding. Operators are appointed to run these spaces, and in lieu of paying rent, will deliver a range of social value initiatives for the benefit of local people, businesses and communities.

[Regent's Wharf](#) is a large redevelopment of 10,300m² due for completion in Summer 2023. The site includes both new and refurbished canal side buildings across four key buildings: Thorley Works, The Canal Building, The Mill and The Packing House. The affordable workspace is situated within The Packing House.

The workspace is a ten-minute walk from Kings Cross station and benefits from great transport links via the Circle, Piccadilly, Hammersmith & City, Metropolitan, Victoria, and Northern Line, national rail, and local bus routes.

The space is currently under construction and practical completion is expected by August 2023. We anticipate starting the contract once the site is handed over and the anticipated contract start date is late August 2023.

The requirement

The council is seeking to partner with a socially-focused operator to deliver Regent's Wharf as a sustainable affordable workspace that delivers Social Value across Islington. The space will act as a net zero carbon business incubator facility, which is for local people and aspiring entrepreneurs at the initial stages of developing a business idea, in training and/or developing their skills.

This net zero carbon vision does not preclude the submission of innovative and high-quality bids for the workspace that meet the council's priorities. We will also consider bids where only a portion of the workspace is dedicated to the vision initially, on the condition that there are clear plans demonstrated with a timetable on how the vision will be developed following the initial term of operation.

The operator will be expected to work with the council and its partners (including other affordable workspace operators) to deliver programmes and activities that benefit local people, businesses, and wider communities. Examples include employment and skills initiatives, early-stage business support, networking, events, and community engagement to connect local people to the affordable workspace programme – with a particular focus on under-represented groups.

The council will play a key role to introduce the operator to teams, local stakeholders and networks to support the delivery of the spaces and associated social value outputs. We require the operator to take a relationship-based approach to deliver sustainable and meaningful relationships in the local area, and to harness its existing partners and networks to provide real opportunities for local people, businesses, and communities.

Lots

This contract is not being split into lots because this is a single affordable workspace opportunity.

TUPE [Transfer of Undertakings (Protection of Employment) Regulations]

TUPE does not apply to this Contract.

Contract period

The contract period will be for 15 years (180 months) from an estimated start date of August 2023. There will be a break clause in the contract at 10 years (120 months).

Contract value

The services concession contract is a commercial contract where the contracting authority entrusts the provision and the management of services to the economic operator and the consideration consists of either solely the right to exploit the services that are the subject of the contract or of that right together with payment. The operating risk sits with the concessionaire which means that there is no guarantee of breaking even on investments and costs incurred.

For the purpose of this procurement the council is using 80% of the capitalised market rental value of the property over the term of the concession as a proxy value to estimate the total turnover value. This equates to **£3,658,500** over the 15-year duration of the contract.

Social Value

Islington Council is leading the way in embedding social value in public procurement practices for affordable workspace, going beyond achieving social value in accordance with the principles set out in the Social Value Act 2012.

The council uses a social value matrix which uses financial proxies to calculate a monetary value for social value activities over the term of the concession contract. The value of the outputs delivered, as measured by the social value matrix, and agreed with the winning bidder, is expected to exceed the discounted market rental value of the property each year.

The council accepts the appointed operator will need one year to fully develop the capacity to deliver their outputs, therefore the expected social value return over the concession (minus one year to allow the operator to develop capacity) is approximately **£3,658,500** over the fifteen-year duration (**£243,900 annually**).

Award criteria

The council's decision to award the contract is based on the most economically advantageous tender (MEAT) in accordance with the Public Contracts Regulations. Bidder's responses will consist of qualitative method statement questions (the quality element) and quantitative core social value outputs (the cost element). Further details will be provided in the procurement documents.

Workspace Management (25%)

- Workspace vision (10%)
- Workspace fee structure and allocation policy (5%)
- Approach to workspace operation (5%)
- Approach to property management (5%)

Social Value Delivery (45%)

- Jobs: Good Quality Jobs: Promote Local Skills, and Employment and Education (10%)
- Growth: Business Support and Cluster Development (10%)
- Social: Making a Fairer Place for All and Social: Supporting Healthier, Safer and more Resilient Communities (10%)
- Place and Environment: Making an Attractive Borough and a Healthier Environment for All and Social Innovation and Other Initiatives (10%)
- Management approach to the delivery of Social Value (5%)

Quantitative (30%)

- Total Social Value £ (proxy value) (5%)
- Operational Finance Model (25%)

Tenderers should be aware that we reserve the right to hold interviews during the tender process. Interviews will be for verification/clarification purposes of the written submission.

Procurement process

This contract will be procured using the Open Procedure. The Open Procedure means that all bidders who successfully express an interest will automatically be invited to tender and have access to the tender documents. Those who submit a tender and meet the minimum requirements will have their full tender, qualitative and quantitative elements evaluated.

How to express an interest

If you wish to apply for this contract, please follow the steps below:

Register your company free of charge via the **London Tenders Portal**.

Link: <https://procontract.due-north.com>

Await acceptance. You will receive an email confirming your username and password.

Use your username and password to log into the London Tenders Portal and express your interest in **2223-0324 – Regent's Wharf Affordable Workspace: 70000000 real estate services**.

Shortly after you have expressed interest, you will receive an email containing a link to access the tender documents.

Deadlines

The deadline for expressions of interest is: 11.59am on Tuesday 02 May 2023.
The deadline for submission of tenders is: 12 noon on Tuesday 02 May 2023.

Late submissions will not be accepted.

Additional information

- Islington Council and its partners are committed to work towards a more equal Islington, for more information see www.islington.gov.uk.
- Please **do not** include any publicity material with your submissions.
- Islington Council aims to provide equality of opportunity and welcomes applicants who meet the qualitative selection criteria from black and minority ethnic communities and disabled groups.
- The Council encourages all types of organisations who meet the qualitative selection criteria including Voluntary and Community Sector (VCS) organisations, Social Enterprises or not for profit enterprises and small to medium enterprises (SME) to tender.
- Please include the Contract Number of this tender process when communicating with the council in any way.
- All questions relating to this contract should be raised via the messaging section of the relevant contract on the London Tenders Portal. Please do not contact any officer of the council directly.
- Applicants are advised that all costs incurred either directly or indirectly in preparation, submission or otherwise related to this advertisement will be borne by them, and in no circumstances will the council be responsible for any such costs. Applicants are also advised that the council at its sole discretion acting reasonably and in good faith reserves the right to abandon the procurement at any stage prior to contract award.
- As part of a commitment to transparency the council is now publishing all spend over £500 each month. This includes spend on contracts, so the successful contractor should expect details of spend against the contract to appear on the council website [Islington Council: Council contracts](#). The council is also committed to publishing tender and contract documentation after contract award stage. Commercially sensitive information will be redacted from documentation. What constitutes commercially sensitive information is a matter for the council's sole discretion. However, tenderers will be invited to identify information they consider to be commercially sensitive in their tender return and this will be taken into account in the council forming a view.