

## 1920-0186 – AFWCC – 250 City Road Affordable Workspace

Islington Council is seeking to partner with socially-focused and innovative workspace Operators to deliver one of our affordable workspaces situated at 250 City Road in Bunhill.

### Our Vision

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

Islington is a borough of great prosperity alongside intense poverty and social exclusion. COVID-19 has exacerbated this contrast, as the pandemic has created major challenges for Islington's communities and the local economy. It has changed the way we all live, work and communicate and has caused hardship and distress for many residents and businesses in the borough. Looking forward, there is an opportunity to adapt and rebuild our local economy, so that prosperity is more equally shared across our communities.

Our [Affordable Workspace Strategy](#) will play a central role in our response to the pandemic and vision for an inclusive economy – using its influence in the planning process, the Council has secured quality office space at a peppercorn rent from new developments in the borough. Operators are appointed to run these spaces to deliver genuinely affordable workspaces for businesses and deliver a range of social value initiatives in lieu of paying rent; for the benefit of local people, businesses and communities.

Through this strategy, the Council will create the spaces needed for local entrepreneurs and start-ups to thrive in Islington, whilst generating real value for local people and communities. The affordable workspace units at 250 City Road form part of Berkeley Homes mixed-use City Forum development with cafes, restaurants, retail outlets, workspace and a four-star hotel. The space also benefits from direct access to two acres of Wi-Fi enabled green space. The spaces are a ten minute walk from Angel, Clerkenwell and Old Street roundabout and benefit from great transport links via the Northern Line and local bus routes.

### The Requirement

The Council invites Operators to submit proposals which align with Islington's community wealth building agenda and address the challenges brought about by inequality, social exclusion and the COVID-19 pandemic. Given the space's unique location and proximity to key economic areas, the Council welcomes any proposals which address the above challenges, including key local, strategic, and sectoral priorities. Examples of priorities for the Council include (but are not limited to):

- Tech or Digital: Supporting the development of Tech City, the world's third largest concentration of tech and digital businesses, as well as developing pathways into tech or digital employment for residents and young people.
- Creative or Design Industries: Supporting the development of Clerkenwell's creative and design industries, as well as developing pathways into creative and design industries for residents and young people.
- Professional Services: Developing employment and training pathways for residents and young people into professional services (legal, finance, consultancy services) and championing the Council's inclusive agenda and responsible practice among the sector.
- Knowledge Economy: Supporting the Council's Leading Inclusive Futures through Technology (LIFT) programme by unlocking opportunities for under-represented local people in knowledge and tech sectors.
- Green Economy: Champion the Council's [Net Zero Carbon Vision](#) by bringing together like-minded entrepreneurs and start-ups providing innovation and services which address the climate emergency; and engage with the wider business community to promote sustainable business practice, reducing local environmental impact and achieving net zero carbon objectives.
- Challenging Inequality: Enabling and supporting more people from under-represented groups to start-up businesses, survive and thrive, and develop business support and engagement programmes for under-represented entrepreneurs and minority owners, in line with the Council's [Challenging Inequality Strategy](#).

It is envisaged the space will have a positive impact on local people, job creation, businesses, wider communities, and the environment.

The role of the Operator expands beyond the management of the physical space, they are required to build and sustain connections with communities to ensure local people benefit from this investment.

The space will play an active role in supporting the development of the wider business ecosystem, through engagement initiatives, business support and promoting the Council's ambitions for an inclusive and sustainable economy.

In collaboration with the Council, partner organisations and the wider community the Operator will facilitate the development of real employment, skills and training opportunities for residents and young people in Bunhill, with a particular focus on under-represented individuals and groups to allow them to train, forge relationships, start a business and find quality work.

The Operator will also be required to promote and uphold other key programmes to support the Council's community wealth building agenda, including our commitment to the London Living Wage, promoting local supply chains, encouraging inclusivity in sectors where target groups are under-represented and COVID-19 recovery.

Throughout the term of the concession agreement, the Operator will be required to:

- a) Operate a high-quality multiple tenant, incubator and/or co-working space to support entrepreneurs / start-ups / small and micro businesses to grow, remain and thrive in the borough.
- b) Work with Council services ([iWork](#) and [Adult Community Learning](#)), Voluntary and Community Sector partners and the local community to co-design employment and skills initiatives, with a focus on supporting under-represented individuals and those facing barriers to work.
- c) Inspire the next generation by supporting Islington's [100 hours World of Work](#) programme, offering an authentic insight for young people into employer's expectations.
- d) Support the growth and development of workspace users and aspiring entrepreneurs through business support, networking, events, and other initiatives.
- e) Engage with the wider business community (such as Tech City and Clerkenwell's Creative Design industries) to promote responsible business practice and the Council's Community Wealth Building agenda.
- f) Participate in additional social value initiatives, including championing the Council's [Net Zero Carbon Vision](#), community engagement, volunteering activities and supporting COVID-19 recovery.

## **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]**

Potential providers must be aware that TUPE may or may not apply to this service. Further details will be available in the invitation to tender.

## **Contract Period**

The contract period will be for ninety six (96) months from an estimated start date 10 September 2021.

## **Contract Value**

The Concession Agreement for services 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 procurement purposes, the Council is using 80% of the capitalised market rental value of the property over the term of the concession as a proxy to estimate the total turnover value. This equates to £1,287,616.

The Council will use the total turnover over the concession period taken from the winning bidders ITT009 financial model to estimate the value of the concession.

Note that affordable workspaces are secured through s106 agreements at a peppercorn rent, so the council is not forgoing any income through the decision to award this concession 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 has designed a social value matrix (ITT008) which uses financial proxies to calculate a monetary value for social value activities over the term of the concession. 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 £1,126,664.

## Award criteria

The contract will be awarded to 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). A full breakdown of the award criteria and weightings are detailed below:

### Management of Workspace (30%):

- Workspace Management Plan, including Financial Information - 25% (sub-weighting: 5% social value, 20% from method statement)
- Property Management Plan – 5% (method statement only)

### Social Value (70%):

- Employment – 10% (sub-weighting: 2% social value, 8% from method statement)
- Business support for micro and small businesses – 10% (sub weighting: 2% social value, 8% from method statement)
- Education and Skills – 10% (sub-weighting: 2% social value, 8% from method statement)
- Business cluster development support- 20% (sub-weightings: 4% social value, 16% method statement)
- Community engagement and other social value outputs e.g., climate change and air pollution mitigation, sustainable procurement, and COVID-19 support activities: – 20% (sub-weightings: 4% social value matrix, 16% method statement)

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 is a services concession contract. The contract will be procured using the Restricted Procedure. The Restricted Procedure means the procurement process will be conducted in two stages.

The first stage will involve selecting a maximum of the five (5) highest-scoring organisations through a selection questionnaire (SQ). All submissions will be subject to minimum requirements as stated in the SQ.

The second stage will be an evaluation of tenders submitted by bidders who are selected at the SQ stage.

## 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 **1920-0186 – AFWCC – 250 City Road Affordable Workspace**

Shortly after you have expressed interest, you will receive a second email containing a link to access the selection questionnaire.

## Deadlines

The deadline for expressions of interest is: **11.59am on Wednesday 12 May 2021.**

Submission of selection questionnaires by: **12 noon on Wednesday 12 May 2021.**

Late submissions will not be accepted.

## Additional information

- Islington Council and its partners are committed to work towards a 'Fairer Islington', for more information see [www.islington.gov.uk](http://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 organisation 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.
- Your submission will be marked in stages. Only applicants who meet the requirements at each stage will progress to the next stage. Further details will be contained in the tender documents.
- 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 question and answer 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.