



London Borough of Hackney
Hackney Service Centre
1 Hillman Street
London
E8 1DY

HACKNEY PROCUREMENT BOARD (or LOW RISK)
CONTRACT AWARD REPORT
Low Risk £1.2M-£2.5M (inc. VAT)

Title of report	Hackney Museum Refurbishment
Hackney Procurement Board meeting date	12 May 2026
Risk Assessment Tool rating (Low / Medium)	Low Risk
Contract duration (including extensions e.g. 2 yrs + 1 yr + 1 yr)	44 Weeks + 1 Year Rectification (Defects Liability)
Contract value (both Inclusive of VAT and Exclusive of VAT, for the duration of the contract including extensions)	£1,256,634.88 Excl VAT £1,507,961.86 Incl VAT
Ward(s) affected Click here for list of wards	Hackney Central (Hackney Museum serves the whole borough)
Key Decision No.	HCE S617
Classification	Open with Exempt Appendix
Cabinet Member Click here for Cabinet Members and their portfolios	Cllr Christopher Kennedy Cabinet Member for Health, Adult Social Care, Voluntary Sector and Culture
Group Director Click here for Group Director names and job titles	Rickardo Hyatt Group Director for Housing, Climate & Economy

1. GROUP DIRECTOR'S INTRODUCTION

1.1 Subject matter of the contract

- 1.1 This contract award report sets out the recommendation to appoint the Principal Contractor for the refurbishment, improvements and adaptations of Hackney Museum, 1 Reading Lane, Hackney E8 1GQ following a competitive procurement process. Hackney Museum is located in Hackney Central ward, but is a borough-wide museum service. The appointed contractor will deliver the scheme design on site, as set out by the appointed design team (PRS Architects).
- 1.2 Hackney Museum's permanent exhibition, which explores the borough's history and contemporary identity, was planned in the late 1990s and opened to the public in 2002. It is outdated and a barrier to furthering meaningful audience engagement, particularly with communities who suffer from growing inequalities.
- 1.3 In December 2024, NLHF awarded Hackney Council a delivery grant of £2.24m, matched with a Council capital contribution of £350,000, for both the capital refurbishment and a significant programme of community participation. The overall project is planned to be completed by the end of 2028.
- 1.4 This project will make Hackney Museum a cultural asset where everyone feels welcome. Central to this is reinterpreting and redisplaying the permanent exhibition which will create a new, relevant and sustainable visitor experience that reflects the diversity of the many communities who have made the area their home over the past 300,000 years.
- 1.5 The reconfiguration and refurbishment of Hackney Museum and associated spaces will deliver a new welcome reception, shop, two temporary exhibition galleries, event and teaching spaces, a Community Room and improved digital infrastructure to position Hackney Museum as a trusted space for residents to tell their stories, share their concerns, and understand how their experiences fit alongside others'.

2. RECOMMENDATION(S)

- 2.1 **That Hackney Procurement Board approves the award of the contract for the Principal Contractor to deliver the refurbishment, service improvements and adaptations to Hackney Museum, based in the Hackney Technology & Learning Centre, 1 Reading Lane, Hackney E8 1GQ to the Supplier E for the price of £1,256,634.88 excl VAT.**

3. RELATED DECISIONS

- 3.1 The Hackney Museum Low Risk Business Case Report was prepared and approved by the requisite authorised signatories in September 2025. This approved a restricted competition tender route as set out in the approved business case.

4. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

- 4.1 **Use of an existing framework:** A significant option reviewed was the potential utilisation of an existing framework. This approach is often favoured for its potential to streamline the tendering process, reduce procurement timescales, and ensure compliance with established terms and conditions. However, following a comprehensive review of available public sector frameworks, it was decisively determined that this procurement route was not viable. The reason for this decision was the complete absence of a relevant or appropriate framework within the highly specialised "Events and Exhibition Space" categories. The unique scope and specific requirements of this project necessitate a contractor with expertise and experience that could not be adequately sourced or assured through the general scope of available frameworks.
- 4.2 **Open tender exercise:** The option of procuring the necessary services through a full Open Competition process was thoroughly considered but discounted. The primary reason for its rejection is the significant additional time and extensive internal resources that an Open Competition would inevitably consume. A further critical consideration was the highly specific and niche skill sets required from the successful service providers. The project necessitates expertise in areas that are not commonly held by all general refurbishment contractors or suppliers who typically respond to broad-based Open Competitions. Requiring all bidders in an Open Competition to demonstrate this level of specific, proven capability would narrow the field, potentially leading to a low number of submissions or the selection of bidders with insufficient core specialisation. Inviting generic suppliers would necessitate substantial further internal vetting and risk mitigation, further increasing the resource drain and timeline. The constrained market for these particular specialisms suggests that a more targeted procurement approach would be both more effective and efficient in securing the best value and technical competence.
- 4.3 **Do nothing:** Not progressing with the procurement of a contractor to deliver the Hackney Museum's refurbishment project would not meet the objectives set out to deliver improved public space for local communities, increase community engagement, foster a sense of local pride, and provide an upgraded environment for learning and social interaction. The continuation of the project is linked to the substantial grant award secured from the National Lottery Heritage Fund. This funding was awarded specifically on the basis of a robust proposal and a clear timetable for the delivery of the Museum refurbishment project. Any delay or, worse, the complete cessation of the project places the NLHF grant in severe jeopardy.

5. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

- 5.1 This report seeks approval from the Hackney Procurement Board to award the contract for the refurbishment of Hackney Museum to Supplier E for a price of £1,256,634.88 excl VAT.
- 5.2 This contract award is a major capital element within the wider refurbishment works for Hackney Museum. The museum project is funded primarily by a National Heritage Lottery Fund grant of approximately £2.24 million (75.1% of costs), alongside Council contributions of 24.9% to make a total budget of £2.984m.
- 5.3 The contract award is within the budget for these works allocated within the total budget of £2.984m. The project budget makes provision for meeting potential financial risks, such as scope and programme creep, through the inclusion of suitable contingencies. The budget is within the Housing, Climate and Economy directorate approved capital budget.

6. COMMENTS OF THE DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES

- 6.1 In September 2025 a Low Risk Business Case Report was approved for the procurement of a works contractor for the refurbishment works at Hackney Museum. The value of the proposed contract in this Report is above £1.2m (including VAT) and therefore this Contract Award Report is being presented to Hackney Procurement Board for approval in accordance with paragraph 2.20 of Contract Standing Orders.
- 6.2 Details of the procurement process undertaken by officers to award the contract are set out in this Report.

7. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 7.1 This procurement and its award are compliant under both the Council's Standing Orders and the Procurement Act 2023.
- 7.2 The procurement was competitively tendered, and due to the specialist nature of the work, a Framework was not adopted and instead a restricted competition was adopted.

8. PROJECT PROGRESS

- 8.1 **Developments since the Business Case approval**
 - 8.1.1 This second phase of the project is 75% funded by the National Lottery Heritage Fund. It commenced with the re-appointment of a specialist consultant team who worked on the first phase of the project (2022-2024) and brought in new specialist consultants to produce all the necessary documentation required for the competitive tendering process. The

consultant team consisted of: 3D exhibition designers, structural engineer, lighting consultant, graphic designer, quantity surveyor, and MEP engineers.

- 8.1.2 Following the approval of the procurement business case in September 2025, a comprehensive suite of Tender Documents was prepared and compiled into the Work Schedules Tender Document, designed to provide potential bidders with all the information required to submit a robust and accurate tender. This package included the key components outlined below in 8.1.3 to 8.1.7:
- 8.1.3 - London Borough of Hackney's Invitation to Tender Information: Outlining the council's requirements, objectives for the refurbishment, and the formal instructions for tender submission.
- 8.1.4 - Preliminaries & General Conditions: Detailing the contractual framework, site-specific regulations, health and safety requirements, insurance mandates, and the overarching conditions under which the contract would be executed.
- 8.1.5 - Drawings & Specifications: A detailed set of architectural, structural, and services drawings to RIBA Stage 4, accompanied by technical specifications defining the quality of materials, workmanship, and performance standards required for all elements of the refurbishment works.
- 8.1.6 - Work Schedules: Detailed schedules of work quantifying the scope of the project, allowing contractors to accurately price the required labour, materials, and plant for each element of the refurbishment.
- 8.1.7 - Other Supplementary Information: Including site investigation reports, existing condition surveys, and any other relevant background information deemed essential for bidders' due diligence.
- 8.1.8 In line with the council's established procurement strategy, the Expression of Interest was sent out to five specialist contractors on the 5th of October 2025. All suppliers confirmed their interest and were formally invited to tender for the works. After the ITT was issued two of the initial suppliers declined to bid, leading to the invitation of two additional suppliers. The complete tender documents were officially uploaded to the ProContract e-tendering portal and made available to all invited bidders on January 14, 2026. The deadline for tender submissions was initially set for February 10, 2026, but was later extended to February 16, 2026.
- 8.1.9 To ensure a fair and transparent process, and to allow contractors to fully understand the complexities of the site and the scope of work, essential activities were conducted:

Contractor Presentation: The Design team presented an overview of the design scheme and key elements useful for bidders to be aware of, including the scope and expertise of the Design team.

Site Visits: The site visits were arranged, allowing the prospective bidders to inspect the Museum, assess existing conditions, and identify any potential risks or constraints first-hand.

Tender Clarifications and Responses: All queries and requests for clarification raised by the contractors during the tender period were formally addressed. Both the clarification questions and the council's official responses were uploaded to and disseminated via the Pro Contract portal. This ensured that all bidders had access to the same consistent and complete set of information throughout the process, maintaining competitive equality.

8.2 Conflicts of Interest Assessments

8.2.1 In compliance with the Procurement Act 2023, conflict of interest assessments have been completed for all individuals capable of influencing or making decisions related to the procurement process. This includes officers, Members, consultants, and internal and external stakeholders. Any identified conflicts have been appropriately managed, mitigated, and recorded.

8.2.2 Suppliers who submitted tenders, along with their subcontractors, were similarly assessed for conflicts of interest, with outcomes duly documented and appropriate measures implemented as necessary.

8.3 Sub-division of the contract into lots

8.3.1 Due & fair deliberation has been given by the Council into subdividing the contract into smaller lots. However, after careful consideration it was deemed unsuitable in the business case analyses to sub-divide the contract into smaller lots.

8.3.2 The main reasons for this decision was the Construction Design Management (CDM2015) regulations and implications under Health & Safety rules and legislation that govern specifics regarding Principal Contractor and Client duties. Subdividing the contract into smaller lots would have deemed the Council as Principal Contractor which is not an acceptable or viable arrangement.

8.3.3 The Council intends to maximise opportunities for smaller and local businesses and the third sector to participate in the contract, eg: by encouraging the Principal Contractor subject of this award into subcontracting to local businesses and labour forces.

8.4 Whole Life Costing and Budgets

8.4.1 The Council previously made a commitment that it wants to redevelop Hackney Museum (2022-2026 Manifesto: Pledge 293) and the only viable way of achieving this is through utilisation of the secured NLHF Delivery Phase grant funding for c. £2.24m, along with a Council capital contribution of £350,000 for the delivery of the refurbishment and a significant programme of community participation in the development of the new museum displays.

- 8.4.2 The project has a Management & Maintenance Plan (M&M Plan) and a business plan to capture and reflect costing and budgets to maintain the initial investment. The M&M Plan based on the RIBA Stage 3 designs is c.£35k over 5 years after the completion of capital works, an estimated increase of £17k. The Museum currently does not have a dedicated budget for repairs and renewals. A part of this refurbishment will include the creation of a dedicated maintenance fund for the Museum. It is anticipated that the £17k towards M&M costs will be placed in this fund and can be added to through museum income/profit and monetary donations.
- 8.4.3 As part of the process to proceed with the works to the Museum, a formal works agreement will be reached with the building owners (the special purpose vehicle responsible for the building) and LB Hackney Strategic Property.
- 8.4.4 Project funding is being used to fund project staff to deliver the project and there are plans to transition service delivery back to core operational staff (4FTE) towards the end of the project. The costs for core museum staffing are and will continue to be covered by the existing Culture, Libraries and Heritage budget.

8.5 Risk Assessment and Management

- 8.5.1 A Risk Analysis Tool (RAT) and Procurement Impact Assessment (PRIMAS) were completed as part of the procurement process. The RAT indicated that the procurement process was low risk as it is of medium range value and completed with a relatively simple procurement exercise.
- 8.5.2 The table below, while not exhaustive, shows the risks associated with the project and steps to be taken to address them. This also demonstrates management of any possible adverse consequence of future events. Information gathered has been included in the live project risk registers which will be updated and reviewed throughout the life cycle of the project.
- 8.5.3 The risks are primarily associated with scope & programme creep, which are inherently linked directly into financial, timescale, and budgetary parameter constraints. These risks will be primarily mitigated by entering into contract with the supplier based upon a detailed schedule of services and specification of materials and workmanship.

Risk	Likelihood	Impact	Overall	Action to avoid/mitigate risk
Delays in lead times for infrastructure & equipment	Low ▾	High ▾	Medium ▾	We will ensure the appointed contractor and project team are working in line with the agreed timeline. We would also ensure we eliminate long leads in the

				<p>delivery of the proposed work and supply chain.</p> <p>Project governance in place.</p>
Limited resource of internal Professional Services Team	Low ▾	Medium ▾	Low ▾	<p>We will ensure we have adequate internal support, supported by consultant resources to manage and cater for the project.</p> <p>Project governance in place.</p>
Contractor going into liquidation during construction	Low ▾	High ▾	Medium ▾	<p>We will ensure appropriate due-diligence financial background checks are carried out to mitigate all potential risk.</p>
The quality of the built scheme does not meet expectations	Low ▾	High ▾	Medium ▾	<p>We will work with and ensure the appointed Lead Designers and associated specialist/subsidiary Consultant Team completely understood the project requirements and objectives.</p> <p>The Lead Consultant and Hackney PM Team will ensure specification and design quality is maintained during construction. The Lead Consultant Team is clear on the Council's aspiration to achieve a high quality scheme.</p> <p>Project governance in place.</p>

8.6 **Contract Modification should a Known Risk Occur**

- 8.6.1 Consideration has been given to the potential materialisation of known risks, and the contract will include provisions that allow for modification in accordance with the Procurement Act 2023, specifically under Section 74 and Schedule 8.

9. **SAVINGS**

- 9.1 This scheme is supported through external funding from the NLHF to enable delivery of this refurbishment project. Now the ITT responses have

been evaluated, there is an opportunity to value engineer products selected during the design phase to reduce costs, increase functionality and to increase the long term value for money. There are limited other savings options within the project as the NLHF grant is specifically to refurbish Hackney Museum.

- 9.2 At a time when options for savings are being considered, it is important to note that there has been no significant investment in Hackney Museum for over 20 years, resulting in a number of maintenance issues for the existing fixtures, fittings and finishes that will be addressed under the refurbishment. These savings, while beyond the scope of this report to quantify, can still be presented as non-cashable benefits in material changes that lead to an immediate benefit and address problems the Council and Museum service would have had to fix eventually. The new fixtures and fittings are expected to have a lifecycle of c.15 years, at which point plans can be developed for future refurbishments.

10. SUSTAINABILITY IMPACTS AND OPPORTUNITIES, NET ZERO AND SOCIAL VALUE BENEFITS

- 10.1 This project will enhance Hackney Museum as a cultural asset where everyone feels welcome. Central to this is reinterpreting and redisplaying the permanent exhibition which will create a new, relevant and sustainable visitor experience that reflects the diversity of the many communities who have made the area their home over the past 300,000 years.

The reconfiguration and refurbishment of Hackney Museum and associated spaces will position Hackney Museum as a trusted space for residents to tell their stories, share their concerns, and understand how their experiences fit alongside others’.

Improvements in display furniture and small power will support phased changes to environmental controls in the Museum, and contribute to a reduction in the Museum’s part of the wider building’s greenhouse gas emissions.

One of the objectives of the Procurement Act 2023 is to maximise social value, environmental and economic benefits. This aligns with the requirements of the Council’s Sustainable Procurement & Insourcing Strategy (SPIS), and the Social Value Act 2012.

10.2 Procuring Green

- 10.2.1 Supplier E has made the following commitments to:

Renewable Resources and the Preservation of Non-Renewable Resources:

- Use 95% renewable materials such as timber from sustainably managed forests and certified sources (FSC certified) and incorporate recycled metals, plastics and glass products in construction.
- Use appliances and equipment that consume less energy, reducing dependency on fossil fuels.
- Encourage the use of public transport or carpooling for employees and workforce to reduce fossil fuel consumption.
- Where possible use electric or hybrid vehicles to decrease reliance on gasoline and diesel.
- Adopt a circular economy approach, where materials are continually reused, recycled, or repurposed, decreasing the demand for new raw materials.
- Use products for durability and repairability, reducing the need for resources to create new items.
- Educate employees, stakeholders and our subcontractor workforce about the importance of using renewable resources and conserving non-renewable ones.

Reducing, Reusing and Recycling:

- Work with suppliers at the tender stage to design waste out of the project.
- Have agreements in place with key suppliers which require them to provide 100% recycled materials and collect and recycle 100% of generated waste.
- Have a Site Waste Management Plan (SWMP) in place to ensure that the waste management and reduction criteria are met and the information is recorded so that waste streams can be identified and reduced.
- Challenge subcontractors, suppliers and manufactures regarding methods of work, storage and packaging of materials and products.
- Explore possibilities for re-using materials on site (i.e. clean soils in landscaping, timber for shuttering) as well as the creation of 'take back' schemes for unused materials and returnable pallets so that they may be re-used by others.
- Sustainable Transport and Travel:
 - Reach targets to reduce CO2 emissions and other pollutants derived from staff and supply chain journeys. All journeys are recorded in order to calculate their Carbon footprint.
 - Stay below the maximum emission figure for all company vehicles.
 - Streamline supply chain logistics to minimise transport emissions, favouring local suppliers and materials when appropriate to reduce the freight distance and impact.

10.2.2 Supplier E will track their environmental performance through project specific KPIs agreed with the LBH PM. They will report on the KPIs and provide monthly progress updates.

10.3 **Procuring for a Better Society**

10.3.1 Supplier E has committed to contribute to a better society through the following actions:

- Source External Support from Local Community Experts: Prioritise local supply chains, sourcing specialist trades and services from Hackney and neighbouring boroughs wherever possible.
- Local Recruitment, Supporting Schools and Employment Initiatives: Working with Hackney Works, the Supplier will offer work placements, apprenticeships, and site visits for local residents, particularly young people and those under-represented in the construction and heritage sectors.
- Working with Council Teams: to support the Council's digital communications and community engagement, contributing project updates, imagery, and stories that highlight local participation, skills development, and sustainability achievements.

10.3.2 Supplier E will monitor their contributions towards a better society through project specific KPIs agreed with the LBH PM. They will report on the KPIs and provide monthly progress updates.

10.4 **Procuring Fair Delivery**

10.4.1 Performance indicators/quality targets will be included in the contract to cover equalities issues including:

Equal Opportunities and Diversity policies: An Equal opportunities policy must be attached to the contract which will be assessed in respect of race, gender and disability, and additionally, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment and the policy must take into account service delivery and employment.

The successful supplier confirms that it pays the London Living Wage and also that it has a current Equality and Diversity Policy within the Tender Quality Evaluation.

The newly designed and refurbished Museum facility in Central Hackney will benefit all local people, irrespective of age, disability etc. This procurement could have a positive impact on people in the workforce because we aim to contract with an organisation that makes a commitment to equality and diversity.

10.4.2 Supplier E has committed to:

Provide a workforce wellbeing programme including mental health first aiders, safe working practices, and flexible support to ensure a healthy, inclusive site culture.

10.4.3 Supplier E will monitor their fair delivery performance through project specific KPIs agreed with the LBH PM. They will report on the KPIs and provide monthly progress updates.

10.5 **Social Value benefits**

10.5.1 This contract award will make a significant contribution to delivering key corporate objectives and local priorities. The project will support sustainable and enhanced community services in a particularly vibrant ward, delivered by a strengthened key public service operating from improved and fit for purpose premises.

The project captures the following key social value benefits, as previously mentioned:

- Increased local and SME spending.
- Employment and training opportunities for local residents and students.
- Engagement with local communities through educational initiatives and community activities.
- Enhanced sustainability measures in construction, aligning with the Council's Sustainable Procurement Strategy.
- Refurbishment of the museum so it is preserved for future use as a valued community hub.
- The contractor will pay all staff engaged on this contract an hourly rate not below the London Living Wage at the applicable age rate at the commencement of and for the duration of this contract.
- The contractor will purchase and use the most environmentally friendly materials and sustainable building methods possible with the net zero carbon footprint in mind.
- The contractor will create a waste management plan that adheres to legislation to ensure waste is disposed of in an environmentally responsible manner.

Supplier E will monitor the social value benefits that they deliver via the contract through project specific Key Performance Indicators (KPIs) agreed with the LBH PM. They will report on the KPIs and provide monthly progress updates.

10.6 **Equality Impact Assessment and Equality Issues**

10.6.1 As part of the selection process, the contractor confirmed a compliance with the Equality Act 2010 by providing evidence to demonstrate the following:

- They operate an active equal opportunities policy that achieves targets that encourages an ethnically diverse workforce;
- They consider local employment, including disadvantaged people (people that face additional barriers in the labour market i.e. long term unemployed,

etc.), supporting young people to access and get started in the world of work;

- The London Living Wage (LLW) is paid to employees, as a minimum.

11. TENDER ASSESSMENT & MODERATION

- 11.1 The Invitation to Tender (ITT) was published on ProContract, the Council's e-procurement system, as a sub-threshold single stage restricted tender. The restricted tender process was chosen because only suppliers with specific experience and knowledge could deliver the required works.
- 11.2 The Expression of Interest was sent out to five specialist contractors on the 5th of October 2025. All suppliers confirmed their interest and were formally invited to tender for the works. After the ITT was issued two of the initial suppliers declined to bid, leading to the invitation of two additional suppliers. The original submission deadline of February 10, 2026, was extended to February 16, 2026. This extension was granted so that suppliers could receive pricing information from their subcontractors.
- 11.3 The scope, specification, schedule, materials & workmanship set out within the ITT is contractually bound within the Intermediate Building Contract with contractor's design JCT 2024 (ICD 2024) format and procedures.
- 11.4 Selection questions and the invitation to tender (ITT) were drafted and issued to the suppliers as per indicative timeline. The selection criteria included experience of similar work, the necessary health and safety accreditations, appropriate financial appraisals, appropriate quality assurance and environmental certifications.
- 11.5 The following criteria was utilised for the tender evaluation matrix:
- 60% Quality (including 15% Social Value)
 - 40% Price

The headings and weightings of the project specific questions are below:

- Quality - Relevant Experience 15%
- Quality - Process, Coordination and Quality of Products 10%
- Quality - Programme Management 10%
- Quality - Staffing and Resources 10%
- Sustainability and Social Value - Social Value Offer 15%

- 11.6 The Tender Assessment & Moderation Team consisted of:
- Capital Project Manager - LBH Corporate Capital Projects (Delivery)
 - Museum Transformation Manager - LBH Culture, Libraries & Heritage
 - Cost Consultant / Quantity Surveyor - PT Projects
 - Museum Project Lead Exhibition designer - GuM Studio
- 11.7 The qualitative elements of the tenders were individually evaluated by the members of an evaluation panel. Once the evaluations were completed the panel met with the LBH Procurement Manager to moderate the scores.
- 11.8 The tenders were checked for their accuracy in terms of the response to the supplied specifications. Where anomalies were found, such as omissions, tenderers were given the opportunity to clarify tenders and amend the information where necessary.
- 11.9 The pricing elements of each tender were analysed by the Quantity Surveyor. The pricing document provided by each tenderer has been fully analysed for mathematical correctness and completeness. Any anomalies found within the tender submissions have been analysed and the tenders have been reconciled against each other to ensure that the final cost scoring represented a fair comparison between all submissions.
- 11.10 The Council Finance Team also carried out financial tests and undertook a detailed analysis of the winning bidder's audited accounts and the Council Procurement Category Manager obtained Dun and Bradstreet (D&B) reports to check the bidders' financial stability.

11.11 **Reason for Recommendation**

11.11.1 Following analysis of the tenders received, and status of the post tender clarification schedules, the tender bid from Supplier E is currently the highest scoring tender and it is therefore recommended to appoint Supplier E for the works at the Hackney Museum on this basis.

The final evaluation scores of the five bidders are summarised in the table below:

	Quality%	Price%	Social Value%	Total%	Rank
Supplier A	34.00	33.16	9.00	76.16	5
Supplier B	36.00	40.00	9.00	85.00	2
Supplier C	33.00	33.73	12.00	78.73	4
Supplier D	36.00	34.41	9.00	79.41	3

Supplier E	40.00	34.44	12.00	86.44	1
Supplier F	N/S	N/S	N/S	N/S	N/S
Supplier G	N/S	N/S	N/S	N/S	N/S

N/S = Not Submitted

11.11.2 The final scoring, including the breakdown of scores against each of the evaluation criteria, is provided in Exempt Appendix 1.

On the basis of the scoring information set out in Exempt Appendix 1, the tender analysis undertaken by the Quantity Surveyor and the financial stability assessment undertaken by LBH Finance, Hackney Procurement Board is recommended to approve the appointment of Supplier E to deliver Hackney Museum’s Refurbishment Works Project.

11.11.3 The Council Finance Team was satisfied with the financial stability of Supplier E. The Dun and Bradstreet report assessed the overall business risk of failure of Supplier E as Low-Moderate.

11.11.4 Supplier E has confirmed their pricing for all elements and the project team is satisfied that the tender is compliant and all the items have been priced. The project’s final budget makes provision for meeting any risks through the inclusion of suitable contingencies. This provision is reflected in the project budget.

In terms of Supplier E’s qualitative response, the supplier was ranked number 1 out of the five bidders. In accordance with the ITT, this demonstrates that the project team considered that the tendered proposal would deliver the proposed programme of works effectively and in accordance with the Council’s requirements, including all aims and objectives set out in the Business Case.

11.11.5 The requirement for a performance bond was included in the tender documents. A parent company guarantee (PCG) will be required if the contractor has a main parent company.

12. CONTRACT MANAGEMENT ARRANGEMENTS AND MANDATORY USE OF THE CONTRACT MANAGEMENT SYSTEM

12.1 Contract Management Resources (Roles and Responsibilities)

12.1.1 Contract management for this project can be categorized into three phases:

- Pre-contract phase: Tenders documents are prepared, tenders are sought and tender evaluation and contract award is undertaken.
- Contract execution phase: The final contract documents are prepared for execution.
- Post-award phase: Compliance with conditions of the contract and contract administration.

12.1.2 The Contract will be managed using industry standardised methods of Contract Administration as set out within the Royal Institute of British Architects (RIBA) – Plan of Work Stages, Royal Institution of Chartered Surveyors (RICS) – Contract Administration Guidance Note 69/2011 & the JCT & legal Framework format.

12.1.3 Day to day management will be overseen jointly by the Museum Transformation Manager (museum specialism) and Capital Project Manager (construction specialism) with Contract Administration (Valuations prior to Invoicing and Contract Variation validations) under the Cost Consultant and Lead Designers. Contract performance, approvals and invoice payments and progress will be administered/managed by the Museum PM Team and reported bi-monthly to the internal project oversight Museum Redevelopment Board and a Director-level Project Board.

Membership of the Museum Redevelopment Board consist of:

- Assistant Director: Culture, Libraries & Heritage
- Culture & Heritage Manager
- Cultural Lead: Heritage
- Museum Transformation Manager
- Finance representative

Any other members that shall be agreed from time to time to attend in an advisory capacity as necessary (for example: ICT, Communications, Corporate Property etc. Membership of the Board will be reviewed annually in April and new members invited, depending on the stage of the project.

Membership of the Director-level Project Board shall consist of:

- Director of Regeneration, Economy, and Housing Development
- Director of Strategic Property
- Assistant Director: Culture, Libraries & Heritage
- Assistant Director of Finance - Sustainability, Public Realm and Special Projects.

12.1.4 Quality Assurance underlies the Materials, Workmanship & Specification/Schedule inbuilt into JCT Works Contracts that are measured, recorded and documented as part of the valuation and financial payment process.

12.1.5 The Hackney Museum Transformation Manager has General Lead oversight with internal Procurement & Contract Admin support from the Capital Project Manager. These Managers will also have key oversight and management of the works contract, supported by the Lead Consultant/Designer, Engineers, Principal Designer & Cost Consultant (Contract Admin). Regular project meetings will take place until the contract is on site. Thereafter, monthly site meetings will take place. The Cost Consultant and Capital PM will carry out monthly valuations of works completed on site and certify the value of these works.

- 12.1.6 The Hackney Project PM Team and Lead Consultant Team will visit the site regularly in between the monthly meetings to ensure the works are progressing according to schedule and the required quality is being attained.
- 12.1.7 The Council carries out weekly review meetings within the Capital Delivery Programme and Contract meetings to ensure the project is progressing in line with expectations. Decisions and change control will be undertaken Project Progress meetings in line with agreed governance procedures and contract management policies. Project success will depend on completion to the required quality, on time and to budget.
- 12.1.8 Success will be defined by successful completion of the milestones and the delivery of the programme with detailed costs and a detailed forward plan for the project. This report will be endorsed by all of the project partners.
- 12.1.9 The contracts will set out the management expectations and mechanism for collaborative relationship between the council and the appointed consultant. The contract specification and conditions will set out the frequencies of operational tasks, strategic meetings and the route for problem resolution. Performance will be measured against KPIs, as outlined in paragraph 9.7, and against the clauses of the contract terms and conditions.
- 12.1.10 The key aspects to contract management were identified: internal governance, payments, processes, project management. It is proposed that all of these procedures will be carried forward to the new contracts, and developed where indicated. The contract provisions will include references to these procedures so that the consultant is fully aware of the expectations on them under these procedures, and are able to account for these in their programme and pricing proposals.
- Delivery management, ensuring supply meets the specification, payment is made on time and costs are monitored and managed.
 - Implementation, contract business administration and change management, to minimise client variations (scope creep)
 - Performance monitoring, management and measurement; promoting continuous improvement of the service
 - Relationship management for the provider, stakeholders and client; reporting lines, including escalation
 - Dispute management and resolution
 - Risk and issues management
- 12.1.11 The successful supplier's resources for managing the contract were extensively examined, evaluated and scored against the targeted questions in the Quality Evaluation element of the Tender process. The tender winning Contractor recommended for award scored highly on aspects of the project that would be fabricated in-house and what would be subcontracted as well as sub-contractors experience vetting and selection. The winning Contractor also scored highly on included CVs for all relevant contractors and subcontractors including which relevant projects they

collaborated on with the contractor / sub-contractor(s) put forward for this project.

12.2 **Key Performance Indicators**

12.2.1 KPIs within the Invitation to Tender and Employers Requirements within the JCT Contract format seek to ensure the Principal Contractor carries out construction & refurbishment as specified by the Council. KPIs will be set to monitor items such as budget, programme and quality. A list of KPIs to be included are set out below.

12.2.2 Effective KPIs have been set to align with Council Strategic & Business objectives and support Strategic Goals. The contract management performance indicators will be revised and customised KPIs will be defined and monitored to ensure they are relevant, meaningful and measurable. A list of the proposed contract management performance indicators general themes are listed below:

- Performance against programme for services on site.
- Finance performance indicator for cost certainty.
- Health and Safety.
- Local employment and economic social value.
- Community Social Value Initiatives.
- Environmental Sustainability of Operations (e.g. Vehicles, Waste Management).
- End User & Customer Satisfaction.

12.2.3 The specific KPI definitions and targets will be developed specifically for the contract proposed in the preferred option under this strategy. Consideration will be given to the service type and volume, and the outcome of resident focus groups on preferred community initiatives and customer satisfaction survey methods.

Defined failures to meet the immediate KPI requirements could potentially constitute a ground for early termination of the contract and reallocation of service within a feasible & viable alternative supplier or re-tender.

12.2.4 The Museum project has been managed and programmed to follow the RIBA Plan of Work stages which can be a powerful framework for developing and tracking Key Performance Indicators (KPIs) in construction and architectural projects. While it's not a KPI system in itself, its structured stages offer a natural way to align performance metrics with project milestones.

12.2.5 **How RIBA Plan of Work Supports KPIs**

The RIBA Plan of Work breaks down a project into **eight stages**, from Strategic Definition (Stage 0) to Use (Stage 7). Each stage includes **core**

tasks, deliverables, and information exchanges, which can be mapped to KPIs such as:

Stage 0–1 (Strategic Definition & Preparation):

- KPI: Clarity and completeness of project brief
- KPI: Stakeholder engagement levels

Stage 2–4 (Design Phases):

- KPI: Design approval timelines
- KPI: Budget adherence during design development
- KPI: Sustainability benchmarks (e.g. energy modeling, material choices)

Stage 5 (Construction):

- KPI: Construction progress vs. schedule
- KPI: Health and safety compliance
- KPI: Quality assurance metrics

Stage 6–7 (Handover & Use):

- KPI: Client satisfaction scores
- KPI: Post-occupancy performance (e.g. energy usage, maintenance issues)

RIBA Stages Benefits for KPIs

- **Structured Milestones:** Each stage provides a clear checkpoint for evaluating progress.
- **Overlay Strategies:** RIBA offers overlays like the *Sustainability Strategy* and *Plan for Use*, which include measurable outcomes.
- **Lifecycle Thinking:** The cyclical nature of the Plan encourages continuous improvement, making it ideal for tracking KPIs across the building's lifespan.

12.2.6 The museum project has reached the end of RIBA Stage 4. The external design team is responsible for lead design, 3D design, 2D / graphic design (GuM Studio / PRS), structural engineering (Rodrigues Associates), lighting design (DHA Lighting), mechanical, electrical, and plumbing (MEP) engineering (ENG Consultants), cost consultancy via a quantity surveyor (PT Projects), Principal Designer (GuM Studio / PRS), Building Regulations Principal Designer (GuM Studio / PRS), and Contract Administrator (GuM Studio / PRS). Client direct commissions include AV content, accessibility audit, and other small commissions which fall outside of the main principle contractor's packages.

This project will follow standard CDM regulations and be overseen by the Principal Designer with the Principal Contractor responsible for the whole site.

Main KPI Targets Set	Monitoring
1. Performance against programme.	Project Manager & Contract Admin
2. Environmental Waste Management.	PM Monthly Reporting
3. Workforce Wellbeing Programme	PM & Lead Consultant
4. Subcontractor MS&RA Vetting	PD & PM to validate
5. Materials Samples & Graphics Proofs	PD, MTM & Lead Designer

APPENDICES

Exempt Appendix 1 - Hackney Museum Refurbishment Exempt Appendix 1:
Breakdown of Quality, Price and Social Value Scores

EXEMPT

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required

Description of document

- Cabinet report, Jan 2020 - CAPITAL UPDATE REPORT - Key Decision No. FCR Q43 (paragraph 3.1, showing LBH's capital contribution to Hackney Museum refurbishment).
- Cabinet report, March 2025 - F S327 March 2025 Capital Update and Property Disposals And Acquisitions Report (paragraph 3.7 and section 14, acceptance of the £2.24m NLHF grant).
- Cabinet report, June 2025 F S509 Capital Update and Property Disposals And Acquisitions Report (paragraphs 1.2, 3.1 and 11.1.1- 11.1.8, resource and spend approval for the museum refurbishment project).

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