

REPORT TO: CABINET

DATE: 23 MARCH 2023

TITLE: TOWN CENTRE CONTRACT AWARDS

PORTFOLIO HOLDER: COUNCILLOR MICHAEL HARDWARE –
PORTFOLIO HOLDER FOR REGENERATION &
STRATEGIC GROWTH

LEAD OFFICER: JAMES GARDNER, ASSISTANT DIRECTOR
REGENERATION (01279) 446449

CONTRIBUTING OFFICER: DAVID SELINGS, TOWN CENTRE
DEVELOPMENT MANAGER (01279) 446487

This is a Key Decision
It is on the Forward Plan as Decision Number I013961
Call-in Procedures may apply
This decision will affect Toddbrook ward.

RECOMMENDED that:

- A** A waiver is granted to Contract Standing Order No.18.4 in accordance with CSO 3 to facilitate the award of a contract in excess of £350,000 by officers without a further report to the Cabinet.
- B** Delegated authority is given to the Chief Executive, in consultation with the Portfolio Holder for Regeneration and Strategic Growth, to contract award the appointment of a contractor for the removal of the Terminus House bridge and associated works, up to a maximum contract as set out in confidential Appendix A.
- C** Delegated authority is given to the Chief Executive, in consultation with the Portfolio Holder for Regeneration and Strategic Growth, to contract award the appointment of a contractor for the demolition of Occasio House, up to a maximum contract as set out in confidential Appendix A.

REASON FOR DECISION

- A** To ensure the timely delivery of key, town centre regeneration projects within the strict timescales as set-out by the conditions of the project Memorandum of Understanding (MOU)
- B** To safeguard against the funding being withdrawn by the Department for Levelling Up, Housing and Communities (DLUHC).

BACKGROUND

1. Over the last 18 months, the Council has been successful in its bids to Government for funding to deliver significant regeneration across Harlow Town Centre. Recent awards totalling approximately £40million through the Towns Fund and Levelling Up programmes both with project completions of March 2025.
2. Projects under the funded programmes include:
 - a) **Harlow Sustainable Transport Interchange and Hub** which will see the regeneration of the existing bus station and interchange, to create a new, high-quality transport hub supporting the existing bus network and future sustainable transport corridors as part of the Harlow and Gilston Garden Town project.
 - b) **Harlow Arts and Cultural Quarter** which will see a transformation of the Playhouse and College Squares, along with the redevelopment of the ex-Occasio House site, to create a new, high-quality arts, culture and leisure-led scheme.
3. The delivery programme associated with the projects are ambitious and Officers have been working with external consultants to ensure the project is developed and can be delivered within the timeframes set by Government and as agreed within the MOUs.
4. To ensure the project remains on track and deliverable, a comprehensive programme has been created, with key milestones and deadlines attached.
5. Key milestones include the procurement of external civil engineers and tenders are currently being completed to secure suitably experience and qualified contractors to support the Council in bringing forward the next stages in delivery of the above projects.

ISSUES / PROPOSALS

Harlow Sustainable Transport Interchange and Hub

6. As part of the procurement process for the stage one Civil Engineering works, tenders have been requested to provide indicative costs for stage two, which will be subject to successful completion of stage one and approval by Cabinet (anticipated September 2023).
7. The stage one tender exercise has a contract value of less than £350,000 and therefore does not require Cabinet approval.
8. However, through the procurement process and further scrutiny of the project programme, an option to bring forward an item of works originally anticipated

under stage two – removal of the Terminus House bridge and associate works – has been identified as advantageous to bring forward within the programme.

9. The bridge works are a key phase for the project and its early removal would enable significant benefits in works taking place to create the interchange, providing safe and flexible movements within Terminus Street, currently hindered by the bridges existence.
10. Although the bridge removal works are not part of the current stage one works, once the contractor is appointed discussions will take place to explore the option of bringing this work forward with the appointed contractor, Council officers and our external consultants.
11. If deemed appropriate, due to mobilisation of stage one, it would be advantageous and economically beneficial to approve the works within a timely manner. With the tender exercise for stage one complete, the Council will be in a position to hold these discussions immediately, however due to the works having an anticipated value of over £350,000 Cabinet approval would be required.

Harlow Arts and Cultural Quarter

12. Following acquisition of the ex-Occasio House site in December 2022, work has been underway to procure a contractor to decommission and demolish the site, which is a key, early stage milestone within the wider project.
13. Advice from external consultants have benchmarked the cost for decommission and demolition, with the value of works costing over £350,000 and therefore Contract Standing Orders would require the appointment to be made, subject to Cabinet approval.
14. The MOUs for both projects require completion by March 2025 and therefore any delays within the programme have the potential to create significant delays to other milestones and overall deliverability within the agreed timescales.
15. Procurement as detailed above has been undertake as early as possible and it is unfortunate that appointment is ready to be made at a time when Cabinet is not scheduled, with the next Cabinet not due to meet until June 2023.
16. A two-month delay would severely impact the delivery programme, with mobilisation not able to start until July 2023, opposed to May 2023. In addition, delays in appointing contractors could see price increases and economies of scale not being realised.
17. The Councils procurement framework is being followed to ensure a robust process has been undertaken in procuring a suitably experienced and qualified contractors and tender returns have/will be evaluated by Council officers and external consultants McBains.
18. With regards to the civic engineer contractor for Harlow Sustainable Transport Interchange, an indicative stage two cost has been seen as part of the stage one

tender exercise and evaluation, however, progression to stage two is not guaranteed and will be subject to further negotiation and approval by Cabinet (due to the estimated contract value) anticipated in September 2023.

19. Delegated authority to the Chief Executive, in consultation with the Portfolio Holder for Regeneration and Strategic Growth, would allow for the essential works to be brought forward and a contractor appointed to accelerate delivery. It will also ensure the Council continues to meet the delivery programme and milestones agreed with Government as part of the funding awarded for both projects.
20. The projects and procurement are fully funded and budgeted through the Towns Fund and Levelling Up Fund programmes.

IMPLICATIONS

Strategic Growth and Regeneration

As contained in the report.

Author: Andrew Bramidge, Chief Executive

Finance

Proposals are funded through the Towns Fund and Levelling Up Fund programmes and projected costs are included within the Medium Term Financial Strategy.

Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance

Housing

As contained within the report.

Author: Andrew Murray, Director of Housing

Communities and Environment

As contained in the report.

Author: Jane Greer, Director of Communities and Environment

Governance and Corporate Services

All tender processes must be completed in compliance with both Contract Standing Orders and procurement legislation to mitigate risk of successful procurement challenge. Robust and commercially acceptable contract will be required to support all service contracts awarded.

Author: Simon Hill, Director of Governance and Corporate Services

Appendices

Appendix A – Town Centre Project Values

This appendix is confidential as defined by paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Background Papers

None.

Glossary of terms/abbreviations used

DLUHC – Department for Levelling Up, Homes and Communities

MOU – Memorandum of Understanding