

REPORT TO: CABINET

DATE: 23 MARCH 2023

TITLE: COUNCIL HOUSE BUILDING PROGRAMME -
CONTRACT AWARDS DELEGATED AUTHORITY

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

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

CONTRIBUTING OFFICER: ANDREW START – HOUSING AND
REGENERATION DEVELOPMENT MANAGER
(01279) 446465

This is a Key Decision

It is on the Forward Plan as Decision Number I013971

Call-in Procedures may apply

This decision will affect Bush Fair and Netteswell Wards.

RECOMMENDED that:

- A** A waiver to Contract Standing Order No.18.4 is granted 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 construction of 8 – 3 bedroom houses and associated landscaping and parking, up to a maximum contract value as set out in Appendix A to the report, at Arkwrights garages and the construction of 6 – 1 and 2 bedroom bungalows and associated landscaping and parking with a maximum value as set out in Appendix A to the report, at The Yorke.
- 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 Sherards House, three Horseshoes Road up to a maximum contract value as set out in Appendix A to the report.

REASON FOR DECISION

- A** To ensure the timely delivery of key, regeneration projects and to meet the agreed programme milestones.

- B** To deliver development schemes in line with the Council House Building Programme and CHBP Cabinet Report – March 2022.
- C** To secure Sherards House site currently subject to Anti-Social behaviour.

BACKGROUND

1. The Yorke and Arkwrights schemes associated with this report were earmarked as development sites the Council House Building Programme and designs have been developed with the guidance from the Housing team and other stakeholders and external consultants. The schemes were granted planning permission in August and November 2022 and a single stage tender process was undertaken to select a contractor. Unfortunately, due to prevailing market conditions, this tender did not solicit any returns.
2. Given this, a two-stage tender process was developed to provide greater financial certainty to bidders and this was submitted to market in January 2023 with five contractors specifying interest in supplying a return. The tender returns are due Late March 2023 and tender analysis will begin shortly after.
3. To ensure the project remains on track and deliverable, a comprehensive programme has been created, with key milestones and deadlines which is attached in Appendices A and B to the report.
4. The demolition of Sherards House, Three Horseshoes Road is required to facilitate the construction of up to 15 new affordable homes on site. The building is currently empty and is attracting significant Anti-Social Behaviour. Further concerns surround the ability to secure the site in its current state of repair and health and safety matters relating to increasing trespass.
5. The scheme is subject to a live planning application which is going through some further detailing to ecology and arboriculture matters. Once finalised, a tender will be advertised via the procurement portal with a start-on-site targeted for October 2023.

ISSUES/PROPOSALS

6. The tender exercise currently being undertaken for Arkwrights and The Yorke and returns are to be evaluated during late March and Early April. The Council will be able to award the contract by mid-April 2023.
7. Any delay would impact the forward delivery programme and negatively impact site commencement for enabling works and site set up, which is a crucial phase within the overall project.
8. The Council's procurement framework is being followed to ensure a robust process has been undertaken in procuring a suitably qualified contractor and tender returns will be evaluated by Officers and external consultants McBains.

9. Delegated authority to the Chief Executive in consultation with the Portfolio Holder for Regeneration and Strategic Growth for appointment to Stage 1 and 2 of the current tender process would allow for a contractor/s to be onboarded and works to commence on site, meeting the delivery programme and milestones.
10. Tender returns have been received for demolition works at Sherards House and the tender analysis is now being undertaken, after which the Council will be able to award the contract by mid-April 2023.
11. Delegated authority to the Chief Executive in consultation with the Portfolio Holder for Regeneration and Strategic Growth would allow for a contractor to be onboarded and works to commence on site, meeting the delivery programme as well as safeguarding and securing the site.
12. All Projects detailed are to be funded by Right to Buy Receipts for up to 40 per cent of total scheme costs and HRA.

IMPLICATIONS

Strategic Growth and Regeneration

As contained in the report.

Author: Andrew Bramidge, Chief Executive

Finance

Proposals are to be funded by right to buy receipts for up to 40 per cent of total scheme costs and the HRA.

Author: Simon Freeman, Deputy 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.

Author: Simon Hill, Director of Governance and Corporate Services

Appendices

Appendix A – Contract House Building Programme Projects Value

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

Background Papers

None.