

Town Centre Projects – Contracts Award Delegated Authority



Report to:	Cabinet
Date:	7 September 2023
Portfolio Holder:	Councillor Michael Hardware, Portfolio Holder for Economic Development
Lead Officer:	James Gardner, Assistant Director Regeneration and Commercial Development (01279) 446449
Contributing Officer:	David Sellings, Regeneration Programme Manager – Town Centre (01279) 446487
Key Decision:	Yes
Forward Plan:	Forward Plan number I016170
Call In:	This item is subject to call in procedures
Corporate Priorities:	Rebuild our town Restore pride in Harlow Secure investment into Harlow
Wards Affected:	Toddbrook

Recommended that:

- A** A waiver is granted to Contract Standing Order No.18.4 in accordance with CSO 3 to facilitate the award of contracts in excess of £350,000 by officers without a further report to Cabinet, relating to the appointment of construction partners for Harlow Sustainable Transport Interchange and Hub, Broad Walk and Market Square; and Harlow Arts and Cultural Quarter; and
- B** Delegated authority is given to the Chief Executive in consultation with the Portfolio Holder for Economic Development (or the Leader of the Council) and the Legal Services Manager to contract award various appointments related to the delivery of Towns and Levelling Up Funded projects, up to a maximum contract value, not exceeding the funding envelope of the Towns Fund and Levelling Up Fund grant awards.

Reason for decision

- A To ensure the timely delivery of all aspects of the projects funded and approved through the Government's Towns and Levelling Up Funds, allowing projects to meet the strict timescales as set-out by the conditions of the projects Heads of Terms (HoTs) and Memorandum of Understanding (MoU); and
- B To safeguard against the funding being withdrawn by the Department for Levelling Up, Housing and Communities (DLUHC).

Other Options

- A Full procurement and contract standing orders could be followed, with each contract award being brought to Cabinet for approval. This option will add considerable delays to the programme and risk key milestones not being met, jeopardising overall project delivery within the timescales required by Government.

Background

1. To support delivery of the council's Corporate Strategy and aspirations to regenerate Harlow Town Centre, several business cases were developed and submitted as part of Governments' Levelling Up agenda, throughout 2021 and 2022.
2. The businesses cases focused on Governments Towns Fund (TF) and Levelling Up Fund (LUF), following Harlow being highlighted as priority areas for both funding programmes. The proposed projects, where the Council is delivery lead included:
 - a) **Harlow Sustainable Transport Interchange and Hub (TF)** 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) **Broad Walk – Safe, Social and Connected (TF)** which will see the regeneration of the main high street, delivering much needed, high-quality public realm improvements, to create a safe, social and welcoming environment, whilst establishing better connection between The Water Gardens, Harvey Centre and the proposed new Sustainable Transport Hub. This project also includes significant improvements to Market Square alongside the demolition of 21 The Rows.

- c) **Harlow Arts and Cultural Quarter (LUF)** 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. In September 2022, Government approved the business cases for all Towns Fund projects, with Harlow Arts and Cultural Quarter, as part of the Levelling Up Fund announced as approved in January 2023; combined, this saw Government investment, totalling £43.6million to be spent over the next couple of years.
4. The delivery programme associated with the above 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 HoTs and MOU.
5. To ensure the project remains on track and deliverable, a comprehensive programme has been created, with key milestones and deadlines attached. Key milestones include the timely procurement and award of various external contracts to help meet the programme timetable.

Proposals

6. As delivery of each project progresses, the Council will undertake various procurement exercises to appoint suitably qualified contractors, covering a range of services and goods; including construction partners for the Sustainable Transport Hub, Broad Walk and Harlow Arts and Cultural Quarter.
7. The value of these contracts will be above £350,000; and therefore, as per Contract Standing Orders, each appointment would need to seek Cabinet approval.
8. Due to the nature of the services and goods being procured, the procurement process is complex, with an average of 12 weeks required to undertake the process; with a further 4 – 8 week delay if appointments required Cabinet approval.
9. To support an efficient and effective process, delegated authority for contracts awarded under the Towns and Levelling Up Fund would allow the timely appointment of contractors and ensure the delivery programmes are not hindered by delays in appointment.
10. Funding and completion of the projects are fixed; each project has a set funding profile agreed with Government and each project needs to complete in 2025 and 2026. Any protracted timescales across the projects have the potential to create significant delays to other milestones and overall deliverability within the agreed timescales.
11. The council's procurement framework will be followed to ensure a robust process has been undertaken in procuring suitably experienced and qualified contractors and tenders

will be developed and evaluated by Council Officers and external specialist consultants, McBains.

12. Delegated authority to the Chief Executive in consultation with the Portfolio Holder for Economic Development (or the Leader of the Council) and the Legal Services Manager would allow for the essential works to be brought forward and a contractor appointed as quickly as possible. 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.
13. As previously noted, the projects and procurement will be fully funded and according to the budget profiles as part of the Towns and Levelling Up Funded programmes.

Implications

Equalities and Diversity

An assessment (ref: E539491052) via the Equality Impact Decision Tree has been completed and highlighted that a full Equality Impact Assessment (EIA) is required but not an immediate priority. EIA's have been drafted for each individual project and will continue to be reviewed and developed following wider engagement planned for the coming months.

Climate Change

This decision will have little to no impact on Climate Change, however the projects themselves will contain elements that will positively contribute towards the Council's climate change aspirations and off-setting carbon emissions through soft landscaping and creating efficient buildings.

Finance

The financial implications of awarding contracts in excess of £350,000 without further report to cabinet is contained within the report. Each project has a set funding profile agreed with Government and projects need to be completed by 2025 and 2026. Delegated authority will ensure the Council can be flexible and meet the milestones of the delivery programme. Procurement frameworks will be followed to ensure the Council still receives value for money.

Author: Jacqueline Van Mellaerts, Assistant Director – Finance on behalf of Simon Freeman, Deputy Chief Executive and Director of Finance

Governance and Corporate Services

Contracts with a value greater than £350,000 may be let by the Lead Officer in agreement with the Legal Services Manager and a Director in agreement with the appropriate Portfolio Holder subject to prior approval of funding by Cabinet and the five working days call-in period.

The successful contractors' will be required to enter into a formal contract with the Council under the appropriate terms of the JCT Suite of Documents as amended by Harlow Council's

Special Conditions of Contract. Where deemed appropriate, a performance bond may be required to guarantee the due performance of the works.

Author: Tina McDermott, Contracts Manager on behalf of Simon Hill, Director of Governance and Corporate Services

Appendices

None.

Background Papers

None.

Glossary of terms/abbreviations used

DLUHC – Department for Levelling Up, Homes and Communities

EIA – Environmental Impact Assessment

HoTs – Heads of Terms

LUF – Levelling Up Fund

MoU – Memorandum of Understanding

TF -Towns Fund