

Cabinet		Agenda Item: 10
Meeting Date	12 December 2018	
Report Title	Award of Contract for 'Construction and Landscape' works for the Faversham Recreation Ground Heritage Lottery Fund Project	
Cabinet Member	Cllr David Simmons, Cabinet Member for Environment and Rural Affairs	
SMT Lead	Martyn Cassell, Head of Commissioning, Environment and Leisure	
Head of Service	Martyn Cassell, Head of Commissioning, Environment and Leisure	
Lead Officer	Graeme Tuff Parks and Open Spaces Manager	
Key Decision	Yes	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	<ol style="list-style-type: none"> 1. To delegate authority to the Head of Commissioning, Environment and Leisure and Chief Financial Officer, in consultation with the Cabinet Member for Environment and Rural Affairs and Cabinet Member for Finance and Performance, to approve the most economically advantageous tender for Construction and Landscape restoration and enhancement works at Faversham Recreation Ground. 2. To delegate authority to the Head of Commissioning, Environment and Leisure and Head of Legal Services, in consultation with the Cabinet Member for Finance and Performance, to complete the contract documentation for the award. 	

1 Purpose of Report and Executive Summary

- 1.1 Following a successful first round bid, Swale Borough Council was awarded external funding from the Heritage Lottery Fund (HLF) to further develop designs and make a second round funding bid to the 'Parks for People' Heritage Lottery Fund. Consultants were appointed to assist the Council in the bid submission and, if the bid was successful, to finalise the design and project management including preparing tender documentation for the construction and landscape works.

- 1.2 Following the Council's round 2 submission, the HLF awarded the Council a grant of £1,602,000 in July this year based on a total project cost of £1,987,700. This report provides an explanation of the proposed tender process for contracting the restoration and enhancement works of Faversham Recreation Ground and the narrow 'window' to carry out the planned works that necessitates a request for delegated authority to award the contract.

2 Background

- 2.1 As reported previously to Cabinet, the Recreation Ground requires investment and enhancement to reflect current demand, protect heritage value and provide new opportunities for enhanced income, attracting more and a greater diversity of visitors and provide opportunities for volunteering.
- 2.2 Swale Borough Council (SBC) successfully bid for round 1 funding, and received £117,800 from the Heritage Lottery Fund (HLF) allowing the Council to fund and appoint consultants, Wynne–Williams Associates (WWA) to carry out design and development work for the restoration and enhancement of Faversham Recreation Ground and prepare a round 2 bid.
- 2.3 HLF awarded the Council a grant of £1,602,000, based on a total project cost of £1,987,700 for delivery of the proposed capital enhancements (building and landscape works) and a five year activity plan to bring in more users. As a mandatory HLF requirement, the project budget includes a contingency sum of £110,654 on the proposed capital works and an inflation sum of £33,921.
- 2.4 The SBC match funding for the bid totals £385,700 of which £267,300 was already secured by use of Section 106 funding. The balance is funded by a commitment to increased maintenance costs of £60,000, (£12,000 a year for the next 5 years). This will be partially offset by new increased income from rents, hirers and concessions. The third source of match funding is the costed value of volunteer time at £58,400.
- 2.5 The Council will also fund additional works on the site totalling £134,844 to meet lease obligations which are outside the scope of the HLF Approved Purposes. The works are funded from existing Council resources (capital reserves and Section 106 receipts) and a contribution from Faversham Town Council. To achieve cost efficiencies the works will be included in the proposed single construction and landscape tender pack.
- 2.6 The HLF grant offer is linked to the HLF Approved Purposes document which sets out the Council's obligations, deliverables and other detailed compliance requirements, such as submission of regular progress reports and specific procurement rules thereby forming a legal agreement between the Council and HLF.

- 2.7 HLF procurement requirements generally mirror the Council's own processes. The HLF will require proof of competitive tendering procedures including a report from the Council on the tenders received and our decision on which to accept. The Council must also give full reasons if it does not select the lowest tender. To ensure compliance, officers will liaise and seek consent from the HLF case officer before the award of the contract takes place and will record all delegated decisions in the appropriate manner.
- 2.8 From the outset of the project planning, the overall timetable for construction works has identified that the core works must take place between the end of the football and rugby season (23 April 2019) and the new season starting on the 7 September 2019, with practical completion of the overall works planned for November 2019.
- 2.9 The consultants have worked closely with key officers on the Project Board, chaired by the Cabinet Member for Environment and Rural Affairs, in developing the design work and costed specification for the planned works, which will form part of the tender documents.
- 2.10 To assist in reducing the risk of a contract overrun there will be a single main contractor for the construction and landscape works who will sub-contract specific special works such as the heritage repairs to the Lodge.
- 2.11 The Council's Commissioning team has been assisting the consultants in advising and developing the procurement process to dovetail with the tender and works timetable (see below).

2.12

Documents to Procurement and Legal	17/12/2018
Advertise ITT (30 days if electronic)	07/01/2019
Tender deadline	07/02/2019
Tender opening	08/02/2019
Evaluate (within 14 days) Clarification/briefing Cabinet Members	08/02/2019 - 22/02/2019
Consult and advise HLF	25/26/02/2019
Delegation decisions approved Award contract	28/02/2019
10 day cooling off period	29/02/2019 – 14/03/2019
Contract mobilisation & CDM planning	18/03/2019 – 19/04/2019
Start of works on site	22/04/2019

- 2.13 The proposed recommendations for approving delegated authority shortens the tender approval period and provides sufficient time to complete detailed evaluation of the bids and meet the required timetabling for the programme of works.

- 2.14 This is a low risk option as we are restricted to spend within the agreed funding amounts. It also allows time if there is a need to address the possibility of the tenders being over the available budget. This would require cost re-engineering work by the consultants and in discussion with HLF and the Project Board, to consider the reduction of planned project elements and/or approval to use part of the budgeted contingency sum. The latter option would need compelling evidence to satisfy HLF of the need.
- 2.14 The opportunity to tender will be advertised as an 'Open Tender', using the Pro Contract portal as is normal for all SBC tenders. The bids will be evaluated on price and quality criteria with the preferred SBC weighting of price (60%) and quality (40%). The quality criteria will be approved by the Project Board.
- 2.15 The Project Board agreed that an early 'quick win' will be the major refurbishment of the Rec play area at a cost of £150,000 (SBC play area capital of £35,000 and HLF £115,000). The work will be completed in advance of the main project works and will not be included as part of the main contract tender specification to save on preliminary costs and ensure residents can see that the project is progressing.
- 2.16 The play area procurement will be separated into equipment (with the Council purchasing the play equipment) and installation contracts. This is to help meet the varied play equipment requirements identified in the various consultations with residents, school and special interested groups and designs from WWA. Six play equipment manufacturers have been invited by quotations to submit their equipment designs and costings. An officer panel has evaluated the quotations and recommendations have been prepared for approval by the Head of Commissioning, Environment and Leisure using their existing delegation to award contracts under £100,000.
- 2.17 An open tender invitation for the installation works will be issued in November with an expectation that the prices submitted will be well under the £100,000 Cabinet tender approval threshold.

3 Proposals

- 3.1 To delegate authority to the Head of Commissioning, Environment and Leisure and Chief Financial Officer, in consultation with the Cabinet Member for Environment and Rural Affairs and Cabinet Member for Finance and Performance, to approve the most economically advantageous tender for Construction and Landscape restoration and enhancement works at Faversham Recreation Ground.
- 3.2 To delegate authority to the Head of Commissioning, Environment and Leisure and Head of Legal Services, in consultation with the Cabinet Member for Finance and Performance, to complete the contract documentation for the award.

4 Alternative Options

- 4.1 To not continue with the project. This is not recommended given the commitment and funding granted by the HLF and its legal agreement with the Council along with the need for improvement identified both by members of the community and owners of the Recreation Ground Faversham Municipal Charities.
- 4.2 To return back to Cabinet following the evaluation of the Construction and Landscape submissions for approval. This is not recommended as it will not be possible to meet the programme of improvements for 2019, further delaying the much needed improvements.

5 Consultation Undertaken or Proposed

- 5.1 Consultation has taken place with the Commissioning and Procurement Team throughout the tendering process to ensure that Swale's procedures have been followed and that we meet legislative requirements.
- 5.2 Both the Project Board and our HLF mentors have been involved with development of the tender and cost plan.
- 5.3 The round 2 bid to HLF was subject to extensive consultation processes including stakeholder and public consultation along with ultimate agreement by Faversham United Municipal Charities and the Council.

6 Implications

Issue	Implications
Corporate Plan	A Borough To Be Proud Of – will improve the Boroughs' tourism offer. A Community To Be Proud Of – will encourage volunteering and community activity A Council To Be Proud Of – will improve perception of customers' experiences.
Financial, Resource and Property	Within the HLF grant of £1,602,000, £1,107,636 is required to meet the capital improvements that will be delivered by the Construction and Landscape contract. As set out in the report, the Council contribution is £422,144 for the proposed capital works, the majority of which is from Section 106 receipts, with the balance from capital reserves as previously highlighted in Finance outturn reports.
Legal and Statutory and Procurement	Complies with OJEU regulations and the Council's procurement rules and the project as a whole satisfies the requirements of the lease with Faversham United Municipal Charities.

	<p>Reporting on tender outcomes to the HLF is mandatory.</p> <p>Officer time will be required to complete the evaluation of tenders and completion of the contract documentation.</p>
Crime and Disorder	<p>The designs reflect the desire for the site to be more secure and consultation has been undertaken through development and the planning process. Improvements to the landscape with increased footfall and community activity, all have the potential to reduce ASB.</p>
Environment and Sustainability	<p>Refurbishment of buildings will provide the potential to incorporate service technologies, with the aim of reducing both costs and the use of resources, as well as carbon emissions.</p> <p>Additional revenue income from new concessions will enable SBC to continue to maintain the park on a sustainable basis.</p>
Health and Wellbeing	<p>Volunteer and activity coordination, along with the five year activity plan and improvements to sports facilities, new café kiosk and performance space will encourage participation. Improving the quality of the landscape encourages use of the space for passive enjoyment, and can contribute to mental health and well-being.</p>
Risk Management and Health and Safety	<p>This is a major project which will incorporate appropriate risk, and health and safety management. The main risk revolves around the construction phase, and particularly works to the buildings where issues of asbestos etc. will need to be considered. The responsibility will be for the winning contractor to deliver this requirement overseen by the Council's appointed Consultants WWA.</p>
Equality and Diversity	<p>Undertaking these works will ensure that principals of accessibility for all are developed in the designs.</p> <p>The project will deliver a number of community opportunities to attract new diverse audiences and outcomes including volunteering and employment.</p>
Privacy and Data Protection	<p>No known implications for this tender construction phase.</p>

7 Appendices

7.1 There are no appendices to this report

8 Background Papers

8.1 There are no background papers to this report.