

<b>Cabinet Meeting</b>	
<b>Meeting Date</b>	29 April 2015
<b>Report Title</b>	Award of Design and Build Contract for The Meads Community Centre
<b>Cabinet Member</b>	Cllr Mike Whiting, Cabinet Member for Localism, Sport, Culture and Heritage
<b>SMT Lead</b>	Pete Raine, Director of Regeneration
<b>Head of Service</b>	Emma Wiggins, Head of Economy and Community Services
<b>Lead Officer</b>	Charlotte Hudson, Economy and Community Services Manager
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the appointment of BMR Construction Ltd as design and build contractor for the Meads Community Centre with an approved budget of £400,000.</li> <li>2. To delegate authority to the Director of Regeneration in consultation with the Cabinet Member for Localism, Sport, Heritage and Culture and Cabinet Member for Finance to increase the contract value if additional external funding becomes available for this project.</li> </ol>

## **1 Purpose of Report and Executive Summary**

- 1.1 This report provides Cabinet with an update on progress of the Meads Community Centre project and requests authority to award the design and build contract to the preferred supplier.

## **2 Background**

- 2.1 The Meads development within Sittingbourne is the subject of three Section 106 agreements. The Redrow Homes development provides a piece of land which has been designated for community use in the masterplan and a sum of £200,000 for the purpose of community facilities and/or a community building anywhere within the land. The Baradon Properties Limited Section 106 Agreement provides £210,000 for the purpose of a Community Hall. In addition a

further £100,000 has been allocated to the community centre from the S.106 contributions from the residential development of the Watermark site.

- 2.2 Work has been on-going to develop a Community Centre within The Meads development for a number of years. Originally the aim was to build an iconic building for the site which would cost in the region of £1.4million, due to changes in the economic climate and funding sources that are available, the project became untenable. To date £62,687 has been spent on the original project the majority of spend relating to architect fees and a public consultation exercise. This leaves a current balance of £447,313 held by Swale Borough Council.
- 2.3 Since 2011 a range of options have been considered for the project including joint working with Bobbing Parish Council to collaborate in order to develop a bigger hall. However, this was deemed not feasible as significant funding would still need to be attracted and there are limited grants available for these types of projects currently for the demographic of this community. Due to lack of progress on the project a number of Trustees resigned and so it was decided to re-evaluate the project and the project was refocused at developing a centre within the existing budget and on the allocated site.
- 2.4 The Meads Community Centre Trust (MCCT) was established in April 2011 to work with SBC to develop the design of the Community Centre, ensure resident's views were included within the project and develop as a Trust to manage the Community Centre upon completion. MCCT currently comprises of five trustees all who reside at The Meads and recently successfully registered as a Charitable Incorporated Organisation (CIO) with the Charities Commission. MCCT has also produced and adopted a business plan and is in the process of developing all the relevant policies including health and safety, equalities and safeguarding.
- 2.5 In order to ensure that the community centre was developed and met the community's requirements, the MCCT obtained funding from the Big Lottery to carry out community consultation to inform the future requirements of the community centre. The MCCT ran a number of activities in 2013 to engage the local community and capture their views, which then informed the service specification for the design and build contract.
- 2.6 In order to obtain the professional expertise required for the project, funding of £25,000 was allocated from the regeneration fund towards professional fees for the project. A project manager, quantity surveyor and CDM co-ordinator have been appointed by SBC to enable the project to progress. In 2014 a contract was awarded for the design and build of the community centre.
- 2.7 The design of the community centre has been developed over the last year to ensure maximum space requirements and in-keeping with the site requirements. Some of the space has also been designed to enable future use when funding becomes available. The planning application was considered by the planning committee on 29 January 2015 and was resolved to approve planning permission following some minor amendments.

- 2.8 Since the development of the design and submission to planning the contractor has withdrawn their tender and the contract has been terminated, due to not being able to complete the project within the budget. The Project Manager is liaising with Legal Services to arrange settlement.
- 2.9 The Project Management and Quantity Surveyor have reviewed the scheme and developed a detailed tender specification based upon the designs submitted to planning and a re-tender process has been entered into.

### **Tender process**

- 2.10 The tender was conducted as an open tender and 52 organisations expressed an interest in the project. The tender was issued to all those organisations who had expressed an interest. A total of three tenders were received of which all three were compliant. The tenders were evaluated by representatives of the Trust, Project Manager and Quantity Surveyor and Council Officers based upon 60% price and 40% quality. The tender price and quality scores are shown in the table below. A clarifying interview was also carried out with the three highest scoring organisations. All organisations tenders were over budget but all confirmed at interview that they would value engineer the project within the budget.

<b>Organisation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>
1. Company A	54	37	91
2. Company B	52	28	80
3. Company C	60	25	85

- 2.11 BMR Construction Ltd provided a tender summary that met the requirements of the project and suitable solutions to value engineer the scheme within budget. BMR Construction Ltd also demonstrated strong experience in this field, providing evidence of limited impact on the neighbourhood throughout the construction phase and positive social value contributions through ensuring local trades had the opportunity to tender for sub-contracts and ensure the community were involved in the project through either social or educational methods.
- 2.12 The panel therefore recommend the appointment of BMR Construction Ltd as the design and build contractor for The Meads Community Centre for a contract sum of £400,000.

### **Looking forwards**

- 2.13 Once the construction is completed it is intended to transfer the community centre to the MCCT. During this time the Council will continue to support MCCT to develop as an organisation, including aiming to increase the number of trustees.

They will also further develop their draft business plan when the final plans and space allocation has been determined.

- 2.14 The Trust is also actively seeking further funding for the community centre, including the completion of the space for future use.

### **3 Proposals**

- 3.1 To approve the appointment of BMR Construction Ltd as design and build contractor for the Meads Community Centre with an approved budget of £400,000.
- 3.2 To delegate authority to the Director of Regeneration in consultation with the Cabinet Member for Localism, Sport, Heritage and Culture and Cabinet Member for Finance to increase the contract value if additional external funding becomes available for this project.

### **4 Alternative Options**

- 4.1 The Community Centre is not built; this is not recommended as there is an identified need for the community centre and the funding for the project in place which would have to be returned to the developers.

### **5 Consultation Undertaken or Proposed**

- 5.1 Consultation has taken place Legal Service, Property Services, Procurement and Finance.
- 5.2 Consultation has taken place with MCCT, who have also conducted community consultation.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The completion of The Meads Community Centre assists in delivering the Localism Priority.
Financial, Resource and Property	<p>S.106 funds have been secured for the Capital project. £25k from Regeneration fund has been allocated for the professional fees. The project must be delivered within these constraints as no further funding is available from SBC, though it may be possible to lever in additional external grants or sponsorship funding.</p> <p>A project manager is in place to oversee the project and other professionals have been procured to carry out specialist functions.</p>

	Officer time will be required from Legal services to draw up the contract for services.
Legal and Statutory	A contract will be issued following the appointment of the build contractor for the project.  Legal Services are advising on the termination and settlement of previous contract.
Crime and Disorder	Design of the building has taken into consideration designing out crime and planning committee input also required additional security measures.  Good management of the building will reduce the likelihood of damage to the property.
Sustainability	Design of the building has taken into consideration within the constraints of the budget environmental and sustainability issues. Future grants will also be sought by MCCT to enhance the buildings energy efficiency.
Health and Wellbeing	The community centre will offer hireable space for a range of activities a number of which will enhance the health and wellbeing of residents in the borough.
Risk Management and Health and Safety	A CDM-Co-ordinator is in place for the project to oversee Health and Safety documentation and the contractor will be responsible for the site until handover of the health and safety manuals to SBC and MCCT.  Health and Safety risks will be the responsibility of MCCT going forward and policy will be in place at handover.
Equality and Diversity	Design of the building ensures the building is compliant with the Disability and Discrimination Act.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

None

## 8 Background Papers

None