

<b>Cabinet Meeting</b>	
<b>Meeting Date</b>	3 February 2016
<b>Report Title</b>	Award of Construction Manager Contract for Great Easthall Community Centre
<b>Cabinet Member</b>	Cllr Mike Whiting, Cabinet Member for Localism, Sport, Culture and Heritage
<b>SMT Lead</b>	Kathryn Carr, 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>	1. To approve the appointment of BMR Construction Ltd as Construction Manager Contractor for the Great Easthall Community Centre for £129,114.65.

## 1 Purpose of Report and Executive Summary

- 1.1 This report provides Cabinet with an update on progress of the Great Easthall Community Centre project and requests authority to award the Construction Manager contract to the preferred supplier.

## 2 Background

- 2.1 Great Easthall is a new build development within Sittingbourne, the development was subject to a S.106 agreement that provided £1.2 million and land for the construction of a community centre. The S.106 was varied in 2014 to allow for the funding to be provided up front at a reduced amount of £1.02 million on the proviso that the scheme was completed by March 2017.
- 2.2 Land has been allocated for the Community Centre and its freehold transfer (from owners Medical Centre Developments) is currently being finalised by Legal Services under the terms of the S.106.
- 2.3 A professional team has been appointed and consists of a Project Manager, Architect (Principal Designer), Cost Consultant, Mechanical and Electrical Engineer and Civil, Structural and Public Health Engineer. The team has progressed with the design of the community centre based on an overall

construction budget of £810k and the current programme aims for completion in February 2017.

- 2.4 The current scheme comprises a community centre and changing facilities, the latter having been incorporated in response to the aspiration to support local sports clubs. Unfortunately, cost analysis and market benchmarking has identified that the budget is not sufficient to include the changing facilities at the present time, however the design allows for them to be added as and when funding becomes available.
- 2.5 Due to construction price inflation and to maximise value for money, the project team has agreed a construction management route for the procurement of the project. A construction manager differs from a main contractor as each works package will be procured separately and the construction manager will manage the contractors on site. The construction manager will have overall management of the site and preliminaries and manage and assist in the tendering of the sub-packages, thus reducing the overhead and profits that a main contractor would achieve and thus combating the construction price inflation to maintain within the budget parameters.

### **Tender process**

- 2.6 The tender was conducted as an open tender and advertised through the Kent Business Portal and SBC Website. The tender was issued to all those organisations who had expressed an interest. A total of four tenders were received, all of which were compliant. The tenders were evaluated by the project team based upon 60% price and 40% quality.
- 2.7 The tendering organisations made some assumptions regarding the project and in order to fairly compare the prices amongst the tenders, the cost consultant has carried out a levelling exercise on the components included in the tender and normalised all bids for a 35 week build programme. The levelling methodology and tender price was confirmed with the tendering organisations.
- 2.8 The tender price and quality scores are shown in the table below. A clarifying interview was also carried out with the organisations.

<b>Organisation</b>	<b>Price Score</b>	<b>Quality Score</b>	<b>Total Score</b>
1. BMR Construction Ltd	60.00	21.67	81.67
2. Company B	49.95	29.33	79.28
3. Company C	52.20	25.33	77.53
4. Company D	52.70	26.33	79.03

2.9 BMR Construction Ltd provided a tender summary that met the requirements of the project and provided the most competitive price. BMR Construction Ltd is not a traditional Construction Management company and this is reflected in the lower quality scores, which assessed their experience in this field. However, BMR Construction Ltd is a main contractor who carry out similar functions and has delivered a project for the Council previously to a high standard and references have confirmed that they are a reliable organisation.

2.10 The panel therefore recommend the appointment of BMR Construction Ltd as the Construction Manager for The Great Easthall Community Centre for a contract sum of £129,114.65.

### **3 Proposals**

3.1 To approve the appointment of BMR Construction Ltd as Construction Manager for the Great Easthall Community Centre for a contract sum of £129,114.65.

### **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.

4.2 The Community Centre and Changing facilities are built; this is not recommended due to the significant shortfall in funding available to build the community centre.

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

5.1 Community consultation has been carried out with Great Easthall residents to inform the design process and requirements for the centre.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The completion of The Great Easthall Community Centre assists in delivering the 'community to be proud of' priority within the corporate plan.
Financial, Resource and Property	S.106 funds have been secured for the Capital project. A project manager is in place to oversee the project and other professionals have been procured to carry out specialist functions. Officer time will be required from Legal services to draw up the JCT contract for services.

Legal and Statutory	A JCT contract will be issued following the appointment of the build contractor for the project.
Crime and Disorder	Design of the building has taken into consideration designing out crime.  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.  The community centre will be managed by a Trust in the future and a commuted sum will be provided from the S.106 funds towards future maintenance and running costs.
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 being procured to carry out the client CDM-C duties and the architect has been appointed as Principal Designer. The Construction Manager will be responsible for the health and safety on site.
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