

## Report to Cabinet

21 July 2022

By the Cabinet Member for Finance and Parking



### DECISION REQUIRED

Not exempt (exempt Appendix 1)

## Highwood Community Centre – appointment of contractor

### Executive Summary

On 24<sup>th</sup> March 2022, Cabinet approved a proposal to construct a new community centre and nursery at Highwood, east of the A24, subject to satisfactory planning permission being granted.

Since the 24<sup>th</sup> March 2022, officers have progressed the proposals and have considered with the Council's professional advisors, the most appropriate procurement methodology for the scheme.

It is proposed to utilise the Scape Construction Framework. The Scale Construction framework is a direct award framework which is compliant with the Public Contracts Regulations 2015. With the Scape Construction Framework, a contractor is selected to undertake the work on a design and build basis.

Scape's primary objectives when procuring its frameworks have always been to drive value for money, whilst securing best practice delivery, via partners who share Scape's ethos of collaborative working and supporting local communities.

To achieve programme, design development would take place alongside the planning and Council approval process, which means that the Council is at risk of abortive fees if the project fails as a whole or in part, for example, if planning permission is refused or the proposed lease to the Nursery does not progress for any reason.

It is recommended to delegate authority to the Director of Place to enter into the Contract provided that the contract sum is within the approved budget figure.

### Recommendations

Cabinet is recommended to:

- (a) Award the Contract and delegate authority to the Director of Place to approve the final terms including agreement of the contract sum.

## **Reasons for Recommendations**

The reason for the recommendation is ensure that the procurement methodology is compliant and to delivers the project within budget.

## **Background Papers**

Cabinet 24<sup>th</sup> March 2022 – Highwood Community Centre

**Wards affected:** All

**Contact:** Brian Elliott, Head of Property 01403 215328

## **Background Information**

### **1 Introduction and Background**

- 1.1 The case for development of this facility is set out in the report to Cabinet dated 24<sup>th</sup> March 2022.
- 1.2 The purpose of this report is to secure Cabinet approval to procuring the contract under the Scape Framework.

### **2 Relevant Council policy**

- 2.1 Highwood community centre is a key feature of the Land West of Horsham Masterplan Supplementary Planning Document 2008.
- 2.2 Corporate Plan – A Great Place to Live: 1.1.4 Provide new community facilities that can be used by all residents. Improved facilities will be provided at new community centres in Highwood, West of Horsham and at Kilnwood Vale.
- 2.3 The building will be low carbon which will meet the Council's Net Zero 2030 objectives.

### **3 Details**

- 3.1 There is a requirement for Horsham District Council to comply with statutory rules on procurement, demonstrate value for money and maintain control over the building contractor throughout the duration of the project.
- 3.2 The simplest way to meet these objectives is the early appointment of a main contractor through a recognised pre-tendered, complaint Framework. The benefits of this arrangement are:
  - Early establishment of a realistic market informed budget
  - Early contractor design and buildability input
  - Over-arching continuous assessment of the contractor by the Framework Management to ensure that service levels are maintained.
  - Demonstration of market competitiveness of Preliminaries and Overheads and Profit rates, with a fixed price derived from competitive quotes from trade sub-contractors (unless agreed otherwise)
- 3.3 The Scape framework was utilised at Piries Place car park, which was delivered on budget, so the Council has good experience from this arrangement.
- 3.4 Two contractors qualify in the Framework Category and the recommended contractor is set out in Appendix 1 Exempt.

## **4 Next Steps**

- 4.1 Proceed with the pre-contract process to obtain and fixed price and then to enter into the contract with the contractor.

## **5 Views of the Policy Development Advisory Group and Outcome of Consultations**

- 5.1 The proposal has been considered by the Finance and Parking PDAG who raised no objections.
- 5.2 The comments of the Monitoring Officer, the Interim Director of Resources and the Head of Procurement are incorporated in this report.

## **6 Other Courses of Action Considered but Rejected**

- 6.1 The alternative option would be to have an open tender which would take longer to deliver and is not considered to be more beneficial in financial or quality terms.

## **7 Resource Consequences**

- 7.1 The contract will only be entered into if the contract sum is within the approved budget.

## **8 Legal Consequences**

- 8.1 The appointment of the supplier through the Scape Construction framework agreement is compliant with the Public Contracts Regulations 2015 and the Council's Procurement Code.

## **9 Risk Assessment**

- 9.1 The major risks identified are that the contract sum may be higher than the approved budget, in which case the scheme will be value engineered to fit the budget.

## **10 Procurement implications**

- 10.1 Under the framework a direct award can be made to a delivery partner based on previous or current experience of successful project deliver and track record in the location or sector in question.

## **11. Equalities and Human Rights implications / Public Sector Equality Duty**

- 11.1 There is no adverse impact on human rights or disability access in relation to these proposals and these proposals are considered to be consistent with the Human Rights Act 1998, the Equalities Act 2010 and the relevant Council policies related to them.

## **12 Environmental Implications**

- 12.1 The scheme will be constructed in a way that is consistent with the Council's policies on Net Zero Carbon.

## **13 Other Considerations**

- 13.1 None