

## Report to Cabinet

22 September 2016

By the Cabinet Member for Leisure and Culture



**Horsham  
District  
Council**

### DECISION REQUIRED

Not Exempt

**Appendix 1 Exempt under paragraph 3 Part 1 of  
Schedule 12A of the Local Government Act 1972**

## **Appointment of Contractor to undertake building works – Broadbridge Heath Leisure Centre – Construction of Multi Use Games Area Pitches**

### **Executive Summary**

On 23<sup>rd</sup> November 2015 Cabinet approved the redevelopment of the leisure centre at Broadbridge Heath and Council approved the budget for the project on 9<sup>th</sup> December 2015. The first phase of the project is to relocate the Multi-Use Games Area (MUGA) pitches onto land to be transferred to the Council by Countryside Properties (UK) Ltd (Countryside) to the south of the Bowls Club. This land is being transferred under an obligation in the section 106 agreement for Countryside's housing development at Broadbridge Heath. This report deals with the appointment of the contractor for the construction of new MUGA pitches and to seek Cabinet approval to award a contract with a value over £250,000.

The Council's appointed professional team for the Broadbridge Heath leisure centre project advised that the most suitable form of contract for this project would be a single stage design and build contract, where contractors are provided with a robust set of employer's requirements, which are competitively tendered. The contractors determine the most appropriate design and construction methodology that satisfy the employer's requirements.

The procurement of the contract was through an open local tender process. The tender document invited contractors to submit two proposals, Option A and Option B. Option A will be for the construction of 3 MUGA pitches and Option B will be for the construction of 3 MUGA pitches, with an option for a further 2 shortly thereafter. The option choice will depend on whether the Council agrees terms to construct two MUGA pitches on behalf of Countryside under a proposed variation to the s106 agreement. This variation proposal is currently in the final stages of negotiation with Countryside and will be subject to the approval of the Development Control North Planning Committee.

A local tender process was used to ensure a competitive price for the project, which was evaluated using a 70/30, price/quality split, to ensure best value. The cost and quality elements of the tenders were marked by a panel and the final results were as follows:

- Company A 84%
- Company B 78%
- Company C 72%
- Company D 63%

The panel agreed that these scores accurately reflected their conclusions and that Company A should be recommended for selection as contractors for the proposed project.

## **Recommendations**

That the Cabinet is recommended:

- i) To approve the tender received from Company A - as identified in the attached exempt Appendix 1 and award the contract.
- ii) To delegate authority to the Director of Community Services to enter into the contract for the appointment of Company A for either Option A or Option B dependent on the finalisation of terms with Countryside.

## **Reasons for Recommendations**

- i) To appoint a contractor to undertake the construction of MUGA pitches at Broadbridge Heath.

## **Background Papers**

Cabinet Report dated 23<sup>rd</sup> November 2015: Proposals for the Redevelopment of Broadbridge Heath Leisure Centre  
Referred to Council, 9<sup>th</sup> December 2015: Proposals for the Redevelopment of Broadbridge Heath Leisure Centre  
Appendix 2- EXEMPT – Analysis of tenders

## **Wards affected- Broadbridge Heath**

**Contact: Brian Elliott Property and Facilities Manager**

## **Background Information**

### **1 Introduction and Background**

- 1.1 The Council has agreed to develop a new Leisure Centre at Broadbridge Heath to provide a facility that will accommodate the expected future growth of the District.
- 1.2 A contractor is required to build new MUGA pitches on land to the south of the development to be acquired from Countryside. This will release the old MUGA pitches for development of the new leisure centre.
- 1.3 The objective of the procurement process is to identify a contractor who has the relevant experience to undertake a project of this nature at a competitive price.

### **2 Relevant Council Policy**

- 2.1 Horsham District Corporate Plan Priorities 2016-2019. – Ensuring commissioning principles are applied to our service delivery to secure quality and value which will deliver efficiencies and objectives of the Medium Term Financial Strategy.

### **3 Details**

- 3.1 Consideration was given to the method of procurement.

There were two options;

(a) to undertake a local tender or;

(b) to use a framework agreement.

- 3.2 The decision was taken to undertake a local tender process because the construction works are simple and will appeal to suitably experienced contractors of which there are many.
- 3.3 A Tender document was prepared which was locally advertised. The tender document included scoring and evaluation criteria of 70% price: 30% quality, in line with the Council's procurement code.
- 3.4 The competitive evaluation process ensures the appointment of a contractor who has the right experience and capability to deliver the project and that the tendered price is fair value.
- 3.5 A total of 17 suppliers expressed an interest in the project and four contractors' submitted tenders. The bidders provided prices on the basis of both options and answered questions to explain their capability and approach to the project. The tenders were evaluated and the results are set out in exempt Appendix 1.
- 3.6 The panel agreed that the results accurately reflected their conclusions from the interviews and that Company A should be selected and appointed as contractors for the proposed project.

## **4 Next steps**

- 4.1 Following approval to award the contracts, there will be a mandatory legal 10 day “standstill” period as required by the Public Contract Regulations, to allow unsuccessful tenderers time to request feedback and scrutinise the award process. Once this has passed without incident, the appointment can be ratified and legal formalities concluded.

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

- 5.1 Comments from the Policy Development Advisory Group held on the 15<sup>th</sup> September 2016 will be verbally reported at the Cabinet meeting.
- 5.2 Comments from the Director of Corporate Resources, the Council Solicitor and the Director of Community Services are included in this report.
- 5.3 There are no staffing issues arising from this report

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

- 6.1 This was a choice between an open tender process and a framework. The use of a contractor from a framework agreement was considered a less suitable course of action due to the wide availability of suitably experienced contractors for works of this nature.

## **7 Resource Consequences**

- 7.1 The projected costs are in line with the budget forecast for this element of the overall project.
- 7.2 There are no HR consequences.

## **8 Legal Consequences**

- 8.1 The council has the legal authority to enter into a construction contract and the procurement process has been carried out in compliance with the Council’s procurement code.

## **9 Risk Assessment**

- 9.1 There are no specific risks in relation to this project, however normal construction risks arise, such as in relation to ground conditions, weather or other matters that might impact on construction.

## **10 Other Considerations**

- 10.1 The proposal is compliant with disability access requirements and has no sustainability implications.