



Notice of KEY Executive Decision

Subject Heading:	Construction of Broxhill Pavilion Award Tender
Cabinet Member:	Melvin Wallace- Culture and Community Engagement.
CMT Lead:	Andrew Blake Herbert; Assistant Chief Executive- Communities. and Resource.
Report Author and contact details:	Andy Skeggs Head of Technical Services Andy.skeggs@havering.gov.uk 01708 433600
Policy context:	This project is part of the Harold Hill Ambitions Programme and supports the Council's leisure strategy.
Financial summary:	A competitive tender process has resulted in an affordable tender for the pavilion in the sum of £1,350,000.
Reason decision is Key	(a) Expenditure of £500,000 or more
Date notice given of intended decision:	1 st July 2014
Relevant OSC:	Environment Overview and Scrutiny Committee
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for	[x]
People will be safe, in their homes and in the community	[x]
Residents will be proud to live in Havering	[x]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To authorise the Award of Contract to Valuegrade Ltd. In the sum of £1,350,000. To agree total costs in the sum Also to authorise negotiation of contract costs for associated elements of the work i.e. 3G sports pitch, multi use games area and car park.

AUTHORITY UNDER WHICH DECISION IS MADE

Authority for Members of CMT within part 3 of the Constitution:

Contract powers

(b) To award all contracts with a total contract value between £156,000 and £5,000,000.

STATEMENT OF THE REASONS FOR THE DECISION

Tenders were issued to seven contractors on the basis of a two stage tender on a 40/60 quality/ cost evaluation. Tenders were returned as follows:

Contractor A	1,464,992.00
Contractor B	1,218,064.61
Contractor C	1,230,000.00
Contractor D	1,519,135.54

The remaining three contractors failed to submit a tender.

The Contractors were requested to provide additional/ information to clarify their tenders and this resulted in Contractors B, C & D being invited to an interview to assess the quality factor. The results are shown below including the final account sums as assessed by the consultant quantity surveyor;

Contractor	Quality	Cost	Total
B	40	55	95
C	40	60	100
D	38	46	84

It is therefore recommended that the contract be awarded to Contractor C- Valuegrade Ltd. It is further recommended that costs be negotiated with Valuegrade to carry out the associated packages for the 3G pitch, multi use games area and car park on the basis of competitively tendered packages. This is similar to the second stage of the process on which the pavilion tender was awarded and should result in a very competitive tender as the preliminary costs and profit and attendance elements submitted by Valuegrade were comparatively low. This would enable the associated works to be carried out concurrently as it would not be possible to have more than one main contractor working on site at the same time.

OTHER OPTIONS CONSIDERED AND REJECTED

A new build pavilion was the original preferred option however the cost obtained following a competitive tender process proved to be too expensive. As such, the proposal was reviewed and refurbishment/ remodelling of the existing gymnasium/ ancillary accommodation block has been developed and an affordable tender obtained.

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The procurement appears to have been conducted in accordance with the Council's procurement rules and therefore there is minimal risk of a legal challenge to the award of tender to the cheapest contractor.

Stephen Doye, Legal Manager – Community Service

FINANCIAL IMPLICATIONS AND RISKS

The proposal is costed as follows:

	£
Works Contract	1,350,000
Fees – tech/project mgt	200,000
PC sum for highways works	60,000
Total contract	1,610,000
IT and FF&E.	50,000
Total pavilion	1,660,000
Funded by:	
LBH direct funding	2,863,000
Gooshays Section 106 planning monies pitches	157,000
Gooshays Section 106 planning monies changing rooms	<u>200,000</u>
Total	3,220,000
Monies already committed.	
Bowls club	83,000
Surveys/ consultancy work	179,265
Grass pitches (incl. Petersfield)	211,549
Total	473,814
Available	2,746,186
Pavilion contract	1,660,000
Total	1,086,185
PC sum for parking	186,000
PC sum for MUGA	400,000
PC sum for 3G football pitch	500,000

Conway Mulcahy, Finance Business Partner

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There would appear to be no implications in respect of existing staff.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The proposed pavilion will incorporate appropriate provision for the Havering Disabled Sports Association and will ensure equality of opportunity across all site facilities.

Key Executive Decision

PRE-DECISION CONSULTATION

Reports to Harold Hill Ambitions Board. (meetings held monthly from 2008)
Meetings with Bowls Club.
Preplanning consultation with stakeholders September 2013.
Sports Council Meeting 22nd January 2013
Havering Disability Forum 15th November 2013

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: *Martin Stanton* MARTIN STANTON
Designation: PARKS AND OPEN SPACES MANAGER
Signature: *Martin Stanton* Date: 10/11/15

Key Executive Decision

--

BACKGROUND PAPERS

Harold Hill Ambitions Cabinet Report, approved in Jan 2014.

Record of comments made at the Preplanning consultation 15th July 2013.
Planning approval dated
Equalities Impact Assessment

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

~~Proposal NOT agreed because~~

~~~~

Details of decision maker

Signed

~~~~

Name:

~~Myrland~~ 

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

10/11/15.

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____