

NORTH SOMERSET COUNCIL DECISION

DECISION OF: COUNCILLOR JAMES TONKIN. THE EXECUTIVE MEMBER FOR PLANNING, HIGHWAYS AND TRANSPORT



WITH ADVICE FROM: THE DIRECTOR OF PLACE

DECISION NO: 20/21 DP 259

SUBJECT: Procurement Plan 20/21 DE 123: Design & Build of Winterstoke Hundred Academy Expansion AMENDMENT

KEY DECISION: No

REASON: Contract Standing Orders do not deem procurement plans as key decisions

BACKGROUND:

The original Procurement Plan for the Design and Build services for the Design and Build of Winterstoke Hundred Academy Extension (WHAE) in September 2020 by the Executive Member for Planning, Building Control, Highways and Transport.

The plan stated that the contract award (Stage 1 and Stage 2) would be approved by the Executive, due to the estimated value of ~£30m.

Proposal

It is proposed that Stage 1 and Stage 2 are awarded separately. The initial Stage 1 (Design: ~£3m) would be delegated to Director whilst Stage 2 would still be taken to Executive (Build cost: ~£27m).

No other amendments are proposed for the Procurement Plan nor the Commissioning Plan.

DECISION:

To approve the procurement plan amendment

REASONS: Using Stage 1 & Stage 2 contracts to ensure value for money & quality

Existing Procurement Plan

As the procurement plan sets out, the procurement exercise will appoint a contractor by two interlinked contracts, these are:

Stage 1, a JCT Pre-Construction Services Agreement Professional Services Contract (PCSA) to undertake the preliminary design, planning stages of the scheme and to negotiation of a target cost for the detailed design and construction phase;

Stage 2, a JCT Design and Build Contract for the detailed design and construction of the works.

The procurement plan stated that the Design & Build Services (both contracts) would be approved by the Executive at the same time.

Proposed amendment

It is now proposed that the approval for the Stage 2 JCT Design & Build contract for the detailed design and construction would not be awarded until the end of stage 1.

Reasoning for amendment

There is currently a very low level of detail with regard to what is required in Stage 2 and as such, the contractor will be tasked with producing a final scope for Stage 2. This will be developed and refined during stage 1 of the project as more becomes known about the works and project in general through the results of surveys / investigations and the development of the preliminary design. Therefore, the cost of Stage 2 is subject to change throughout Stage 1.

The two contracts are interlinked and whilst the intention is to award Stage 2 to the tenderer at the end of Stage 1, this is subject to agreement of the Cost, with a break clause enabling either party to walk away if costs cannot be agreed. This encourages the tenderer to deliver value for money and if not, provides NSC with the option of walking away with the designs and re-procuring Stage 2.

Approving the contract award for Stage 1 and 2 at the Executive meeting in February will negate the break clause, hindering NSC's ability to manage the project and puts the quality and cost of the works at significant risk.

OPTIONS CONSIDERED:

- Carry on with approach set out in original procurement plan.

Rejected because the value of the contract (Stage 2) is subject to change as detail / scope is developed during Stage 1. Without this detail, there is a lack of substantiation to ensure Stage 2 is providing value for money.

- Amend original approach to contract award to a phased approach by the Director in accordance with Contract Standing Orders.

Accepted because...see reasons A and B above.

FINANCIAL IMPLICATIONS:

There are no financial implications as a consequence of this amendment.

Costs

The total cost estimate for the design and build work is £30m.

Funding

Provisional capital funding to the value of £97.1M has been secured from Homes England for the scheme.

LEGAL POWERS AND IMPLICATIONS

The contract approval thresholds proposed are in accordance with Contract Standing Orders.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

This amendment has no climate change and environmental implications.

CONSULTATION

This amendment has been proposed in consultation with Head of Legal & Democratic Services.

A briefing session with the Executive Member and Assistant Executive Member for Planning, Highways and Transport was held 3rd December to inform them of the proposed amendments.

Members of the Executive have also been given the opportunity to provide comments to the Executive Member for Planning and Transport.

RISK MANAGEMENT

There are no additional risks or risk management requirements as a consequence of this amendment.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? No

This decision regards legal process for contract approval and does not impact protected groups of people.

CORPORATE IMPLICATIONS

This amendment has no corporate implications.

APPENDICES

None

BACKGROUND PAPERS

Procurement Plan 20/21 DE 123

SIGNATORIES:

DECISION MAKER(S):

A handwritten signature in black ink, appearing to read "P. Forster". The signature is written in a cursive style with a horizontal line underneath the name.

Signed:

Executive Member for Planning, Highways and Transport

Date: 22 December 2020

WITH ADVICE FROM:

A handwritten signature in black ink, appearing to read "Lucy Shomali". The signature is written in a cursive style.

Signed:

Director of Place

Date: 14 December 2020