

North Somerset Council Decision



Decision Of: Executive Member for Placemaking and Economy

In Consultation with: Assistant Director Placemaking and Growth and Head of Strategic Procurement

Directorate: Place

Decision No: 22/23 DP 430

Subject: Commissioning and Procurement Plan for Development Contracts to produce a detailed National Lottery Heritage Fund Delivery Plan for the restoration of Birnbeck Pier

Key Decision: YES

Reason:

The procurement and contract costs are over £500,000

Background:

The restoration of Birnbeck Pier is one of the transformational objectives in the Place Directorate Plan 2022/23.

The Council has been successful in securing a **Development Phase** grant from the National Lottery Heritage fund (NLHF), supported by further grant from Historic England, to fund a variety of feasibility work leading to a second round application to the NLHF which, if successful will see the release of around £4.5m of capital funding (a **Delivery Phase** grant) from the NLHF.

The “Birnbeck back from the Brink” project will create a nationally unique destination that will support the regeneration of Weston-Super-Mare. Birnbeck is the only pier in the country that connects to an island and the only pier in the country with 130 years of service with the RNLI, who will be proudly reinstated as part of this project. Across several phases of work spanning between 4 – 6 years, the vision is to save the pier and carefully bring the island and foreshore back to life in a way that acknowledges historic significance whilst giving visitors a truly unique experience.

In order to undertake this work, specialists need to be commissioned. These will include specialist technical project managers, architects, engineers, quantity surveyors, interpretation designers etc.

Decision:

That this combined Commissioning and Procurement Plan be approved to proceed to the market for the following contracts:

1. Technical Project Manager
2. Architect-led Design Team
3. Quantity Surveyor

Reasons:

Introduction

This is a new and one-off piece of work and therefore there are no existing arrangements in place that can be used to facilitate the commissioning and procurement of this work.

Requirements

NSC requires three discreet contracts: Technical Project Management Services, an Architect-led Design Team, and Quantity Surveyor services. The three commissions covered in this report will all be two-stage contracts; stage one being for the NLHF **Development Phase** and stage two being for the NLHF **Delivery Phase**, ensuring continuity of supply for both phases, but with flexibility built in should the council be unsuccessful in its bid for the Delivery Phase.

The various contracts and their scopes will incorporate the following –

1. Technical Project Manager

This role will focus on managing the capital elements of the project, using RCIS Project Manager Services professional standards to confirm the range and scope of services required. This role will be key in providing detailed day-to-day oversight of the design team that would otherwise require significant Council resource.

Essential competencies for Technical Project Manager

- Must have specialist knowledge and experience of working with Listed Buildings of high status (Grade I/Grade II*), preferably including piers or coastal architecture and with a broad portfolio of work.
- Understand the complexities of running significant National Lottery Heritage Fund grant funded projects

2. Architect-led Design Team

The Design team requirement is for specialist architectural and design services incorporating advice and recommendations relating to listed buildings/structures repair and use of materials and structural and marine engineering for the Birnbeck heritage asset site. This will support the Council to produce the detailed Round Two application to the NLHF and the majority of material necessary to prepare a Planning Application and Listed Building consent application, If the Round Two application is successful, the council will be awarded £4.75m Delivery Phase grant from the NLHF. Subject a performance review the

Design Team will then provide services for the Delivery Phase through to project completion.

A draft brief for this procurement was prepared and submitted to the NLHF as part of the grant application. The brief for the Design Team will be informed by the requirements for preparing a Delivery Phase application and any feedback from the Development Phase application. In summary, their role will be to develop design options and a preferred option for the Birnbeck Pier to RIBA Stage 3 taking account of conservation, structural design, service systems, landscape, outline specifications, environmental, energy and access issues. As part of this, the Design Team will be required to produce a Conservation Plan and Management and Maintenance Plan for the Birnbeck Pier.

The Design Teams will include:

- Accredited conservation architects including an identified Lead Designer
- Landscape architects
- Interpretation designers
- Cost consultants
- CDM advisors
- Planners
- Structural engineers
- Surveys - multiple

The Lead Designer will attend Core Team Meetings and coordinate the attendance of other Design Team members as necessary. Officers from NSC (Development Control, Building Control, Environmental Services, Conservation etc.) will form part of the Design Team as the work progresses into greater detail.

The Design Team will be responsible for identifying, procuring and managing a comprehensive range of additional specialist surveys as required.

The Design Team will be responsible for engaging the community and local stakeholders in the design development. It will also be responsible for engaging in formal pre-planning consultation with Weston-super-Mare Town Council, Historic England and other relevant bodies.

3. Quantity Surveyor

The QS will act as the contract administrator for the project as well as the cost consultant.

The Quantity Surveyor must have specialist knowledge and experience of preserving, conserving and restoring complex historic buildings of high status (Grade I/Grade II*), preferably including piers or coastal architecture and with a broad portfolio of work. They must have an understanding of the complexities of running Heritage Lottery grant-funded projects.

Lessons learned for previous projects

Whilst there are no previous projects specifically relating to Birnbeck Pier, guidance from the NLHF emphasises the need for specialist suppliers with experience of working on heritage sites should be sought for this work, which will be a pass/fail evaluation criteria. Other lessons learned are the need for the Design Team to be on hand to visit the site

easily and frequently, and the Technical Project Manager should demonstrate their interest and passion for Heritage projects. These will form part of the evaluation criteria.

It is critical to the success of the Birnbeck pier project overall that quality is prioritised in this way, as it is so specialist, significant and we have one opportunity to get the best possible outcome. The quality weighting for the Design Team and Project Manager is proposed to be 80%, due to the importance of ensuring the highest quality supplier is appointed on each contract. This will ensure the best possible quality is obtained and the evaluation panel will not be forced to appoint an average supplier who has submitted a low-priced bid. This approach was adopted for the Uplands Design Team and was successful.

Contract Structure

The council will use the RIBA Professional Services contracts embedding the two stages (Development and Delivery) to protect the council if funding for the Delivery stage is not forthcoming.

Market

The markets for the services sought are well established. There is a strong national market in heritage architects with large and small specialist companies distributed across the UK. In addition, some large general architecture practices have heritage departments which may be interested in this project. There is also a strong national market for technical project managers and quantity surveyors who work on heritage projects such as this. The Council's engagement with specialist consultants Ingham Pinnock Associates (IPA) has informed our understanding of the market, as they bring a wealth of knowledge and continue to carry out market research on our behalf to advise us on markets and strategy.

This is a high-profile project which will attract a lot of interest from suitably qualified organisations and individuals. The Design Team contract in particular is likely to be of national interest as a result of the site, which is well known throughout the heritage industry, and the likelihood of the scheme getting national media attention. We have already received interest from suppliers who have read about the project and are keen to participate. This has shaped the route to market for the Design Team in particular, where a restricted procedure is being adopted in order to minimise the resource implications of the procurement on the Council as the contract is likely to attract a large number of participants.

Route to Market

1. Technical Project Manager

This will follow a single-stage, Open Tender procurement process which will allow the Council to see best value for money through a competitive process.

2. Architect-led Design Team

This will follow a 2-stage restricted process, in order to refine a broad and competitive market down to candidates who are high-quality, suitably qualified and experienced in

working with heritage sites. There will be a pre-qualification short-listing stage followed by a further evaluation and interview stage inviting a maximum of 5 bidder to the tender stage.

3. Quantity Surveyor

This will follow a single-stage, Open Tender procurement process which will allow the Council to see best value for money through a competitive process.

Indicative timescales

1. Technical Project Manager

| Action | Timing |
|---------------------------------|----------------|
| Tender advertised on the portal | 20/03/23 |
| Tender Closes | 19/04/23 |
| Evaluation of tenders | 20/04-05/05/23 |
| Contract Award | 22/05/23 |
| Contract Commences | 02/06/23 |

2. Architect Led Design Team

| Action | Timing |
|---|----------------|
| Publication of Selection Questionnaire (SQ) | 01/03/23 |
| SQ submission deadline | 31/03/23 |
| Shortlisted bidders informed | 17/04/23 |
| Publication of Invitation to Tender (ITT) | 18/04/23 |
| ITT submission deadline | 18/05/23 |
| Evaluation of ITT | 22/05-09/06/23 |
| Contract Award | 13/07/23 |
| Contract Commences | 25/07/23 |

3 Quantity Surveyor

| Action | Timing |
|---------------------------------|---------------|
| Tender advertised on the portal | 05/06/23 |
| Tender Closes | 05/07/23 |
| Evaluation of tenders | 06-21/07/23 |
| Contract Award | 07/08/23 |
| Contract Commences | 18/08/23 |

Governance

This commissioning & procurement plan will be approved by the Executive Member. The Contract award reports will be approved by the Director advised by the s151 officer and Head of Strategic Procurement.

The Contracts will be managed and administered by NSC in accordance with existing internal Council approval and governance processes. A Project Board is established to provide internal governance of the project.

An additional level of governance will be put in place via the reporting and monitoring process required from NSC to the NLHF project management team. This is required as the project is externally funded by NLHF.

Social Value, TOMs, Sustainability & VCSE

All three commissions will request that bidders will detail their social value commitments on the Social Value Portal.

In accordance with the Council's Social Value Policy, 10% of the overall weighting will be for bidders to propose their tangible social value commitments. The Themes, Outcomes and Measures (TOMs) model will be used to calculate social value contributions, which enables NSC to gain a greater understanding of the value of bidders' commitments and to evaluate social value tender responses quantitatively as well as qualitatively.

For this procurement, the project team are proposing to use Social Value Portal to undertake both the evaluation of the social value responses and ongoing contract management of the social value commitments provided by the appointed supplier. This service will cost 0.20% of the contract value.

Evaluation Criteria

Technical Project Manager

Submissions will be evaluated on the basis of

- 20% Price
- 70% Quality
- 10% Social Value

Quality will be assessed using three main questions, covering the following areas:

- Experience of relevant schemes
- Method and Programme for delivery
- Details of proposed Project Team & capability

Architect-led Design Team

Submissions will be evaluated on the basis of:

- 20% price
- 70% Quality
- 10% Social Value

Quality will be assessed using three main questions, covering the following areas:

- Key issues that will affect delivery of the project
- Method and Programme for delivery

- Details of proposed Project Team & capability

Quantity Surveyor

Submissions will be evaluated on the basis of:

- 40% Price
- 50% Quality
- 10% Social Value

Quality will be assessed using three main questions, covering the following areas:

- Experience of relevant schemes
- Method and Programme for delivery
- Details of proposed Project Team & capability

Interviews

In addition to providing written responses to the quality questions, it is proposed to include an interview stage for the Technical Project Manager and Architect-led Design Team, this will require bidders to present their understanding and approach to the project. Following these interviews, we will moderate quality scores, where appropriate.

For consistency, the interview panel will comprise the same individuals that will undertake the evaluation of tenders however additional experts from Birnbeck Regeneration Trust, Historic England etc may be invited to attend to provide their guidance around scoring.

Quality questions for each of the individual procurements will be scored using the standard NSC scoring matrix set out in the table below.

| Score | Classification | Award Criteria |
|--------------|-----------------------|---|
| 5 | Excellent | A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation. |
| 4 | Good | A response supported by good evidence/examples of the Bidders' relevant ability and/or gives the council a good level of confidence in the Bidders' ability. All requirements are met, and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation. |
| 3 | Satisfactory | A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon. |
| 2 | Weak | A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and |

| | | |
|---|----------------|---|
| | | provides the council a limited level of confidence in the Bidders' ability to deliver the specification. |
| 1 | Inadequate | A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall the response provides the council with a very low level of confidence in the Bidders' ability to deliver the specification. |
| 0 | Unsatisfactory | No response or response does not provide any relevant information and does not answer the question. |

Price

Price is attributed a weighting of 20% for the Project Manager and Design Team. The NLHF and other grant funders effectively covers the majority of the costs of this work. The available budget will be stated in the tender docs. It is noted that the 20% weighting for price may be considered low, however this project is unique in nature due to its heritage site status and the availability of grant funding. It is critical that the quality of work provided by the successful suppliers is the very highest, as this high profile, nationally important site reflects the status of the pier and associated buildings. It is also essential that all new build is designed and built to a standard that enhances and protects the original heritage features, as well as being the very best of 21C design. Price has been weighted more highly at 40% for the Quantity Surveyor who will be lead by both the Design Team and Project Manager contracts, however the evaluation strategy will still ensure that high quality responses are rewarded.

For evaluating the overall price from each supplier, it is proposed to use the standard cost evaluation method, which is widely used within the Council. The tender with the lowest total price will receive the maximum score of 100 (weighted at 20 or 40%) and the prices of all other tenders will be expressed as a percentage of the maximum score.

This pricing methodology will be used across all three projects detailed within this plan.

Pricing Schedule

Bidders will be asked to complete a pricing schedule that sets out in detail the amount of time that will be committed by different individuals for different tasks. This gives the Council the opportunity to understand the total amount of resource that is being purchased in person-days and a mechanism that can be referred back to if in due course it is felt that the contractor is under-resourcing the project. Suppliers will be asked to provide a fixed price for both development and delivery phases. In order for suppliers to price the delivery stage, we will be sharing the budget in the brief for the delivery phase, which includes a reasonable indication of the scope of work. This approach has been taken by IPA previously and bidders have understood it and responded well to it.

Evaluation Panel

The evaluation panel will consist of a minimum of

- Heritage & Design Manager & Project Sponsor
- Principal Project Officer
- Ingham Pinnock Associates – Project Coordinator

Where it is considered appropriate, other specialists from within the Council and related to Birnbeck Regeneration Trust/Historic England may be invited to participate in evaluation.

A member/s of the Strategic Procurement Team will oversee and moderate the evaluation process.

Contract Management

The three contracts being procured will be managed by Ingham Pinnock Associates (IPA), who are externally appointed specialists in this area. IPA will perform the role of Project Coordinator with the Design Team, QS and Technical Project Manager reporting to them. IPA will report to the council's Project Sponsor and the wider Project Team as set out in the Project Management Plan.,

The management of the performance of the contracts will be framed overall by an established and agreed programme for the project Development Phase. This is an agreed period of time during which an agreed set of outputs will be delivered such as a Design and Cost Report to RIBA Stage 3.

Day-to-day, the appointed Design Team will establish and manage a Design Team Sub-Group that will include various officers from NSC, the QS and Technical Project Manager and Project Coordinator. This will be the principal forum for the development of the of the design work for Birnbeck Pier. This Sub-Group will meet monthly and provide report to the Project Team which also meets monthly. Between formal meetings, the Project Coordinator will work closely with the Project Sponsor and is expected to be in almost daily contact about performance.

The project as a whole will be required to provide detailed quarterly progress reports to the NLHF as the principal funder. It will also be subject to a formal mid-term review by the NLHF. These progress reports will be available for the Council to review.

Options Considered:

Option 1: Internal provision of services

This was discounted as the Council does not have a) sufficient officers with all the skill sets and experience required, and b) it is a more efficient use of Council resources to have those officers experienced in this level of project management to focus on the overall delivery of the wider project

Option 2: Utilise existing Framework Agreements which NSC have access to

This was discounted because this work is of a specialist nature and given the high profile of the project, we believe it will attract significant interest from suitably qualified organisations.

Financial Implications:

This work is 100% funded via external sources at no cost to North Somerset Council.

Costs:

| Contract | Development Phase | Delivery Phase | Total |
|---------------------------|-------------------|----------------|----------|
| Technical Project Manager | £34,620 | £80,780 | £115,400 |
| Design Team | £210,000 | £490,000 | £700,000 |
| Quantity Surveyor | £34,620 | £80,780 | £115,400 |
| | £279,240 | £651,560 | £930,800 |

The Delivery phase will be subject to a successful second application to the NLHF.

Funding:

The Place Service Accountant has confirmed that Grant funding has been secured for the development phase of the project from NLHF (£234,761) and a Historic England allocation (£300,000). The delivery phase of the grant funding remains unsecured and is subject to a successful second application to the NLHF to which all the work being commissioned will contribute.

Grant funding will be claimed from the NLHF quarterly in arrears following the completion of a standard grant claim form and copies of invoices that the Council has paid; this is the NLHF standard method of grant payment.

Legal Powers and Implications:

The procurement will be compliant with the Public Contract Regulations 2015. It is proposed to use the RIBA Professional Services Contract for these contracts.

This form of contract is the industry standard for heritage work such as this and will be familiar to the type of organisations we wish to attract. A PM with experience of using this form of contract will be appointed.

Climate Change and Environmental Implications:

The work that will be delivered by the three contracts will promote environmental sustainability in the Birnbeck Pier project. One of the key aims of the project is to deliver a scheme that is highly sustainable and the brief for the design team in particular will seek to incorporate measures into the site that minimise negative environmental impacts.

A Climate Emergency Risk Assessment was carried out for all three contracts and risks were identified, primarily around the use of building materials, sourcing of materials and future proofing/adaptations of the scheme. The specification reflects sustainability as a key pillar of this project and multiple quality questions, including presentation stage, specifically relate to sustainability and the bidder's understanding of the specification, therefore

successful suppliers will need to demonstrate a strong understanding and commitment to this.

Consultation:

Consultation has been carried out with the following stakeholders:

NLHF

RNLI

Historic England

Birnbeck Regeneration Trust

Executive Member for Placemaking & Economy

Chair of Place, Policy & Scrutiny Panel & Heritage Champion

Finance

Procurement

Insurance

Climate Emergency Team

Risk Management:

| Risk | Mitigation |
|---|---|
| Reputational damage due to poor design | Ensure experienced Design Team on board - high quality weighting, clear sub criteria on relevant experience, and interviews. Professional indemnity insurance will also be requested at £5million for Design Team and Quantity Surveyor, this has been decided in consultation with the Insurance & Risk Manager |
| Capital budget for the project exceeded | Early procurement of the quantity surveyor to ensure the design team is being actively monitored in terms of cost risk as early as possible |
| Design team failure to deliver | Early procurement of the technical project management to provide additional support and rigour to the work of the design team |
| Resource impact on NSC | Development of a phased approach to the procurement of the multiple contracts that are required for the NLHF project. Ensuring, where possible that the Council contracts with a minimal number of parties, for example by requiring the design team to act as the lead contractor for all disciplines rather than separate contracts for each of the sub-consultants |
| Bids being higher than grants available | Clear indication in tender documents of the available budgets for the contracts |

Equality Implications:

Have you undertaken an Equality Impact Assessment? Yes

A Stage 1 EIA has been completed. No risks were flagged for any groups. A detailed Stage 2 EIA will be developed and prepared as part of the general Development Phase work. As well as complying with NSC EIA policy requirements, this will include any additional outcomes required by the National Lottery Heritage Fund.

Corporate Implications:

This project will deliver on the Council’s Placemaking objectives for Weston-super-Mare. NSC has a ten-year plan for Weston based on consultation with thousands of businesses, visitors and residents. The strategy aims to reposition Weston, addressing the long-term decline in the traditional retail-led high street and changes to visitor patterns. The plan focuses on wellbeing and recreation, being green and low carbon, a great place to live, work and study, and critically helping the visitor economy.

The regeneration of Birnbeck Pier is a central part of this plan, recognised as being capable of having a major impact on the town by creating a visitor attraction that is higher-quality and higher value added helping to develop higher skilled, higher wage jobs.

Appendices:

n/a

Background Papers:

n/a

Signatories:

Decision Maker(s):

Signed: Executive Member for Placemaking and Economy

Date: 2 March 2023

With Advice From:

Signed:Assistant Director Placemaking and Growth. In accordance with delegated authority 22/23 DP 53

Date: 2 March 2023

Signed:Head of Strategic Procurement

Date: 2 March 2023