

APPENDIX I

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 02/07/2013

Title:

RIVERSIDE TENDER APPROVAL - CONTRACT AWARD FOR CABLING WORKS, FARNHAM LEISURE CENTRE CAR PARK AND SKATE-PARK GROUND WORKS

**[Portfolio Holder: Cllrs Adam Taylor-Smith and Mike Band]
[Wards Affected: Farnham]**

Note Pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:-

Information relating to the financial or business of any particular person (including the authority holding that information).

Summary and purpose:

Following agreement by Executive on 4th September 2012, a major contract procurement exercise has been undertaken for the cabling works at Farnham Riverside (the first stage of the enabling works for the Brightwells scheme). The tendered works also include options for improvements to Farnham Leisure Centre car park and ground works preparation for the new Skate Park next to the Leisure Centre. This report summarises the progress and outcomes. Authority is sought to proceed with the award of the tender to the successful contractor.

How this report relates to the Council's Corporate Priorities:

This report cuts across the following priorities:

Environment - the provision of the proposed facilities and landscaping works will be designed to enhance and improve the environment.

Leisure and Lives - improved facilities for users of the skate park and leisure centre.

Financial Implications:

A loan of £1,573,000 has been made by the M3 Local Enterprise Partnership (LEP) Growing Enterprise Fund to Waverley Borough Council to fund the Riverside enabling works, pending capital receipt when the scheme goes unconditional.

A provision of £1,382,000 is included within Waverley's 2013/14 Capital Programme for the Riverside enabling works (funded by the LEP loan). Some preliminary works have already been carried out in 2012/13, with a further £200,300 due to be rescheduled to 2013/14.

Provision of £230,000 for the cabling works has already been provided for in 2012/3. The verdict of the CPO should not affect the decision to carry out the works, as the enabling works will increase the land value, making the area attractive for future developers of an alternate scheme.

Legal Implications:

The Council is required to follow the requirements and detailed contract award procedures of its Contract Procedure Rules, and the Public Contracts Regulations 2006 (where applicable). The procurement process has been robust and carefully managed, and undertaken to protect the Council against possible legal challenges from unsuccessful Contractors.

The value of the contract did not place it within the scope of the 2006 Regulations, and therefore an EU-wide procurement has not been necessary.

1. Introduction

1.1 In May 2008 the Council gave approval to a planning application for the development of the Riverside area of Farnham. This work is to provide five new tennis courts and a purpose built pavilion as a replacement for the existing facilities at Brightwells whose leased land will be required as part of the Brightwells regeneration project.

1.2 On the 4 September 2012, Executive approval was given to the laying underground of existing overhead electricity cables in preparation for over ground works, and permission to appoint an external Development Agent to oversee the cabling works, construction of the new tennis courts and pavilion, and 198 space extension to the Riverside car park.

1.3 Michael Edwards & Associates LLP (MEA) were appointed as the Development Agent for the Riverside works in November 2012 in accordance with the Council's Contract Procedure Rules.

1.4 Tenders were sought for the ground works to bury the cables at Riverside, improvements to the Leisure Centre Car Park and ground works for the skate park, the building of five tennis courts and pavilion, and extension to Riverside car park.

2. Tendered Stages

2.1 Riverside Cabling Works

The first stage of the works after the tender has been awarded will involve site preparation, ground works for SSE, and ground remediation, including earthworks. A map of the area is attached as Annexe 2.

To comply with the minimum 4-month lead-in time, an order was placed with SSE in February 2012 to bury the high-tension overhead electricity cables which run over the proposed new tennis facilities. This is scheduled to take place during July/August 2013.

In preparation for the re-positioning of the cables, much of the unused scrubland running alongside the public footpath at the Riverside was cleared in March, prior to bird nesting season.

2.2 Leisure Centre and Skate Park works

The second stage of the tendered works will focus on improvements to Farnham Leisure Centre car park following the Centre operator's and residents' concerns over the loss of Dogflud Way car park during the Brightwells build. It will also consist of ground works preparation for the new Skate Park next to the Leisure Centre. These works are scheduled to take place in September 2013 to run concurrently with the construction of the new skate park, resulting in savings in time and money, and to minimise disruption to the area.

2.3 Brightwell's tennis club and Riverside car park

The next stage of the tendered works will focus on the building of five new tennis courts and pavilion, and extension to the Riverside car park.

3 M3 LEP Funding

- 3.1 An award of £1,573,000 has been made by the M3 Local Enterprise Partnership (LEP) Growing Enterprise Fund to the Council to fund the enabling works, pending capital receipt when the scheme goes unconditional.
- 3.2 The M3 LEP Board feels that the works meet the Fund's objectives of creating jobs and housing, and having a positive impact on the economy. This funding loan has bought the timetable for the Brightwells development forward by up to 12 months.
- 3.3 The M3 LEP Board has the ability to review this funding if the wider development does not proceed to the timetable envisaged, particularly if the required land to deliver the project is not secured through the Compulsory Purchase Order (CPO) process. This is reflected in the LEP's contract with the Council. If the CPO was not confirmed by the Secretary of State, the timescale for repayment to the LEP is no later than 30th June 2015.
- 3.4 The M3 LEP Board has stated that a delay in the CPO decision would not hold back the drawdown of funding for the Riverside works.
- 3.5 Discussions will be held with the M3 LEP Board regarding permission to use of the LEP loan to also fund the Leisure Centre Car Park and Skate Park works.

4 Tendering Process

- 4.1 In accordance with the Council's Contract Procurement Rules, a Restricted Tendering Process was chosen whereby prospective tenderers were required to complete a pre-qualification questionnaire to determine their suitability to be invited to submit a tender for the contract.
- 4.2 The contract opportunity was advertised on the South East Business Portal on 25th February 2013 inviting suitably qualified contractors to submit expressions of interest. A total of 47 companies registered their interest, of which 27 completed and submitted the pre-qualification questionnaire by the deadline of noon on 11th March 2013.
- 4.3 Completed questionnaires were evaluated by a panel comprising MEA and two Council Officers. The initial evaluation included an assessment of each applicant's capability and experience, with the most promising being shortlisted for an appraisal of their financial standing resulting in a final shortlist of five tenderers. Two contractors later withdrew from the tender process.
- 4.4 The tender documentation was issued to the shortlisted candidates on 15th May by MEA, with a return date of 17th June. A site visit and mid-tender interviews took place with the shortlisted candidates on 30th May with MEA and Council Officers. Tender evaluation took place on 21st June, when a successful contractor was chosen (see (Exempt) Annexe 1).

5 Conclusion

- 5.1 Permission to place the order for the cabling works was agreed by the Executive on 4th September 2012. These works are the first stage of the Riverside enabling works which will serve to improve the land value for any future development, and are supported by the M3 LEP in the form of a £1,573,000 loan.
- 5.2 In addition to tendering for the cabling works, it is proposed that the tender will cover improvements to Farnham Leisure Car Park and the ground works for the Skate Park, ensuring that these works are carried out in a timely and cost effective way.
- 5.3 The Riverside development includes new tennis courts and pavilion together with 198 new parking spaces at the Riverside. There is an extant and part implemented planning permission for the Riverside development. The parking element is subject to a planning condition (no 5) which requires the car park to be restored as a landscaped area on or before 7th May 2013. Work will not begin on the car park element until the planning condition has been updated.

Recommendation

It is recommended that

1. the capital request set out at Annexe 3, be approved for the Leisure Centre Car Park and Skate Park works to be included in the contract, to be funded from the Brightwells approved budget in the first instance pending agreement that the LEP funding can be used;
2. the contract for the cabling ground works, the Riverside tennis club and car park works and Leisure Centre and skate park works be awarded to the preferred contractor identified in (Exempt) Annexe 1;
3. approval be given to the commencement of the ground works for the cabling and skate park, and improvements to the Leisure Centre car park; and
4. approval be given to enter into discussions with the M3 LEP Board regarding extending the use of the funding loan to cover the Leisure Centre car park improvements and skate park ground works.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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