

MINUTES OF MEETING CABINET MEMBER SIGNING HELD ON MONDAY, 24TH AUGUST, 2020, 4.00 - 4.05 PM

PRESENT:

Councillors: Emine Ibrahim

11. APOLOGIES FOR ABSENCE

There were no apologies for absence.

12. DECLARATIONS OF INTEREST

None.

13. COVID 19 TEMPORARY ACCOMMODATION - DEVELOPMENT OF ERMINE ROAD SITE - CONSTRUCTION CONTRACT AWARD

The Cabinet Member for Housing and Estate Renewal considered the report which sought approval to award a contract to Hill Partnerships Limited as the main contractor, under Public Contract Regulations (PCR) 2015, Regulation 32(2)(c) (negotiation without prior notification), to develop the Ermine Road site to provide accommodation for 39 people currently housed in emergency accommodation and office accommodation for support staff. The use of a direct award was considered expedient as tendering works would add significant delays to establishing the accommodation. Soft market testing of similar accommodation has been undertaken and the cost of the Hill Partnerships units is consistent with those provided by other suppliers. However, there was added value which was described in Part B of the report that set out value for money compared to another provider. The use of one supplier would also provide consistency of appearance for the development which is one of the stipulations of Planning Officers at a Pre-app meeting.

The Cabinet Member RESOLVED

- i. To approve an award of contract (up to the value stated in Part B of this report) to Hill Partnerships Limited (Hill Partnerships) as the main contractor, to develop Ermine Road site including the provision of 39 modular single person accommodation units and 1 office unit, as allowed under Regulation 32(2)(c) of the Public Contract Regulations and Council's Contract Standing Orders (CSO) 9.07.1d (all contracts valued at £500k or more may only be awarded by Cabinet) and CSO 9.01.2 g) (negotiated procedure without prior publication of an advertisement where Regulation 32 of the Public Contract Regulations are made out) to the contract sum as set out in Part B.

- ii. To delegate authority to the Director of Housing, Regeneration and Planning to approve any subsequent variations which may be required during construction provided that the contract figure does not exceed £3,050,000

Reasons for decision

The decision is required in order to urgently reduce the risk of the Council being unable to provide accommodation for 39 homeless people. Additional information is set out in Part B of the report. As stated in section 1 there is a risk that the current contracts for hotel accommodation may be withdrawn as the economy opens up leaving the possibility that there is no accommodation available for the people identified to occupy this modular accommodation.

The direct award of Hill Partnerships as Principal Contractor will help facilitate a speedy delivery of the project and provide a consistency of module being provided which is a requirement of the end user and planners.

Hill Partnership manufacture these units and are experienced in installing the units. They are able to provide the units within the required timescales, enabling the site to be handed over by the end of December 2020 (subject to planning).

Using a single contractor will mitigate any issues with warranties and liabilities, should they arise.

The project is to be awarded on a single stage Design and Build contract which will be priced as an 'all risk' contract. The defects liability period (rectification period) is 12 months. The contract is to be awarded on a fixed price basis. Further info is set out in Part B of the report.

The contract figure will include all construction costs, site establishment and management costs, contractors overhead and profit.

The project will help the Council fulfil its' Part 7 duties, homeless provision, under the Housing Act 1996.

Alternative options considered

Do Nothing - This was considered but rejected on the grounds that the current arrangements for providing accommodation for homeless people is not sustainable and the level of provision cannot be guaranteed. It is also likely that the current level of provision will reduce as the economy 'opens up' and hotels etc. market themselves to commercial customers.

Undertake a competition - The urgency of the requirement led to the decision not to tender the works, as this would add additional time, coupled with the fact that information derived from soft market testing has shown that the use of Hill Partnerships offers value for money.

Other options discussed in Part B of the report.

CHAIR:

Signed by Chair

Date