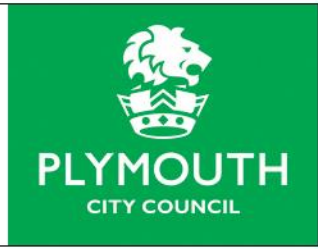


**PROCUREMENT GATEWAY 3 -
CONTRACT AWARD REPORT - PART I**

23186a - Old Town Street and New George Street



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I. INTRODUCTION

This contract award report is in relation to the procurement of public realm works in Old Town Street and New George Street (OTS/NGS).

The overall OTS/NGS project will deliver the public realm scheme objectives:

- Improved pedestrian and cycling connections between the city centre, Drake Circus and the Barcode
- Improved public realm that promotes pedestrian priority provides for cyclists
- High quality natural stone paving and green infrastructure
- New modern seating and street furniture

And will comprise:

- The removal of existing surfacing, street furniture & soft landscaping, replaced with new hard and soft landscaping, new street furniture, lighting and public interest items.
- The removal of contaminated material, underground obstructions, pre-war historical city features and old/existing services and utilities systems.
- Construction of new utilities and drainage systems incorporating attenuation and storage of storm water within the scheme.

The work included in this main contract follows on from four earlier phases of enabling works at OTS/NGS which were undertaken in order to understand the unforeseen risks contained within the ground and to progress the groundworks elements of the project while the main contract scope and price are negotiated.

The scope of this main contract is to complete the remaining project works including all of the hard and soft landscaping works.

Contract Duration: Until August 2024.

2. BACKGROUND

The Better Places Programme seeks to address years of under-investment in city centre streets and spaces; to transform the look and feel of the city centre; to support and lever in further inward investment in retail, leisure, employment and housing.

Old Town Street and New George Street are identified as a priority projects which along with the other project forming the Councils Better Places programme, reinforce the Council's actions to regenerate key areas of Plymouth's city centre.

The contractor is being procured via the SCAPE framework. This contract award report is to complete the remaining project works including all of the hard and soft landscaping works in Old Town Street and New George Street (OTS/NGS).

3. PROCUREMENT PROCESS

The SCAPE Construction Framework is being utilised to procure this requirement, which is specifically for public sector bodies' use. The chosen framework delivery partner is Morgan Sindall, via a direct award appointment. Morgan Sindall is a delivery partner on the construction framework for projects valued up to £75 million.

This framework route has been chosen, following a thorough review of the procurement options available for this project. This review concluded that the best option is to utilise the SCAPE Construction framework. This is necessary for the Council to maintain its commitments to expended central government grant money that is time restricted; and to progress the construction of its extensive programme of public realm improvements within Plymouth City Centre in a timely fashion, minimising disruption to the public and its retail partners.

SCAPE is a public-sector partnership. This framework enables construction works suited to the requirement of this project.

Under the SCAPE Framework, four Short Form Delivery Agreements have previously been awarded to the Contractor for enabling works in Old Town Street and New George Street.

The proposed conditions of contract are the NEC4 Engineering and Construction Option A contract. This is a priced lump sum contract linked to a contract programme with an Activity Schedule. Each activity on the schedule is then allocated a price. This provides a simplified payment process as activities are only paid on completion and as a lump sum contract, it gives greater cost certainty for clients.

There is a likelihood in construction contracts for there to be unforeseen changes to the scope and/or site information, or other circumstances, which could lead to a variation. Under the NEC, these variations are known as Compensation Events which are usually not the fault of the contractor and change the cost of the work, or the time needed to complete it. As a result, the prices or programme may be reassessed.

4. TENDER EVALUATION CRITERIA

This procurement path will ensure value for money as the SCAPE framework is an OJEU compliant procurement process, which was subject to EU wide competition when it was set up.

Framework delivery partners have already been suitability pre-qualified and are performance monitored on a regular basis.

Morgan Sindall is able to demonstrate value for money by competitively tendering the sub-contracted work packages through its extensive supply chain. This means that all of the project spend under this framework will have been subject to competition.

All Compensation Events will be assessed for value for money by the project Quantity Surveyor before instruction.

SCAPE have a project process map which outlines all the necessary steps and documentation that need to be completed throughout the procurement process, to ensure compliance.

5. SUMMARY OF EVALUATION

The outcome of this review is contained within the confidential Part II paper.

6. FINANCIAL IMPLICATIONS

The awarded contract value for the main contract works is £6,077,134. Further details of the contractual pricing are contained within the Part II paper.

The works are funded from the existing project budget for Old Town Street and New George Street funded through multiple funding sources including external grant funding from Transforming Cities Fund, Local Economic Partnership, and Heritage Action Zone.



As with all construction contracts 'compensation events' are likely to occur due to project risk meaning the final sum due to the contractor may exceed this figure for the specified scope of works. A separate £500k project contingency is held within the project budget for any such events.

7. RECOMMENDATIONS

It is recommended that the main construction contract for this project be awarded to Morgan Sindall Construction Ltd.

8. APPROVAL

Authorisation of Contract Award Report

Author (Responsible Officer / Project Lead)			
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Job Title:	Project Delivery Officer		
Additional Comments (Optional):			
Signature:		Date:	10.10.23
Service Director [Signature provides authorisation to this award report and award of Contract]			
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Additional Comments (Optional):			
Signature:		Date:	25/10/2023