

# EXECUTIVE DECISION

made by a Council Officer



## REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL COUNCIL OFFICER

Executive Decision Reference Number – COD25 24/25


Decision	
1	<b>Title of decision:</b> Award of Armada Way Construction Contract
2	<b>Decision maker:</b> Paul Barnard (Service Director, Strategic Planning and Infrastructure)
3	<b>Report author and contact details:</b> Martin Ivatt (Regeneration & Placemaking Manager) Email: <a href="mailto:martin.ivatt@plymouth.gov.uk">martin.ivatt@plymouth.gov.uk</a> Tel: 01752 398434
4a	<b>Decision to be taken:</b> To award main contract for the construction of the Armada Way public realm project to Morgan Sindall Construction & Infrastructure Ltd for a total of £27,578,202.
4b	<b>Reference number of original executive decision or date of original committee meeting where delegation was made:</b> Cabinet Decision AW/PWB/240909 Transformation of Armada Way
5	<b>Reasons for decision:</b> To enable the timely construction of the Armada Way public realm project in accordance with 19 February 2024 Cabinet Decision AW/PWB/240219: Better Places Programme: Armada Way and 09 September 2024 Cabinet Decision AW/PWB/240909 Transformation of Armada Way.
6	<b>Alternative options considered and rejected:</b> <b>1. Do nothing</b> – this was rejected as it would not be consistent with the commitments to public realm improvements and other infrastructure policies in the Plymouth Plan and the Plymouth and South West Devon Joint Local Plan. It would also leave Armada Way in an unacceptable state given the works undertaken to date. <b>2. Abort the Armada Way scheme in its entirety</b> – this was rejected as this would not be consistent with the commitments to public realm improvements and other infrastructure policies in the Plymouth Plan and the Plymouth and South West Devon Joint Local Plan. It would also not be consistent with the commitments already made under the Transforming Cities Fund programme and would result in funding already secured having to be paid back <b>3. Undertake a new competitive tendering process</b> - Rejected because continuity of knowledge is required to deliver this scheme which Morgan Sindall are already on site delivering earlier phases of works via the SCAPE Construction framework. The potential use of other contractors was reviewed with the

	assessment made being that it would not be beneficial to the project budget or programme to change contractors for construction.			
<b>7</b>	<p><b>Financial implications and risks:</b></p> <p>The project has already been subject to a number of strategic financial risks which have substantially increased costs, and which have been reported to Cabinet previously. There have also been substantial delays to the commencement of the project arising from various legal challenges and further consultations on the scheme design.</p> <p>The risks that under the SCAPE framework contractually sit with the contractor, and now form part of the overall tender sum, include (for example): inflation, utilities, voids and basements, issues associated with the underground concrete slab, the need for vacuum extraction for underground works, weather elements, project programme, methods of construction, safety and occupational health hazards, materials, and various environmental and staff availability matters. Should any of these risks arise the costs fall entirely on the contractor, subject to the provisions of standard NEC contractual clauses. Anything not identified as a client / employer risk in the contract is a contractor's risk.</p> <p>The risks that remain with the City Council as client for the project under the SCAPE framework include unknown private utility networks, unexploded ordinance, archaeology, underground structures, asbestos, tree translocation, play area construction, internet connection to the plant room, materials laydown and storage, and various highway consents and approvals.</p> <p>The other key financial risk is that if the Transforming Cities Fund and Future High Street Fund money identified for the scheme is not committed by March 2025 there would be a risk of that funding having to be returned.</p> <p>Currently financing from the Future High Streets Fund has been approved against Civic Centre, this project is subject to a separate report and will require financing to be identified within the financial envelope of the capital programme to replace vired funds.</p> <p>On-going monitoring of the capital programme will be required to ensure other cost increases do not create further budgetary pressures as part of the Medium-Term Financial Plan.</p> <p>Any delays in the realisation of capital receipts will increase the period of required borrowing underwriting those receipts. It is imperative that the sales are completed as soon as practicable and for the assumed valuations as a minimum.</p> <p>For the above reasons, it is essential that the Council enters into main contract with the principal contractor for the Armada Way scheme so enable delivery within cost allocation and programme.</p>			
<b>8</b>	<p><b>Is the decision a Key Decision?</b> (please contact <a href="#">Democratic Support</a> for further advice)</p>	<b>Yes</b>	<b>No</b>	<p><b>Per the Constitution, a key decision is one which:</b></p>
			<b>X</b>	in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save in excess of <b>£3million</b> in total
			<b>X</b>	in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1million</b>
			<b>X</b>	is <b>significant</b> in terms of its effect on communities living or working in an area comprising <b>two or more</b> wards in the area of the local authority.

8b	If yes, date of publication of the notice in the <a href="#">Forward Plan of Key Decisions</a>	N/A
9	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:	<p>The project contributes to making Plymouth a great place to grow up and grow old.</p> <p>The project provides cleaner greener streets and transport focusing on biodiversity and sustainable drainage.</p> <p>The outcomes of this project will help support a growing city by encouraging inward investment in the retail, leisure and cultural offer of Plymouth city centre and supporting the diversification of uses including residential and office.</p> <p>Providing aesthetically attractive and inviting city centre streets and spaces that function better through day and into evening will attract increased visitors to the city centre for prolonged periods of time resulting in higher spend, more viable businesses and a more competitive city centre further establishing Plymouth's position as a premier retail and shopping destination for the South West.</p> <p>The project will support the creation of positive spaces for residents from across the city, supporting the achievement of health and wellbeing outcomes and promoting social inclusion.</p>
10	Please specify any direct environmental implications of the decision (carbon impact)	<p>A Climate Impact Assessment has been undertaken in relation to the scheme. It concludes that nature is at the heart of the new scheme and climate impact has been considered throughout the design process. It indicates that the scheme contains a variety of trees and a range of habitats, shrubs, wildflowers, and reed beds as well as bug hotels and bird boxes.</p> <p>It states that the two key drivers for the scheme are the installation of a Sustainable Urban Drainage Scheme (SUDS) and the principle of using water wisely, and the promotion of active travel with a new cycle path to cater for cyclists of all abilities.</p> <p>The assessment indicates that the additional power required for the ornamental water feature will come from solar panels ensuring increased energy demands are met from a renewable source.</p> <p>The assessments concludes that the benefits offered by the scheme are long-term, reaching beyond 2030.</p> <p>In relation to biodiversity the scheme scores 5 out of 5, meaning that it has a long lasting or extensive positive impact. In relation to Green House Gas emissions the Armada Way scheme scores 4 out of 5. In relation to renewable energy, it scores 3 out of 5, meaning it has no impact or neutral impact. In relation to ocean and waterways it scores 5 out of 5, as it does for climate change adaptation. In relation to air quality, it scores 4 out of 5. In relation to Minerals and Waste it scores 4 out of 5. Lastly, in relation to Education/Engagement and Enabling Conditions it also scores 4 out of 5.</p>

Urgent decisions			
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes	(If yes, please contact <a href="#">Democratic Support</a> for advice)
		No	X (If no, go to section 13a)
12a	Reason for urgency:		
12b	Scrutiny Chair signature:		Date
	Scrutiny Committee name:		
	Print Name:		
Consultation			
13a	Which Cabinet Member's portfolio does this decision relate to?	Councillor Mark Lowry (Cabinet Member for Finance)	
13b	Date Cabinet Member consulted	25/09/2024	
13c	Are any other Cabinet members' portfolios affected by the decision?	Yes	
		No	X (If no go to section 14)
13d	Which other Cabinet member's portfolio is affected by the decision?	N/A	
13e	Date other Cabinet member(s) consulted	N/A	
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes	If yes, please discuss with the Monitoring Officer
		No	X
15	Which Corporate Management Team member has been consulted?	Name	Karime Hassan
		Job title	Strategic Director for Growth
		Date consulted	26/09/24
Sign-off			
16	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS55 24/25
		Finance (mandatory)	DJN.24.25.092
		Legal (mandatory)	LS/00001312/1/AC/26/9/24
		Human Resources (if applicable)	N/A

		<b>Corporate property (if applicable)</b>	N/A						
		<b>Procurement (if applicable)</b>	SN/PS/755/ED/0924						
<b>Appendices</b>									
<b>17</b>	<b>Ref.</b>	<b>Title of appendix</b>							
	A	Briefing report for publication							
	B	Equalities Impact Assessment							
	C	Climate Impact Assessment							
<b>Confidential/exempt information</b>									
<b>18a</b>	<b>Do you need to include any confidential/exempt information?</b>		<b>Yes</b>	<b>X</b>	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in <b>18b</b> below.				
			<b>No</b>						
			<b>Exemption Paragraph Number</b>						
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>18b</b>	<b>Confidential/exempt briefing report title:</b>								
	Procurement Decision Record				<b>X</b>				
<b>Background Papers</b>									
<b>19</b>	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								
<b>Title of background paper(s)</b>			<b>Exemption Paragraph Number</b>						
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Morgan Sindall Tender					<b>X</b>				
<b>Council Officer Signature</b>									
<b>20</b>	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.								

<b>Signature</b>		<b>Date of decision</b>	26.09.24
<b>Print Name</b>	Paul Barnard (Service Director, Strategic Planning and Infrastructure)		