

BRIEFING PAPER

CIVIC CENTRE DIRECT AWARD FOR MEP CONSULTANT

SEPTEMBER 2025

1. EXECUTIVE SUMMARY

The reoccupation and re-use of the Civic Centre is a priority for the Council. In March 2024, the Council's Cabinet took a decision to re-acquire the building from the current owners (Urban Splash), seek further public sector funding to address the viability challenges and work with City College Plymouth to develop proposals for a new city centre skills hub in the lower floors of the building.

In March 2025, the Council's Cabinet took a further decision to accept up to £20m grant funding from Homes England under its Brownfield, Infrastructure & Land programme and add into the Capital Programme a Council contribution of £17,366,326 made up of corporate and service borrowing.

This briefing paper provides a summary on the procurement of the MEP Consultant which will be by direct award through the NHS framework - SBS10190- Lot 5. These services are essential to move the project forward, to ensure the programme is maintained and complete the design to the required high standard.

The project scope has developed since the early planning stage and additional design work is required to ensure a design that is fully compliant with Building Regulations. The new estimated total contract value for the MEP Consultant requires an Executive Decision and publication

2. BACKGROUND

The reoccupation and re-use of the Civic Centre is a priority for the Council to build confidence in the wider city centre regeneration programme.

Aligned to the growth of the marine and defence industries in Plymouth and to help address the skills shortages in these areas, City College Plymouth (CCP) have brought forward proposals to establish a new city centre skills hub that would take up space in the basement, ground and first floors of the building.

In March 2024, the Council's Cabinet agreed to reacquire the building, work with CCP on their proposals for a new city centre skills hub, seek further public sector funding to address the viability challenges and granted authority to the Service Director for Economic Development in conjunction with the Section 151 Officer to complete the purchase of the building and enter into service and works contracts to progress the project.

In March 2025, the Council's Cabinet agreed to accept grant funding from Homes England under its Brownfield, Infrastructure & Land programme and add into the Capital Programme a City Council contribution of £17,366,326 made up of £14,395,144 corporate borrowing and £2,971,182 service borrowing, subject to a detailed business case.

To take forward the project in line with the Cabinet decisions, a Capital Business Case has been developed which includes a budget of £4.89m to procure and appoint consultants to undertake design development work, providing the Council with the expertise and capacity it needs to take forward this project.

The design team will include the full range of services and specialisms required to design and manage work to repair the structure, to re-clad the building, complete repairs to the roof, undertake structural alterations and install mechanical and electrical services to prepare the building for fit out and occupation.

The design team appointments, including the MEP Consultant have been commissioned in accordance with the Council's Contract Standing Orders (CSOs) 2.3.1.5 and wider Procurement law. The Council also wanted to maintain continuity of knowledge on the project by appointing the same design team used by Urban Splash as far as possible.

In the early planning stages of the project, it was anticipated that the existing RIBA Stage 3 design for the tower, commissioned by Urban Splash, would require minimal further input by the design team and the contract values were estimated on that basis. However, once the Council had appointed a new architect and BSA Principal Designer to take the scheme forward, it became clear that substantial changes to the tower design are required to ensure compliance with Building Regulations, in particular the new BS9991:2024 Fire Regulations.

The change to the project scope has meant that design fees have increased and the procurement of the MEP consultant requires an Executive Decision in line with Council's Contract Standing Orders.

3. PROPOSED CHANGES AND REASONS

The Council requires Consultant MEP Engineering services to support in the direct delivery of the Civic Centre project. The Consultant MEP Engineer will work as part of the multi-disciplinary team and provide MEP and acoustic engineering design services to the Council to support delivery of this challenging project.

It has been established that neither the Council, its existing contractors nor its family of companies have the necessary experience, skills, or expertise to deliver the MEP consultancy contract and consequently a new procurement activity has been undertaken.

The Council chose to directly approach Hoare Lea because of their understanding of the project through their ongoing involvement. Hoare Lea were engaged by Urban Splash and completed MEP design to RIBA Stage 3 for the previous commercial scheme. Hoare Lea has also provided advice and assistance to the Council through early coordination meetings with CCP's design team. A direct award is proposed through the NHS framework - SBS10190- Lot 5

One of the key benefits of using a framework is that only those suppliers assessed by the framework provider as suitable to deliver the services as set out in the framework specification are awarded positions on the framework. Such as assessment will include, but is not limited to:

- Sufficient relevant experience.
- Holding the appropriate insurances with a minimum level of cover proportionate to the services being offered,
- Sufficient economic and financial standing,
- Acceptable policies such as Health and Safety
- Holding relevant accreditations
- Compliance with relevant legislation
- The criteria used to award the contract will be as follows:
- The ability to perform all service requirements
- Experience of delivering services for similar scale works
- The capability to deliver the brief to the required standard
- Ability to regularly attend site in person
- The capacity to fulfil the contract within the required timescales
- Competitive pricing within budget
- Commitment to delivering social value outcomes
- Commitment to supporting the Council deliver its Net Zero Action Plan where possible
- Agreement of terms and conditions

A formal quotation was obtained from Hoare Lea which was evaluated against the award criteria detailed above. The outcome of this evaluation was as follows:

The ability to perform all service requirements

Hoare Lea has a qualified and experienced local team that are very able to perform all service requirements set out by Plymouth City Council for the Civic Centre project.

Experience of delivering services for similar scale works

Hoare Lea has a proven track record of delivering mechanical and electrical designs for refurbishment and redevelopment projects, similar in scope and complexity to the Civic Centre refurbishment.

Ability to regularly attend site in person

Hoare Lea has a Plymouth-based team consisting of highly experienced professionals, and they have confirmed that they can attend site in person regularly.

The capability to deliver the brief to the required standard

Hoare Lea is well positioned to deliver the Civic Centre refurbishment to the highest standards, leveraging their prior project involvement, extensive team expertise, and robust resources.

The capacity to fulfil the contract within the required timescales

Hoare Lea is fully committed to meeting the timescales set out for the Civic Centre refurbishment.

Competitive pricing within funding budget

Hoare Lea will be using the NHS framework established rates.

Agreement of Terms and Conditions

It has been agreed that bespoke terms and conditions will be used to govern this contract. These will be drafted by an external construction lawyer. Hoare Lea will commence work on a Letter of Intent prior to the formal contract conditions being agreed.

4. ALTERNATIVE OPTIONS

In accordance with Contract Standing Orders (CSOs) 2.3.1.5 and wider Procurement law, the procurement route options available for this requirement are:

- i. Undertake a Regulatory Procedure

The regulatory procedures considered most relevant to the requirement are:

Open procedure - single stage procurement combining suitability assessment and award criteria into one evaluation. Nationally advertised and open to any supplier who wishes to submit a tender. Generally used for procurements where the requirement can be clearly defined, and the market is limited.

Restricted procedure - two stage procurement where suppliers are initially assessed on their suitability and only shortlisted suppliers are subsequently invited to submit tenders. First stage is nationally advertised and open to any supplier who wishes to submit a selection questionnaire. Generally used for procurements where the requirement can be clearly defined but the market is saturated.

- I. Utilise a Framework

There are a range of frameworks available to the Council. Each one has its own specific rules for use however there are two main approaches as follows:

Further Competition - May include an initial 'expression of interest' sifting exercise but a single stage procurement consisting of award criteria only on the basis that the framework provider has already undertaken a suitability assessment. The opportunity is only open to suppliers named on the specific framework/ framework lot. Generally used for procurements where the requirement can be clearly defined, and competition is desired to secure best value but the costs of running a regulatory process exceed the benefits of open market competition.

Direct Award - the award of a contract directly to a single supplier named on the specific framework/ framework lot based on pre-established criteria. The supplier to whom a direct award can be made/ the process for identifying the direct award supplier is restricted by the framework. Generally used for procurements where the requirement can be clearly defined and the costs (both financial and non-financial) of running a further competition, or an independent regulatory process exceed the benefits of competition.

The following construction-related consultancy frameworks have been considered:

NHS-SBS10190: Healthcare Planning Construction Consultancy and Ancillary Services

This framework consists of 11 lots, the relevant lot for this requirement being Lot 5 - Mechanical, electrical and public health (MEP) services. The Council has the option to either run further competitions or direct awards under this framework.

CCS- RM6165: Construction Professional Services

This framework consists of 6 lots, the relevant lot for this requirement being Lot 4 High Rise – Construction advisory services to support a wide range of high-rise projects and programmes. The Council has the option to either run a further competition or direct award under this framework.

The recommended procurement route is to utilize a framework, more specifically a direct award via the NHS- SBS10190- Lot 5. The recommendation is based on the following:

- Using a framework is a legally compliant route to market which has already satisfied the requirements of the Procurement Regulations and therefore significantly reduces the risks associated with such a high value procurement process.
 - Using a framework enables the Council to enjoy the financial benefits of national economies of scale as well as maximum capped rates.
1. The suitability of suppliers has already been robustly assessed as part of the framework meaning the Council has assurance that the suppliers they are engaging with meet minimum requirements and assessment does not need to be repeated.
 2. The need for this consultancy support is urgent- The restoration of the building is the Council's highest regeneration priority in the city centre and the ambition to accelerate the completion of the project is shared by several government departments, including Homes England and the Ministry of Housing, Communities and Local Government (MHCLG). Any process which will take several months, such as a regulatory process or a further competition would be unsuitable and would prevent the Council from delivering the project within the required timescales.
 3. Of the two frameworks reviewed, the Council has considerable experience of using the NHS framework, compared to the CCS framework which it has never used. Due to the urgency of the requirement and the importance of this contract it is recommended that a familiar framework is used, which is proven to deliver contracts quickly rather than attempt to learn and subsequently use an unknown framework.

5. FINANCIAL IMPLICATIONS AND RISK

The total budget for engaging a full design team is £4.89m.

Hoare Lea's design fee fits within that budget, and their work is critical for the successful delivery of the project.

A fixed fee of £512,108 has been agreed and the services will be managed in a way that minimises risk to the Council.

6. TIMESCALES

Hoare Lea has commenced work on this critical project and is currently working under a letter of intent. A purchase order is required immediately for them to invoice and be paid for the work completed to date.