

Cherwell District Council

Executive

20 February 2017

Award Of Hope Close Superstructure Contract

Report of Head of Regeneration and Housing

This report is public

Purpose of report

To seek the Executives approval to the award of a Construction Contract for the Superstructure works at Hope Close, Banbury, a new build scheme consisting of 11 dwellings being delivered by Cherwell District Council, under the Build! initiative.

To confirm to Executive that the necessary budget implications of awarding the contract can be approved and met within the overall projected Build! Phase One budget provisions.

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve the tender for the Superstructure Contract at The Fairway, Hope Close, Banbury totalling £1.444m.

2.0 Information

- 2.1 Cherwell District Council is developing land acquired from the Trustees of the Methodist Church, Hope Close, Banbury for the purpose of developing 11 new homes as part of an agreement to complete this scheme. The homes will be disposed of on a 'self-finish' basis whereby the purchasers may receive a discount on the market value allowing for decorations to be completed using their own funds. Approval for the development, together with the capital cost, is provided for under the Build! Phase one programme. These homes will be built to Passive House standards, with the aim of reducing heating costs to the occupants by up to 90% through enhanced thermal performance compared to traditional housing.
- 2.2 The development is being carried out in two phases. Phase one which includes the substructure to the 11 dwellings and the provision of utilities and estate road which has been approved and awarded, and these works are progressing on site. Phase two, which this report seeks approval for, includes the superstructure and overall completion of the development.

- 2.3 The size of the contract value exceeds £500,000 and therefore the award of the contract needs Executive approval.

3.0 Report Details

- 3.1 Cherwell District Council invited expressions of interest for tendering for the Superstructure Contract by placing an advert on the publically accessible CDC website. Full design information was included in the tender documents as provided by design consultants appointed by Cherwell District Council. The Contract scope of work is therefore limited to construction. Four companies expressed an interest in tendering for the works and the tender documents were subsequently issued to all four companies.
- 3.2 The tender documents confirmed the successful contractor would be selected via a single stage open competitive tender process; the evaluation of tenders on the basis of 60% Price and 40% Quality.
- 3.3 One company withdrew from the tender during the tender process as they considered that having progressed the estimate for the project; the value was too much for the company to take on.
- 3.4 Following receipt of tender offers from the three remaining companies, Officers evaluated the tender returns in compliance with the scoring criteria provided in the tender documents.
- 3.5 The evaluation confirmed the tender received from Edgar Taylor (Buckingham) Limited for the lump sum fixed price of £1,443,098.22 received the highest score following tender evaluation and is therefore the preferred contractor for this project.

4.0 Conclusion and Reasons for Recommendations

- 4.1 Following a 'best practice' procurement exercise Edgar Taylor (Buckingham) Limited has submitted the highest scoring tender offer. It is recommended the Contract is awarded to Edgar Taylor (Buckingham) Limited for the lump sum fixed price of £1,443,098.22.

5.0 Consultation

- 5.1 Consultation with the trustees of the Methodist Church has been completed along with the necessary consultation undertaken as part of the planning process.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The Council has completed a tender exercise in compliance with the Councils contract procedure rules and has considered carefully using the appropriate scoring criteria for selection of a preferred bidder to complete the infrastructure project. As an open tender process was completed, considerations of alternative options were not progressed. Officers are satisfied that the best fixed priced bid has been received against the tender evaluation process.

7.0 Implications

Financial and Resource Implications

- 7.1 The Contract Sum of £1,443,098.22 is within the overall Build! Phase one budget which is reported at Build! Project Board meetings.

Comments checked by: Paul Sutton, Chief Finance Officer, 0300 0030106
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Legal Implications

- 7.2 The procurement has been undertaken in compliance with the Council's Contract Procedure Rules. As the contract value exceeds £500,000 the award needs Executive approval.

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8.0 Decision Information

Key Decision

Financial Threshold Met: Yes

Community Impact Threshold Met: No

Wards Affected

Banbury Ruscote

Links to Corporate Plan and Policy Framework

Sound budgets and customer focused council

Lead Councillor

Cllr John Donaldson, Lead Member for Housing.

Document Information

| Appendix No | Title |
|---------------------|---|
| n/a | none |
| Background Papers | |
| None | |
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