


**TO: THE MONITORING OFFICER
(TOM CLARK, SOLICITOR TO THE COUNCIL)**

**RECORD OF ACTION TAKEN BY A CABINET MEMBER
UNDER DELEGATED POWERS**

Subject: To seek approval for the award of the contract for the Extension and Alterations to Mount Noddy Pavilion, East Grinstead.	
Cabinet Member: Councillor Jonathan Ash Edwards	
Has the Cabinet Member received a report prior to making the decision?	Yes
In the case of a key decision where the Cabinet Member has received a report, please state the date a copy of the report was made available to the Chair of the relevant Scrutiny Committee and placed in the public domain:	N/A
Record of decision taken: It is recommended to: - Approve the award for the Extension and Alterations to Mount Noddy Pavilion to Contractor A.	
Date of decision: the 27 SEPTEMBER 2018	
Statement of reasons for making the decision: The existing facilities need improving to increase use. The enlarged and improved spaces will allow the nursery to expand and they have expressed an interest in taking a lease. It also increases the flexibility to let the current bowls club space to other users, thereby improving the potential of increased income. The tenders were evaluated 60% on price and 40% on quality and Contractor A submitted the most economically advantageous tender. The original tender was above budget. Subsequent post tender negotiations with Contractor A have reduced the cost and this combined with an authorised increase in budget availability allows this project to proceed.	
Alternative options considered and rejected: To date the agreed tender savings maintain the objectives of improving and increasing the internal space to increase flexibility and increase the potential of increased income. The Council could have made further savings through omitting elements of the project, but these would detract from these objectives.	
Code of Conduct Interest of Cabinet Members? If yes, please advise on the nature and whether dispensation in place. No.	

Is the decision to be protected from call-in? (i.e if any delay would seriously prejudice the Council's or the public's interest) - see Scrutiny Procedure Rule 14 (M)	No
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If so, please state:

Signed:.....
 Cabinet Member

This record must be forwarded immediately to the Monitoring Officer (TC) and copied to the relevant Cabinet Member.

For Monitoring Officer

Date of publication of Member Information Service Bulletin	tbc
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Date of decision can be implemented (on the Thursday after publication of the Member Information Service Bulletin, unless already protected from call-in)	Tbc
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Subject:



MID SUSSEX DISTRICT COUNCIL

Report on Contract Award for Extension and Alterations to Mount Noddy Pavilion, East Grinstead

Report of: Peter Stuart, Head of Corporate Resources
Contact Officer: Tony Johnson, Team Leader Facilities & Services
Corporate Estates & Facilities. Email: tony.johnson@midsussex.gov.uk
Tel: 01444 477398
Wards affected: East Grinstead Town
Key decision: No
Report to: Deputy Leader and Cabinet Member for Resources and Economic
Growth
Report date: 26 September 2018

Purpose of Report

1. To provide sufficient information to enable the Deputy Leader and Cabinet Member for Resources and Economic Growth to use his delegated powers to decide which contractor is awarded the Extension and Alterations to Mount Noddy Pavilion contract for MSDC.

Summary

2. The project comprises the construction of an extension to provide new football changing facilities and internal remodelling to provide an enlarged children's nursery and an improved bowls club space with separate facilities.
3. Returned tenders came in over budget, the reasons for which are explained below. A combination of agreed savings and an increase in funding available will enable this project to proceed.

Recommendation

4. To award the contract for the Extension and Alterations to Mount Noddy Pavilion to Contractor A who submitted the most economically advantageous tender.

Background

5. Mount Noddy Pavilion currently provides accommodation for pre-school day care facilities via an independent nursery, facilities for junior football and also the East Grinstead Bowling Club.

6. The current provision of changing facilities are poorly located and as a result underused. It is considered beneficial to carry out internal re-modelling and a small extension to improve the facility.
7. Mc Kellar Schwerdt Architects were appointed to the project via the East Sussex County Council Orbis Framework. This appointment covers the provision of building consultant services both pre and post contract.
8. Prior to proceeding to tender stage MSDC received a pre-tender estimate in the sum of £230,000 excluding Fees. It can be seen that all of the tenders returned significantly exceed that value.

Bidding Process

9. Twelve tenders were received by noon on Wednesday 25 July 2018.
10. Arithmetic checks were carried out on the 3 lowest bids and found to be correct.

Tender evaluation

11. Price evaluation accounted for 60% of the total score. The supplier who submitted the lowest quotation received the full 60% score. The other quotations were scored according to their relation to the lowest offer.
12. Quality evaluation accounted for 40% and was assessed on contractors written responses to 5 questions The questions explored the tenderers' relevant experience, together with their ability to manage the project and liaise effectively with the client and building users.
13. One contractor failed to submit responses, whereas another submitted very minimal information.
14. Table 1 below shows the breakdown of scores and overall ranking of the tenderers:

Table 1: Summary of Combined Price and Quality Scores

Contractor	Tender Sum	Price Evaluation Score	Quality Evaluation Score	Total Score	Overall Ranking
A	£356,813.00	60.00	27.00	87.00	1
B	£368,211.00	58.14	27.67	85.81	Jnt3
C	£368,422.15	58.11	27.83	85.94	2
D	£373,155.00	57.37	0.00	57.37	11
E	£379,999.00	56.34	24.00	80.34	6
F	£395,568.79	54.12	23.17	77.29	7

G	£399,992.97	53.52	29.67	83.19	5
H	£402,822.80	53.15	32.67	85.81	Jnt3
I	£425,046.10	50.37	22.50	72.87	9
J	£440,906.50	48.56	1.33	49.89	12
K	£469,360.00	45.61	28.50	74.11	8
L	£498,976.34	42.91	22.33	65.24	10

The Most Economically Advantageous Tender (M.E.A.T.)

15. The tenderer with the highest score- Contractor A was identified as the tenderer offering the Most Economically Advantageous Tender. This is also the contractor that submitted the lowest priced tender in the sum of £356,813.00.
16. This tender is £127,137.00 (55.3%) above the pre-tender budget estimate.

Cost Differential

17. In response to all tenders being above the original estimate and in accordance with the Council's Procurement Code, the lowest 3 tenders were analysed in an attempt to identify cost differences between the estimate and tenders.
18. The mechanical and electrical works (M & E) to the existing building have proved to be more extensive than originally envisaged at estimate stage, with replacement required rather than extension, due to the condition of existing M & E.
19. New lighting is proposed to be installed throughout, including the external lighting, the existing building and the new extension. New lighting is also proposed to be installed to rooms not disturbed by other building works.

Value Engineering

20. As a result and in accordance with the Council's Procurement Code, post tender negotiations were entered into with the contractor who submitted the Most Economically Advantageous Contractor with a view to agreeing adjustments in price and content.
21. Reductions in the sum of £31,655.24 have been agreed, resulting in a revised tender sum of £325,157.76 (See Addendum attached).
22. This revised tender together with other costs and fees estimated in the sum of £32,000.00, results in the requirement for a budget of £357,157.76
23. To achieve this, an increase of S106 funding to the sum of £347,828.00 has been approved, with an additional £9,072.00 Capital reserve, totalling a budget of £356,900.00. Further savings in Contingencies and Provisional Sums throughout the project are expected to be achieved to meet the available budget.

Programme

24. The works have been reprogrammed for a commencement date for the works of 22 October 2018 with completion due by 15th February 2019. This gives a reduced contract period of 17 weeks, including Christmas and New Year.

Statutory approvals

25. Planning permission has been obtained for these works from Mid Sussex District Council. The planning reference number is DM/18/1695. There are no pre-commencement planning conditions to be addressed.

26. Building Regulations will apply to the works specified. Mackellar Schwerdt Architects will submit for building regulations approval to Mid Sussex Building Control Partnership.

27. These works are notifiable under the CDM Regulations. A pre-construction information pack containing health and safety information relevant to the proposed works was prepared by Mackellar Schwerdt Architects and issued with the tender documents.

Policy Context

28. The recommendations in this report support the Council's vision for a better and safer Mid Sussex.

Risk Management and Other Implications

29. The project was competitively tendered in accordance with the Council's Procurement Code.

30. All tenderers confirmed they met the Council's requirement in terms of financial requirements and technical capability. The tenderer submitting the MEAT has submitted evidence to support this.

31. The main risks of the project and the likelihood, severity and financial impact (rated low, medium, high) of each of these risks are:

Risk	Likelihood	Severity	Financial impact
1. Incidents during construction	low	low	low
2. Incident following construction	low	low	low

Mitigation actions: Qualified contractors, Risk Assessments, Method Statements.

Equality and Customer Service Implications

32. No equality impact assessment has been undertaken.