

## Decision under Delegated Powers

### Officer Requesting Decision

Regeneration and Economic Development Officer

### Officer Making the Decision

Head of Planning & Regeneration

### Recommendation

That the construction contract for the Bedford Square Gateway Project be signed to deliver the public realm improvements proposed by the Bedford Square Gateway Project.

### Reason

To enable contractual arrangements to be concluded with Fitzgerald Contractors Limited, who were approved by Cabinet as the Council's preferred contractor for the Bedford Square Gateway Project following a tender exercise.

### Authority for Decision

Cabinet Minute 69E 2020/21 refers to the authority being delegated to the Head of Planning and Regeneration in consultation with the Cabinet Lead Member to proceed to the contractual appointment of the agreed preferred contractor as the Council's Principal Contractor on the Bedford Square Gateway Project.

### Decision and Date



15 April 2021

### Background

An Invitation to Tender for the construction contract for the Bedford Square Gateway Project was issued via the CCS Framework tender portal on 1st October 2020. The construction contract was scrutinised by the Council's Legal Services Team. Three tenderers returned compliant tenders on 2<sup>nd</sup> November 2020. Following an initial evaluation of these tenders, the prices submitted by all three tenderers were found to be significantly above the overall project budget. In response, the Council agreed to de-scope some aspects of the project. As a result, the tender documents were amended and revised tender prices were requested from the tenderers via the CCS

Framework Portal on 11th November 2020. A revised tender price was received from the three tenderers on 25th November 2020.

A full tender evaluation process was conducted on behalf of the Council by a Tender Evaluation Team, comprising of five team members from Wood Group UK Limited, who are the Council's appointed Principal Designer on the project. The evaluation was undertaken on the basis of an evaluation protocol and marking scheme agreed with the Council's Procurement Team and CCS, involving a 65% 'quality' and 35% 'price' split in the marking scheme.

The responses given by each tenderer were evaluated in accordance with the agreed marking scheme. The Tender Evaluation Team concluded that Tenderer 3 (Fitzgerald Contractors Limited) scored the highest overall score, when taking into account both the quality and price scoring criteria. On this basis, the Tender Evaluation Team recommended that the Council should appoint Fitzgerald to complete the construction of the Bedford Square Gateway Public Realm Improvement Project in Loughborough town centre. The winning tender price was £1,588,496.82.

A report on the tender evaluation process was presented to Cabinet on 10 December 2020, who approved the recommendation to appoint Fitzgerald Contractors Limited as the Council's Principal Contractor on the project.

### **Comments from HR**

N/A

### **Financial Implications**

There is already provision in the current Capital Plan for the scheme and therefore there are no further financial implications.

### **Risk Management**

There are no significant risks arising from this decision.

| Risk Identified   | Likelihood      | Impact             | Overall Risk | Risk Management Actions Planned   |
|---|-----------------|--------------------|--------------|---|
| That the Borough Council does not comply with the terms of the construction contract. | Unlikely<br>(2) | Significant<br>(2) | Low<br>(4)   | The Council has appointed appropriately qualified NEC4 ECC Project Manager and Site Supervisor and a Cost Manager to manage and administer the construction contract on behalf of the Council. Routine monitoring of the construction contract. |

| Risk Identified  | Likelihood      | Impact             | Overall Risk | Risk Management Actions Planned   |
|--|-----------------|--------------------|--------------|---|
| That the Principal Contractor ceases trading or does not complete the street works (for whatever reason), leading to the Council having to appoint a new contractor to complete the contract or decide to abandon or mothball the development (for whatever reason), resulting in the Council being liable for additional costs. | Unlikely<br>(2) | Significant<br>(2) | Low<br>(4)   | The Principal Contractor is required to arrange a performance bond as part of the construction contract, enabling the Council to recover payment from a Guarantor in the event the contractor ceases trading or does not complete the work for whatever reason. |

### Key Decision

No

### Background Papers

Bedford Square ITT Construction Contract Evaluation Report (December 2020)