

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO CABINET**

Cabinet
08 November 2022

Report Title: Future High Street & Town Deal Projects – Quantity Surveyor (QS) Services

Submitted by: Executive Director – Growth & Development

Portfolios: Finance, Town Centres & Growth & One Council, People & Partnerships

Ward(s) affected: All

Purpose of the Report

To inform Cabinet of the officer work undertaken to identify a suitable quantity surveying solution and service provider for a range of capital works and development projects identified by the Council and seeking authority to make an award of contract following completion of the proposed solution and delivery of a compliant procurement process.

Recommendation

That delegated authority be granted to the Executive Director – Growth and Development to award a contract for Quantity Surveyor services on successful completion of a further competition under the PAGABO Professional Services framework informing the Portfolio Holder for Finance, Town Centres and Growth of the outcome.

Reasons

The Council has a range of, capital works and development projects planned and your officers have identified a need to commission a professional service provider in the form of a QS, to represent the Council during the development and delivery stages of each project. Rather than undertaking a procurement process for each project, your officers are looking to make an offer of a single award of contract based on day rates and call off QS services as and when each project requires such services.

1. **Background**

- 1.1 The Borough Council have identified and will be delivering a range of capital works/development projects over a period of six years, examples of which include (but are not limited to):
- demolition of existing shopping arcade and construction of new town centre mixed use development.
 - demolition of existing multi-storey car park and construction of new mixed-use development at Midway.
 - development of new industrial units at Parkhouse Industrial Estate.
 - development of new industrial units at Chatterley Valley.
 - development of new Centre for Circus.
- 1.2 Multi-million pound projects; benefits will be gained from professional QS support acting on behalf of the Council in delivering cost analysis and advice on each of the up-coming projects, inclusive of (but not limited to):
- Cost consultancy services for RIBA stages including;
 - Cost advice on the cost plan submitted to the Council as part of the second stage tender processes;

- Assessment and advice on valuations/invoices throughout the construction phase including final valuation/payment and
- Assessment and advice on variations throughout the construction phases.

2. **Issues**

- 2.1 In assessing the Council's needs and based on the number of capital works/development projects the Council is aiming to deliver inclusive of those linked to Future High Streets, Town Deal, it was identified that possible benefits and economies of scale might be obtained by sourcing QS Services across this range of projects.
- 2.2 A review of the Council's resources was undertaken, and it was established that an appropriate internal resource was unavailable. As such your officers have looked to identify an external provider who could act on behalf of the Council in the delivery of these services.
- 2.3 An open market tender was a consideration however, based the need to source a prompt solution to the Council's initial needs it was considered that an appropriate framework may be a better solution, and would offer both value for money and speedy compliant solution to the Council's needs
- 2.4 In reviewing available compliant frameworks, the PAGABO - Professional Services solution was determined to offer an appropriate fit for the Council's needs; and as such officers are utilising this framework to engage with listed providers and subsequently make an award of contract.

3. **Proposal**

- 3.1 That delegated authority be granted to the Executive Director – Growth and Development to award a contract for Quantity Surveyor services on successful completion of a further competition under the PAGABO Professional Services framework informing the Portfolio Holder for Finance, Town Centres and Growth of the outcome.

4. **Reasons for Proposed Solution**

- 4.1 The solution proposed delivers a single provider solution which:
- will deliver consistency of service across a range of capital and works projects;
 - will minimise officers time in having to resource/procure individual solutions to each project;
 - will deliver economies of scale;
 - will allow officers to utilise procured day rates for the range of projects;
 - will allow your officers to forge a strong and professional working relation in the delivery of the projects identified.

5. **Options Considered**

- 5.1 An individual procurement approach was considered for each of the capital works/development projects; however it was determined that this approach would be time consuming, absorb a considerable amount of officer resource and may not deliver economies of scale.
- 5.2 Utilisation of an open market tender either as part of individual or collective project delivery was a further option considered, however this was discounted due to protracted procurement timescales.

5.3 A direct award of contract without a call for competition was a further option considered, which would require an exception to Council Contract Procedure rules and would not offer an opportunity to engage with the market and identify best value.

5.4 The use (as mentioned earlier in this report) of a compliant framework, which offered your officers a solution to a number of the procurement issues identified.

6. Legal and Statutory Implications

6.1 The use of the PAGABO Professional Services framework allows the Borough Council to use its own short form services contract rather than the PAGABO Call-Off Order Form & Agreement.

6.2 The use of the framework offers best value, as suppliers included on the framework have been pre-assessed from both a quality and pricing perspective.

6.3 Under the PAGABO Professional Services framework officers are able to undertake an initial expression of interest stage, prior to undertaking a further competition in the delivery of this procurement, to further support best value.

7. Equality Impact Assessment

7.1 There are no equality impacts connected to the procurement and/or delivery of this service.

8. Financial and Resource Implications

8.1 The estimated total cost of the service (£101,776) will be allocated and aligned to each of the range of capital works/development projects identified, with some supportive funding allocated from both Future High Streets and Town Deal funding to relevant projects. For projects outside of these two funded streams the QS costs will form part of budget estimates for project delivery.

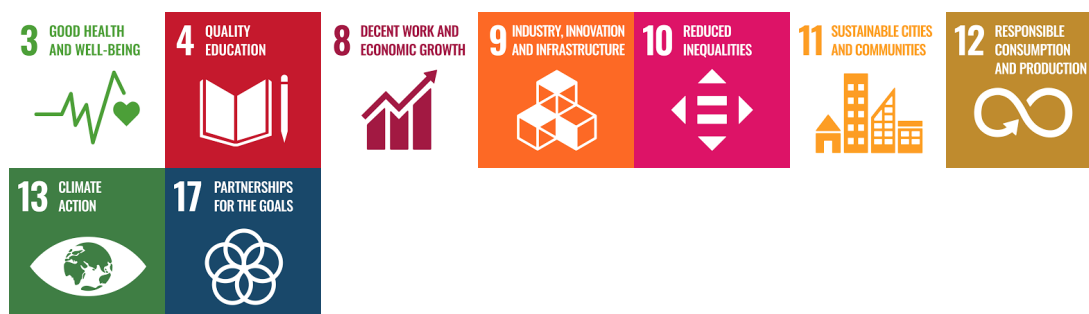
9. Major Risks

9.1 Timescales is the major risk in the delivery of the capital works/development projects identified to meet the exacting timescales linked to the award of both Future High Street and Town Deal Funding.

9.2 Delivering the design, development and construction within the agreed budget is a high risk, especially as the price of construction materials are currently extremely volatile, the QS acting on behalf of the Council will support in the mitigation of such.

10. UN Sustainable Development Goals (UNSDG)

10.1 The procurement of QS services as part of the delivery of the range of capital works/development projects identified will support in addressing:



Key Decision Information

11. 11.1 As the total aggregated value of this professional services contract will exceed £100,000 (revenue) this is a key decision.

Earlier Cabinet/Committee Resolutions

12. 12.1 Earlier Cabinet papers have been published linked to the delivery and governance of Future High Street and Town Deal projects.

List of Appendices

13. 13.1 There are no appendices to this report.

Background Papers

- 13.2 There are no supporting background papers included as part of this report.