

<b>Report to</b>	Cabinet 13 March 2019	<b>Item</b>
<b>Report of</b>	Chief finance officer (Section 151 Officer)	<b>12</b>
<b>Subject</b>	The award of contract for architectural services for the potential development of leisure and community facilities at the former Mile Cross depot site	

## KEY DECISION

### Purpose

To seek approval to delegate authority to award a contract for architectural services needed to produce a full business case including financial viability for the potential development of leisure facilities at the former Mile Cross depot site.

### Recommendations

To delegate authority to the director of regeneration and development, in consultation with the cabinet member for sustainable and inclusive growth, to award a contract for architectural services.

### Corporate and service priorities

The report helps to meet all of the corporate priorities in particular a healthy city with good housing.

### Financial implications

The costs arising from this report will be met from the spend-to-save reserve (£140k) and the grant awarded by One Public Estate (£80k), as agreed by cabinet in November 2018.

The cost of this first phase will be up to £20,000

**Ward/s:** Mile Cross

**Cabinet member:** Councillor Stonard - sustainable and inclusive growth

### Contact officers

Richard Carden, project manager, city growth and development 01603 212369

Karen Watling, chief finance officer, LGSS 01603 212440

### Background documents

None

# Report

## Introduction

1. The Mile Cross site was formerly the council's principal works depot and was subsequently managed as a business centre.
2. Approval was gained at cabinet on the 14 November 2018 to clear, demolish, and decontaminate the site. It is now unoccupied and demolition has commenced.
3. Cabinet also approved to further investigate the viability of providing a leisure facility on part of the Mile Cross depot site with housing being built on the remainder of the site by the council's wholly owned company, Norwich Regeneration Limited.
4. Cabinet agreed that a sum of £220k (less any One Public Estate grant that could be obtained) to be taken from the spend-to-save earmarked reserve to fund the appointment of a leisure consultant and architect to:
  - a) Undertake public consultation on the requirements needed in a new leisure centre and the financial feasibility and costs of providing these; and
  - b) Identify the space and outline plans required arising from a) above along with other space needs required by partners to provide other community facilities.
5. Both of these are required to further progress the development of the business case and financial viability of the potential hub development.
6. Norwich Regeneration Limited (NRL) will shortly commence the procurement of architects to design the housing element of the site. The company will also lead on the production of a master plan for the site and will seek detailed planning permission for the housing and outline permission for the hub in the autumn of this year.
7. The leisure architects will identify the space and outline plans at the site required for such a building and its associated parking. This will ensure that sufficient space is secured and safeguarded for the proposed leisure facility and included into the site master plan (being drawn up by NRL).
8. A full business case and financial viability assessment will be submitted to cabinet and council in September 2019. If the development is deemed to be financially viable, then architects will be engaged to undertake the detailed design of the hub and the associated facilities, in conjunction with NRL and the architect appointed to undertake the master planning.
9. Cabinet is reminded, as explained in the November 2018 cabinet report, that the cost of both the leisure consultant and architect could prove to be abortive costs if the business case cannot demonstrate that the hub development is financial viable. However, unless these specialists are engaged the council will be unable to finalise and produce the full business case.

## **Procurement process**

10. To ensure compliance with the council's Contract Procedures and the Public Contract Regulations 2015 it is proposed to utilise an established national procurement framework provided by PAGABO for Professional Services in Contraction and Premises under Lot 14 - Sports & Leisure (OJEU reference AVP-SHS-1008).
11. The council will run a competitive exercise with suppliers on the framework to select a supplier that meets the council's needs and provides the most economically advantageous outcome.
12. This approach will ensure the opportunity is competitive, will encourage value for money and be fully compliant.
13. Evaluation will consider both quality and price to determine the most economically advantageous return.
14. The project board along with the director of regeneration and development will review the most appropriate evaluation criteria considering the need for both price and the quality of service provision.
15. The contract is required to be awarded in April 2019 to meet key project deadline dates and the submission of a full business case to cabinet and council for decision in September 2019.
16. The current timetable of cabinet meetings in the pre-election period and the procurement timetable do not allow a report to cabinet to approve the winning supplier. The delegated decision to award will be published as a Key Decision and therefore members will have the opportunity to review the decision in the usual way.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	13 March 2019
<b>Director / Head of service</b>	Dave Moorcroft
<b>Report subject:</b>	The award of contract for architectural services for a full viability exercise to be undertaken for a potential leisure development at mile cross
<b>Date assessed:</b>	26 February 2019
<b>Description:</b>	To seek approval to delegate authority to award a contract architectural services for a full viability exercise to be undertaken for a potential leisure development at mile cross.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The council's procurement strategy ensures the council achieves value for money for the purchase of good and services. Further competition on an established specialist framework will ensure that best value is achieved for the contract.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The viability assessment and architectural outline will enable officers to determine if the proposed health and community hub is financially viable and if so will provide a valuable economic and community asset.
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If deemed viable the health and community hub will provide multiple services for the social benefit of the community
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If viable, the hub will help bring different social groups together
Eliminating discrimination & harassment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This will support community projects and support those affected by discrimination and harassment
Advancing equality of opportunity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If viable, the hub will provide road upgrades and additional parking
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contributions to the built environment through creative architecture
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Eco-friendly design and materials are intended to be used during construction
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
<b>Risk management</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<ol style="list-style-type: none"> <li>1. Risk of challenge from unsuccessful suppliers: The further competition process will follow the council procurement strategy to ensure it is open and transparent, with the award criteria being based on the most economically advantageous tender, but there is always a risk of challenge from unsuccessful suppliers.</li> <li>2. Risk of supplier failure: There is a risk that the appointed suppliers could fail during the life of the contract. The procurement process will as far as possible mitigate this risk.</li> </ol>

Recommendations from impact assessment
<b>Positive</b>
The viability will enable the Council to determine if the hub is a financially viable project; if so the social economic benefits in one of the most deprived areas of the city will be far reaching.
<b>Negative</b>

<b>Neutral</b>
<b>Issues</b>