



Committee name: Cabinet

Committee date: 16/11/2022

Report title: Contract Award, Capital Works at St Andrews Car Park

Portfolio: Councillor Stonard, Cabinet member for inclusive and sustainable growth

Report from: Executive director of development and city services

Wards: Mancroft Ward

OPEN PUBLIC ITEM

KEY DECISION

Purpose

To consider the award of contract and delegated decisions for edge protection works at St Andrews Car Park, Duke Street, Norwich.

Recommendation:

To:

1. Award the contract for the edge protection works at St Andrews Multi Storey Car Park to Bawburgh Installations Ltd, subject to the details in the exempt appendix to this report;
2. Delegate all matters incidental to the works to the executive director of development and city services, in consultation with the executive director of corporate and commercial services, and the cabinet member for inclusive and sustainable growth
3. To recommend to Council to approve an increase to the 2022/23 general fund capital programme of £0.998m to fund the proposed edge protection works, to be funded from Capital receipts

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.

- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the People live independently and well in a diverse and safe city, and Norwich City Council is in a good shape to serve the city corporate priorities

This report addresses the following priorities in the Corporate Plan

- Puts the council on a sustainable financial footing and delivers services effectively and efficiently, and
- Preserve and strengthens confidence in the council's governance framework, providing the foundations for a high performing council that is compliant with its statutory obligations.

Report details

1. St Andrews Multi Storey Car park was constructed in 2004 and has 6 parking levels providing parking space for 1084 vehicles.
2. Levels 1 to 5 are partially enclosed around their perimeters with various openings to allow for light and ventilation. In some locations these openings are closed off with galvanised steel mesh panels. This was part of the original design and is essential in order to maintain the security of the car park at lower levels.
3. The top floor (Level 6) is 'open to the air'. Generally, the perimeter of Level 6 is formed by a parapet constructed of upright structural steel columns and finished with infill mesh / steel sheet panels and cappings. The height of the parapet above the deck is variable between 1200mm and 2000mm approx.
4. The perimeter also incorporates 4 enclosures to the staircases and lift lobby used to access to Level 6.
5. Unfortunately, the current construction of the car park does not meet modern safety standards. The Council has consulted with partners, including the emergency services and industry experts over the last 12 months to identify the most appropriate method of improving the design of the car park to meet these standards.
6. This process has led to the detailed design of edge protection measures that will, as far as reasonably practicable, ensure that the car park is safe for users.
7. A number of options for carrying out the works have been assessed by council officers over the last 2 years. These include
 - a. Carry out edge protection works to all levels, 2 - 6
 - b. Carrying out works to decks 5 and 6 only
 - c. Closing off decks 5 and 6, and filling in the structural gaps on decks 2 - 4 only
 - d. Do nothing
8. It was identified that options b. – d. would not mitigate the financial, legal and reputational risks that the project sought to address. Option a. has therefore been identified as the preferred option
9. The works to be carried out have been established through detailed design and through engagement with the companies engaged in the tendering process, and are as follows:

- a. On level 6, the installation of a 4 m high (approx. height above deck level) anti-climb fence around the perimeter of the top deck. This is formed by the extension of the existing upright structural steel columns. Infill mesh will also be installed to the upper levels of the stairwells and lift lobby.
- b. On Levels 2, 3, 4 and 5, the existing gaps will be closed off using galvanised steel mesh infill panels fixed to the structure. These will be fixed behind any existing louvres.

10. The car park is in the city centre conservation area, which has increased the complexity of the project. Consultation with colleagues in the council's planning and regulatory service started in April of this year, which resulted in a planning application being submitted in July of this year. Planning permission for the proposals was granted on 26th August 2022.

11. A number of procurement options were considered for these works. These included

- a. Direct award without competition. This was rejected as it would have been contrary to Contract Procedures as the value was initially estimated as above procurement thresholds where this was acceptable
- b. Utilising an existing framework. Frameworks provided by Crown Commercial Services (CCS), Eastern Shires (ESPO), Eastern Procurement Ltd (EPL), Procurement for Housing (PfH) were explored, but none were deemed to be suitable. This option was therefore rejected.
- c. Undertaking a competitively tendered contract. This would involve running a competitive procurement exercise looking for a single supplier to meet the council's requirements.. This option was selected as it would promote value for money, whilst reaching SMEs and local suppliers. Timescales allowed for the requirement to be fulfilled by this method, and it was considered likely to achieve a better value for money outcome.

12. As a result an invitation to tender for the works was issued on 18 August 2022, with a closing date of 23 September 2022. 28 expressions of interest were received. Further to this, 3 companies advised they would not be bidding with only one providing a reason, i.e. that the size and nature of the contract prevented them from being competitive.

13. 3 tender bids were received. These were opened on 23 September and sent to the service area for review. Bids were received from:

- Bawburgh Installations Limited
- Mode Construction Ltd
- ND Willan Building Contractors Ltd

14. Tenders were evaluated with a maximum of 40% of the available marks awarded for price and 60% of the marks awarded for quality criteria. Further

details relating to the tenders and scoring are included in the exempt appendix A.

Consultation

15. Consultation on the design and acceptability of proposals took place as part of the planning application process
16. Finally, the service has consulted with emergency services, County Council, NUA and the Crown Prosecution Service on its proposals to enhance the edge protection at St Andrews car park

Implications

Financial and resources

Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

17. The parking fees income budget for St Andrews Car Park is approximately £2.460m in 2022/23; it therefore provides a significant income to the council.
18. An options appraisal has been conducted that included consideration of closing the top 2 levels of the car park (levels 5 and 6) as an alternative to carrying out the proposed works (option c above). Whilst there is no accurate usage data for each level at St Andrews car park, the loss of income from implementing this approach was estimated at £0.3m per annum
19. A provisional allocation of £0.3m had been included in the capital programme for undertaking this work. The proposed tender is for £1,227,189.74 which is a significant uplift in the cost of the project.
20. An estimated budget provision had been established prior to detailed design work being carried out. The subsequent external review indicated that this budget was likely to need to increase and during the tender exercise, the cost increased further due to several factors, principally:
 - a. The unanticipated use of scaffolding to carry out the works to level 6
 - b. Material cost inflation since the original estimate was prepared
21. Value engineering of the project has been considered that would reduce the cost by £245,901. However, this would reduce the effectiveness of the works at lower levels of the car park, and would not address the reputational and legal risks identified.
22. The addition of £0.998m to the capital programme would provide an overall budget of £1.302m, which would cover the cost of the works (£1.227m) plus fees (£0.075m) and this additional sum can be funded from capital receipts.
23. The exempt appendix contains further financial information relevant to the decision including specifically value for money considerations. Finally, it is anticipated that there will be a loss of parking spaces on each deck. This is set out in the table below

Table 1 – loss of parking spaces during programme of works

	Week Number	1	2	3	4	5	6	7	8
Number of Spaces unavailable	Floor 1	0	0	0	0	0	0	0	0
	Floor 2	0	57	57	57	57	57	0	0
	Floor 3	0	62	62	62	62	62	0	0
	Floor 4	0	62	62	62	62	62	0	0
	Floor 5	0	40	40	40	40	40	0	0
	Floor 6	198	198	198	198	198	198	198	198
Total number of spaces unavailable		198	419	419	419	419	419	198	198

It is estimated that the loss of income during the construction works will be £0.089m. It is proposed that this will be met from the council's risk reserve

Legal

- The Council has a duty in terms of the Health and Safety at Work Act 1974, and the Occupiers Liability Acts of 1957 and 1984, to ensure that its properties are safe for our employees and for users of our car parks. The proposals within this report will ensure that the council is fulfilling these duties

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	None
Health, social and economic impact	The preventative measures proposed in this report will ensure that St Andrews Car Park can successfully continue to contribute to the economy of the city centre
Crime and disorder	None
Children and adults safeguarding	None
Environmental impact	None

Risk management

Risk	Consequence	Controls required
Reputational	Failure to upgrade the car park to modern safety standards could result in an adverse response from residents, the emergency services and the crown prosecution service	<p>A Task and Finish group was established with representatives from the council, emergency services and the county council to</p> <p style="padding-left: 40px;">identify the control measures that should be considered to ensure that the car park continues to meet modern health and safety standards</p> <p>A number of additional measures have been implemented pending the proposed works taking place. These include</p> <ul style="list-style-type: none"> • Staff training • Improved signage in the car park
Legal	Failure to comply with Health and Safety at Work Act 1974, or Occupiers Liability Acts 1957 and 1984 could result in proceedings against the council if it was considered that we had not fulfilled our responsibilities in terms of these Acts.	The proposals are considered to be reasonably practicable given the cost of implementation

Risk	Consequence	Controls required
Financial	<p>This year's income budget for St Andrews Car Park is £2.46m and this makes a significant contribution to the council's overall income. Closure of all or part of the car park for any reason would jeopardise this</p> <p>The cost of carrying out the proposed works is £0.998m in excess of the current allocation within the council's capital programme for 2022/23.</p>	Alternative sources of funding to meet the increase in budget required have been identified from within the council's reserves.

Other options considered

A – Do Nothing	
Advantage	Disadvantage
Avoids £1.308m capital expenditure (including fees), £0.998m .	Does not mitigate the reputational, legal and financial risks identified in this report

B – Full implementation	
Advantage	Disadvantage
Mitigates the reputational, legal and financial risks identified in this report	Incurs £0.998m unallocated expenditure
Minimises the impact of further incidents on partner organisations and the public purse	
Opportunity to future proof an asset and ensure that it meets modern safety standards	

C – Partial implementation – through closure of floors 5 and 6	
Advantage	Disadvantage

Reduces expenditure on the project.	Whilst there is no accurate usage data for each level at St Andrews car park, the loss of income in implementing this is estimated at £0.300m per annum. It would also have implications for city centre vitality through loss of car parking provision to serve it.
Could allow phasing of work to accommodate existing commitments within the capital programme.	Would still require significant expenditure beyond the allocation within the capital programme.
Would partially mitigate risks identified within this report.	Potential for costs to increase between phases.
	Would be dependent on contractor availability.
	Would not fully mitigate risks identified within this report.

Reasons for the decision/recommendation

24. For the reasons detailed in this report, it is concluded that
- a. The total costs of the project have unavoidably risen beyond the previously agreed capital allocation, but that the costs have been confirmed through a competitive tendering process
 - b. The recommendations in the report mitigate the reputational, legal and financial risks to the council presented by the current condition of St Andrews Car Park
 - c. That alternative options do not sufficiently mitigate these risks

25. It is therefore recommended that Cabinet

- a. Award the contract for the structural works at St Andrews Car Park to Bawburgh Installations Ltd

- b. Delegate all matters incidental to the project to the executive director of development and city services, in consultation with the executive director of corporate and commercial services and the cabinet member for sustainable and inclusive growth

26. Recommends to Council an increase to the 2022/23 general fund capital programme of £0.998m to fund the proposed edge protection works.

Background papers: None

Appendices: None

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