

CABINET MEETING – 04th September 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Seafront Regeneration (Coastal Communities Fund): Procurement and Appointment of Contractors.

Author(s):

Deputy Chief Executive

Purpose of Report:

This report seeks approval to procure and appoint contractors to deliver the second and third phases of the Coastal Communities funded infrastructure works at Seaburn.

Description of Decision:

Cabinet is recommended to:

- a) Approve the urgent procurement process commenced by the Deputy Chief Executive on 16th August 2013 to procure a contractor to deliver the second phase of infrastructure works at Seaburn, as part of the ongoing Coastal Communities Project (“the Project”);
- b) Authorise the Deputy Chief Executive, in consultation with the Cabinet Secretary, to take all necessary steps to appoint a contractor to deliver the second phase of the Project subject to the terms set out in this report; and
- c) Authorise the Deputy Chief Executive, in consultation with the Cabinet Secretary, to take all necessary steps to procure and appoint, a contractor to deliver the third phase of the Project in 2014, subject to the terms set out in this report.

Is the decision consistent with the Budget/Policy Framework? ***Yes**

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

The delivery of infrastructure works at Seaburn are a key to the ongoing regeneration of Seaburn seafront to provide improved visitor infrastructure and facilitate the future comprehensive redevelopment of Ocean Park in line with the Seaburn Masterplan Supplementary Planning Document and Seafront Regeneration Strategy.

Alternative options to be considered and recommended to be rejected:

The alternative option would be to not progress the works. However as set out above funding for the project has been secured from Coastal Communities and the delivery team is progressing the design stages of the project. The funding conditions require that the works contractors must be procured following a competitive tender process.

Impacts analysed:

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? Yes

Is it included in the 28 day notice of decisions? Yes

Scrutiny Committee

**SEAFRONT REGENERATION (COASTAL COMMUNITIES FUND):
PROCUREMENT AND APPOINTMENT OF CONTRACTORS.**

REPORT OF THE DEPUTY CHIEF EXECUTIVE

1.0 Purpose of Report

- 1.1 This report seeks approval to procure and appoint contractors to deliver the second and third phases of the Coastal Communities funded infrastructure works at Seaburn.

2.0 Description of Decision

- 2.1 Cabinet is recommended to:
- a) Approve the urgent procurement process commenced by the Deputy Chief Executive on 16th August 2013 to procure a contractor to deliver the second phase of infrastructure works at Seaburn, as part of the ongoing Coastal Communities Project (“the Project”);
 - b) Authorise the Deputy Chief Executive, in consultation with the Cabinet Secretary, to take all necessary steps to appoint a contractor to deliver the second phases of the Project; and
 - c) Authorise the Deputy Chief Executive, in consultation with the Cabinet Secretary, to procure, and to take all necessary steps to appoint, a contractor to deliver the third phases of the Project in 2014.

3.0 Background

- 3.1 At its meeting in July 2012, following the adoption of the Seaburn Masterplan SPD, Cabinet authorised the Deputy Chief Executive to appoint a contractor to undertake improvements to Seaburn promenade.
- 3.2 These promenade works subsequently became the first phase of the Seaburn Coastal Communities project, when in September 2012, the Council submitted a bid to Coastal Communities Fund. The bid sought £2.0m in funding to deliver the promenade works and two other phases of infrastructure work at Seaburn, as identified within the Seaburn Masterplan SPD.
- 3.3 The £2.0m funding was approved in February 2013 and is supplemented by £1.037m of City Council’s own capital funding already approved for the seafront. The total budget for the Project is therefore £3.037m.

- 3.4 The Coastal Communities funding has conditions attached requiring that money for the three phases of work must be spent within a 2 year timescale (that is, no later than January 2015).
- 3.5 Given the tight timescales associated with the Coastal Communities Project and in order to ensure that the work remains on programme, the project team, with authorisation from the Deputy Chief Executive (in consultation with the Cabinet Secretary), commenced the procurement process for the second phase of the project on 16th August 2013 and expressions of interest must be submitted no later than 9th October 2013.

4.0 Current Position

- 4.1 Since the funding was approved the Coastal Communities project team has overseen the design and delivery of the first phase of improvements at Seaburn promenade by contractors Clugston. The first phase of the works is now underway and will be completed this summer.
 - 4.1.1 The team have also commenced the design of the remaining two phases of the project, which are set out in the Coastal Communities bid document and Seaburn Masterplan. These are:
 - 4.1.2 Phase 2: Environmental improvement works to Whitburn Road to include enhanced areas of public realm and lighting, junction improvements, traffic calming; and upgraded pedestrian crossing areas, the contract opportunity for which has been advertised on 16th August 2013; and
 - 4.1.3 Phase 3: Green Infrastructure Improvements to the Cut Throat Dene area of Ocean Park including measures to address flooding and surface water drainage. The procurement of the phase 3 works is likely to commence in 2014.
- 4.2 As with the first phase promenade scheme, a consultation on the emerging design proposals for the remaining phases will take place.
- 4.3 To ensure best value is achieved it has been determined that a competitive tender process must be undertaken for both phases 2 and 3, involving the procurement and appointment of external contractors to deliver the works.

5.0 Reason for Decision

- 5.1 The delivery of infrastructure works at Seaburn is key to the ongoing regeneration of Seaburn seafront to provide improved visitor infrastructure and facilitate the future comprehensive redevelopment of Ocean Park in line with the Seaburn Masterplan Supplementary Planning Document and Seafront Regeneration Strategy.

6.0 Relevant Considerations

- a) Financial Implications – The works will be funded from the £3.037m budget for Seaburn comprising £2.0m Coastal Communities Funding and £1.037m supplemental funding sourced from the City Council's own resource for the seafront.
- b) Legal Implications – While the value of the works is below the EU threshold for works and the contract opportunity need not therefore be advertised EU wide, there is a requirement under procurement law to ensure that sub-threshold works are given an appropriate level of advertising and opened up to competition. The conditions of the funding also require that the works are competitively tendered. The works will be delivered under an industry standard NEC3 Engineering and Construction Contract, slightly amended for use by a local authority. Council capital funds are used for this Project subject to the Council's wellbeing powers under section 2 of the Local Government Act 2000.
- c) Policy Implications – The projects form part of the wider Seafront Regeneration Project which is in line with the objectives of the Sunderland Strategy and Economic Masterplan.
- d) Sustainability Impact Appraisal – A Sustainability impact appraisal has been undertaken and is attached in appendix one.
- e) Equality Assessment – An Equality Assessment has been undertaken and is attached in appendix two

7. Background papers

- Seaburn Masterplan:
<http://www.sunderland.gov.uk/index.aspx?articleid=8433>
- Seafront Regeneration Strategy:
<http://www.sunderland.gov.uk/index.aspx?articleid=8427>
- Seaburn Masterplan Delivery Project – Coastal communities bid proposal

