

Operational Decision Record

Publication Date 16/02/2023	Decision Reference Number 4862
Decision Title	
Appointment of New/Replacement Contractor for Completion of Eastglade Phases 1 and 2	
Decision Value	
Nil	
Revenue or Capital Spend?	
Capital	
Department	
Growth and City Development	
Contact Officer (Name, job title, and contact details)	
Ceri Davies, Regeneration Team Leader, 0115 87 63530 ceri.davies@nottinghamcity.gov.uk	
Decision Taken	
To proceed with the appointment of Lovell Partnership as replacement build contractor for the Eastglade development (phases 1 and 2). To appoint Geldards legal to provide external legal support regarding Robert Woodheads liquidation and new contract with Lovell Partnership.	
Reasons for Decision and Background Information	
<p>Executive Board approval was given on 18th February 2020 (https://committee.nottinghamcity.gov.uk/mglIssueHistoryHome.aspx?lId=51489&Opt=0) for the budget to redevelop the Eastglade site for 106 new council homes and for Nottingham City Homes to undertake this development. Nottingham City Homes appointed Robert Woodheads Ltd as their build contractor for Eastglade on 11th November 2020.</p> <p>On 14th September 2022, with Phases 1 and 2 (53 homes) 90% completed, Robert Woodheads Limited informed NCC/NCH that the company had ceased trading and went into Liquidation on 18th October 2022.</p> <p>Lovell Partnership were approached by NCH to quote for the remaining works on phases 1 and 2 of Eastglade on October 11th 2022, owing to their being involved in the original tender process for the Eastglade development contract and their being</p>	

on site nearby (Beckhampton Road) with a scheme of similar size and specification.

The quotation received from Lovell Partnership was considered appropriate given the situation (i.e. completing another contractor's work) and economic situation/price inflation; as was their capacity to undertake the work relatively quickly in order to expedite homes being available for new tenants and to reduce security costs on the inactive site.

On 13th January 2023 Exemption from procurement was approved to engage with a single contractor or seek a single tender (i.e. "direct award") to complete phases 1 and 2 of the Eastglade Scheme and to progress the appointment of Lovell Partnership as a result.

The cost to complete the 53 homes in phases one and two, and to ensure the road that serves this part of the scheme is acceptable, is higher than originally forecast for this portion of the scheme but is contained within the original approved budget envelope. No further funding request or approval is required at this time.

Geldards appointment is required to assist with issues arising from Robert Woodhead's liquidation and to draw up the new contract with Lovell Partnership.

The proposed action has received approval from Portfolio Holder and Capital Board (16th January 2023).

Other Options Considered and why these were rejected

Retender: The tendered price was considered reasonable owing to the degree and nature of works to be completed; additional benefits of working nearby to accelerate mobilisation. Option rejected.

To seek tenders for the entire scheme: This would be a larger, more complex and more time consuming exercise, potentially meaning increased tender price, as well as ongoing security costs for the inactive site. Option rejected.

Reasons why this decision is classified as operational

The spend incurred by this decision is subject to a prior executive board approval for the project and can be accommodated within this budget envelope for purposes stated.

Additional Information

Procurement:
Given the need to secure the site and complete phase 1 & 2 the direct award of this contract to the supplier has been accepted as the best option at this time. The value of the contract is below

threshold for works contracts and therefore the Council only has to follow its own Contract Procedure Rules. An exemption from tender has been approved in line with the CPRs.

Steve Oakley, Head of Procurement, 09/02/23.

Legal:

This report seeks authority to appoint Lovel Partnership for specified works in place of Robert Woodhead Ltd (in liquidation) and to appoint and fund Geldards solicitors to provide the specialist legal support required in this situation.

This report presents no significant legal concerns. Procurement colleague have agreed an exemption to procurement procedures in respect of appointing Lovell's and considered the implications of the Public Contract Regulations 2015.

Geldards have been instructed under the EM Lawshare arrangements which offers beneficial rates. Legal Services will continue to be involved and support colleagues generally whilst Geldards provide the specialist support.

Anthony Heath, Senior Solicitor, 08/02/23

Finance:

This decision doesn't increase the capital programme as the value can be contained within the existing approval (Exec Board March 20) and therefore is not required to be considered by Capital Board. Any slippage from the Period 9 2022/23 forecast will be picked up as part of the outturn process.

Tom Straw, Senior Accountant – Capital Programmes, 10/02/23

Decision Maker (Name and Job Title)

Sajeeda Rose, Corporate Director for Growth and City Development

Scheme of Delegation Reference Number

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Date Decision Taken

14/2/23