

To:	Cllr Robin Betts, Cabinet Member for Climate Change, Regeneration & Property
From:	Stuart Edwards, Head of Administrative and Property Services
Director:	Adrian Stanfield, Director of Central Services

BRIEFING NOTE: EXECUTIVE - NON-KEY DECISION

GIBSON BUILDING EAST REFURBISHMENT - APPROVAL OF TENDER ROUTE

Summary of Issue: The Council is currently progressing a project to consolidate its Kings Hill office accommodation. Under the Council's Constitution, the Executive needs to approve the procurement route as the value is above the relevant financial threshold.

Recommendation: To approve a two-stage tender process.

1 Background

As part of its Savings and Transformation targets, the Council is looking to consolidate its Kings Hill office accommodation on the basis that it no longer requires all of the space provided across Gibson Buildings East and West. Consolidation of the space will realise ongoing revenue savings which have been factored into the Council's Medium Term Financial Strategy.

Members approved a capital scheme project to facilitate this work in February 2023, which involves re-providing certain services and facilities which need to be retained from Gibson West, in Gibson East. In addition, the project will be used to increase the energy efficiency of the building, install renewable technology as well as decarbonising the building's energy use – all in line with the Council's Climate Change Strategy and 2030 carbon neutral goal.

A design team has been procured and have been progressing the design work, including submitting planning and listed building applications, which Full Council approved at their meeting on 22nd October 2024.

2 Procurement Options

The design work has now reached the stage whereby procurement options for the main works contract need to be assessed.

An assessment of potential options has taken place in liaison with the Mid-Kent Procurement Partnership as well as with the Council's appointed Quantity Surveyors, who advise on commercial contract matters. A list of the main options available are set out below:

- 1) Single stage open tender process – going out to the market with the design and other tender documents and inviting submissions
- 2) Two stage open tender process – seeking expressions of interest from the market and scoring that interest to arrive at a select list of contractors who would be invited to submit a full tender
- 3) Framework agreement – utilising an existing framework agreement which may have a single or multiple contractors who would be invited to submit tenders

All parties agreed that the two stage open tender process should be utilised, on the basis we can assess contractors experience and ability to carry out the work during the first stage and then focus on how they would deliver the work during the second stage. This will ensure officer time is used efficiently evaluating the full tender responses from contractors we have already assessed as having the necessary experience and skills to successfully deliver the project, while still seeking interest from the market at large.

Under the Council's Constitution, the Executive needs to approve the procurement route as the value is above the relevant financial threshold.

At this initial stage it is recommended a price/quality split within the range of price: between 60-70% and quality: between 30-40% is used.

3 Legal Advice

The matters set out in this briefing note are considered routine or uncontroversial.

4 Financial and Value for Money implications

By undertaking an open tender exercise via a two stage process the market will be fully tested to ensure value for money is achieved.

5 Risk Assessment

By progressing a two stage open tender exercise it will slightly push back the overall programme, however if a large number of tenders were to be submitted under a single stage process the timescales for evaluating those tenders would need to be extended.

6 Public Sector Equality Duty

We do not consider there to be any equality related issues in this matter.

7 Consideration by Overview and Scrutiny

We do not consider that this matter needs to be considered by O&S/ SSC before a decision is made.

8 Communications

The Cabinet Member for Climate Change, Regeneration & Property has been consulted and agrees with the proposed way forward.

9 Conclusion

We recommend a two stage open tender exercise is progressed.

10 Annexes

None.