

Report to the Head of Operations

Date: 02 June 2021

Report by: Julian Bullen, Project Manager

Report title: Contract award asbestos remediation works as part of the Hertford Theatre Growth and Legacy Scheme

Ward(s) affected: All

Summary

Following a tender process for the asbestos remediation contract for the Hertford Theatre Growth and Legacy Scheme redevelopment project, this report is to recommend contract award in order to conclude the tender process and continue the delivery phase of the project.

RECOMMENDATIONS TO THE HEAD OF OPERATIONS:

a) Approval to award the asbestos remediation contract, as part of Hertford Theatre Growth and Legacy Scheme to Bidder C

1.0 Proposal(s)

1.1 It is proposed that the Head of Operations agrees to award the asbestos remediation contract to the successful bidder.

2.0 Background

2.1 In July 2018, the Council approved capital funding for the Growth and Legacy Scheme at Hertford Theatre. The scope included: three bespoke cinema screens, additional seating in the main auditorium, a new 150 seat studio, improved riverside café bar, and improved access to the building.

2.2 In October 2019, the Council approved additional capital funding for the delivery of Hertford Theatre Growth and Legacy Scheme.

2.3 In order to undertake main contractor works the asbestos remediation needs to be carried out at the Hertford Theatre site

2.4 The contract documentation and Employer's Requirements were produced by the Council's consultant team and external lawyers, following a review by Officers across the council. Technical scope and specifications were produced by Adams Environmental based upon intrusive survey information.

2.5 This information was advertised on the Procure Public Asbestos Removal framework on 18th March 2021, and bidders were invited to submit tender returns by the 16th April 2021. The evaluation of those tenders was concluded by the technical team on the 20th May 2021.

2.6 The contract consists of the following scope comprises of two main parts:

Part 1 – removal and disposal of asbestos from auditorium, fly tower, stage and associated back-of-house areas.

Part 2 – removal and disposal of asbestos from all other areas

2.7 The tender covers the following indicative time periods:

Part 1 – access date 28th June

Part 2 – access date 2nd August

Completion no later than 17th September

2.8 The Head of Operations has delegated authority to make contract awards to a value of £500k within the Constitution. Specifically under Part 3C – Officers’ Responsibility for Functions, paragraphs 8 and 8.3 and within Part 4G - Financial Procedure Rules, Appendix 1 - Scheme of Financial Delegations. Therefore in light of the aforementioned delegated authority, the Head of Operations has delegated authority to make this construction contract award.

3.0 Reason(s)

3.1 A quality and price evaluation was undertaken with 50% awarded for quality and 50% for price.

3.2 Four bids were evaluated and the following table shows the results of the compliant bids:

Bidder	Quality out of 50%	Price out of 50%	Total (max 100%)
A	Withdrawn from process		
B	50.00%	39.14%	89.14%
C	50.00%	49.47%	99.47%
D	10.00%	50.00%	60.00%
E	30.00%	48.93%	78.93%

3.3 One bidder withdrew from the process.

3.4 The bidder that provided the highest overall score was Bidder C and accordingly Bidder C offers the most economically advantageous tender (MEAT) for this contract.

3.5 The financial implications on the core bid items for the bidder that offers the MEAT is shown in Appendix 1 (Confidential Paper).

4.0 Options

4.1 Do Nothing - Not proceeding with this tender would have legal and financial implications for the main contract following Part 2 of this contract. By doing nothing, this would delay the construction phase of the Theatre Growth and Legacy Scheme, and therefore not generate the revenue return on the capital as identified in the business plan. There would therefore be significant implications for the Council’s Medium Term Financial Plan. This would also impact the future needs of the community

4.2 Undertaking the tender process again or undertaking an alternative tender process tender would delay the main contract works as part of Hertford Theatre Growth and Legacy project. Any delay will impact the Council's revenue position.

5.0 Risks

5.1 The financial risk of collapse of the successful bidder is considered low on the basis of financial checks undertaken by ProcurePublic in November 2020

5.2 There are a number of risks as part of the delivery phase of any project. The risks that sit on the Council's side as part of the asbestos contract fall under standard clauses as part of the Joint Contracts Tribunal Intermediate Building Contract (JCT ICD) 2016.

5.3 The main delivery risks are:

- Health and Safety. With any works at height or asbestos works, health and safety remains a risk. This will be mitigated by robust method statements, risk assessments and provisions under the JCT ICD contract.

- Full and proper removal of all asbestos to enable subsequent works to be undertaken. An independent testing house has been appointed direct by EHDC to undertake 4 Stage testing.

6.0 Implications/Consultations

6.1 Procurement has led the procurement process, including the moderation of the tenders, and supported the recommendation identified at the start of this report. The Corporate Procurement Manager has provided the following comment: *"The process followed has been compliant and has concluded that the contract should be awarded to the most economically advantageous bidder which is Bidder C"*

6.2 The Council's insurance officer reviewed the Framework insurance levels and is happy with the insurance levels provided.

6.4 The selection via the ProcurePublic framework has obviated the need for financial checks

Community Safety

The contractor will comply with their legal Health and Safety requirements. The Council's contract manager will ensure compliance of the contractor with health and safety requirements.

Data Protection

This is covered under the JCT ICD contract

Equalities

An updated EIA will be completed when the main contractor is appointed for the refurbishment and reinstallation works

Environmental Sustainability

The Legacy and Growth Project is targeting 'BREEAM excellent' so the asbestos remediation contractor will need to comply with BREEAM requirements for the scheme

Health and Safety

The contractor will comply with their legal Health and Safety requirements. The Council's contract manager will ensure compliance of the contractor with Health and Safety requirements.

Human Resources

N/A

Human Rights

N/A

Legal

The Council's contract manager has been consulted on the proposed contract

Specific Wards

N/A

7.0 Background papers, appendices and other relevant material

7.1 Appendix 1 – Financial information (confidential)

7.2 Report no. 138 to Council, 25 July 2018:

<https://democracy.eastherts.gov.uk/documents/s45372/Hertford%20Theatre.pdf?J=5>

7.3 Report no. 181 to Council, 23 October 2019:

<https://democracy.eastherts.gov.uk/documents/s50442/Hertford%20Theatre%20Growth%20and%20Legacy%20Scheme%20-%20Design%20Proposals%20and%20Funding.pdf?J=2>

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