

DECISION TAKEN UNDER DELEGATED AUTHORITY

Report to the Director of Regeneration and Economy

4th November 2016

Tender for: 93 Bungalows and Flats at Oxford Road, West Bromwich

1. Summary Statement

1.1 This report seeks approval to accept the tender of Keepmoat Regeneration Ltd., in the sum of **£9,640,536.60** for the construction of 93 bungalows and flats at Oxford Road, West Bromwich and approval to instruct the Interim Director of Resources to enter into or execute under seal any documentation in relation to award of the contract for the works.

1.2 Delegated authority was given to the Director of Regeneration and Economy in a report to Cabinet dated 6 April 2016, minute number 63/16.

1.3 Tenders were sought on a most economic advantageous tender basis from five contractors who registered interest through the Homes and Communities Agency's Development Partner Panel Framework.

1.4 Four contractors submitted a tender. The results were:

Keepmoat Regeneration Ltd.	£9,640,536.60
Bouygues Thomas Vale Consortium	£10,394,409.37
Lovell Partnerships	£10,542,316.00
Wates Construction Ltd.	£10,575,281.00

1.5 The tenders were evaluated in accordance with the stated award criteria based on 80% Price and 20% Quality. The scores out of 100 were:

	Price	Quality	Total
Keepmoat Regeneration Ltd.	70.00	15.33	85.33
Bouygues Thomas Vale Consortium	61.92	11.67	76.59
Lovell Partnerships	64.01	12.34	76.35
Wates Construction Ltd.	63.81	9.83	73.64

1.6 The tender of Keepmoat Regeneration Ltd. has been checked and found to be arithmetically and technically correct.

2. Recommendation

- 2.1 Following evaluation of the returned tenders it is recommended that the Director of Regeneration and Economy, be authorised to award the contract for the construction of 93 bungalows and flats at Oxford Road, West Bromwich to Keepmoat Regeneration Ltd.
- 2.2 That in connection with 2.1 above, the Interim Director of Resources be authorised to enter into an appropriate form of contract with Keepmoat Regeneration Ltd.


In accordance with the Council's Procurement & Contract Procedure Rules, I intend to take the action(s) recommended above.

I ~~do~~/do not have an interest to declare in this matter.


Jan Britton
Chief Executive

Date: 16/11/16

I ~~do~~/do not have an interest to declare in this matter.


Daren Carter
Interim Director of Resources

Date: 14-11-2016

Contact Officers

Alan Martin
Partnerships and Programme Manager – Housing Partnerships
Tel: 0121 569 5349

Tony Farnsworth
Principal Co-ordinator/Quantity Surveyor
0121 569 4581

3. Strategic Resource Implications

3.1 At the Cabinet meeting dated 6 April 2016 (minute number 63/16) the Section 151 Officer was authorised to allocate £11,324,000 from the Housing Revenue Account capital investment programme to facilitate the proposal.

3.2 The estimate for the works was **£10,600,000.00**.

4. Legal and Statutory Implications

4.1 The Council, as a Public body, has to comply with Public Contracts Regulations (2015). This tender exercise has been conducted in accordance with these Regulations.

5. Implications for Council's Scorecard Priorities

5.1 The proposal will support the following Scorecard Priorities,

- *Great People*

The proposed development of this site will provide local people with employment opportunities and improve the health and wellbeing through living in high quality energy efficient accommodation.

- *Great Place*

Currently the property is vacant. Once redeveloped the development site will provide a significant contribution towards the uplift of the immediate area surrounding the site and improve the public realm and street scenes. The redevelopment of the site with modern residential accommodation will improve the asset base of the borough and provide much needed affordable housing.

- *Great Prospects*

The redevelopment of the site will assist in the delivery of great prospects through the redevelopment of vacant under used sites. The redevelopment will provide investment, job creation and assist in providing great prospects for local people. The provision of new residential development will provide new accommodation for Sandwell residents and contribute to their general wellbeing. Studies have shown that new accommodation contributes to better standards of health and educational attainment which in turn leads to better paid employment within an individual's life time.

- *Great Performance*

Having appraised the potential alternative options that are available to the Council it is considered that the most strategic and financially advantageous option is re development for residential use, this will house Sandwell residents but also generate New Homes Bonus and new Council Tax payments to the Council, hence contributing positively to the financial position of the Council.

6. Background Details

6.1 At the Cabinet meeting dated 6 April 2016 (minute number 63/16) the Director of Regeneration and Economy, in consultation with the Director of Neighbourhoods was authorised to develop approximately 1.90 of land off Oxford Road, West Bromwich.

6.2 The scheme involves the construction of 93 affordable rented homes on the site off Oxford Road. The proposed breakdown of accommodation is as follows:

24 nr. 2 bedroom 3 person flats,
34 nr. 1 bedroom 2 person flats,
27 nr. 2 bedroom 3 person bungalows,
4 nr. 2 bedroom 4 person bungalows, and
4 nr. 2 bedroom 3 person wheelchair bungalows.

6.3 Tenders were sought on a most economic advantageous tender basis from five contractors who registered interest through the Homes and Communities Agency's Development Partner Panel Framework.

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