

**Cobtree Manor Park – Car Park Improvement Update**

<b>Final Decision-Maker</b>	Cobtree Manor Estate Charity Committee
<b>Lead Head of Service/Lead Director</b>	Dawn Hudd - Head of Regeneration and Economic Development
<b>Lead Officer and Report Author</b>	David Mounter – Projects Officer
<b>Classification</b>	Public
<b>Wards affected</b>	Boxley

**Executive Summary**

This report provides an update to the proposed car park improvement works at Cobtree Manor Park

**This report makes the following recommendations to this Committee:**

1. To re-run the tender exercise for the Cobtree car park improvement works as a design and build contract. This will see design liability placed on the contractor relieving MBC of risk.
2. To agree to an additional £10,000 budget to appoint an Employers Agent to manage the design and build tender process and the appointed contractor and for an additional £6,000 for MBC project management time.
3. Increase the budget the design and build contract to £256,000. Early market testing with the new design information suggests the brief can be met within 20% of the previously allocated budget.
4. If the tender returns result in the project cost being over £256,000 a further report will be presented to the Committee.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	01/08/2018

# Cobtree Manor Park – Car Park Improvement Update

## 1. INTRODUCTION AND BACKGROUND

- 1.1 At the July 2017 committee meeting the committee requested that the plans for the car park improvement works were progressed. At the January 2018 committee meeting, following a procurement exercise carried out with the Maidstone Borough Council (MBC) Procurement Team, committee agreed with the recommendation to progress with the appointment of a main contractor to undertake the car park improvement works and for the appointment a project manager to oversee the works.
- 1.2 The combined cost of the works was £214,500. This included a provisional sum of £10,000 to carry out extra works to the bottom car park and a further £10,000 to appoint a project manager.
- 1.3 The contractor appointment would be under a traditional contract meaning there would be no design requirement from the contractor as they would use all design information contained with the contract.
- 1.4 To oversee the scheme an independent project manager was appointed. They were provided with the tender documents to review ahead of the formal appointment of the contractor being made. Their review highlighted potential shortcomings with the design information that, if the scheme had progressed on the tendered basis, could have led to the car park continuing to experience the issues that currently occur i.e. being very wet during the winter months and very dusty in the summer.
- 1.5 The design information contained within the tender documents lacked sufficient detail. When designs of this nature are prepared, consultants usually undertake a number of surveys. These mainly consist of topographical and levels surveys, soil tests, calculations for the drainage designs demonstrating it will be able to cope with the water volumes being produced, percolation tests for the soils and surrounding areas to ensure that rain water will drain efficiently.
- 1.6 As the tender information did not contain this information the project manager recommended this data be obtained to inform a more detailed design that would meet the brief.
- 1.7 The surveys were commissioned via the project management consultant. Using Kent County Council's standard detail as a specification for a car park, the new design information increased the scope of works considerably. New drainage and surface formation was proposed which added to the materials and time required for the works to be undertaken. The new design information was put to the successful contractor to see what impact it would have on the value of the works. The successful contractor advised that due to the increase in materials and time required to undertake the works the value would almost double in price.

- 1.8 Since receiving the revised design information some market testing has been undertaken. This has demonstrated that the works, if tendered as a design and build contract, with an acceptable car park specification, could be delivered for a figure similar to the original budget.
  - 1.9 Due to the change in scope for the works and the proposed increase in contract cost we have informed the successful contractor that the Council will not be progressing with this appointment. Instead the tender exercise will be re-run as a design and build (D&B) contract therefore passing the risk on to the contractor as they will have completed design responsibility.
  - 1.10 To prepare the D&B contract and ensure the brief is robust a new project manager or Employer's Agent appointment with experience in this type of work will be necessary.
  - 1.11 Total fees incurred to date are £11,750 and include project management (£3,250), surveys (£2,800) and design information (£5,700). A further £10,000 will be required for the appointment of a suitably experienced Employer's Agent to oversee the works and £6,000 will be required for MBC project management time.
  - 1.12 As described in 1.2 above the original budget for this work was £214,500. A cost estimate provided by the previous project manager in spring 2017 estimated the scheme costs to be £296,600 inclusive of construction, design and management fees. Based on the recent design information and the limited market testing undertaken the scheme could be delivered within approximately 20% of the original budget (£256,000).
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## **2. AVAILABLE OPTIONS**

- 2.1 Do nothing  
This option would see a continuation and possible worsening of the current situation. The car park would continue to be very wet in the winter months and very dusty in the summer. In addition the ability to maximum use of the car park and thus revenue would not be realized.
- 2.2 Proceed with the current tender  
The option to proceed with the existing tender is a risky one. The design information is lacking sufficient detail and has been deemed not fit for purpose. If the scheme were progressed on this basis the car park may continue to be very wet in the winter albeit with a new surface. The new surface could deteriorate earlier than expected. Design liability sits with the Council and not with the contractor.
- 2.3 Re-run the tender as a design and build contract  
This option allows for a new design and build contract to be prepared and procured. Setting out a clear design brief will be key, so it is recommended that an experienced Employer's Agent is commissioned to work with MBC officers to help prepare the contract documents and to manage the contractor when on site. Due to the fees spent to date a further £10,000 will be required for this appointment along with £6,000 for MBC project

management fees and an increased design and build cost of £41,500 bring the total cost to £256,000.

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### **3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 3.1 The recommendation is to proceed with Option 2.3 above and to re-run the tender exercise as a design and build contract. This shall see design liability placed on the contractor relieving MBC of risk.
- 3.2 Recent design information coupled with early market testing suggests the brief can be met within 20% of the current budget. However if the tender returns result in the project being over this (£256,000) a further report will be presented to the Committee.
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### **4. RISK**

- 4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
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### **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 5.1 No formal consultation has taken place regarding the refurbishment of the car park, however direct feedback from customers coupled with comments on social media confirm that it is the most regular complaint received about the park.
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### **6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 6.1 We shall proceed with the preparation of the Design and Build contract and will re-run the tender exercise. On completion of evaluation we shall report back to committee with the results at which time a further recommendation shall be made if the scheme is over budget.
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### **7. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	This decision will have an impact on the following Corporate Priorities <ul style="list-style-type: none"><li>• Keeping Maidstone Borough an attractive</li></ul>	Head of Regeneration and Economic Development.

	<ul style="list-style-type: none"> <li>place for all -</li> <li>• Ensuring that there are good leisure and culture facilities</li> </ul>	
<b>Risk Management</b>	The risk as detailed elsewhere in this report is low.	Head of Regeneration and Economic Development.
<b>Financial</b>	Resources are available for this project, although it will leave cash reserves low for a short period. However the increase in the car parking charge will have a positive impact on available resources going forward.	Paul Holland, Senior Finance Manager (Client)
<b>Staffing</b>	This will have no impact on staffing as an external project manager will be appointed.	Head of Regeneration and Economic Development.
<b>Legal</b>	<p>A contract will need to be prepared and exchanged with the successful contractor. Any contract entered into must be in accordance with the Council's Contract Procedure Rules and should be in a form approved by the Head of Legal Partnership.</p> <p>Any implications regarding increasing the car parking charges were dealt with, when charges were originally introduced.</p> <p>The appointment of an experienced Employer's Agent (to implement preferred option 2.3 above) must comply with the provisions of the Council's Contract Standing Order and/or the Public Contracts Regulations 2015 (as the case may be).</p> <p>The legal department will work with the project team to procure the appointment of the Employer's Agent in accordance with the relevant procurement</p>	<p>Keith Trowell, Interim Team Leader (Corporate Governance)</p> <p>Vanessa Wilder Interim Leader Contracts and Procurement.</p>

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<b>Privacy and Data Protection</b>	No additional data will be held.	Keith Trowell, Interim Team Leader (Corporate Governance)
<b>Equalities</b>	This will have no equality implications.	Head of Regeneration and Economic Development.
<b>Crime and Disorder</b>	This will have no impact on Crime and Disorder	Head of Regeneration and Economic Development.
<b>Procurement</b>	The necessary procurement exercise has already been carried out to secure a contractor to for this work.	Head of Regeneration and Economic Development.

## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: January 2018 Committee Report

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## **9. BACKGROUND PAPERS**

None