

16th September 2015

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| Report of | Head of Commercial Services | Author | Lee Spalding/Teresa Hogsbjerg ☎ 282 118/505 842 |
| Title | Appointment of Main Contractor for the redevelopment/refurbishment of the Old Police Station into the Creative Business Centre | | |
| Wards affected | Castle Ward | | |

This report concerns the approval by the RIF Committee to appoint the main contractor for the Creative Business Centre following the recent tender exercise.

1. Decision(s) Required

- 1.1 To appoint the recommended main contractor for the redevelopment/refurbishment works of the Old Police Station to transform the building into a Creative Business Centre.

2. Reasons for Decision(s)

- 2.1 The Old Police Station located at 37 Queen Street, Colchester which was purchased by the Council in 2010 in order to redevelop into a Creative Business Centre.
- 2.2 Funding was secured from Essex County Council and from S106 and New Homes Bonus monies in order to bring this derelict building back to life and works are now sufficiently progressed to enable a build contract to be let.

3. Alternative Options

- 3.1 To not proceed with the works. However, this would mean the Council forfeiting the funding granted by ECC towards the project. Furthermore, if works are not undertaken now then the condition of the Old Police Station will continue to deteriorate resulting in a situation where the building would be deemed an unsafe structure and remedial works would have to be undertaken by default to make the structure sound.

4. Supporting Information

- 4.1 The development of the Creative Business Centre on Queen Street in the Town Centre is a key piece of infrastructure in Colchester to support the growth of the Creative Sector.
- 4.2 The town has the largest concentration of creative businesses in Essex and the Haven Gateway with over 3,500 people employed in the Creative sector, across over 600 companies. The total turnover of the creative and digital industries in Colchester was £290million in 2012 and GVA was £165million
- 4.3 The Old Police Station was acquired by CBC in 2010. Development of the site to a creative business centre is being partly funded by Essex County Council and S106 monies. The new facility is due to open in May 2016.

- 4.4 The project will provide 43 units equalling overall 831 square meters of space to let. 116m² is incubation space which will be let to new businesses, micro businesses and virtual companies.
- 4.5 The building will also offer ground floor café space and kitchen, 181m² courtyard and a screening room for presentations.
- 4.6 The centre will be in the heart of the emerging Creative Quarter of St Botolph's, close to the planned Curzon cinema, firstsite, the Minories and the Waiting Room, together with a range of restaurants and cafés proposed in the adjacent development by Building Partnerships.
- 4.7 Colchester Borough Homes (CBH) was appointed to work with project architects Ash Sukula (AS) to develop the project to RIBA stage 4 and build a tender package and invitation to tender documents for pricing by external contractors. AS completed the final building layout design and building and architectural specification and drawings. CBH completed the mechanical and electrical system designs, managed the tender process and will manage the building project and works on site, including fulfilling the Council's responsibilities with regards to the Construction Design and Management regulations 2015.
- 4.8 Works are to be split between two phases as follows:
- Phase 1: All external works, internal fit out works to ground floor of main building and ground, first and second floors of annexe, including all main plant and wiring so that building operator can move into phase 1 once works are complete and ahead of Phase 2 works completion.
 - Phase 2: Internal fit out works to first and second floor of main building.
- 4.9 Timings for the work Phases are as follows:
- Phase 1: Start on site October 2015 and complete by May 2016. Please note that the contract will be let to complete both phases with suitable break clauses.
 - Phase 2: Proposed to start on site immediately following completion of Phase 1 pending the Council securing the necessary funding to deliver Phase 2. Phase 2 works to be undertaken with building operator in residence within Phase 1.
- 4.10 Expressions of interest (EOI) were sought from suitably qualified contractors via the BIP Delta Web Portal hosted by the Procurement Agency of Essex. The EOI and PQQ stages were managed by the Council's Procurement Team in conjunction with the Essex Procurement Hub and CBH.
- 4.11 Three tenders were received on 28th August 2015 and opened in the presence of the Council's Monitoring Officer.
- 4.12 The tenders were analysed by CBH to ensure that they were compliant and then scored based upon the contractor's tender submission. Tenders were scored based on a split of 70% price and 30% quality. Part of the quality score criteria also included 10% allocated towards the benefit to the local economy that the contractor would deliver via their undertaking of the project.

5. Proposals

- 5.1 To appoint the recommended contractor to undertake the works within the agreed project programme.

6. Strategic Plan References

- 6.1 By undertaking these works at the Old Police Station, the Council will be ensuring that an important heritage building asset is brought back into service and good repair, clearly demonstrating its commitment to making Colchester a place that people want to visit and helping to define the town as a destination for the creative and cultural industries to locate and grow.

7. Consultation

- 7.1 The specification and proposal for the works has been developed in close consultation with the Council's Conservation Planning Team and Building Control Team.
- 7.2 The works follow a successful planning application and listed building consent which was consulted upon in the usual way.
- 7.3 Consultation through the Creative Colchester Partnership as a key piece of infrastructure in the development of the Creative Sector in Colchester.

8. Publicity Considerations

- 8.1 This prominent heritage building and its future use as a Creative Business Centre is important to the St Botolph's area and the wider town and Borough and therefore the Council's Communications team will continue to release important updates on the redevelopment progress to the general public and in particular to the Creative Community.

9. Financial Implications

- 9.1 The recommended contractor's tender figure when combined with consultant fees is within the budget currently allocated to the project within the RIF Capital Programme.

10. Equality, Diversity and Human Rights implications

- 10.1 The EQIA for the project can be found in Appendix 1.
- 10.2 In addition to the above, Contractors that have tendered for the project have been asked a set of equality and diversity questions at the PQQ stage of the tender process to ensure that they are fully committed to equality and diversity.
- 10.3 These questions included:
- Requesting that a copy of the contractor's equal opportunities policy (if they have one) is submitted along with their tender.
 - Confirmation that they are able to fully meet the requirements that all local authorities have, i.e. a statutory duty to outlaw discrimination based on race, sexual orientation, disability, age, religion or belief, gender and human rights, as this duty extends to organisations carrying out functions or works on the council's behalf also.

11. Community Safety Implications

- 11.1 None directly arising from this report.

12. Health and Safety Implications

- 12.1 Due to the nature of the works to be delivered, the project falls within the jurisdiction of the Construction Design and Management (CDM) Regulations 2015 and as such, the Council as the “Employer” has appointed CBH as “Principal Designer” as it is required to do to properly fulfil its obligations under the Regulations.

13. Risk Management Implications

- 13.1 There are no major risks associated with this project. However, the project will have its own risk management plan to ensure that potential risks are identified and mitigated wherever possible.

14. Standard References

- 14.1 None

Appendix 1 Project EQIA

Background Papers

Part B Report