

Item No.	Classification: Open	Date: 24 August 2015	Meeting Name: Director of Regeneration
Report title:		Gateway 2 Award of Contract: Proposed Replacement Crossway Church, Hampton St, SE1 – appointment of contractor for Stage 2 (main works)	
Ward(s) or groups affected:		Newington	
From:		Head of Regeneration – North	

RECOMMENDATION(S)

That the Director of Regeneration approves:

1. the award of a main works contract for the proposed replacement Crossway Church at Hampton St, SE1, to Geoffrey Osborne Ltd, in the sum of £3,998,269.46 for a contract period of 55 calendar weeks commencing on 19 October 2015 (excluding 4 calendar weeks mobilisation period starting from 18 September 2015).
2. a provisional allowance for contingency in the sum of £200,000 for the main works contract (sum excluded under paragraph 1, see paragraph 28), expenditure of which will be subject to a further report.

BACKGROUND INFORMATION

3. On 29 January 2013, the Council's Cabinet approved the recommendation to meet the full cost of constructing a replacement church for Crossways United Reformed Church to make way for redevelopment as part of the Elephant and Castle regeneration programme. Delegated authority was given to the Director of Regeneration to enter into appropriate contracts to implement the decision.
4. The church is currently located on the Heygate Estate along New Kent Road. The Castle Day Centre at Hampton Street SE1 was identified as a suitable alternative site for the church.
5. The Castle Day Centre site is larger than necessary for the re-provision of the church; it is therefore proposed that the residual site is used for housing development. Initial design proposals indicated that the site had the capacity to accommodate 6 flats. It was originally proposed that two of these would be allocated to the church to replace the manse in the existing church building and the remaining flats would be held by the council under its portfolio of general needs housing.
6. The heads of terms setting out the council's obligations and details of the replacement building was agreed and approved by both the church and council. The Director of Regeneration approved the document on behalf of the council on 21 February 2013.

7. Under the terms of the Regeneration Agreement with Lend Lease the council is required to provide vacant possession of the Heygate site including the Crossway's freehold interest. Lend Lease had intended to draw down the Head Lease for the site by Autumn 2014 to enable implementation of the consented scheme. Agreement has now been reached with them to set aside the Crossway's freehold interest from arrangement until September 2016 when the land will be required for development. The timetable for delivery of the replacement church needs to comply with this programme milestone. There is therefore a pressing need to commence implementation of the scheme to ensure that the council can meet this obligation.

8. Mott MacDonald Ltd ("Mott MacDonald") was appointed on 13 June 2013, under the iESE/GPS professional consultancy framework, to provide the following multidisciplinary services for this project:
 - Lead Consultant/Project Manager/ Client's Agent
 - Architect
 - Quantity Surveyor
 - Structural Engineer
 - Building Services Engineer
 - Civil Engineer
 - CDM Co-ordinator

9. Geoffrey Osborne Ltd (Osborne) was appointed on 29 October 2013, under the IESE contractor framework, to provide pre-construction services for this project. Osborne was also appointed in October 2014, under the IESE contractor framework to carry out enabling works on the site. This was successfully completed in February 2015.

10. Following a review of the programme, risks and costs; a decision was made by the Project Board to omit the housing component and the project now comprises the re-provision of a church building only. This decision is supported by the church. The Cabinet Member for Regeneration and New Homes was made aware of this decision to amend the scope of the project and the reasons for it. The provision of housing accommodation to replace the manse (in paragraph 5 above) will now be delivered via an alternative route which is subject to separate discussions with the church's administration body and is outside the scope of this project.

11. The site location plan can be found in Appendix 1. The bar chart given in Appendix 2 shows the overall project programme and highlights activities relating to the main works package in red.

Procurement project plan (Non Key Decision)

12. The procurement plan is as follows:

Activity	Completed by/Complete by:
Approval of Gateway 1: Procurement Strategy Report	11 Mar 2014
Completion of tender documentation	22 Apr 2014

Activity	Completed by/Complete by:
Date contract advertised	N/A
Closing date for expressions of interest	N/A
Completion of short-listing of applicants	N/A
Invitation to tender	22 Apr 2014
Closing date for return of tenders	27 May 2014
Completion of evaluation of tenders:	8 Aug 2014
Enabling works:	
Contract completion date	Feb 2015
Main works: (this report)	
Completion of evaluation of tenders	Aug 2015
DCRB Review Gateway 2: Contract award report	24 Aug 2015
CCRB Review Gateway 2: Contract award report	N/A
Notification of forthcoming decision	1-9 Sep 2015
Approval of Gateway 2: Contract Award Report	9 Sep 2015
Overview & Scrutiny call-in period	10 - 17 Sep 2015
Contract award	18 Sep 2015
Add to Contract Register	18 Sep 2015
Contract start	19 Oct 2015
Contract date for completion	22 Nov 2016

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

13. The Council is contractually committed to the relocation of Crossways Church from its existing location to facilitate the delivery of the Heygate Estate redevelopment within the wider Elephant and Castle regeneration.
14. The existing Crossways Church sits on the northeast corner of the Heygate Estate and was built as an integral part of the estate in the 1960s. The justification for the re-provision of the church premises was made in the cabinet report of 29 January 2013.

Key/Non Key decisions

15. This report deals with a key decision.

Policy implications

16. The relocation of church from its existing Heygate site is essential in delivering the Council's regeneration plans and fulfilling the various adopted planning policies for the Elephant and Castle area.

Tender process

17. The selection process for the main works followed standard procedures and working practices set out in the iESE framework arrangements as outlined in the Gateway 1 report dated 11 March 2014. The Gateway 1 provides further detailed information on the main features and benefits of the iESE framework arrangements.

18. By way of a reminder, a mandatory feature of the iESE framework arrangements is the early involvement of the contractor by means of a transparent, two-stage process, comprising:

Stage 1 (pre-construction)

- Fully developing the consultant's design proposals from RIBA Work Stage E onwards
- Packaging and competitively tendering the works on an open book basis
- Submitting Contractor's Proposals and Pricing Document, including the proposed contract sum, for decision by the council.

Stage 2 (construction) – subject to a separate Gateway 2 approval

- Carrying out and completing the works in compliance with the contract documents for:
 - enabling works
 - main works

19. The process described in paragraph 18 would give rise to the following gateway reports:

- From the Stage 1 process - a gateway 2 report for preconstruction services (the first gateway 2 report)
- From the Stage 2 process:
 - a gateway 2 report for enabling works
 - a gateway 2 report for main works (this report)

20. With this two stage approach to procurement, there is an expectation and likelihood that the contractor appointed for pre-construction services would be appointed for the works contract, subject to the formal decision of the contracting authority to proceed.

21. This report deals with the third gateway 2 report as outlined in paragraph 19 above.

22. Following the process of design development and packaging of the scheme proposals, the contractor obtained competitively tendered prices for the various packages which, together with their construction phase core costs (previously tendered and reported in the Gateway 2 for pre-construction services) combine to make up the proposed contract sum for the main works.

23. It is to be noted that when the contractor carried out their procurement process, they encountered difficulties in obtaining competitive quotations from their sub-contractors and suppliers. This is a result of the current high demand of construction work in London and the South East and low supply of labour and materials. The procurement period was lengthened because of this. The proposed contract sum and contractor's proposals were to be submitted in February 2015 but was received on 30 April 2015. Throughout the process, the council officers and the consultancy team were kept informed of the progress and regular updates including the issuance of procurement schedules by the contractor.
24. Tendered prices and relevant core costs for the main works package were submitted as Contractor's Proposals to the council and the consultant quantity surveyor for evaluation on 30 April 2015, in the proposed sum of £4,199,812.58.

Tender evaluation

25. Discussions were held between the contractor, council officers and the design team to clarify a number of items in the proposed scope including correction of any arithmetical errors.
26. A number of revisions were then issued by the contractor between April and July 2015 as a result of clarifications and value engineering. Clarifications on the MEP packages, building management system and rationalisation of certain aspects of the design led to a reduction in the proposed contract sum to £4,137,719.46.
27. After evaluating and auditing the contractor and sub-contractor package returns, the consultant quantity surveyor's was concerned with:
 - the proposed contract sum may not represent value for money particularly as it exceeded the BCIS rate after allowing for abnormals listed under paragraph 32 below;
 - only 42% of the sub-contractor packages received 3 or more quotes returned. Ideally 100% would be received; and
 - there were discrepancies with quantities and risk allowances.
28. The proposed contract sum contained a number of provisional sums not limited to statutory utilities matters, kitchen provision, crossovers and requests from the Strata management; and taking into account the items under paragraph 27, a provisional allowance of £200,000 for contingency is recommended.
29. The consultant quantity surveyor confirmed that the percentage fees for overheads and profits for the project were in line with the iESE framework rates at 2.0%. The consultant quantity surveyor further confirmed that the percentage fees for insurances were in line with the iESE frameworks rates for the project at 1.05%.
30. The contractor's contract sum analysis for the main works for the project was evaluated by the consultant quantity surveyor.

31. The proposed form of works contract for the Stage 2 contractor appointment is JCT Agreement Design and Build 2011 incorporating council's standard and special amendments to the conditions of contract as advised by the contracts section of legal services.

Value for money (VfM) appraisal

32. The proposed contract sum analysis has been identified as being higher than what would be deemed value for money for this project. The reasons for the increase are:

- Overheating of the construction market due to current demand leading to significant increases in sub-contractors costs for labour and materials.
- Size and scale of project – the relatively small scale project coupled with the overheated market has further increased the costs as sub-contractors are not prepared to undertake small scale work where profit margins are significantly less. Generally greater reductions in cost are found in larger schemes, where a more standardised and repetitive approach can be adopted to achieve an economy of scale. Smaller schemes in contrast tend to be bespoke and constrained by such factors as orientation, proximity to adjoining structures and difficult site logistics, and have a higher ratio of common areas to residential units, making them less economic and commercially attractive.
- Sub-contractor packages – the contractor has received disappointing responses from their supply chain with regard to their tender packages. Although the procurement process was protracted, as stated in paragraph 23, the minimum number of competitive quotations were received for the most significant works packages. Where there were less than the minimum number of quotes received, the costs of the package was benchmarked against the costs of current projects;
- The extent of project-specific abnormal costs (that is construction costs that are not typical for this type of development) accounts for an additional sum stated in paragraph 33. These abnormals are not limited to the following: piling, composite windows (for durability and less maintenance), higher specifications for the external wall (to achieve better energy efficiency and acoustics) and provision of photo-voltaic system.

33. The resultant value for money comparison is shown in the table below, indicating that the difference between the BCIS Benchmark rate and the comparable rates from Geoffrey Osborne's proposed contract sum for is shown in the closed report.

34. The gateway 1 report approved by the Chief Executive in March 2014, estimated a construction contract value of £3.66 mil. To mitigate and to further reduce the proposed price in order to provide a scheme that is in line with a value-for-money rate, the Council had the following five options

- Option 1 – Conduct still further negotiations with the contractor to obtain further savings by allowing them to continue to re-tender packages. It is considered that this will not produce the significant savings required and in addition further costs may be incurred due to inflation as well as project programme will not be achieved . However subject to a reasonable period

of review and negotiations without jeopardising the overall programme, this option could be pursued.

The risks associated with this option are:

- negotiations drag on and are inconclusive leading to further price increases
 - Parties cannot mutually agree to a reduced contract sum.
- Option 2 – 'terminate' the contractor's appointment and re-tender with other contractors. As the estimated construction costs is below the EU threshold, there is an option to use the Council's approved list of contractors for the re-tender instead of using another framework arrangement. Any decision would need to take full account of unrecoverable costs and other works associated with this change of approach – see paragraph 36 below. There are significant Issues and risks associated with this course of action, namely:
 - Re-tendering will incur significant programme delays (estimated from six to nine months depending on procurement approach adopted) as well as abortive costs for design and management fees;
 - There is no certainty that costs will reduce if the project was competitively re-tendered, particularly in the current market;
 - Time and effort spent by Mott MacDonald and council officers with Geoffrey Osborne in fully developing acceptable design proposals and on the control and management of risk would have to be re-established with the new contractor;
 - The time taken to re-tender and associated costs could negate any perceived possible reduction in the proposed contract sum; Knowledge and understanding of the Council's quality expectations, particularly in low maintenance costs would also have to be re-established with a new contractor;
 - The new contractor will need to restart the good relationships fostered by Osborne with the residents, Strata management, occupiers of the arches, Network Rail and UKPN;
 - Use of council's approved list – as the estimated contract sum is under the EU threshold for works, contractors on the council's approved list may be invited to the re-tender. As these are potentially smaller companies, they may not be familiar with working near Network Rail or UKPN's assets nor the required processes involved to obtain required approvals, whereas Osborne have extensive experience of working with Network Rail. This could significantly add to the pre-construction time;
 - Council's development agreement with URC will require amendments as it contains a long stop date to deliver the new church. This is not perceived as a major issue as the development agreement can be amended if there is mutual agreement from both parties;

- Deadline for handover of the existing church site would have to be renegotiated with the developer partner and compensation may be sort by lend Lease for delays to their overall programme;
 - Reputational implications of all parties will be affected.
- Option 3 – agree further savings and re-design certain elements to reduce cost. It is not possible to reduce the suggested magnitude of cost without drastic re-design and / or reduction in scope of requirements. This will compromise on the specification and quality of the end product, and also the terms under the Development Agreement between Council / Church. A review of the scope of certain aspects of the scheme eg MEP systems could be undertaken once the detailed design is available. However the full design details by the specialist sub-contractors will not be available until after the works contractor has been appointed. This could offer up some savings and form part of the negotiations under Option 1.
- Option 4 – agree a guaranteed maximum cost with the contractor at the current proposed contract sum that is at £4,137,719.46. It is unlikely that the contractor will agree to this option because of the risk involved on their part. It is also not to the Council's benefit to go with this option as we are aware that there is scope for some value engineering in the current scheme which we require for the Council's and not the contractor's advantage. This option was not taken forward.
 - Option 5 - A further option would be to negotiate with the council's development partner at the Elephant & Castle to construct the new church as they have a vested interest in obtaining vacant possession of the Heysite site. The risks associated with this option are:
 - the developer partner will require time to review the design and a new / revised agreement needs to be drawn up. This additional time implications could be similar to Option 2 (re-tendering).
 - there is no guarantee that the construction price from the developer partner will be any more competitive to what was proposed by the contractor.
35. From the above, it was concluded that it was to the council's best interest to proceed with a combination of Options 1 and 3. This was undertaken leading to a savings of £101,450 and the contract sum being revised to £3,998.269.46.
36. Under Option 2, the estimated costs of re-tendering the works are :
- abortive costs for design & management fees and inflation, and
 - there may also be financial implications relating to the delayed vacant possession of the Heygate site and to the church.

The estimated total sum for re-tendering as Option 2 substantially outweighs the value for money variance from the benchmark rate.

Conclusion

37. Based on the foregoing evaluation, Geoffrey Osborne Ltd had submitted acceptable Contractor's Proposals for the main works package and their price in the sum of £3,998,269.46 is therefore, recommended for acceptance
38. A breakdown of the contractor's pricing for the main works packages as submitted by the contractor and the revised sums is included in Appendix 3 of the closed report.
39. The contractor is in the process of developing their construction stage health and safety plans for the site. Written confirmation is required from the Principal Designer (CDM) that their construction plans were received and had been sufficiently developed before the main works commence.

Plans for the transition from the old to the new contract

40. Not applicable.

Plans for monitoring and management of the contract

41. The project clienting, including the management and administration of the consultant and contractor appointments, will be run and resourced through the Regeneration (Capital Works) team. Progress with the contract works and performance of the consultant team will be subject to constant scrutiny and monthly formal review, including reviews on cost, programme and quality. The experienced officer client team will use a number of mechanisms for monitoring and controlling the financial and programme performance of the contract, including:
 - Strategic cost plan, which will be regularly reviewed and updated
 - Monthly financial statements by the consultant quantity surveyor/contractor
 - Monthly appraisals of progress against the contract programme
 - Monthly progress reports by:
 - The lead consultant
 - Main contractor
 - Other design consultants
 - Monthly progress meetings on site
 - Tracking and chasing actions on critical issues
 - Monthly 'look ahead' meetings with principals / directors
 - Periodic project team 'look ahead' workshops covering key phases of work and risks
 - Risk and issues logs
42. A monthly payment schedule will be drawn up, based on the project programme for delivery. Invoices will be vetted by the Council's Regeneration (Capital Works) Team to ensure compliance with the terms of their Agreement and then passed to the Head of Regeneration-North to authorise for payment.

Identified risks for the new contract

43. An assessment of risks and mitigation measures has been conducted, as follows:

RISK		RISK LEVEL	MITIGATION ACTION
1.	Contractor has inadequate resources and management arrangements to deliver the main works project	Low	Ensure at procurement stage and prior to appointment – (1) that the contractor plans to deploy adequate resources and is willing to supplement additional resources to the project, if required. (2) that the contractor proposes to put adequate management arrangements in place to deliver the project.
2.	Delay in obtaining/failure to obtain statutory consents, e.g. planning, buildings regulations.	Medium	Make reference in the tender documents to the need for early discussions with statutory authorities and realistic timescales for preparing, submitting and determining applications. Designate an in-house planner for to give planning advice and co-ordinate planning application submissions.
3.	Construction delays on site due to: <ul style="list-style-type: none"> • Obstructions below ground • Contamination below ground 	Low	The purpose of the enabling works contract was to undertake initial works aimed at preparing and de-risking the site in readiness for the main contract works. Desk top studies and non-intrusive surveys, undertaken to anticipate and plan for potential hazards on site, will enable a controlled and targeted approach to the main works.
4.	Insolvency of framework contractor	Low	An up-to-date financial check was obtained and this found the contractor to be at 'below average risk' (paragraph 74).
5.	Construction delays on site and additional costs	Low	Pre-order components with long delivery period. Ensure that site operations are thoroughly and realistically planned by the contractor, prior to commencement of the works. Allow appropriate contingency provision in the programme to cover possible loss and expense claims arising from delay and disruption of the works. Include Liquidated Damages for non-

			completion of contract by the contractor.
6.	Significant design and/or latent defects emerge post completion.	Low	Quality control regime to be put in place. Clerk of works to be employed.
7.	Default by key subcontractor/supplier.	Low	A select list of well established sub-contractors by trade maintained by the main contractor, which includes financial health checks and performance monitoring.
8.	Belated, uncoordinated or contradicting client instructions leading to increased costs.	Low	Ensure effective forward planning, communications and co-ordination with all relevant parties to the decision-making process.
9.	Failure of contractor to co-ordinate effectively with statutory undertaker gives rise to programme delay.	Low	Contractor to maintain early dialogue with utilities companies to ensure compliance with their technical requirements and lead-in times.

Community impact statement

44. This project falls within the Newington Ward. The project will provide a new community facility for the benefit of households from all council's communities.
45. When construction works commence on site, those living in the vicinity of the new development may experience some inconvenience and disruption in the short-term while works are taking place but the community as a whole will benefit in the longer term from the new facility. The effects will be eased, in part by working closely with residents on the delivery process, and also through the specific planning requirements to mitigate the effect of development.
46. The proposed new church location is only some 350m from the existing church. It is envisaged that its existing usages will be maintained and users will benefit from an improved building. Although the church is primarily used by members of the United Reform Church (URC) religious denomination, its users include other faith and voluntary groups.

Sustainability considerations

47. The Public Services (Social Value) Act 2012 requires the council to consider a number of issues including how what is proposed to be procured may improve the economic, social and environmental well-being of the local area. These issues are considered in the following paragraphs which set out economic, social and environmental considerations.

Economic considerations

48. The successful main works contractor will be expected to deliver direct benefits to the local community and local residents. It is proposed that these benefits will be delivered through some or all of the following possible means:
- Supply chain and procurement with local businesses;
 - Use of local labour and training initiatives, including a construction employment, skills and training scheme linked to the council's Building London Creating Futures programme, which aims to match local residents with construction vacancies especially where these are linked to key development sites and regeneration activities;
 - A commitment to construction apprenticeships in proportion to the size and scale of the development; and
 - Corporate social responsibility and sustainability.

The contractor will be expected to demonstrate the above benefits throughout the construction of the project.

49. Construction personnel and, once occupied, staff, residents and visitors using the new buildings are likely to bring economic benefit to local traders through increased trade.

Social considerations

50. Crossways Church has been located within the Elephant and Castle area for almost 150 years, the location of the new church will enable it to continue its operation within this locality.
51. Amongst the services rendered by the church to its local congregation are: support for people seeking advice and counseling, support for local disadvantaged groups, baptisms, weddings and funeral services.
52. In addition to the services highlighted above, the church makes its current building available for community uses, including social groups and keep fit classes. The church intends to continue this provision within the proposed new building.
53. The appointed contractor will carry out the works under the Considerate Contractor scheme, which seeks to minimise disturbance and disruption in the locality during the construction phase.
54. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. It is expected that payment of the LLW by the successful contractor for this contract will result in quality improvements for the council. These should include a higher calibre of multi-skilled operatives that will contribute to the delivery of works on site and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required. Anticipated benefits include a more incentivised workforce and improved staff retention. Following award, these quality improvements and any cost implications will be monitored as part of the contract

review process.

Environmental considerations

55. The proposed church facility will be designed to a BREEAM very good standard of environmental performance. This will entail designing efficient and cost effective low energy building engineering services.
56. BREEAM requirements will cover design and specification and will set targets for minimising the adverse environmental impact of carrying out the works.
57. The project brief prescribes materials and components to be specified for the works. In terms of excluded construction materials, good practice is to be adopted, including the exclusion of:
 - Asbestos products: not to be specified
 - Brick slips: only to be used where cast onto pre-cast elements as risk of failure is unacceptably high
 - Man-made mineral fibre (MMMMF): the material to be encapsulated in all applications
 - No insulation materials in which hydro fluorocarbons (HFCs) are used in their manufacture or application
 - No hardwood unless from FSC or equivalent sources.
58. A low energy, efficient and cost effective building engineering services design that keeps running costs to a minimum, will be an essential component of the project brief. Key considerations will include:
 - Consideration of whole life-cycle costs;
 - Sustainable sourcing, including locally produced materials and, where possible, timber from renewable resources.
 - Selection of contractors should take into account their environmental policies;
 - Incorporation of environmentally benign heating and lighting provision;
 - Provision of facilities and equipment to encourage the re-use and recycling of materials including, where practicable, water recycling;
 - Ensuring project achieves Code for Sustainable Homes criteria

Market considerations

59. The successful tenderer is a private organisation.
60. The successful tenderer has over 250 employees.
61. The successful tenderer has a national area of activity.

Staffing implications

62. The staff resources deployed to this procurement is sufficient to meet the proposed timetable.
63. The project will be resourced by existing staff, within existing budgets.

64. Officer time relating to the management of this project is funded from existing revenue budgeted resources. Consideration will be given to an alternative treatment dependant on the current accounting rules and regulations. Should any of the revenue costs be allowable as capital costs, these will be included within the expenditure to be set against the existing approved capital programme budget.

Financial implications

65. The Heygate Acquisition project which is within the current Housing Investment programme has provision to meet these costs per the Executive Report of September 2007.
66. A breakdown of the estimated costs for Stage 2 (main works) for the main project works is contained in the closed report.
67. There is an approved budget of £5.1m currently on capital code R-5011-2000. The estimated costs for this project will be contained within this available budget. Any variation of the contract, beyond the scope of this report, will be subject to confirmation of additional funding and approval in line with procurement protocols.
68. Staffing and any other costs connected with this contract will be contained within existing departmental revenue budgets.

Investment implications

69. Nil

Second stage appraisal (for construction contracts over £250,000 only)

70. Not applicable

Legal implications

71. All legal implications regarding this award are dealt with in the body of the report. The report has been reviewed by officers from legal services.

Consultation

72. Both the council and church representatives have consulted with the neighbouring tenants & residents associations (T&RAs) before design proposals are finalised and during the pre-construction services stage. A thorough consultative exercise with local residents and T&RAs was carried out throughout the planning process. This included a letter/leaflet drop, laminated notices and public meetings/ exhibition. Additionally, the council consulted with the area neighbourhood office a number of registered providers and private landlords where applicable. Further consultations will be held prior to the main works commencing on site.

73. Public consultations were undertaken in support of the planning application for the site.

Other implications or issues

- 74. A performance bond will be provided by the Geoffrey Osborne Ltd.
- 75. A check on the financial standing of Geoffrey Osborne Ltd was undertaken in August 2015. The company was classified as "below average risk".
- 76. Comments from both the Legal and Procurement sections are incorporated into the report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Corporate Services (CAP15/106)

77. The Strategic Director of Finance and Corporate Services notes the award of a main works contract for the proposed replacement Crossway Church at Hampton St, SE1 to Geoffrey Osborne Ltd, for £3,998,269.46 and the provisional contingency sum of £200,000. Further that this project is funded from an existing capital budget for Heygate.

Head of Specialist Housing Services (For Housing contracts only)

78. Not applicable.

FOR DELEGATED APPROVAL

Under the powers delegated to me in accordance with the Council's Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report.

Signature

Date 10/9/15

Designation Director of Regeneration

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Project records	Regeneration, 160 Tooley Street, SE1 2QH	Andrew Brown – 020 7525 5538

APPENDICES

No	Title
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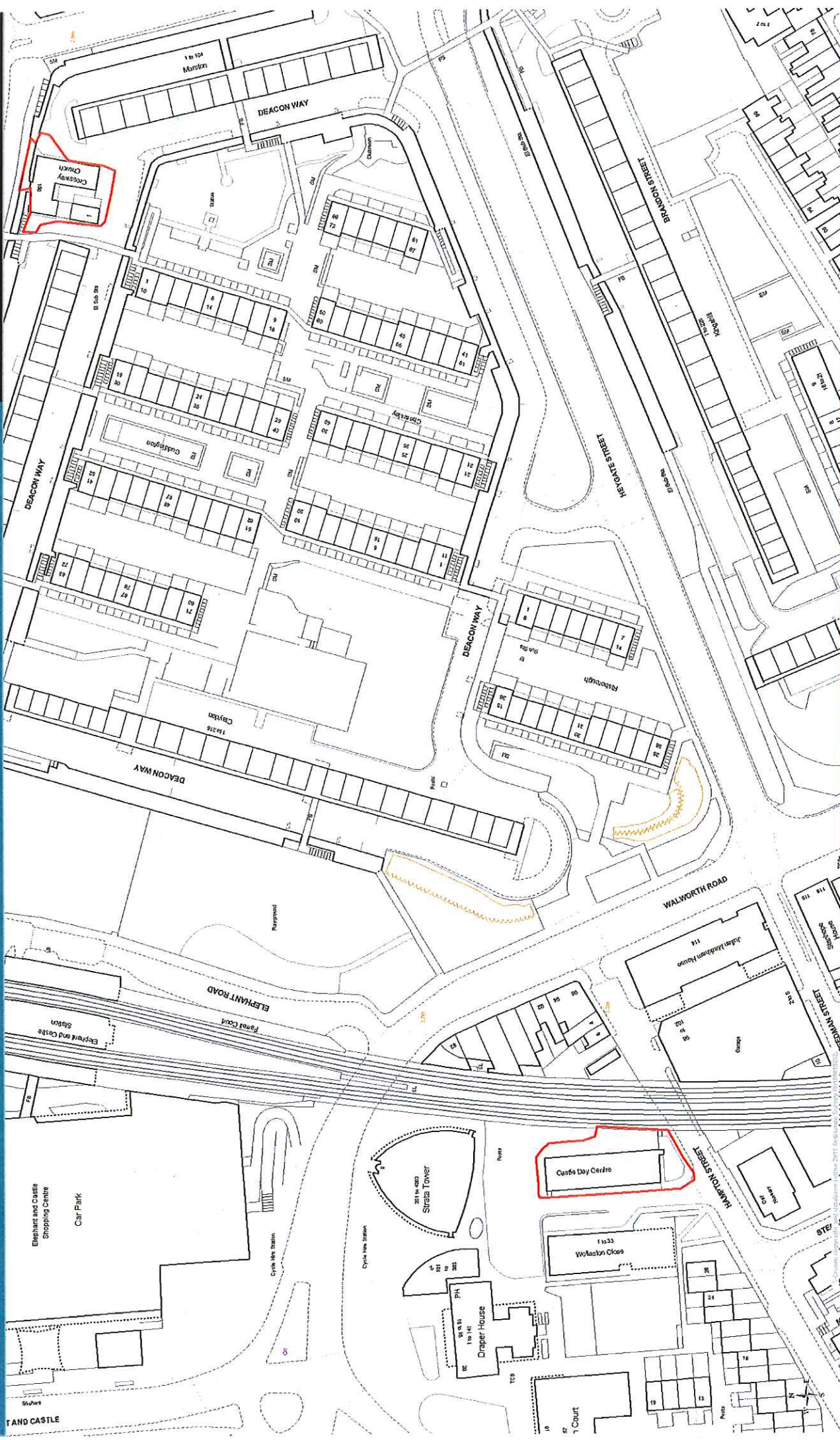
Appendix 1	Location Plan
Appendix 2	Overall Project Programme

AUDIT TRAIL

Lead Officer	Head of Regeneration - North	
Report Author	Andy Brown, Regeneration – Capital Works	
Version	Final	
Dated	24 August 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Head of Procurement	Yes	Incorporated in the report
Director of Legal Services	Yes	Incorporated in to the report
Strategic Director of Finance and Corporate Services	Yes	Yes
Head of Specialist Housing Services	No	No
Cabinet Member	No	No
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	No	No
Cabinet	No	No
Date final report sent to Constitutional/Community Council/Scrutiny Team	2 Sep 2015	

Former Castle Day Centre and Existing Crossway Church

Date 18/3/2013



Scale 1/1550

**Crossway church
Procurement Programme for
Stage 2 Main Works (in red)**

APPENDIX 2

ID	Task Name	Duration	Start	Finish	2013	2014	2015	2016											
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	PHASE 1B: PROFESSIONAL SERVICES PROCUREMENT	565 days	Thu 13/06/13	Thu 10/09/15															
9																			
10	WORKS CONTRACTOR PRE-CONSTRUCTION SERVICES:	535 days	Fri 01/03/13	Tue 21/04/15															
23																			
24	WORKS CONTRACTOR PROCUREMENT (enabling works):	225 days	Mon 10/03/14	Mon 02/02/15															
35																			
36	WORKS CONTRACTOR PROCUREMENT (main works):	321 days	Mon 17/08/15	Tue 22/11/16															
37	Gateway 2 draft report	5 days	Mon 17/08/15	Fri 21/08/15															
38	DCRB	0 days	Mon 24/08/15	Mon 24/08/15															
39	Finalise Gateway 2 report	5 days	Mon 24/08/15	Fri 28/08/15															
40	Submit report to Constitutional Team	2 days	Mon 31/08/15	Tue 01/09/15															
41	Publication of report	5 days	Wed 02/09/15	Tue 08/09/15															
42	Chief Officer approval (key decision)	1 day	Wed 09/09/15	Wed 09/09/15															
43	Overview & Scrutiny call-in period	6 days	Thu 10/09/15	Thu 17/09/15															
44	Appoint contractor (main works)	1 day	Fri 18/09/15	Fri 18/09/15															
45	Contractor mobilisation	20 days	Mon 21/09/15	Fri 16/10/15															
46	Construction period (55 weeks)	55 wks	Mon 19/10/15	Mon 21/11/16															
47	Handover	1 day	Tue 22/11/16	Tue 22/11/16															

