



London Borough of Hammersmith & Fulham

# Cabinet

2 SEPTEMBER 2010

**CABINET MEMBER  
FOR RESIDENTS  
SERVICES**

*Councillor Greg Smith*

**BISHOPS PARK AND FULHAM PALACE  
GROUNDS RESTORATION PROJECT –  
APPOINTMENT OF WORKS CONTRACTOR**

**Wards:  
Palace Riverside**

This report seeks approval for the appointment of a main contractor to undertake the works to restore Bishops Park and the grounds of Fulham Palace.

A separate report on the exempt part of the agenda provides exempt information about tender prices received and risks.

## **CONTRIBUTORS**

DRSD  
DFCS  
ADLDS

**HAS A PEIA BEEN  
COMPLETED?  
YES**

**HAS THE REPORT  
CONTENT BEEN RISK  
ASSESSED? YES**

## **Recommendations:**

1. That approval be given to the appointment of Vinci Construction UK Ltd to undertake the works contract for the restoration of Bishops Park and the grounds of Fulham Palace, as selected and agreed by the project's Tender Appraisal Panel and approved by the Project Board on 4 August 2010.
2. That approval be given to the drawdown of up to £2.95M Capital Programme funding up to November 2011.
3. That the appointment of the design team led by Chris Blandford Associates, as set out in paragraph 1.3, with effect from 3 November 2008 through to the conclusion of works (RIBA Stage L) be confirmed.

## 1. BACKGROUND

- 1.1. In May 2008 the Council submitted a Stage 1 Big Lottery / Heritage Lottery Fund (BIG/HLF) Parks for People (PfP) grant application for the restoration of Bishops Park and the grounds of Fulham Palace. The Stage 1 application was approved by BIG/HLF in October 2008 and a more detailed Stage 2 application was prepared and submitted in November 2009. The Stage 2 application was approved in March 2010 and the Council was awarded a grant of £3.65m towards the total project cost of £8.25M.
- 1.2. The Council is now advancing Stage 3a of the project. Stage 3a (Project Delivery) is grant eligible and requires the production of all documentation, detailed design for planning and preparation of works tenders; the procurement and administration of the works contract through to practical completion; and the management of the Park and Palace sites in accordance with a 10 Year Management and Maintenance plan and other supporting plans during the five years following the completion of the works.
- 1.3 To this end, it is proposed to continue the appointment of the multi-disciplinary consultant design team lead by Chris Blandford Associates as approved by the Key Decision dated 3 November 2008. For clarity, the design team is composed as follows, with each individual consultant appointed directly by the Council:

| <b>Role</b>                                       | <b>Consultant</b>          | <b>Contract Value</b> |
|---|----------------------------|-----------------------|
| Lead Consultant and Landscape Architect           | Chris Blandford Associates | £159,826              |
| Architect   | Thomas Ford and Partners   | £95,414               |
| Quantity Surveyor and Construction Design Manager | Potter Raper Partnership   | £129,998              |
| Mechanical and Electrical Engineers               | Crofton Design             | £39,823               |
| Structural Engineers                              | Morton Partnership         | £16,000               |

- 1.4 On completion of Stage 3a, the project will advance to Stage 3b (Post-Project Delivery). Stage 3b will involve the management of the Park and Palace sites in accordance with the 10 Year Management and Maintenance plan and other supporting plans for years six to ten following practical completion of the works. Stage 3b is not grant eligible and will be funded from existing Council budgets.

- 1.5 The Key Decision dated 9 November 2009 provided officers with delegated authority to tender the Stage 3a works subject to final approval of the appointment of contractors by the Cabinet.
- 1.6 The procurement process is now complete and this report recommends the appointment of Vinci Construction UK Ltd to undertake the works contracts for the restoration of Bishops Park and the grounds of Fulham Palace and to extend the appointment of the design team through to the completion of works (RIBA Stage L).

## **2. PROCUREMENT PROCESS**

### Expressions of Interest

- 2.1 A Contract Notice seeking expressions of interest was sent for publication in the Official Journal of the European Union (OJEU) on 4 December 2009 (published on 8 December under reference: 2009/S 236-338033) inviting expressions of interest from contractors for two separate but related lots – works to Bishops Park (Lot 1) and works to Fulham Palace (Lot 2). Contractors were asked to complete pre-qualification questionnaires (PQQ) and state whether they wished to be considered for either or both lots. The deadline was 5 January 2010.
- 2.2 A total of 38 expressions of interest were received from 25 contractors - 17 for Lot 1 and 21 for Lot 2. Four contractors expressed interest in Lot 1 only, eight in Lot 2 only and 13 in both Lots 1 and 2.
- 2.3 The financial standing of each of the 25 contractors was assessed as per criteria set out in the PQQ. Five contractors were rejected for failing the minimum 50% credit rating. Three contractors were rejected for not having an adequate contract limit. Two contractors withdrew from the tender process.
- 2.4 Those contractors who passed the financial assessment were then assessed in relation to their technical capacity and ability to carry out the works. Their submissions were scored against criteria set out in the PQQ. A shortlist of the six highest scoring contractors was approved by the Tender Appraisal Panel and Project Board on 7 April 2010.

### Invitation to Tender

- 2.5 The following contractors were invited to submit tenders for works to Bishops Park (Lot 1), Fulham Palace (Lot 2) and/or Bishops Park and Fulham Palace (Lots 1 & 2).

### **Lot 1, Lot 2 and Lots 1 & 2**

- Mansell Construction Services Ltd
- Neilcott Construction Ltd
- Vinci Construction UK Ltd
- Kier Wallis (a trading division of Kier London Ltd)

### **Lot 1 only**

- UPM Tilhill (a trading division of UPM Ltd)
- Kilby and Gayford Ltd

### **Lot 2 only**

- Coniston Ltd
- Walter Lilly & Co Ltd

2.6 All tender documentation was approved by the TAP. The Invitation to Tender (ITT) was issued to contractors on 14 April 2010. The initial tender return deadline was 28 May 2010 but was subsequently extended to noon on 11 June 2010.

2.7 The Forms of Tender requested a tender price based on a 12 month contract period and an alternative tender price based on a contract period of the tenderer's choice. Tenders were invited on the basis of a GC Works 5 form of contract. As part of the process all tenderers attended a mid-tender meeting to clarify any queries and to re-emphasise the tender submission requirements. A written question and answer system was operated throughout the tender period to deal with any queries, with all information being shared with all tenderers. Throughout the tender period, all contractor queries were submitted and responded to in writing with responses circulated to all tenderers.

## **3. PROJECT COSTS AND FUNDING**

3.1 The total capital cost of the works, including £41,850 of HLF-grant eligible non-cash contributions (such as volunteer labour) can be summarised as follows:

| <b>Capital Costs</b>                        | <b>£000</b>  |
|---|--------------|
| Construction costs                          | 5,080        |
| Contingency                                 | 508          |
| Professional fees                           | 660          |
| Non-cash contributions and volunteer labour | 42           |
| <b>Total Capital Costs</b>                  | <b>6,290</b> |

3.2 The total funding of the works can be summarised as follows:

| <b>Capital Funding</b>                         | <b>£000</b>  |
|--|--------------|
| LBHF   | 2,865        |
| HLF (based on 51.71% grant payment percentage) | 3,253        |
| Transport for London (secured)                 | 50           |
| Heritage of London Trust (secured)             | 5            |
| English Heritage (secured)                     | 67           |
| Play Builder (unsecured)                       | 50           |
| <b>Total</b>                                   | <b>6,290</b> |

#### **4. RISKS**

- 4.1 A contingency of £508,047 – or 10% of the tender sum - has been allowed for. Provision of 10% contingency is standard for works such as this and is considered adequate to cover unforeseen circumstances.
- 4.2 English Heritage's (EH) grant may be revised downwards slightly once EH have reviewed the actual tender costs associated with the restoration of the Vinery and Bothies – this may be as much as £10K but is very unlikely to be more. The Playbuilder grant of £50K is currently under review by Central Government and may be cancelled.
- 4.3 In the event that the EH grant is reduced and the Playbuilder grant deleted, LBHF's capital funding requirement will increase from £2.865M to £2.95M. In December 2008 Cabinet approved £2m of capital funding for the improvements and restoration works at Fulham Palace and Bishops Park., with a further £900k underwritten by the Council should additional external funding not be secured. £122k of external funding has already been secured as shown in 3.2, with a further £50k of Playbuilder to be confirmed. Should the EH grant be reduced, it is expected that this will be matched with part of the £900k underwritten.

#### **5. PROJECT TIMESCALE**

| <b>Milestone</b>                              | <b>Due date</b>  |
|---|------------------|
| Approval to appoint – Cabinet Meeting         | 2 September      |
| Call-in period (5 working days)               | 3 – 10 September |
| Appoint winning tenderer                      | 13 September     |
| Alcatel debriefing period (statutory 10 days) | 3 - 13 September |
| Works commencement                            | Mid-October 2010 |
| Works completion                              | Mid-August 2011  |

**6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 6.1. Table 3.2 demonstrates that the project can be funded from a combination of existing parks capital and secured grant funding. A grant of £3.648m has been confirmed from the Heritage Lottery Fund (HLF) to fund 51.71% of both the total capital improvement works and ongoing revenue costs - 51.71% of the total £6.290m capital works is £3.253m as outlined in table 3.2.
- 6.2. Additional external funding should continue to be sought to further reduce the call on the £900k underwritten by the Council's capital programme (£122k already secured).

**7. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)**

- 7.1 These are in the separate report on the exempt part of the Cabinet agenda.

**8. COMMENTS OF THE ASSISTANT DIRECTOR STRATEGY, PERFORMANCE & PROCUREMENT**

- 8.1. This contract for works at Fulham Palace and Bishops Park has been tendered in accordance with the Public Contract Regulations 2006 and the Council's Contract Standing Orders. The AD has provided advice throughout the procurement process and supports the recommendation to award the contract for Lots 1 & 2 to Vinci Construction UK Ltd.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS**

| <b>No.</b>              | <b>Description of Background Papers</b>   | <b>Name/Ext of holder of file/copy</b>                | <b>Department/ Location</b>  |
|-------------------------|---|---|--|
| 1.                      | Cabinet Key Decision - Bishops Park and Fulham Palace grounds - Stage 2 Big/Heritage Lottery Fund, Parks for People application. 2 - Open & Exempt. 9 November 2009 | Scott Cooper  | Resident Services Department, Fulham Palace, Bishops Avenue, SW6 6 |
| 2.                      | Bishops Park and Fulham Palace Briefing note for TAP-Appointment of Contractor. 17 June 2010  | Scott Cooper  | Resident Services Department, Fulham Palace, Bishops Avenue, SW6 6 |
| <b>CONTACT OFFICER:</b> |   | <b>NAME: Scott Cooper</b><br><b>EXT. 020 76107161</b> |  |