



COMMUNITY JUSTICE SECURITY

## **EXECUTIVE ORDER 66**

### **ESTATES STRATEGY – NORTHERN ACCOMMODATION BUILDING (NAB) CONTRACT EXTENSION**

By the authority of the Police and Crime Commissioner as designated by the Police Reform and Social Responsibility Act 2011, and by the democratic mandate invested in me by the electorate of Northamptonshire, I have taken the following decisions:

- a) To grant an extension to the existing contract of Bowmer Kirkland Limited allowing them to construct a further building adjacent to land at the NAH site currently being developed.
- b) To authorise the Chief Executive or the Director for Resources and Governance of the Office of the Police and Crime Commissioner to sign the contract extension.



**STEPHEN MOLD**

Northamptonshire Police and Crime Commissioner  
25<sup>th</sup> November 2016

#### **Equality, Diversity and Human Rights**

All accommodation will comply with relevant legislative and regulatory requirements.

#### **Advice taken**

Advice to the Commissioner was set out in the attached report dated 25<sup>th</sup> November 2016 from the Director for Resources and Governance, informed by the Force Estates Programme Team and the East Midlands Commercial Unit and Legal Services.

**END**





COMMUNITY JUSTICE SECURITY

## **NORTHAMPTONSHIRE POLICE AND CRIME COMMISSIONER**

**25<sup>th</sup> November 2016**

### **Report of the Director for Resources and Governance**

#### **ESTATES STRATEGY**

#### **NORTHERN ACCOMMODATION BUILDING (NAB) CONTRACT EXTENSION**

### **Recommendations**

The Police and Crime Commissioner is **RECOMMENDED**:

- a) To grant an extension to the existing contract of Bowmer Kirkland Limited (B&K) allowing them to construct a further building adjacent to land at the NAH site currently being developed.
- b) To authorise the Chief Executive or the Director for Resources and Governance of the Office of the Police and Crime Commissioner to sign the contract extension.

### **1 Purpose**

- 1.1 This report is to seek approval from the Commissioner to extend the contract award to construct the Northern Accommodation Building (NAB) to Bowmer & Kirkland Limited (B&K) within the parameters of Regulation 72 of the Public Contract Regulations 2015, specifically Regulation 72(1) (b) (i) and (ii), allowing them to construct a further building adjacent to land currently being developed.

## **2 Background**

2.1 Executive Order 56, authorised the construction of the Northern Accommodation Hub (comprising the Police Investigation Centre (PIC) and the Northern Accommodation Building (NAB)), which is a scheme to replace outdated custody and other facilities in the north of the county. At that stage there was provision of a small fitness suite for staff shown on the drawings for the NAB.

2.2 The original tender was fully compliant with the OJEU process, below is the timeline associated with that process:-

Contract awarded to B&K following a full OJEU tender process  
Contract award was published on 19<sup>th</sup> December 2015  
Contract Value £16.1m  
Contract Signed on 24<sup>th</sup> February 2016  
B&K started on site on 29<sup>th</sup> March 2016

2.3 The decision by the former Commissioner, in May 2016 through Executive Order 64 to sell the current Force Headquarters site at Wootton Hall initiated the process to re-locate the required facility of a Sports & Learning Centre which is mandated in EO64, from Wootton Hall before the deadline date for vacation of 30<sup>th</sup> September 2017. The proposed additional works have therefore become necessary due to EO64.

## **3 The required modification to the current contract**

3.1 To construct a third building as a Learning and Development Centre on land adjacent to the PIC and NAB which is currently being used as a site compound by B&K and within the tender was designated to be overflow parking at the end of the project, within the current contract there is a sum of £20,000 set aside to complete this work.

## **4 Justification for Modification**

4.1 As shown in the background section the additional work outlined above was not required at the point of the tender issue nor the contract award. B&K had already started working on site at the point of the Executive Order confirming the sale of Wootton Hall, when the requirement for a new sports hall and learning facilities emerged.

4.2 The potential value for the extension would be substantially less than 50% of the original contract. This is an essential requirement under the Public Contracts Regulations 2015, if the proposed contract modification is to be lawful.

4.3 Table 1, below shows the additional costs that would necessarily be incurred if the Police and Crime Commissioner used a different contractor from the existing contractor, B&K.

(based on a 35 week build programme with an overlap of work on site of 20 weeks.)

| <b>Table 1</b>   | New Contractor | Bowmer Kirkland | Additional Costs |
|--|----------------|-----------------|------------------|
| <b>£000</b>  |                |                 |                  |
| Preliminaries & Site Set Up                                | 525            | 405             | 120              |
| Costs incurred moving existing compound for new contractor | 200            | -               | 200              |
| Northamptonshire Police Resources                          | 45             | -               | 45               |
| Overflow Car Park  | -              | -20             | 20               |
| <b>Totals</b>  | <b>770</b>     | <b>385</b>      | <b>385</b>       |

4.4 Therefore substantial additional/duplicated costs circa£385,000 would be incurred by using a second contractor. This represents an economic reason for our requesting consent for the proposed contract modification.

## 5 Inconvenience

5.1 In addition to these substantial monetary values there would be significant inconvenience due to technical disruption and probable risks by using a second contractor, details as follows:

Co-ordination of incoming services / infrastructure to the new development - New service installation within Cherry Hall Rd could impact access to the NAB /PIC.

Interface with connection and potential loss of live services if the new development is serviced from the new sub stations on the NAB /PIC

Welfare provision, site parking & material storage for the future development would potentially need to be sited on the NAB / PIC external parking areas which could impact associated external works – above the monetary value in Table 1.

New drainage connections could impact the NAB / PIC development unless co-ordinated to appropriate timeframes.

## 6 Impact

- 6.1 The following areas indicate where, if a new procurement procedure were to be undertaken, there would be negative interchangeability and interoperability issues with existing equipment, services or installations procured under the initial procurement:-

Across the whole-life cycle of the building, both in respect of maintenance and operational services, it would be greatly enhanced by a uniform approach to installation of all plant and equipment. Whilst this could be achieved using two contractors there is a restriction around limiting suppliers within a new tender specification, therefore by extending the current contract this can be achieved as sub-contractors, for the design and installation have been agreed for the other two buildings.

By combining suppliers and standardisation installation of such equipment, including plant, air handling units, CCTV, lighting and emergency lighting, this would allow a common approach to maintenance thus reducing ongoing lifecycle costs.

By installing the same PA Systems, CCTV, and access control systems between the buildings and using existing maintenance contracts for intruder alarms. This uniformity will help achieve better overall understanding of the buildings, the building management system and O&M manuals.

- 6.2 There would be significant inconvenience to the Force 21<sup>st</sup> Century Estate Strategy if procurement of another supplier was required as the critical timeline imposed on this project by the timing of the sale and vacation dates of Force Headquarters, in order to ensure continuity of the training programme and necessary on-going competency training the sports and learning facilities is needed by the end of September 2017, by extending the existing contract it shall ensure this timeline is met and decreases the risks as shown below:-

|          |  |
|----------|--|
| Option 1 | New Procurement of Supplier<br>Time – with no specification – planning = 12 weeks with significant risks |
| Option 2 | Extending existing contract<br>Shortens Time – use existing / extend specification = less risk           |

- 6.3 In conclusion, officers' advice is that the additional works have become necessary (due to EO64) and a change of supplier would not be practicable (for economic, technical or interoperability reasons) and would involve substantial inconvenience/duplication of costs

## 7 Conclusion

- 7.1 Officer and EMSCU advise Regulation 72 (1) (b) (i) and (ii) of the Public Contract Regulations 2015 has been complied with, as the recommended contract extension, is less than 50% of the original contract value, ensures interoperability and interchangeability across the Northamptonshire Police Estate, avoids duplication of costs estimated to be £385,000; and minimises the risks in both time and monetary value.