

| MERSEYSIDE FIRE AND RESCUE AUTHORITY | | | |
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| MEETING OF THE: | POLICY AND RESOURCES COMMITTEE | | |
| DATE: | 29 JULY 2021 | REPORT NO: | CFO/045/21 |
| PRESENTING OFFICER | CHIEF FIRE OFFICER | | |
| RESPONSIBLE OFFICER: | NICK SEARLE | REPORT AUTHOR: | STEWART WOODS |
| OFFICERS CONSULTED: | HYWYN PRITCHARD – PROCUREMENT IAN CUMMINS – FINANCE RIA GROVES – HEAD OF LEGAL AM PAUL MURPHY – OPS PREPARENESS ANTHONY HOLLAND – DEVELOPMENT MANAGER GM BEN RYDER – TDA PROJECT MANAGER | | |
| TITLE OF REPORT: | APPOINTMENT OF MAIN CONTRACTOR FOR NEW TDA PRE CONSTRUCTION WORKS | | |

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| APPENDICES: | APPENDIX A: SITE MASSING DRAWING APPENDIX B: GOVERNANCE STRUCTURE APPENDIX C: QUALITY AND COMMERCIAL SCORES APPENDIX D: RLB COMMERCIAL EVALUATION REPORT |
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Purpose of Report

1. To request that Members, approve the pre-construction services agreement (PCSA) for the works required for the new Training and Development Academy and superstation on Long Lane, Aintree.

Recommendation

2. That Members;
 - a. Approve the award of the PCSA contract to Wates Construction Limited to design the new TDA and superstation on Long Lane for a value of £991,848.46
 - b. Award delegated powers to the Chief Fire Officer and Deputy Chief Fire Officer (as the Chair of the TDA Executive board), to approve the provisional sums identified within the financial implications section (paragraph 46), if they are required.

Introduction and Background

3. At the meeting on 30th June 2021 the Authority considered report CFO/039/21 – IRMP, 2021-24 Post Consultation Report and approved the 2021/24 Integrated

risk management plan and its implementation. The plan for 2021/24 detailed changes proposed to our operational response including:

- Combine the stations at Aintree and Croxteth fire stations to create a superstation (Hybrid/Specialist Rescue station) along with a new Training and Development Academy to be built on land at Long Lane, Aintree
4. The IRMP 2021-24 proposals will help the Authority deal more efficiently and effectively with risk. In essence, the move to a 12-acre site at Long Lane will enable the Authority to replace two very old fire stations along with an outdated training centre which is now unable to meet the demands of a modern fire and rescue service and replace these three locations with new facilities at one site designed to support and develop staff and the communities they serve.
 5. At the same meeting on 30th June, the Authority approved a twelve-week period of public consultation regarding the proposal to merge Aintree and Croxteth Fire stations, in order to create a new multi pump superstation and state of the art Training and development Academy on Long Lane, Aintree. The outcome of the Public consultation will be reported back to Authority following the 12-week period to help them make their decision to progress the scheme.
 6. Officers have successfully negotiated and exchanged contracts on a 12-acre site located on Long Lane Aintree. The completion of the land contract is subject to a number of conditions which need to be achieved prior to the 22nd June 2022, namely:
 - a. the grant of Satisfactory Planning Consent
 - b. Public consultation on the relocation of Croxteth Fire station & Training centre and Aintree Fire station into this site having taken place.
 - c. Formal approval by the Merseyside Fire and Rescue Authority committee;
 7. The 12-acre site at Long Lane, Aintree, Liverpool is large enough to build a Specialist Rescue Station and new Training and Development Academy ('TDA') inclusive of a National Resilience Centre of Excellence, whilst continuing to collaborate with other blue light partners. This site is also predicted to improve our response times to emergencies.
 8. Pre planning application advice has been applied for from Liverpool City Council. A meeting with LCC planners has been arranged for the 21st July 2021, Officers outlined plans for the site, appendix A shows the preferred site massing drawing which was presented. Feedback from the meeting will need to be addressed within the main planning application and will be reported back to Members.
 9. In order to undertake the relevant due diligence of the proposed build and land a substantial amount of pre-construction design and site investigation work will now be required to allow for a robust planning application to be submitted at the end of this year.

10. A route to market review was undertaken by Procurement. It was concluded that the use of a construction framework was the most advantageous route for the Authority given the time restrictions to complete the Land purchase by June 2022.
11. The TDA Executive Group considered a report produced by our appointed cost consultant Rider Levett Bucknall (RLB) at a meeting on 10th March 2021. The report evaluated the available construction frameworks and recommended the use of the Crown Commercial Service (CCS) construction works framework agreement RM 6088. The framework offers further competition from 14 eligible contractors with no access fee for the Authority. As it is a framework agreement in public ownership the fee agreements in place with the contractors would only circulate within the public purse.

Contractor Appointment Process

12. A forthcoming competition notice was sent out to all 14 eligible contractors on the CCS framework on 26th March 2021, allowing the market to be sufficiently prepared for our tender opportunity.
13. A set of Gateway questions were sent to the 14 Contractors on the 16th April, asking if they were interested in being involved in the tender process along with four questions on their suitability. Clarification responses to bidders' questions about the Gateway questions were provided on the 28th of April. Eight contractors responded to these first gateway questions on or before the deadline of 5th May. The responses were evaluated and scored by a team within estates and procurement, narrowing the contractors from eight to six.
14. Detailed feedback was provided to the two unsuccessful bidders (17th May). Both had failed to provide sufficient evidence that their organisations can demonstrate the ability to meet our requirement. The examples provided limited or no Blue light experience (stated in their submission) and the previous examples did not sufficiently demonstrate comparable projects in terms of value. The successful bidders were advised that they had been selected for the next stage in the process on the 18th of May.
15. The six remaining contractors were sent the Invitation To Tender (ITT) documentation on the 4th June. The documentation required the contractors to produce a commercial bid for pre-construction, design, preliminaries, overheads and profit for the project based on a nominal construction value of £21m. The contractor's response to the commercial aspect of the bid equated to 40% of the overall scores. The other 60 % weighting was based on their responses to ten quality questions.
16. Two of the contractors opted out of the process after receiving the information on the 8th and 14th June respectively, with one stating they were too busy to bid due to them now working on a major project that had previously been put on hold.

17. During the bid process all contractors were invited to attend a site visit to Long Lane on the 16th June accompanied by Merseyside Fire and Rescue Service estate and procurement teams along with our appointed architect. Three contractors attended on the day.
18. The Clarifications Log containing questions and answers raised by the invitees was circulated on the 28th of June. The closing date for bids was set as 5th July and three contractors made bona fide submissions. The bids were evaluated and scored on both quality and cost by the Authority's Estates and Procurement officers with our external cost consultant RLB evaluating and arithmetically checking the commercial cost submissions. Appendix D details the RLB commercial evaluation report
19. The three bidders were then invited to a clarification meeting on the 9th July. The purpose of the meeting was to clarify and confirm the contractors' submissions. The evaluation panel consisted of Authority officers and representatives of RLB.
20. The revised scores are summarised below and detailed scoring has been added to Appendix C.

| | Bidder A | Bidder B | Bidder C |
|---------------|----------|----------|----------|
| Quality Score | 41.8 | 39.8 | 45.7 |
| Price Score | 40 | 40 | 40 |
| Total Score | 81.8 | 79.8 | 85.7 |

21. Bidder C, Wates construction limited was ranked first overall in terms of both quality and commercial offer, It is recommended that Bidder C is appointed as the main contractor for the new TDA and superstation project.
22. Award decision notices were sent on the 13th of July which included evaluation and feedback for the unsuccessful bidders. The notice also stated the duration of the standstill period and that the award was subject to Authority approval.
23. Further reports will be brought back to Authority following the outcome of the public consultation and prior to the submission of the full planning application. A final report seeking Authority approval to discharge the conditions precedent on the land deal and to approve the construction costs will be submitted following the outcome of the planning application and prior to June 2022.

Equality and Diversity Implications

24. The design of the new TDA and fire station will comply with the requirements of the Equality Act 2010 and current Building Regulations.
25. A full Equality Impact assessment and all associated Equality and Diversity considerations will be completed throughout the management of the project. The Diversity, Engagement and Consultation Manager is an integral part of the project management structure, ensuring close liaison is maintained throughout the project.

26. A draft EIA has already been completed by the ED&I officer and was submitted as part of the CFO/040/21 Public consultation for station 18 & 19 merger Long Lane Site.
27. Bidder C has estimated that £12.63m of social value will be delivered in Merseyside as a result of this construction project. By investing in skills and employment, investing in the employability of young people, investing in growth and responsible regional business and investing in healthier, safer and more resilient communities. These will be measured and monitored over the life of the project.
28. They have estimated 66% of the total build value £14m will be spent within the local supply chain.

Staff Implications

29. The provision of sector leading facilities at the new TDA site with an infrastructure fit to meet the ambitions of the Service will exponentially improve the working conditions and training provision for MFRA personnel.
30. Appendix B details the project management & Governance structure that has been implemented for this project.

Legal Implications

31. A contract with a value in excess of £250,000 can only be approved by the Authority.
32. Subject to approval by Members, the award of the contract will be in a form specific for construction projects and signed prior to any of the pre-construction works commencing.
33. The Authority has exchanged contracts for the land identified for the proposed superstation and new TDA although the sale is conditional as to the terms of the contract and the Authority achieving certain conditions.

Financial Implications & Value for Money

34. The new TDA / Station merger project budget was estimated at £25.251m based on a high level estimated cost plan presented at the Authority budget strategy day in January 2021.
35. The estimated costs will be subject to change until the scope / ground conditions and potential planning conditions are confirmed. The estimated costs will be continually reviewed as the project proposals are further developed and will be reported back to Members' for final approval as we progress through the design stages and prior to completing the Land purchase and agreeing the final contractor proposals with the main contractor.

36. The early appointment of the main contractor will allow for more cost certainty and allow for any unknown ground risks and supply chain risks to be mitigated as the project develops.
37. The land Purchase cost is contained within this estimated budget cost at £3.760m, with a 10% deposit having already been exchanged and held by the seller solicitors.
38. A summary of the estimated costs is outlined in the table below;

| | | TOTAL |
|--|--------------|---------------|
| | | £'m |
| Expenditure | | |
| Land | | 3.760 |
| Pre-Construction Fees and Consultation costs | | 1.000 |
| Construction, Furniture & Fittings | | 20.240 |
| ICT | | 0.251 |
| | Total | 25.251 |

Funding;

39. The Home office confirmed funding of £1.67m on 3rd June 2021, demonstrating their continued support of the National Resilience Assurance Team (NRAT), and to Merseyside FRA as the National Resilience Lead Authority.
40. The possibility of sharing the site with blue light partners is being explored, any blue light accommodation will be funded via a capital contribution or rental agreement from the blue light partner representing a fair proportion of their estimated project costs.
41. The balance of capital funding will be made up from a combination of capital receipts received from the sale of the two existing site; the use of reserves; and borrowing;

| | | TOTAL |
|---|--|---------------|
| | | £'m |
| Funding | | |
| Capital Receipts | | |
| TDA / Croxteth site | | 2.000 |
| Aintree | | 0.200 |
| Third Party Capital Contribution | | 3.000 |
| Capital Reserve | | |
| As at 31.03.2021 | | 12.930 |
| Expected contribution from 21/22 Budget | | 3.035 |
| Home Office Funding | | 1.670 |
| Total Specific Funding | | 22.835 |
| Gross Borrowing Requirement | | 2.416 |
| | | 25.251 |
| Increase in Authority Borrowing: | | |
| Approved Schemes no longer required; | | |
| TDA site | | -1.000 |
| Croxteth | | -0.300 |
| "New" net Borrowing | | 1.116 |

42. As the new TDA scheme will mean some planned capital schemes will no longer be required this will reduce the gross borrowing for the new scheme by £1.300m, so the net new borrowing will only be £1.116m, if overall costs can't be contained at £25.251m.
43. The current estimate is that the new scheme will increase revenue servicing costs by £0.300m to £0.500m, mainly due to higher business rates, and this cost has been built into the current medium term financial plan.
44. The contract value for the appointment of Wates Construction Limited for the PCSA works is £991,848.46., As the value of the contract is excess of £250,000 Authority approval is required for the award of the contract.
45. The successful contractor has also highlighted a number of provisional sums which may be required for detailed site investigation works, these are

| Item | Time Charge (£) | Related |
|--|-----------------|---------|
| CDM/ Principle Design advisor - Project 4 Safety | | 3,000 |
| BIM Co-ordinator - ITA CADS | | 2,000 |
| Building regulations - LCC | | 2,000 |
| Phase 2 site investigation | | 15,000 |
| Ecological survey | | 1,000 |
| Existing drainage survey | | 1,500 |
| Utilities Searches - Employer provided | | - |
| Telecommunication survey - Wates John Parry | | - |
| Asbestos / Air quality | | 1,000 |
| Topographical survey | | 1,000 |

46. The PCSA and Provisional sums are contained within the overall TDA budget.

Risk Management, Health & Safety, and Environmental Implications

47. All Health and Safety implications of the new build will be fully risk assessed and mitigated by the Contractor.
48. A Construction Design Management advisor will be appointed to assist in fully discharging any responsibilities under the CDM regulation.
49. A risk register has been developed to manage and mitigate associated risk. The register is reviewed regularly at the Project Board. The Chair / Vice Chair of the Project Board or Project Manager will escalate risks by exception to the project Executive Group.
50. The new TDA and Fire & Rescue Station will be designed and built to achieve BREEAM 'very good' rating as the absolute minimum.

51. Until the costs of the new TDA and superstation have been finalised and considered as part of the 2022/23 budget process and the scheme is deemed affordable, the project has not yet been formally approved. Therefore, members' need to be advised that the unavoidable pump priming costs, including the pre-construction works, will commit potentially £1m of spend whether the scheme goes ahead or not.
52. The Service has recently commissioned an Access and Inclusivity Audit. The audit is being conducted by Wilkinson Cowan with an audit being completed at every site across the Authority's estate. The audit of Aintree, Croxteth and the TDA is not yet available but the sites are amongst the oldest within the Authority estate and will require a significant financial investment to bring them up to a basic minimum requirement.
53. Station 18 Aintree Fire Station opened on 9th November 1926 and although the Service's Estates Team have worked hard to modernise the site, the building is not capable of offering our staff or communities the facilities they deserve. The site is not fully accessible to all and doesn't provide the necessary facilities for a diverse workforce or community use.
54. Station 19 Croxteth Fire Station opened on 14th September 1962. The site has been renovated to house the Search and Rescue Team (SRT) and North West Ambulance Service's Hazardous Area Response Team. Similar to Aintree the site is not fully accessible to all, does not offer a community room and is not suitable or of sufficient size to host SRT and HART. This is further evidenced through HART not being able to meet audit requirements as defined by National Ambulance Resilience Unit (NARU).
55. The Training and Development Academy opened on 27th April 1967 and has been redeveloped, most notably in 1999/2000, in order to keep up with the demands of a modern fire and rescue service. MFRS have outgrown the site which is landlocked which significantly restricts MFRS's ability to develop training facilities in line with the risk our fire-fighters face locally, nationally or internationally.

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| Contribution to Our Vision: | <i>To be the best Fire & Rescue Service in the UK. One team, putting its communities first.</i> |
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56. New facilities will provide an improved working environment for MFRA staff, including enhanced training facilities for internal and external personal. It will also provide improved community facilities compared to those available at the current TDA and station sites.
57. This site is almost equidistant between the existing stations (1.9km from Aintree and 2.5k from Croxteth) and is the best available location. Our comprehensive predictive analysis indicates this site will improve our performance when attending life risk incidents in across Merseyside including both the Aintree and Croxteth station areas which is a major

positive for MFRS and our stakeholders including: partners, residents, visitors and businesses

58. The new facilities will accommodate training against foreseeable fire and rescue related risks that could affect our communities, whether they are local, national or international; from fires to terrorist attacks improving firefighter safety.
59. The site is sufficiently sized to allow for future expansion to accommodate training against any emerging risks or threats.

BACKGROUND PAPERS

CFO/039/21 IRMP, 2021-24 Post Consultation Report
CFO/040/21 Station 18 & 19 Merger long Lane site.

GLOSSARY OF TERMS

| | |
|---------------|---|
| CCS | Crown Commercial Services |
| PCSA | Pre-Construction Service Agreement |
| CFO | Chief Fire Officer |
| DCFO | Deputy Chief Fire Officer |
| LCC | Liverpool City Council |
| RLB | Rider Livett Bucknall |
| ITT | Invitation To Tender |
| JCT | Joint Contracts Tribunal |
| BREEAM | Building Research Establishment Environmental Assessment Method |
| CDM | Construction Design Management |