

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 19 April 2023
Subject:	Radcliffe Hub Project – Enabling Works (Part A)	
Report of	Leader and Cabinet Member for Strategic Growth and Skills	

1. Summary

1.1 The purpose of this report is to advise Cabinet of the works packages that, in accordance with the Radcliffe Hub project programme, now need to be instructed via an enabling works contract. The relevant reports, drawings and programme that inform these works are appended to Part B of this paper.

1.2 In order for the Council and Vinci Construction to transition from the Pre-Construction Service Agreement (PCSA) into the Main Contract, an enabling works period is proposed to facilitate the delivery of various preparatory works, thus ensuring the site is ready for development.

1.3 Works included within the proposed enabling works contract, have been market tested and independently verified, and a copy of the tender report is appended to Part B of this paper.

1.4 This proposal aligns with the cashflow spending commitments outlined in the previously agreed Levelling Up Fund Memorandum of Understanding (MOU), and ensures the project is compliant with the stipulation that all monies awarded from the fund are fully defrayed by March 2025.

1.5 Since confirmation of the Levelling Up funding award in October 2021, the project has been subject to a quarterly reporting cycle to the Department of Levelling Up, Housing & Communities (DHLUHC). The proposed cashflow forecast, programme and risk management plan outlined in these returns, has consistently reflected a construction programme phased to enable preparatory works to be delivered under a separate contract, with works commencing in May 2023.

2. Recommendation(s)

2.1 Cabinet to recommend to:

- Approve the proposed scope of the enabling works to be undertaken by Vinci Construction.
- Accept the tender report recommendation that Vinci Construction undertake this works package at the contract sum set out in Part B of this report
- Delegate finalisation of the contract amendments and clarifications to the Director of Law and Governance.

- Approve the contingency allowances (set out in Part B) to account for potential cost increases.

3. Reasons for recommendation(s)

3.1 Development Site

The development site identified for the Hub project in Radcliffe town centre, includes several assets that will need to be demolished and cleared, and remedial works undertaken, in order for the main construction and refurbishment work to be carried out. Whilst the delivery of a vacant possession strategy will ensure that the South Block and Market Chambers buildings are no longer occupied and all units are empty by April 2023, Radcliffe Market will remain operational throughout the proposed construction period.

These key considerations have informed both the scope and methodology for carrying out the works, and the phasing of the construction programme and including the enabling period.

3.2 Programme

The project programme has been informed by four core elements:

- **Funding Requirements** – as previously agreed Memorandum of Understanding with DLUHC regarding Levelling Up Fund (LUF) spend, all monies awarded must be fully defrayed by March 2025. In order to achieve this, cashflow has been forecast against the proposed construction programme. Contracting and subsequent instructions are required to adhere to the timescales and milestones stated within said programme.
- **Deliverability and logistics** – the sequence of works and duration of the programme is informed by survey works, design development, supply chain management, and overarching health and safety requirements; underpinned by industry standards and appropriate methodologies for the delivery of the construction works
- **Value for money** – the phasing of the programme is intended to deliver the project as efficiently as possible; minimise overall duration of the works and reduce the cost of prelims, whilst ensuring quality is not compromised.
- **Minimising operational disruption** – the phasing of works has been planned in such a way as to minimise disruption and mitigate the risk posed by construction work upon Radcliffe Market and traders. Phasing will also enable the Market Chambers building to be completed earlier in the main contract, thus allowing the commercial tenants in these units to commence trading. Moreover, the overarching programme must be delivered in a timely fashion, to ensure minimum service disruption to local residents.

A copy of the proposed enabling works programme is appended Part B of this report.

3.3 Determining the Enabling Contract Scope of Works

Following a procurement exercise via the North West Construction Hub Framework, in September 2021 the Council appointed Vinci Construction as the project's

construction partner. Under a two-stage design and build contract, Vinci firstly entered into a PCSA with the Council to develop the project proposals through the required design development of RIBA Stages 2-4.

Following the conclusion of RIBA Stage 3, and the completion of all required survey and design work, Vinci Construction produced an updated pre-construction programme which identified all the works packages required to deliver the project, including a proposed enabling works period. The scope of works included a range of utility service diversions that have already been instructed under the PCSA. The remaining enabling works have now been market tested, with all packages tendered by Vinci Construction. The scope of the enabling works is summarised in Part B of the report.

4. Alternative options considered and rejected

4.1 Instructing the works under a single main works contract. The main works contract cannot be entered into until RIBA stage 4 is complete and all packages tendered, planning permission is granted, and Cabinet have reviewed and approved the proposed finalised design and full business case. The enabling works would have to be re-tendered, as prices quoted in February 2023 (reflected in the attached tender report) would no longer be valid in August 2023 when the main contract is due to be formalised. A significant delay of several months would therefore be incurred, resulting in a later completion date. This would increase the period of temporary leisure service provision in Radcliffe (following demolition of the existing centre in Spring 2024). It would also delay occupation of commercial units within the Market Chambers and trading within these refurbished spaces; further disrupting businesses and reducing commercial income to the Council. Furthermore, the delay incurred would erode confidence in the town that the project is being delivered as a key strategic priority for the Council.

Use of a two-stage design and build procurement system has also enabled significant collaboration between the main contractor and design team. This has improved buildability of the asset and enabled more effective value management.

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5. Background

5.1 The development of a Hub in Radcliffe's town centre is integral to the Radcliffe Strategic Regeneration Framework (SRF), which was adopted in September 2020 as the Council's policy for the future regeneration of the town.

5.2 Similar to many former industrial communities, the Radcliffe continues to feel the ongoing effects of economic restructuring. Traditional employment has contracted, and the town has amongst the highest levels of deprivation across the Borough, with significant challenges in relation to employment, skills, and health. In parallel, the growth of convenience and digital retail, and the COVID 19 pandemic, has put considerable pressure on the High Street, which has experienced a sharp decline, impacting on the range and quality of services within Radcliffe town centre.

5.3 The SRF was clear in specifying that reversal of this trend, would be reliant upon a strategic approach to diversifying and increasing footfall into the town centre. The masterplan therefore determined that the preferred location for a new Civic Hub, which could act as a catalyst for economic recovery of the High Street, should be in the very heart of Radcliffe town centre and, specifically, identified the site of the existing 1960's precinct (the South Block).

5.4 Acquisition of the North and South Blocks, and former TSB bank was completed in 2021, and development proposals for the Hub project were progressed on the basis that these sites would in part, need to be demolished and cleared in order for development to be carried out.

5.5 The Radcliffe Civic Hub bid submitted to the Levelling Up Fund presented for consideration, a sustainable town centre new build development, and the refurbishment and repurposing of existing assets in council ownership. The proposed scope of works included preparatory packages to enable development on the identified town centre site.

6. Links with the Corporate Priorities:

6.1 The regeneration of Radcliffe supports delivery of the *Let's Do It* strategy and the five themes that underpin the plan. The five themes all have a correlation to how we design our Towns. As we move towards a future in urban areas where people travel less, buy locally, work and access local services, we need vital and liveable neighbourhoods. This means the Council must think carefully about neighbourhoods and how they can be either built or re-designed to work well. Strategic investment in Radcliffe Hub project is fully aligned with this vision. A detailed economic value analysis, and synergistic strategic case was included as part of the LUF bid.

6.2 Our Corporate Plan sets out key themes, principles, and deliverables to support the Borough of Bury as it recovers from the local impact of the Covid-19 pandemic and builds a better and brighter future for our population, communities, and

businesses. The contractor will be seeking to implement apprenticeships, skill enhancement and placement opportunities with local education providers. Wherever possible, they will seek to utilise a local supply chain for labour and materials. Vinci has established a charitable trust, which supports local community groups and charitable organisations to deliver programmes and projects being undertaken at a local level. A social value plan is being developed to ensure that every opportunity to deliver benefits to the local community are identified and brought forward.

6.3 The contractor has been fully appraised of the strategic drivers of the projects and understand how these capital developments will act as enablers to realising key objectives and benefits in Radcliffe.

7. Equality Impact and Considerations:

7.1 Diversions to pedestrian routes have been reviewed with appropriate consultees in relation to the safe management of the highway, and ensuing safe access is maintained for all visitors to the town centre. This includes footpaths, dropped curbs, tactile paving, crossings and parking and loading bays. Proposals have been shared with Bury Blind Society and Access All Areas for review and comment.

7.2 The operator of Radcliffe Market has been engaged in design development, programming and management of the proposed temporary works. This includes risk assessment and agreed mitigation relating to the restriction of access due to hoarding locations, and maintaining safe and accessible routes; including lighting, dropped curbs, tactile paving and drop off bays.

7.3 Works will be continuously monitored against pre-construction information outlined in the CDM construction phase plan and RAMS updated accordingly

8. Environmental Impact and Considerations:

8.1 Extensive ecological surveys and impact assessments have been carried out in association with the proposed works.

8.2 It is anticipated that there will be some recovery of materials from site, but also that some excavated materials will be unsuitable for re-use (contaminated soils / cohesive soils/ saturated soils) and will need to be removed from site. There will be an import of fill material required to make up levels.

Any reuse of materials generated on the site will be subject to a Materials Management Plan (MMP) prepared in accordance with the Definition of Waste Code of Practice (DoWCoP) and CL:AIRE protocols. This will need to be submitted to the Environment Agency by a nominated Qualified Person (QP). Monitoring during the works will be required and a validation document prepared upon completion. Vinci have included within their tender submission, allowances for the preparation, monitoring and discharge of the MMP, in connection with these works.

8.3 The wider project is being designed to ensure that the Hub building is carbon neutral in operation and is to a BREEAM Excellent standard.

Assessment and Mitigation of Risk:

Risk issues	Management Strategy/ Mitigation
Strategic - Business and External risks	
Reputational – confidence in the ability of BC to deliver objectives undermined	Appointing an expert and experienced delivery team Effective project management structures
Catastrophe risk – inherently unpredictable events – Covid, Brexit	Appropriate contingency provision in programming and budget
Regulatory risk – changes in laws and regulations New planning bill - new design standards New building regs	Appropriate standard and negotiated clauses in the contract document (NEC 3 short form) Risk apportionment Ongoing proactive approach to risk management
Delivery Risks	
Site conditions – risk that adverse / unforeseen site conditions result in cost increases	Site investigations – full SI report Appropriate cost planning and contractor engagement Form of contract / warranties etc
Build risk – risk associated with contractor management / underperformance / site characteristics	Effective contract management following the Government Construction Strategy involving: Form of contract – NEC 3 short form Soft-landing provisions - Operational led design Contract retentions
Supplier risk – availability of expert contractors for site clearance and specialist activities; risk of contractor failure	Procurement strategy Due diligence – transfer risk to main contractor Contracting – risk transfer Local labour vs established operators
Programme risk – LUF bid requirements	
Permissions – risk that delays in securing planning, building regs and highways approvals impacts on programme	SRF establishes principle Early engagement – pre-application Ensure planning strategy aligned with delivery strategy – phasing of applications Managing statutory consultees Minimise pre-commencement conditions
Procurement – the risk that strategy results in delays / impacts on objectives	Procurement strategy - work packages Form of contract – NEC programme is part of contract pack D&B approach Use of frameworks Early engagement with contractor Phasing plan – staged approach
Financial risk	

<p>Project costs – risk that capital costs increase above projections</p>	<p>Carry out investigations and site surveys Procure expert advice via consultant team Contingency and Optimism Bias allowance, including appropriate sums for inflation Risk allocation to contractor (as stipulated in the contract) Monitoring of works progress via TAs and Clerk of works, and maintaining contractor relationship Manage iterative value engineering through RIBA Stages Project budget oversight and management via internal and external governance structures</p>
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Legal Implications:

Under the Council’s constitution this decision is to be made by Cabinet as it is over £500k, the details of the financial implications are set out in part B of this report. The report is required at this time in order to meet the timetable to meet the defrayment of funds by March 2025.

Financial Implications:

Funding for these works is included within the Capital Programme budget for this scheme.

Appendices:

1. Enabling Works Programme
2. Site Establishment and Hoardings
3. Site Access and Traffic Routes
4. Site Clearance Drawing
5. Demolition Plan (South Block)
- 6a. Demolition Plan (TSB Block)
- 6b. Demolition Plan (TSB Block)
7. Radcliffe Market Preparatory Works Drawing
8. Market Chambers Remedial Works Schedule
9. Scaffolding Plan
10. Commercial Tender Report

Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
LUF	Levelling Up Fund
DLUHC	Department of Levelling up, Housing and Communities
NWCH	Northwest Construction Hub – GM region-based procurement framework

MOU	Memorandum of Understanding
D&B	Design and Build (form of contract) is an approach where a contractor will be responsible for designing an asset as well as all procurement, planning, and construction activity.
NEC	New Engineering Contract – a commonly used form of contract for construction works
RIBA Stage	Incremental approach to the development and delivery of construction projects, as outlined by the Royal Institute of British Architects. The process includes seven stages from project inception, strategic development, detailed design, technical design and procurement, construction, commissioning and handover, and post occupancy
BREEAM	Building Research Establishment Environment Assessment Method – a methodology for assessing, rating, and certifying the sustainability of buildings
PCSA	Pre-Construction Service Agreement – A contract that covers all activities required to develop a project ahead of the main construction contract being agreed and entered into
SFS Frame	Steel framing system – utilised in the construction of building structures and walls
LHS	Linear Heat Sensing – cables that detect heat as part of the fire safety detection system installed in a building
End packers and timber packers	Spacers used to fill unwanted gaps as well as make slight adjustments to building elements, such as windows and door frames
Piling	Piling is the process of inserting structural piles into the ground that will become the base of the building. Piles are required where soil and earth are performing poorly and are used to spread the load of a building and firm the ground.
Provisional Sum	An allowance (or estimate), that is inserted into tender documents for a specific element of the works that is not yet defined in enough detail for tenderers to accurately price
RAMS	Risk Assessment and Method Statement – utilised to identify hazards, assess the impact and likelihood of risks occurring and outline appropriate management and mitigation methodologies
CDM	Construction Design Management Regulations 2015 – ensure projects are effectively delivered by competent persons, with clearly defined roles and robustly managed health and safety planning and protocols
DoW CoP	Definition of Waste Code of Practice - provides a clear, consistent and efficient process which enables the reuse of excavated materials on-site or their movement between sites