

REPORT TITLE: PROVISION OF A DECKED PARK AND RIDE CAR PARK AT THE VAULTEX SITE, WINCHESTER

18 AUGUST 2020

REPORT OF CABINET MEMBER: Councillor Martin Tod, Cabinet Member for Service Quality and Transformation; and transport.

Contact Officer: Andy Hickman Tel No: 01962 848105 Email ahickman@winchester.gov.uk

WARD(S): ST. MICHAEL'S

PURPOSE

A Business Case to request £5,647,676 (£5.65m) in funding from the EM3 Local Enterprise Partnership (LEP) was submitted in March 2020 to deliver a decked Park and Ride (P&R) car park at the Vaultex site. On the 30th May 2020; subject to Government funding being allocated to the LEP, the LEP Board agreed to provisionally enter into a legal agreement and allocate £5.65m for this project to Winchester City Council; in the form of a grant.

On the 24th June 2020 (CAB3239) Cabinet agreed that authority is delegated to the Strategic Director: Place to prepare and enter into the EM3 LEP funding agreement pending award of Government funding for a grant from the LEP and to further progress that project, subject to funding and detailed approval.

The Government has since announced a Getting Building Fund and the Council has been awarded funding for the Decked Vaultex car park of £5.65m, with the funding agreement requiring a completion of works by January 2022. These are challenging but achievable timescales which will require that a Design & Build contractor is appointed to progress the project as soon as possible.

This project will support the Council's economic and sustainability objectives as well as continued regeneration of the local area.

RECOMMENDATIONS:That Cabinet

1. Approve the procurement of the relevant contractor for the design and build of the Vaultex decked Park and Ride car park using the Procurement Hub Major Projects Framework (MPF).
2. Delegate authority to the Strategic Director: Place and Service Lead – Legal to procure, award and appoint an appropriate supplier, Willmott Dixon via the MPF framework to assess the feasibility of the project.
3. Delegate approval to the Service Lead – Legal to prepare and enter into the Access Agreement and associated deeds, and to negotiate and agree terms and conditions relevant to such agreements and the Procurement Hub Major Projects Framework.
4. Agree not to progress the surface car park and approve that the remaining budget be utilised for the decked Park and Ride in addition to the supplementary estimate below.
5. Approve the preparation of advanced study and infrastructure work to be funded from the surface car park approved budget up to £150,000 noting that this is at risk should full expenditure approval not be granted in October.
6. Note that a request for a supplementary estimate of £5.65m in respect of a decked car park at the former Vaultex site will be included in the September budget report bringing the total budget excluding site acquisition to £6.295m. This additional budget will be fully funded by the grant from the EM3 Local Enterprise Partnership (LEP).
7. Note that a further report will be brought to Cabinet in October which will include a financial appraisal of the estimated impact on the council's budget.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

1.1 Tackling the Climate Emergency and Creating a Greener District

- a) Delivering additional Park & Ride (P&R) to the east of Winchester city centre is a direct recommendation and action of Winchester City Council's Climate Neutrality Action Plan (CNAP). It also supports the Council's Electric Vehicle Charging Strategy.
- b) Increased P&R will reduce traffic and pollution within the city centre and encourage more people to walk and cycle into the city centre. The Council Plan states that delivering the City of Winchester Movement Strategy (WMS) is crucial to tackle the Climate Emergency. The WMS recommends additional P&R to the east of Winchester, to reduce traffic on the road network, congestion, pollution and delays. Vaultex is a key development to achieve this.
- c) Improved connectivity and wayfinding is proposed as part of Winchester Sport & Leisure Park (WS&LP) development. The Winchester Movement Strategy has also identified the improvement of cycling and walking routes between the Railway station, City Centre and the Sport and Leisure Park at Bar End. This will be progressed jointly with the County Council. Vaultex users will benefit from these improvements and signage will highlight alternative methods to travel into city centre, such as on foot or by bicycle.

1.2 Vibrant Local Economy

Increased P&R improves access to the City centre and all that it has to offer for business, shoppers and visitors. The main contractor will ensure that local companies have the opportunity to bid for work under the construction contract;

1.3 Living Well

Vaultex is within 1km of the city centre and users will be encouraged to use active travel methods, such as walking and cycling. Bicycle storage will be available at Vaultex to support this. Vaultex will also support the Winchester Sport and Leisure Park as it can provide additional parking spaces during high volumes of use, such as sporting competitions.

2 FINANCIAL IMPLICATIONS

- 2.1 A supplementary capital estimate of £5.65m, to be funded by an EM3 Local Partnership (LEP) grant, is recommended for approval as part of the revised Capital Programme to be presented to Cabinet and Council in September (CAB 3256).

- 2.2 A further report, including a financial appraisal, will be brought to Cabinet in October in order to seek approval to incur expenditure under financial procedure rule 8.4.
- 2.3 This will bring the total budget for the new car park, excluding the site purchase, to £6.295m of which £0.645m will be funded from prudential borrowing and the balance from the LEP grant. £121,000 of the budget was spent in 2019/20 on the demolition of the existing building (£115,000) and preliminaries. There is a need to undertake some early site investigations and infrastructure work at a cost of up to £150,000; see 12.6 below.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The LEP have stipulated challenging but achievable timescales for delivery of the project, by January 2022. Due to the value of the works an EU complaint procurement route is required. Various procurement routes have been considered, legal and procurement advice has been sought to inform these recommendations.
- 3.2 The most suitable and recommended procurement option to enable Best Value is achieved and that LEP timeframes can be met is the use of the Procurement Hub Major Projects Framework (MPF), which is an OJEU compliant framework. The MPF enables a direct award to a sole supplier and has been identified as the most suitable framework for use on this project for the following reasons. See also Appendix 1 for an assessment of other procurement options;
- a) To enable Best Value is met, robust open book market testing is conducted by officers at each gateway to provide cost certainty. Each works package will be tendered by the contractor and the council will have sight of the tenders to ensure we can satisfy ourselves that best value is being achieved.
 - b) A no-commitment, free feasibility study (RIBA 1) to inform initial project costs, risks, opportunities and constraints and an indicative programme for delivery.
 - c) The Gateway options outlined on the MPF are considered to be more robust than those identified on the other frameworks considered, with a breakaway clause after the initial free feasibility study. See 12.1 below for further details on procurement route options.
 - d) The framework mandates that the selected partner must submit fully transparent financial information on turnover, work in progress, sales, debtors and creditors on a regular basis.
 - e) The council can decide which form of contract to be used, whereas this was not clearly stated as an option on the other frameworks considered.

- f) Aligns closer with the stage payment schedule for the LEP grant funding.
 - g) One of the commitments of the framework is that a minimum of 14% of the contract value will be returned to communities through social engagement activities.
- 3.3 Willmott Dixon Construction & Partners are the sole supplier on the framework that provides the relevant design and build expertise to enable implementation of this project. The OJEU contract award notice reference number is 2018/S 090-201476.
- 3.4 Therefore the report recommends that authority is delegated to the Strategic Director: Place and Service Lead – Legal to procure, award and approve a direct award via the framework. It also recommends delegated authority is delegated to the Strategic Director: Place and Service lead - Legal to enter into and agree terms within the standard form of contract, either New Engineering Contract (NEC) or Joint Contracts Tribunal (JCT), to progress the project to completion.
- 3.5 The Council is required to obtain a Parking Places Order under section 32 of the Road Traffic Regulation Act 1984 (the Act). An order under the Act enables the Council to provide off-street parking, access and egress, enforcement and to maintain the parking area at the Vaultex site. For such an order to be valid it must be for the purpose of relieving traffic congestion of traffic.

4 WORKFORCE IMPLICATIONS

- 4.1 The project will be progressed within current available resources. Enforcing parking controls at this new car park will be undertaken by the parking team and this will be balanced alongside other new requirements and demands on enforcement.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The previous building on the Vaultex site has been demolished and the site cleared in preparation for development. The necessary maintenance of the car park will be managed by the Parking team and funded from the parking account.

6 CONSULTATION AND COMMUNICATION

- 6.1 Further consultation will be undertaken to support development of the design prior to submission of the required planning application. This will include local representative groups, residents, the Town Forum and Ward Councillors. The design of the decked car park will be an important consideration in terms of its visual appearance and its operational on nearby residences including noise and lighting.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The future decked car park will include Photovoltaic panels and electric vehicle charging points, to support the Council's carbon reduction targets.
- 7.2 The decked car park supports the WMS objectives of reducing traffic movements through and into the City centre and will support the CNAP, where the expansion of P&R capacity at Vaultex was detailed in the December 2019 Adopted Plan. The CNAP sets out that the 300+ P&R spaces provided at Vaultex contributes to the reduction of carbon emissions.
- 7.3 The design brief will include that cladding is provided on the front facing elevation of the decked car park and the preference will be for a live green (planted) wall if that is feasible and practical. .
- 7.4 The existing ecology of the site, drainage and pollution levels and the sites location in relation to the River Itchen has been evaluated as part of the surface car park project. The necessary steps to ensure there is not a negative impact will be undertaken.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 The Public Sector Equality Duty has been considered for this project, such as the provision of disabled parking. The appropriate location of these spaces will be explored. These spaces will have clear signage to discourage non-blue badge holders from parking there and where necessary, will be enforceable under the Parking Places Order.
- 8.2 Park and Ride buses are fully accessible.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None required

10 RISK MANAGEMENT

10.1

Risk	Mitigation	Opportunities
<i>Community Support</i> <i>Public opposition to increased car parking provision.</i>	Pre-consultation on the design ahead of planning application. Public opportunity to respond during the planning process. Continue to engage local residents near Vaultex site.	Vaultex supports WCC's carbon neutral objectives, Carbon Neutrality Action Plan and the City of Winchester Movement Strategy.
<i>Timescales</i>	Pursue the Procurement	Deliver a £5.65m, 300+

<i>Tight timescales for successful project delivery / completion.</i>	Hub Major Projects Framework (OJEU compliant) for direct award to a sole supplier	space sustainability lead P&R, delivering on the WMS and CNAP
<i>Total demand does not materialise due to changes in behaviour resulting from Covid-19</i>	Take into account in relation to operational costs as part of Business Case	This car park will be within walking distance so offers the choice to utilise park and walk.
<i>Financial / VfM Overspend resulting in WCC needing to finance shortfall</i>	Gateway approval process in the project, with detailed and accurate budget reporting. WCC will get a forecast and can take necessary steps to mitigate overspend as necessary.	Grant funding
<i>Legal A challenge on the basis that the correct statutory procedures and consultation is not followed.</i>	The precise following of the statutory procurement process and standing order requirements will mitigate the risk of challenge.	Public consultation and correct following of procedure enhances the council reputation.

11 SUPPORTING INFORMATION:

- 11.1 On the 24th June 2020 (CAB3239) Cabinet agreed that authority is delegated to the Strategic Director of Place to prepare and enter into the EM3 Local Enterprise Partnership (LEP) funding agreement; pending award of Government funding for a grant from the LEP to build a decked car park at the Vaultex site, and to further progress that project, subject to funding and further approval.
- 11.2 The Government has since announced a Getting Building Fund in response to Covid-19 and the Council has been awarded £5.65m grant funding for the decked car park, with the funding agreement requiring a completion of works by 31st January 2022. These are challenging but achievable timescales which require that a Design & Build contractor is appointed to progress the project as soon as possible.
- 11.3 Approval for a supplementary capital estimate of £5.65m; to be funded by the LEP grant will be sought in CAB3256. A further paper will be brought to October 2020 Cabinet, including a financial appraisal, to seek approval to incur the expenditure and further steps to progress the project.
- 11.4 As detailed in 3.1 – 3.4, in order to meet the tight timescales, it is necessary to begin the procurement process as soon as possible. A Direct Award is recommended to Willmott Dixon, as the sole provider from the Procurement

Hub Major Projects OJEU compliant Framework is recommended. This will allow the council to instruct Willmott Dixon to undertake a no-commitment, free feasibility study to assess the project, review the existing EM3 LEP Business Case, produce an outline project plan and design, consider opportunities, constraints and proposed outline costs that form part of the LEP Business Case.

- 11.5 Upon completion of the feasibility study, there is a Gateway point; a considerable benefit of the MPF, where the council can chose to commit to RIBA Stages 2 – 3. The Grant payments from the LEP will be based on agreed stages, for example completion of RIBA Stage 1 (feasibility study), RIBA stage 2 - 3 (complete developed design, submit full planning application) and completion of RIBA Stage 5 (construction).
- 11.6 In order to start to progress the project and to meet the LEP delivery timescales it is beneficial to initiate some early study and infrastructure work around traffic impact, drainage, soil investigations/ foundation design and infrastructure requirements, particularly electricity supply. This will require some early expenditure of £150,000 funded by the budget set aside for the surface car park construction. The procurement hub process does include a feasibility study at zero cost, however, in this case there will be a need to undertake more detailed assessment work, than work usually be included in the feasibility study, as the site has some particular considerations including :
- existing foundations which are in place (it might be possible to reuse these and hence reduce construction costs) but this needs to be assessed;
 - transport impact assessment work considering combined impacts of developments in the area
 - drainage assessment and potential reuse of existing soakaways on site
- 11.7 The surface car park will now not be constructed as this would involve abortive work and therefore it is considered more appropriate to move straight to the decked car park construction now that funding from the LEP has been granted.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Alternative procurement routes were explored (see also Appendix 1) , these included;
- a) Open OJEU
 - b) Restricted OJEU
 - c) GEN 4-2 Civil Engineering, Highways and Transportation Infrastructure Framework

- d) Southern Construction Framework (SCF)
 - e) NHS – Car Park Management and Infrastructure (CPMI) Framework (Lot 1)
 - f) Scape Group Frameworks: Major Works or Civil Engineering
- 12.2 Options a – e required at least 3 – 5 months from producing a detailed Specification and Invitation to Tender, through to tender evaluations and appointment. These timescales would result in the council not achieving the required completion date in early spring 2022 and therefore not receiving the £5.65m in LEP funding to deliver key elements of the WMS and wider carbon ambitions of the council.
- 12.3 Option f was more suitable than a – e. The two Scape Group Frameworks offer a Direct Award, but a less robust stage gateway approval process, for example it does not offer a free feasibility study with a gateway afterwards; the council would need to commit from feasibility through to detailed planning. The size, complexity and nature of this project meant this framework was deemed higher risk and less suitable compared to the Procurement Hub Major Projects Framework, as outlined in 3.3.
- 12.4 The council also considered waiting to seek Cabinet approval to begin the procurement process and wait to have the £5.65m included within the capital programme until the grant fund had been confirmed and the LEP Funding Agreement signed. Given the tight timescales and considerable benefits of being granted £5.65m this option was rejected.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3239 – 24 JUNE 2020 VAULTEX PARK & RIDE EXTENSION

Other Background Documents:-

Major Project Procurement Hub Summary leaflet

<https://www.procurementhub.co.uk/our-solutions/current-solutions/major-projects/>

APPENDICES:

Appendix 1 – comparison of procurement routes