

Mayor's Executive Decision Making



Wednesday, 19 July 2023

1. **FORD SQUARE AND CAVELL STREET GARDENS
CONTRACT VARIATION: BLAKEDOWN LANDSCAPES**

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Agenda Item 1

<p>Individual Mayoral Decision Proforma</p> <p>Decision Log No: 404</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Place Directorate</p>	<p>Classification: [Insert Unrestricted or Exempt]</p>
<p>Ford Square and Cavell Street Gardens Contract Variation: Blakedown Landscapes</p>	

Is this a Key Decision?	No
Decision Notice Publication Date:	(Report author to state date of decision notice – either individual notice or within the Forward Plan)
General Exception or Urgency Notice published?	Not required
Restrictions:	Not applicable
Reason for seeking an Individual Mayoral Decision:	A Mayoral decision is needed to vary the contract for the contractor Blakedown Landscapes working on the landscape improvements at Ford Square and Cavell Street Gardens, from £440,936.90 to £728,189 (variation of 287,252.10). The cost of the contract has risen primarily due to an error that was discovered in the topographic survey once the works started on site.

EXECUTIVE SUMMARY

Ford Square and Cavell Street Gardens are two open spaces in the Whitechapel Ward, landscaping improvements are being completed at the sites to improve the quality of the public squares and improve accessibility, as well as to eliminate anti-social behaviour at Cavell Street Gardens.

The contractor Blakedown Landscapes was appointed in March 2022 to undertake the works on site, works started on site on 17 October 2022.

Blakedown Landscapes were appointed following a full tender exercise via a JCT contract.

However, once the works had started on site it was discovered that the construction information has been produced at half of the scale of the site, due to the topographical survey undertaken prior to construction being produced at the wrong scale. As a result of reliance on that survey, all design work, tender drawings, construction information etc was produced using the half scale of the topographical survey.

This resulted in the contractor Blakedown Landscapes being required to stop work on site (on 7 December 2022), while the drawings and information for construction were updated, the works re-commenced on site week commencing 09 January 2023. The onsite works were also impacted by the snow and seasonal break in December 2022, resulting in a five week stand-down period.

Revised cost estimates for the construction works have been provided by the project surveyor to complete the onsite works, the contract value for Blakedown Landscapes' contract has increased to £728,189 from £440,936.90 (with 10 percent contingency built in).

A Mayoral decision is needed to vary the construction contract for Blakedown Landscapes by £287,252.10, taking the contract price up to £728,189, the cost breakdown is attached at Appendix A.

The revised construction costs also include some general uplift in cost of materials which have occurred nationally, these have been factored into the above sum.

The contract for the architect/contract administrator and surveyor also needs to be varied by £15,000 due to the prolonged programme of works, which is being sought via an RCDA.

Additional Section 106 funding of £369,163.68 was approved by the Asset Management & Capital Delivery Board (AMCD) on 31 March 2023, to complete the works on site. This takes the total project budget to £1,068,463.68, the minutes of the Delivery Board are attached at Appendix B. The additional funding was approved as it was not acceptable to leave the sites mid-construction.

The total project sum also covers other costs, such as costs for the contract administrator, project management resources and highways consents.

The revised programme estimated that the works will be completed by June 2023, previously it was March 2023, which added an additional three months to the project programme (four including the close out and a launch event proposed for July 2023).

It can now be confirmed that the onsite works were completed on 26 May 2023, Cavell Street Gardens is now open to the public, checks are being undertaken at Ford Square which is due to open in early June 2023. A soft launch event is being planned.

The contract for Blakedown Landscapes needs to be varied by £287,252.10 as soon as possible. An urgent decision is needed as the handover is expected to be completed by Blakedown Landscapes imminently.

If the works had been paused on site, this would have resulted in significant additional costs needing to be met by the council, such as for new highways consents and parking suspensions.

There is an informal arrangement with the contractor to continue the works on site while the contract is being varied.

The only viable option has been to complete the works on site which are very near conclusion by varying the contract. It was preferable to vary the contract for Blakedown Landscapes, who have been working on site and know the project requirements, rather than undertake a new procurement exercise for a contractor.

A good working relationship has also been established with Blakedown Landscapes, who have also worked on various other schemes for the council such as Bartlett Park.

As the original topographical survey was commissioned by the scheme architect/contract administrator Levitt Bernstein, separate discussions are underway to retrieve some of the additional costs back from their professional indemnity insurance (circa £21k) due to the error with the survey.

DECISION

A Mayoral decision is needed to vary the construction contract for Blakedown Landscapes by £287,252.10, taking the contract price up to £728,189.

An urgent decision is needed as the project is expected to be closed down imminently.

APPROVALS

1. (If applicable) Corporate Director proposing the decision or his/her deputy


I approve the attached report and proposed decision above for submission to the Mayor. I confirm that the Mayor and/or Lead Member have agreed to this decision being taken using this process.



Signed Date 6th July 2023

2. Chief Finance Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

Signed  Date 27th June 2023


3. Monitoring Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)

I confirm that this decision:-

- (a) has been published in advance on the Council's Forward Plan OR
- (b) is urgent and subject to the 'General Exception' or 'Special Urgency' provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.


Signed  Date

4. Mayor

I agree the decision proposed in the recommendations above for the reasons set out in paragraph **XX** in the attached report.

Signed  Date 

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Mayoral Decision – Front Cover	
Ford Square and Cavell Street Gardens Contract Variation: Blakedown Landscapes	
Report of: Place Directorate	Classification: Unrestricted

Lead Member	Councillor Iqbal Hossain
Originating Officer(s)	Jaskaren Mahil, Capital Delivery Team
Wards affected	Whitechapel
Key Decision?	No
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Forward Plan Notice Published	N/A
Exempt information	N/A
Strategic Plan Priority / Outcome	Priority 4: Boost culture, business, jobs and leisure

Executive Summary

A Mayoral decision is sought to vary the contract for the contractor Blakedown Landscapes, who were appointed to undertake landscape improvements at Ford Square and Cavell Street Gardens in Whitechapel, in March 2022.

The contract value needs to be increased from £440,936.90 to £728,189 (variation of 287,252.10).

The cost of the contract has risen primarily due to an error that was discovered in the topographic survey for the site once the construction works had started, it was discovered that the survey only covered half the scale of the site.

Although some uplift in costs has also occurred due to the increase in construction costs and materials nationally, which is included in the revised costs.

Full details are set out in the accompanying report for individual Mayoral decisions.

Recommendations:

The Mayor is recommended to:

1. Approve the contract variation for Blakedown Landscapes by £287,252.10.
2. To note the specific equalities considerations as set out in paragraphs 4.1 and 4.2.

1 REASONS FOR THE DECISIONS

- 1.1 A Mayoral decision is needed to vary the construction contract for Blakedown Landscapes by £287,252.10, taking the contract price up to £728,189. This is required to conclude the landscape works at Ford Square and Cavell Street Gardens. The price of the contract has risen due to an error discovered in the topographic survey, as well as due to rises in construction costs.

2 ALTERNATIVE OPTIONS

- 2.1 As the works are near completion on site, no alternative feasible options are available. The works could not be paused or stopped on site as this would cause additional delays to the programme and additional costs to the council.

3 DETAILS OF THE REPORT

- 3.1 Ford Square and Cavell Street Gardens are two open spaces in the Whitechapel Ward, landscaping improvements are being undertaken at the sites to improve the quality of the public squares.
- 3.1 As mentioned, a Mayoral decision is needed to vary the contract for the contractor Blakedown Landscapes who were appointed to undertake the landscape improvements, the variation will take the contract price from £440,936.90 to £728,189 (variation of 287,252.10). This is following an error that was discovered in the topographic survey, which only covered half the scale of the site, as well as to meet the increase in construction costs.
- 3.2 Additional Section 106 funding of £369,163.68 was approved by AMCD Delivery Board on 31 March 2023, to complete the works on site, this takes the total project budget to £1,068,463.68. The construction costs will be covered through the above funding, the additional funding will also cover other project costs, such as costs for the contract administrator, project management resources and highways consents.

- 3.3 As these works are concluding on site imminently (June 2023), an urgent decision is needed on the contract variation. Full details are attached in the accompanying report for individual Mayoral decisions.

4 EQUALITIES IMPLICATIONS

- 4.1 The landscape improvements at Ford Square and Cavell Street Gardens will not cause any negative equality implications. The improvement to the squares will benefit the whole community by increasing access to good quality public spaces and good quality play facilities that are accessible and fit for purpose. They will support good mental health and wellbeing. The proposed improvements will contribute towards the measures of increased use and satisfaction with green spaces and increased quality and function of open space.
- 4.2 The two squares have been designed to be step free so that they can be accessible as possible. The play equipment at Ford Square has also been designed with accessibility in mind.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 It is worth noting that the Ford Square and Cavell Street Gardens Project has been subject to two rounds of public consultations and extensive community engagement and has gained planning permission.
- 5.2 The community have been kept updated on the works at the sites by displaying public notices at the squares. Additional comments from members of the community have also been taken into consideration to finalise the proposals, such as retention of a tree at Ford Square. The multi-use games proposal at Cavell Street Gardens was also removed from the proposal's pre-construction, following concerns from the community.
- 5.3 Therefore, given the high local support and input into the project, it would not be acceptable for the works to be left uncomplete, although given the project is near completion, this does not apply as much now.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 Funding for this variation of £287,252.10 will come from S106 funding that was approved by the Asset Management Capital Delivery Board on 31 March 2023.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The variation of the contract with the existing Landscape contractor would appear to make commercial sense and would be permitted under the Public Procurement Regulations 2015.

Linked Reports, Appendices and Background Documents

Linked Report

- Individual Mayor Decision - Ford Square & Cavell Street Gardens Contract Variation - Blakedown Landscapes – Updated 080623

Appendices

- None

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- Ford Square planning application reference number: PA/19/02672/NC
- Cavell Street Gardens planning application reference number: PA/19/02669/NC

Officer contact details for documents:

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