

Report to	Cabinet
Date of report	21st September 2021
Lead Member / Officer	Councillor Tony Thomas Lead Member for Housing & Communities Councillor Julian Thompson-Hill Lead Member for Finance, Performance & Strategic Assets
Report author	Mark Dixon
Title	Construction of 15 apartments for social rent at The Dell in Prestatyn - Contract Award

1. What is the report about?

1.1 This report summarises the process undertaken during the procurement exercise and recommends the award of a contract to appoint a Principal Contractor to construct 15 apartments for social rent at The Dell in Prestatyn.

2. What is the reason for making this report?

2.1 A Cabinet decision is required to enable RL Davies & Sons Limited to be awarded the contract for the construction of 15 apartments for social rent at The Dell in Prestatyn.

3. What are the Recommendations?

3.1 That Cabinet approve the award of a Contract to RL Davies & Sons Limited as per the Contract Award Recommendation Report in Appendix 1.

3.2 That Cabinet confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 2) as part of its consideration.

4. Report details

- 4.1. Further to the Cabinet decision of 30th July 2019, Denbighshire County Council wishes to appoint a Contractor to construct 15 apartments for social rent at The Dell in Prestatyn.
- 4.2. A contract notice with an estimated value of £4,100,183.71 was published on the Sell2Wales procurement portal on 26th January 2021 with a deadline for submission of 2nd March 2021. Following representations from a number of tenderers this deadline was extended to 19th April 2021.
- 4.3. Four tender submissions were received.
- 4.4. Following an evaluation exercise using a scoring methodology with a weighting of 70% for price and 30% for quality, a preferred contractor has been selected. Further details can be found in the draft Contract Award Recommendation Report in Appendix 1.

5. How does the decision contribute to the Corporate Priorities?

- 5.1. The Council's Corporate Plan includes a priority to ensure that everyone is supported to live in homes that meet their needs. Theme 2 of the Housing & Homelessness Strategy adopted by the County Council at its meeting on 8th December 2020 concerns creating a supply of affordable homes and includes headline actions to facilitate the building of Council homes and the provision of accommodation suited to the older demographic profile of the county's population. This decision will contribute towards the delivery of the Corporate Plan and Housing & Homelessness Strategy by enabling the construction of accessible homes for social rent.
- 5.2. The proposed development will contribute towards the delivery of the Climate & Ecological Change Strategy adopted by the County Council on 23rd February 2021 by building new Council premises which will be low carbon in operation through the inclusion of renewable energy and heat technologies. This will be achieved by avoiding the use of hydrocarbons for space and water heating in the development.

6. What will it cost and how will it affect other services?

6.1. The total estimated cost submitted by the successful tenderer, RL Davies & Sons Limited was £3,021,361.96. This is within the budget for the project in the Housing Stock Business Plan.

6.2. Development of the site will enable the management issues with the land which faced the Council's Countryside Service to be addressed as it has hitherto been a location for anti-social behaviour and fly tipping, and it harbours vermin.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. The main conclusions of the assessment are that the proposal will have a positive impact on all of the well-being goals through the provision of new homes suitable for people with protected characteristics which are situated in a location which will enable them to access services on foot or by cycling and which will reduce fuel poverty amongst residents as a consequence of their energy efficiency; it will have a positive impact on the economy by contributing towards the vitality of Prestatyn town centre; it will increase community cohesiveness by improving a secluded area which has previously attracted anti-social behaviour; and it will have a positive impact upon biodiversity by enabling habitat improvements in the Prestatyn area.

8. What consultations have been carried out with Scrutiny and others?

8.1. The Procurement team in the Council's Legal, HR & Democratic Services department have been involved throughout the tendering exercise.

8.2. Prestatyn Member Area Group endorsed the principle of developing the site for social housing at its meeting on 17th October 2017.

9. Chief Finance Officer Statement

9.1. The project was approved by Cabinet in July 2019 following a recommendation by the Strategic Investment Group. As stated in Section 6 the total estimated cost remains within the budget for the project in the Housing Stock Business Plan. The recommendation to award the contract on the basis detailed in this report is fully supported.

10. What risks are there and is there anything we can do to reduce them?

10.1. The principal remaining risk in delivering the scheme is cost over-run and this has been mitigated by inviting tenders for the construction of a scheme for which a technical design has already been completed.

11. Power to make the decision?

11.1 Section 9 of the Local Housing Act 1985 gives local housing authorities the power to provide housing accommodation by erecting houses, or converting buildings into houses, or by acquiring houses