

Report of: Commercial Manager - Parks and Countryside

Report to: Chief Officer Parks and Countryside, Communities and Environment

Date: 22/07/2019

Subject: Arium Electrical Development Works- Waiver of Contracts Procedure Rule 9.1 and 9.2 High Value Procurement.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to seek approval to waive CPR 9.1 and 9.2 High Value Procurement to enter into a contract with Qudos to enable specialist electrical development works to occur.
2. In conjunction with the initial designs for the relocation of the existing nursery from Red Hall to the Arium, provision was made to ensure that there would be sufficient space to enable future growth to enhance and develop both additional operational uses within the curtilage of the building.
3. Due to the bespoke technical nature of the glass house and the materials used to build it, a direct award was made for the original designers for them to make the building more efficient and utilise existing space to increase staff welfare facilities.
4. There is also a need to increase the electrical capacity on the site to support the development works. As these bespoke works need to be completed within the next 12 weeks, specialist contractors are required to undertake this work.

Recommendations

1. The Chief Officer, Parks and Countryside is recommended to approve the waiver of

CPR's 9.1 and 9.2 High Value Procurement to enable direct award to Qudos up to the value of £255,000 to increase the electrical capacity at the Arium.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to waive CPR 9.1 and 9.2 High Value Procurement to enter into a contract with Qudos to enable specialist electrical development works to increase the electrical capacity at the Arium Horticultural Nursery.

2. Background information

- 2.1 In 2015 the Council's Executive Board gave approval for the relocation of the Parks and Countryside Nursery from Red Hall to Whinmoor as part of the Council's planned works to redevelop the Red Hall site.
- 2.2 Since 2015, the primary focus has been on the relocation of the Parks and Countryside Horticultural Nursery, together with the development of a new retail and café facility including fixed play called the Arium.
- 2.3 Building on this success, the Arium has become a key visitor attraction and is popular amongst local communities who are keen to engage with the various public events and workshops that the facility provides. At the same time, the Parks and Countryside service apprenticeship scheme has gone from strength to strength with the appointment of over 30 apprentices across the service with a commitment to widen the scope of the apprenticeship scheme overall.
- 2.4 The Arium is one of many horticultural work placements across the service and as the glass house is the most recent facility which optimises the newest bespoke automated specialist and technical facilities for the production and cultivation of plants, there is a need to improve both the staff welfare and training facilities at the Arium.
- 2.5 In conjunction with the initial designs for the main glass house and the development of the apprenticeship programme across the parks service, space was left within the building to accommodate future growth.
- 2.6 Since the Arium became operational eighteen months ago, the focus has been primarily on the public facing facilities, there is now a service need to improve the staff welfare and training facilities and maximise existing space, making the building more efficient.
- 2.7 As part of these development works, there is also a need to increase the electrical capacity on site.

3. Main issues

- 3.1 Design and Construction works are being undertaken to convert the existing space to facilitate a new staff welfare unit together with a training / meeting room. These works also include, bespoke horticultural machinery repair facilities, equipment, training workstations and other ancillary uses.
- 3.2 This work will maximise existing space thereby making the building more efficient and improving existing facilities. To support this new development work, there is a need to increase the electrical capacity at the Arium.

- 3.3 It is also essential that any design to increase the electrical capacity is done with the knowledge of the current state of the art horticultural facility so as not to compromise the existing operations on the site. As such, the report seeks to recommend the original building designers are re-engaged to complete the electrical works as they have intrinsic knowledge of all aspects of the operations that are undertaken on site and can minimise the risk to existing infrastructure.
- 3.4 This work will also need to be completed within the next 12 weeks, so that this does not interfere with the operational processes and activities on site. It is proposed that Qudos are contracted to do the work as soon as possible.
- 3.5 Given the specialist nature of this work, and taking into consideration the urgency to complete this work, there is a need to waive contract procedure rule 9.1 and 9.2 High Value Procurement. This is to ensure business continuity and quality controls using the same specialist contractors as that as the original bespoke design.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Key service providers, Users and the relevant Chief Officer have all been consulted.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 This procurement raises no issues relating to equality and diversity / cohesion and integration and a screening document has been created.

4.3 Council policies and best council plan

- 4.3.1 The waiver of the Council's Contracts Procedure Rules in relation to the procurements of works to the Arium and this report draws attention to co-ordinated working that demonstrates a contribution towards the following priorities contained in the City Priority Plan:

- Best city for communities
- Best Council Plan 2015 to 2020
- Vision for Leeds 2011 – 2030

4.4 Resources and value for money

- 4.4.1 The Arium is a complex site and is also a key visitor attraction which provides income generation. It is integral that this process isn't hindered during the construction development works. As such working with the original builders and designers will ensure business continuity whilst at the same time minimising potential risk.
- 4.4.2 Developing the staff welfare facilities will also enable more service shared facilities, reducing overall costs.

4.5 Legal implications, access to information, and call-in

4.5.1 The decision to waive CPR 9.1 and 9.2 will be a significant operational decision and is therefore not subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information rules.

4.6 Risk management

4.6.1 If a contractor not familiar with the specialist horticultural electrical equipment were to take on the work at the Arium, it could compromise the operational capacity of the site, impacting production of the city's planting and business continuity.

4.6.2 It will be important for this work to be completed within the next 12 weeks, to save the cost of operating from two sites.

5. Conclusions

5.1 As the Arium goes from strength to strength there is an increasing need to improve the existing facility to maximise space and make the building run more efficiently.

6. Recommendations

6.1 The Chief Officer, Parks and Countryside is recommended to approve the waiver of CPR's 9.1 and 9.2 High Value Procurement to enable direct award to Qudos up to the value of £255,000 to increase the electrical capacity at the Arium.

7. Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.