

# Tender strategy approval for the creation of two Sport England football pitches to land adjacent The Arium necessary to support the East Leeds Extension programme

Date: 4<sup>th</sup> May 2023

Report of: Project Manager, Projects & Programmes, City Development

Report to: Chief Officer Asset Management & Regeneration, City Development

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

- As part of the wider East Leeds Extension programme it is necessary to re-locate and re-provide two grass football pitches from land adjacent John Smeaton Leisure Centre to Land north of the Council's Arium facility. This will take the form of constructing two new Sport England standard playing pitches with associated car parking and surface access infrastructure. Completion of this project will unlock the John Smeaton site for development as community facilities.
- This report provides a summary of these proposals and outlines the tender strategy for the two phases. Noting that delivery of the 'Phase One' works, which are on the critical path, are subject to external open market tender via YORtender.

## Recommendations

The Chief Officer Asset Management & Regeneration is requested to:

- a) Approve the proposed procurement strategy for 'Phase One' of the Whinmoor Pitches project in line with CPR 3.1.7 to procure an external contractor for the works following an open and competitive procedure utilising and inviting specialist contractors from YORtender following an expression of interest which provided a list of seven interested contractors.
- b) Note, the procurement strategy for 'Phase Two' of the Whinmoor Pitches project will utilise the internal service, Parks & Countryside, and will be subject to a separate approvals process at the appropriate time.
- c) Note, approval of the preferred bidder 'Phase One' tender, and subsequent award of the contract, will be subject to a future tender acceptance and design cost report.

## What is this report about?

- 1 This report relates to the relocation of two sports pitch provision to facilitate the wider aims and aspirations of the East Leeds Extension Programme, and as mandated under the associated planning obligations via Sport England. New facilities are proposed as part of a two-phase project, utilising former agricultural land to the north of the Council's Arium building.
- 2 As part of the Middle and Southern Quadrant developments a new two form entry primary school and local centre is required to serve the population generated by the new housing projects. Council owned land to the north of John Smeaton Leisure Centre, bounded by Smeaton Approach to the west and Leeds Road to the north, has been identified as the optimal location for this provision. To unlock the site, currently home to three grass sports pitches managed by Parks & Countryside, it is necessary to relocate two of the three pitches to elsewhere in the locality. With the third pitch being retained on-site and incorporated into the future, separate, primary school development. Completion of this exercise is a condition of the wider East Leeds Extension planning requirement, and is mandated by the associated statutory consultee, Sport England. Development of the Smeaton site is not permitted until the two new pitches have matured and are available for active use.
- 3 Land to the north of the Council's Arium facility has been identified as the optimal location for the replacement two pitches. Subsequently, surrender of the land from the agricultural tenant back to the Authority has been secured and the site made available for development. It is proposed that the two new pitches will be located on the former field, which will be constructed to Sport England standards in-line with the planning conditions (22/00107/FU), with associated drainage and ball-stop netting to maximise usage opportunities. The two new pitches will be served by a new car park that will be accessed by the main road into The Arium. Comprising of 50 standard 2no accessible parking bays, the car park will be sufficient to support active match-play of both pitches. Associated surface access will connect through from The Arium access road, into the car park and through onto the pitches, this will take the form of footpaths and cycleways. All proposals are compliant with Planning requirements and reflective of the 'green belt' setting. The project, in totality, has the associated planning approvals under application 22/00107/FU, granted on the 3<sup>rd</sup> January 2023.
- 4 The project is to be delivered under two phases, splitting the delivery between specialist sports pitch development and infrastructure. 'Phase One', which will require the procurement of a sports pitch specialist to provide two new, fully drained Sport England standard football pitches with associated landscaping and fencing. 'Phase Two', to be delivered by the internal service provider (Parks & Countryside), will provide car parking and surface access infrastructure.
- 5 'Phase One' seeks to be on-site in late Spring 2023 to ensure the pitches are available for use in September 2024, following a twelve-month maturation period. Once complete the project will provide high quality playing pitch provision which will be managed by Parks & Countryside.
- 6 'Phase Two', delivering the infrastructure, will be delivered by the internal service provider, Parks & Countryside, and commence from late 2023 upon completion of the 'Phase One' works, to avoid risk to the pitch delivery or construction design management issues on-site caused by having two contractors working in close proximity. 'Phase Two' will be completed in advance of the pitches opening in September 2024.
- 7 The proposals detailed have been developed in conjunction with colleagues from Regeneration, Highways, Parks & Countryside, Planning, Northern Gas Networks and NPS Leeds, acting as designer.
- 8 In-line with CPR3.1.7 it is proposed to procure an external contractor for the 'Phase One' works, due to the specialist nature of the works. The in-house service provider, Parks & Countryside, have advised that they do not have the capacity to undertake this package. As such an open and competitive tender will be undertaken, with specialist contractors invited via YORtender to bid for the works, an initial 'expression of interest' has indicated a total of seven interested contractors. This open and competitive process will then be subject to evaluation on a 'price / quality' basis, with the criteria for the latter assessing technical competence and oversight processes.

- 9 The 'price / quality' split is proposed at 60 / 40 in favour of price, to ensure that a competitive tender cost is returned. This is based on the work being specification led and specialist contractors being sought to complete, which the quality criteria will then assess the suitability of each to deliver.
- 10 The quality criteria will be assessed against the following criteria:

Method Statement	Points	Max Page Limit
1 Please outline your process for working on site, how you would manage any sub-contractors and / or in house staff that would be carrying out aspects of the works and how your organisation will ensure it maintains high standards of health & safety throughout the construction phase of this project.	100 points	2 pages A4
2 Please detail your experience of delivering Sport England standard grass playing pitches and how you will manage and utilise your supply chain to ensure a high-quality pitch is created as part of this project that is given every capability of maturing within the quoted programme period.	200 points	2 pages A4
3 Please outline what you will do, including details of any process you will utilise over the maturation, period to ensure that the pitches are in a usable condition for the playing season starting September 2024 and highlight the issues you foresee and how these would be mitigated during the maturation period. Please include details of how you will ensure effective communication with the Council during this period.	300 points	2 pages A4
4 Please outline your processes for carrying out ground and drainage works on site and how you would ensure that any gas mains or other services on site will be considered when carrying out ground and drainage works.	200 points	2 pages A4
5 Please explain what you consider to be the main risks and challenges that will occur in the delivery of this project and detail how you will ensure that these are managed and mitigated throughout the project.	100 points	1 pages A4

- 11 'Social Value' will form the remainder of the quality criteria with a 10% weighting.
- 12 The in-house service provider, Parks & Countryside, have indicated an interest in delivering the 'Phase Two' works and confirmed they do not have the capability to deliver 'Phase One' at present. An initial tender package has been issued to them to review capability and they have advised they have the capacity to complete within the required timeline and cost envelope.
- 13 Noting that the 'Phase One' and 'Phase Two' works are separate, distinct tasks which take place on two separate parcels of land. The phasing has been developed to ensure that 'Phase One' has no impediment for delivery, as the critical path for this contains a 12-month maturation period to allow the pitches to germinate sufficiently for match-play, it is during this period when 'Phase Two' will be undertaken (when the only access to the 'Phase One' site is for contractual maintenance obligations, access for which will be separate and distinct).

### What impact will this proposal have?

- 14 The Whinmoor Pitches project will provide new, high-quality grass sports pitch provision with purpose-built parking infrastructure. This will provide a more sustainable and useable sporting function, as the new pitches will have a suitable drainage scheme allowing greater usage year-round. This betterment will assist the Authority in meeting its obligations with regards to provision of sports facilities and support for active, healthy lifestyles.
- 15 By relocating the two pitches from their current location north of John Smeaton Leisure Centre it will allow the existing site to be unlocked and developed to meet the aims of the wider East Leeds Extension programme.

## How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 16 By providing new, high quality grass sports pitches the project will contribute to the Best Council Plan outcomes of Health and Wellbeing supporting healthy physically active lifestyle; Sustainable Infrastructure improving the natural environment; Child Friendly City supporting families giving children the best start in life and enhancing the City now and for future generations.
- 17 As part of the wider East Leeds Extension programme the Whinmoor Pitches project will contribute to wider Council aims by enabling release of the John Smeaton site for development as community infrastructure, thereby assisting the East Leeds Extension in building a thriving and resilient community. Delivering the East Leeds Extension is key in realising ambitions in the Best Council Plan regarding sustainable infrastructure, housing and inclusive growth and meeting the city's housing needs through this major plan-led development is a key component of the Council's Inclusive Growth Strategy – delivering on the Big Ideas for place, including 21st century infrastructure, supporting places to respond to economic change and creating jobs close to local communities.

## What consultation and engagement has taken place?

Wards affected: Harewood, Cross Gates & Whinmoor

Have ward members been consulted?

Yes

No

- 18 The East Leeds Extension, of which this project is an enabling component for Middle and Southern quadrant delivery, has been subject to significant consultation at key stages of scoping and decision making since its inception as a programme in 2013. Re-placement of the Smeaton fields has been a component of this process and extensive consultation has taken place on it with Ward Members and various statutory bodies, principally Sport England, Highways and Planning. All parties are supportive of the project and their feedback has been incorporated into the final proposals.
- 19 The project has been subject to a formal planning process, application reference 22/00107/FU, with an associated opportunity for public consultation via the statutory planning process. Furthermore, extensive consultation was undertaken in this period with the associated statutory consultees, specifically, Northern Gas Networks, Sport England, Flood Risk Management. Adjacent landowners have also been consulted and kept informed of developments.
- 20 Note, upon completion of the tender exercise formal approvals will be required in the form of a 'design cost & tender award' report. This will seek approval to both award the contract to the preferred bidder and provide approval to spend on the Phase One budget, which will be reflective of the preferred bidder's tender value. This future report will constitute a key decision and therefore be subject to 'call-in'.

## What are the resource implications?

- 21 Cost approval for the 'Phase One' works will be subject to a future design cost report, noting the final tender value and seeking permission to accept and award the contract. Approval of the 'Phase Two' works will also be subject to a separate approval process following pricing by the internal service provider at the appropriate juncture.
- 22 It has been agreed with the Middle and Southern Quadrant developers of the East Leeds Extension that, subject to certain conditions being met, they will fund up to £650,000 of the costs of providing the replacement pitches. Such costs are to be repaid once moneys payable by the developers in relation to the development of the John Smeaton site have been received. Funding of any spend over this figure is subject to further development and agreement of utilisation of any Section 106 funding. Finalisation of funding sources will be clarified in the future design cost report following completion of the tender exercise.
- 23 The two pitches, to be delivered under 'Phase One', are to replace pre-existing facilities currently managed by Parks & Countryside. Once the contractual construction period has expired the pitches will be managed and maintained by Parks & Countryside, with obligations simply switching from the existing facilities to the

new. Allowing the John Smeaton site to be released for future development under the East Leeds Extension programme. No additional maintenance burden is anticipated as a consequence of these works.

- 24 The internal service provider, Parks & Countryside, are to deliver the 'Phase Two' works, and will assign an appropriate level of resource to managing and delivering this process. 'Phase Two' will be subject to a separate, future approvals process. The initial combined development fees have been incorporated into the 'Phase One' package costs.

### **What are the key risks and how are they being managed?**

25 The key risks and their mitigation are noted below:

a) East Leeds Extension co-dependency

The principal risk to the project is the alignment with the wider East Leeds Extension programme and, critically, the unlocking of the Smeaton fields site for delivery as a Primary School and local centre facility. This requires a two-form entry primary school to be operational from the commencement of the 2026/27 academic year, which will be delivered by the Department for Education. Development upon the Smeaton fields site is subject to planning restrictions imposed by Sport England, namely that the replacement pitches must be operational before the John Smeaton site is developed. As such it is critical that the maturation period for the new Whinmoor pitches is complete by September 2024. To ensure this deadline is achievable the procurement approach has been tailored to ensure that the critical path works, the new pitch development, is decoupled from the remainder of the Whinmoor Pitches project and delivered as a separate initial phase by a specialist pitch development contractor. This approach will ensure that the pitch development is prioritised and delivered by a specialist as principal contractor, rather than over a longer construction programme as a sub-contract to the wider works wherein the Authority would have diminished input over scheduling. The intention is for 'Phase One' to be complete before 'Phase Two' commences, so that the maturation period, and not the construction periods, overlap between the two phases. Furthermore, by utilising a specialist pitch contractor the maintenance obligations during the maturation will be met first-hand through the principal contractor, rather than as a sub-contract to a principal contractor with limited experience of pitch delivery.

b) Gas main

A significant gas main runs through the Whinmoor Pitches site and represent a key risk to project success if not managed correctly. To mitigate this extensive consultation has taken place with Northern Gas Networks, through the Planning process as statutory consultee, to determine the technical approach to getting onto site and undertaking the works. Additionally, the proposal was redesigned in response to the Northern Gas Network comments during the planning period, which pushed the development further east to avoid wider complications associated with proximity to the gas main. These technical solutions have been quantified and incorporated into the 'Phase One' tender package.

c) Inflation

Since project inception inflation has become a key project risk, value engineering has taken place to minimise the impact of cost increases but, given the 'green belt' location requirements and mandated scope of works from Sport England it is not possible to wholly eradicate this risk. As such ongoing management and intervention will take place.

d) Weather

The 'Phase One' works will be climate dependent, for both during and after construction. Whilst a year-long maturation period and maintenance schedule has been allowed for the success of this is very much dependent upon weather conditions. Ongoing vigilance and management will be undertaken to ensure that the Authority is sighted on any meteorological issues that may impact upon the critical path operational date, where necessary supplementary works will be proposed, beyond the standard tender pack maintenance expectations, to ensure that the pitch has every opportunity to mature in the mandated period.

e) Market challenges and contractor interest.

The construction market is currently experiencing a highly busy period, this means contractors are experiencing limited resourcing capacity to tender for works, leading to low contractor interest on schemes. The risk this poses is few or no tender submissions are received. This is being managed through undertaking an EOI process to gauge market interest, and thorough supplier engagement throughout the tender process. The EOI process has resulted in seven contractors registering their interest in being invited to tender.

f) Procurement challenge

This is being managed through ensuring that a robust procurement process is being conducted in line and compliance with the Council's Contract Procedure Rules. A fair, transparent, and robust competitive tender process will be followed to ensure the risk of procurement challenge is mitigated.

g) Quality

The appointed contractor will have specialist skill, technical expertise and knowledge that will be assessed and evaluated using quality criteria during the procurement and as part of any tender evaluation process. This will ensure all works are completed with regards to Health and Safety and Environmental consideration but also in relation to the quality of the design and materials used.

h) Programme Phasing

Splitting of the project into two phases could theoretically complicate delivery and increase risk of contractor conflict and co-dependency. This risk has little possibility of manifesting, as the 'Phase One' and 'Phase Two' works areas are distinct and have no common areas where co-dependency or utilisation of shared areas would materialise. The 'Phase Two' works are not on the critical path and therefore will be completed after the main tranche of 'Phase One' and in anticipation of the targeted pitch usage date of September 2024. During the 'Phase Two' works contractor access for 'Phase One' will be limited to grounds maintenance only, and would access a completely different and separate site.

### **What are the legal implications?**

- 26 This report is 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.
- 27 The tender process will be conducted in an open, transparent, and competitive manner in line with regulatory requirements and allow for the use of specialist landscaping contractors who have the experience and knowledge to deliver the works to a high standard. An Expression of Interest has shown seven interested contractors which provides enough interest for a tender to be undertaken.
- 28 The procurement will be undertaken in line with the Council's Contract Procedure Rules.
- 29 The tender evaluation process and recommendation for contract award will be the subject of a further separate report prior to award of any contract
- 30 There are no other legal implications or access information issues arising from this report.

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 31 No other meaningful options were available for the delivery of the Whinmoor Pitches project, the scope has been determined by input from statutory consultees and the location is the only one viable in the wider locality of the existing provision. Furthermore, completion of the project is necessary to meet the Council's wider aims and obligations in respect to the East Leeds Extension.
- 32 The following procurement options were considered:

a) **Option 1 – Do Nothing**

Delivery of the Whinmoor Pitches project is essential to enable the wider aims of the Middle and Southern quadrants of the East Leeds Extension to be delivered. As such a 'do nothing' option was not viable in this scenario.

**b) Option 2 – Internal Service Provider**

Discussion was held with the Internal Service Provider, Parks & Countryside, with respect to delivering all the project. Parks advised they had capacity and capability to deliver 'Phase Two', the infrastructure element, but not the specialist sports pitch creation and associated drainage works. As such the project was split into two phases to ensure that the critical path element, the pitches, would be delivered first as a competitively tendered package.

**c) Option 2 – Framework Call**

The use of established external framework to source potential contractors. The YORBuild 3 framework had been considered but have been discounted on the basis that they would not provide access to the correct market, and we would incur additional fees associated with utilising the framework with little benefit. The use of an open market tender on YORtender will allow the targeting of landscaping contractors who have the experience and knowledge to deliver the works. An expression of interest has shown seven interested contractors which provides sufficient interest for a tender to be undertaken.

**How will success be measured?**

33 Success will be determined by delivery of both the 'Phase One' and 'Phase Two' works in time for the proposed operational date of September 2024.

**What is the timetable and who will be responsible for implementation?**

34 Indicative timescales for the 'Phase One' element of the project are detailed below:

Tender published	Asap
Tender in	Early June 2023
Tender evaluation period	Early June 2023
Governance process	Mid to late June 2023
Contract award	June 2023
Contract commencement	June 2023
Pitch maturation period	September 2023 to 2024
Contract completion	September 2024
Operational use commences	September 2024

**Appendices**

- Equality, Diversity, Cohesion, and Integration (EDCI) screening document.

**Background papers**

- None