

**NOT FOR PUBLICATION:** Appendix 1 to this report contains information considered to be exempt under Paragraph 3 of Schedule 12A to the Local Government Act 1972 as amended

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**REPORT TO:** Cabinet

**DATE:** 1 February 2023

**SERVICE AREA:** Parks & Environmental Services

**REPORTING OFFICER:** Commercial & Transformation Officer  
(*Jennie Atherton*)

**SUBJECT:** **Claro Road Depot Demolition and Site Improvement Works**

**WARD/S AFFECTED:** Claro

**FORWARD PLAN REF:** Key Decision no. 16ED22

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## **1.0 PURPOSE OF REPORT**

1.1 To seek Cabinet approval to award the Claro Road Demolition and Site Improvement Works contract to the preferred tenderer following competition of a compliant procurement and bid evaluation.

## **2.0 RECOMMENDATION/S**

Cabinet is recommended to:

- 2.1 Approve the award of the Claro Road Demolition and Site Improvement Works contract to the first ranked supplier as set out in exempt Appendix 1.
- 2.2 Approval is delegated to the Director of Economy, Environment and Housing through the period of the contract to agree to any unavoidable additional costs being incurred which are necessary for fulfilment of the project up to the approved capital budget amount.

## **3.0 RECOMMENDED REASON/S FOR DECISION/S**

- 3.1 The existing buildings are of poor quality and do not provide adequate working conditions, the delivery of this project has therefore, been identified as a corporate 2024 Programme priority.
- 3.2 By undertaking the demolition and site improvement works at Claro Road, Harrogate, the Council will continue to provide Excellent Public Services and support a Sustainable Environment by:
- Demolishing buildings on the site, which have reached the end of their economic life, providing replacements suitable for purpose
  - Safe removal of asbestos from 6 buildings
  - Ensuring the health and safety of building and site users
  - Improved site security
  - Supporting our Carbon Reduction Strategy by providing providing infrastructure associated with 10 no. Electric Vehicle charging points
  - Protecting the value and prolonging the life of the assets.
- 3.3 Improvements to the site will raise service facilities to a better standard; creating segregated areas for fleet, personal and workshop vehicles with appropriate spaces and controlled parking.

Critically, this will significantly improve on site Health and Safety in relation to vehicle and pedestrian movement and meet required compliance recommendations. See background paper *Condition Survey, 2019*.

Delegated approval as set out in 2.2 is required due to the fast changing market conditions and the status of the construction industry and any elements that arise as works progress.

**4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION** (*Must be used for reports to Cabinet & Cabinet Members*)

**4.1 Not to undertake, or delay the demolition and site improvement works at Claro Road, Harrogate.**

It is recognised that a number of buildings at the Claro Road site have reached the end of their economic life. See background paper *Condition Survey, 2019*.

Not to undertake the works will have a negative impact upon the service and the health and safety of the buildings and site users.

Furthermore, if works were not undertaken significant investment would still be required to maintain site safety and building integrity.

This option is recommended for rejection.

## **5.0 THE REPORT**

### **5.1 Facility and Location**

Claro Road Council Depot is situated on Claro Road, Harrogate and is the main base for street cleansing, grounds maintenance services, waste collection, waste transfer and recycling for the district. See *Appendix 2* for existing and *Appendix 3* for proposed site plans.

### **5.2 Asset Management**

In line with good asset management, a detailed condition survey of the site was completed between May and June 2019 to provide an updated building condition report, with costings. The condition report identified a range of buildings of varying age and construction, a number of which have reached the end of their economic life or are unsuitable for purpose, notably the Utility Block, Refuse Vehicle Depot, Street Lighting Store and Entrance Yard Garages.

In collaboration with Parks and Environmental Services team, a number of other improvement works were identified to create a more efficient and safe site layout. These include forming new car parking and HGV parking, new site wide external lighting, a one-way system for vehicles, improved security fencing and gates, CCTV and infrared heat emitting source provision.

### **5.4 Background**

The original tender via the Pagabo Small Works Dynamic Purchasing System (DPS), August 2022 attracted one bid that came in over budget. This meant that specific section 24 consent was required to uplift the budget, and a request was submitted as part of the Outturn CIP report. The uplift request was not approved.

To bring new quotes in on budget, a rationalised specification was scoped and a revised tender published via YORtender.

Despite expressions of interest, this second tender exercise only attracted a single bid. Following feedback from contractors who had expressed interest, it was established that they required additional time to cost the requirements

and submit a tender. Therefore, the tender was advertised a third time for a short period, which attracted two bids.

## **5.5 Tender Selection and Award**

The revised value engineered tender was published inviting contractors to provide detailed methodology for the proposed works to include details of limiting the impact to surrounding road / neighbouring property, demolition and waste removal strategy, site separation / segregation and on-site management of the works against a detailed tender specification.

An assessment panel was formed which included construction consultants, service representatives and council surveyor and mechanical engineering subject matter experts.

A detailed evaluation of the tender has been completed based upon 40% Cost and 60% Quality. See *Tender Analysis report, exempt Appendix 1*.

The preferred contractor has demonstrated a clear understanding of the project requirements and management of works across an operational site, and has responded satisfactorily with clarification and additional information requests from the assessment panel.

References have been requested as part of the procurement process and show successful completion of similar works at other sites.

It is the recommendation of the consultant, Gleeds who is project managing the process on behalf of the Council to award the contract to the first ranked bidder.

## **6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS**

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; Strategic Property/Asset Management Considerations. If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.

6.2 **Finance** have been consulted and confirm the budget for these works is approved and that there is sufficient budget within the Capital & Investment Programme.

- 6.3 **Procurement** have been consulted in respect of the preparation of this report. A competitive and compliant process has been undertaken in relation to the appointment of the proposed contractor.
- 6.4 **Legal** have been consulted and their comments are reflected in the report.
- 6.5 **Strategic Property** have been consulted. They have advised that we have obtained adequate responses from the bidders to a number of tender evaluation questions.

There are a small number of clarifications, which given their minor nature, can be addressed through post tender interview. It is not anticipated that these items will cause cost over-run beyond the allocated budget and it is unlikely that the ranking of bidders will change following receipt of these clarifications. We are also waiting for the result of a site topographical survey which will inform the project drainage solution which may also affect cost and programme.

Both matters will be managed under delegated approval, as set out in 2.2, to ensure that scheduling and cost risks are effectively managed.

## 7.0 CONCLUSIONS

- 7.1 By undertaking demolition and site improvement works at Claro Road Depot, the Council will continue to provide Excellent Public Services and support a Sustainable Environment by;
- Demolishing buildings on the site, which have reached the end of their economic life, providing replacements suitable for purpose.
  - Safe removal of asbestos from 6nr buildings
  - Ensuring the health and safety of building and site users
  - Improved site security
  - Providing infrastructure associated with 10 no. Electric Vehicle charging points
  - Protecting the value and prolonging the life of the assets.
- 7..2 The improvements focus on providing a safe and effective work environment for operational teams, and support future site use through the transition to North Yorkshire Council.

**Background Papers –**  
[Condition Survey June, 2019](#)

Appendices:

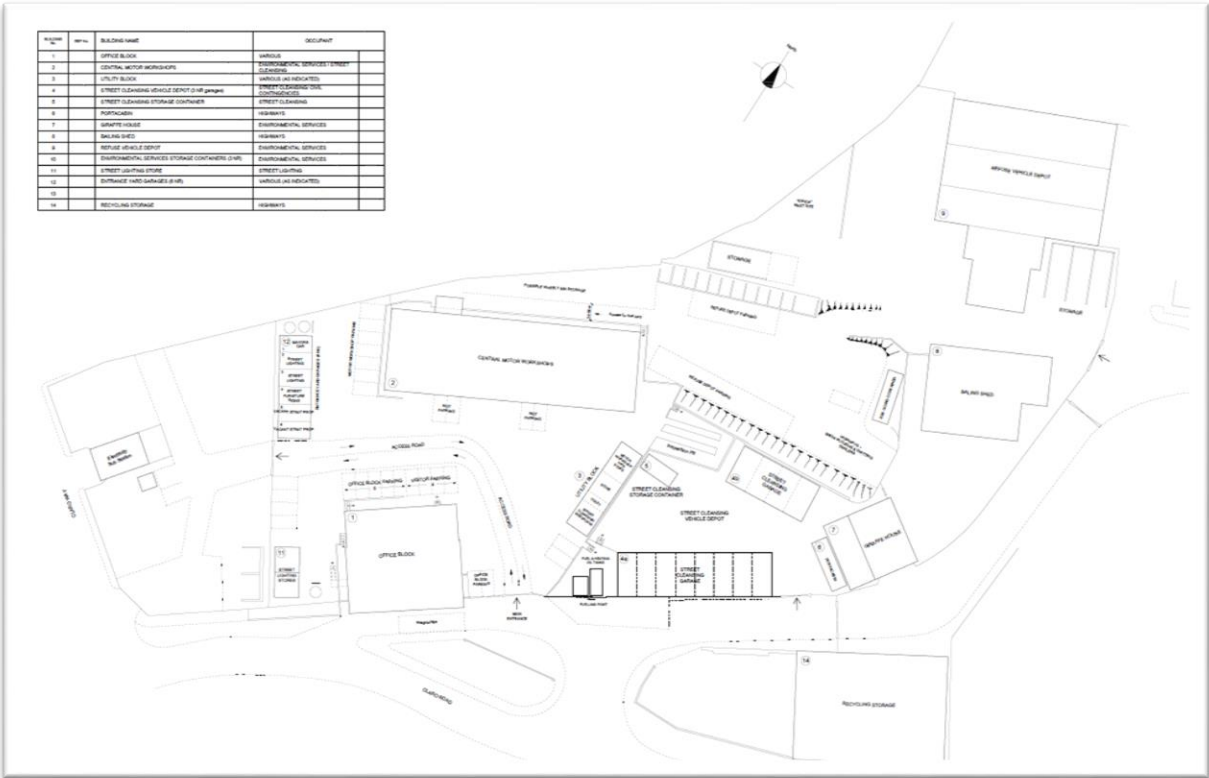
Exempt Appendix 1 – Tender evaluation

Appendix 2 – Existing site layout

Appendix 3 – Proposed site layout

**OFFICER CONTACT:** Please contact Jennifer Atherton, Commercial & Transformation Officer, if you require any further information on the contents of this report. The officer can be contacted at [jennifer.atherton@harrogate.gov.uk](mailto:jennifer.atherton@harrogate.gov.uk)

## Appendix 2 Existing Site Layout





**Appendix 3**  
**Proposed Site Layout**



