

BISHOP'S ITCHINGTON PARISH COUNCIL

Minutes of the Extra Ordinary Parish Council Meeting 19 July 2021 at 7.30pm

Present

Cllr Dugmore (Chairman) Cllr Christian-Carter Cllr Mann
Cllr Thomas Cllr Tressler

Absent

3 Vacant seats

In Attendance

Karen Stevens - Clerk to the Council
Andrew Maliphant
Jayne Warman
Adrian Honeybill

Public

Becky McDaid
Pam Reason

21/103 Apologies

Cllrs Gates and Kettle

21/104 Declarations of Interest

None

21/105 Dispensations

None.

21/106 Pavilion Project

Andrew Maliphant advised that:

- Planning Approval, (with conditions attached) has been received,
 - Because of the size of the project, we come under the guidance/regulations for public sector contracts,
 - The contract – there must be a proper contract between the parish council and the main contractor for the work,
 - We have chosen the Design and Build contract
 - Need to interview the tenderers to ensure they fulfil our requirements and that we can work with them (similar process to that used to appoint the architects),
- i. Tender Documentation
- Quality Element – what we think about them as a contractor, how they operate, what they bring to the table etc.
 - Cost Element.
 - The regulations say that we can set what quality criteria we need provided it is appropriate to the construction,

- What is it that councillors want to know about that contractor before signing a contract with them? i.e.
 - Have they done one of these types of contracts before/previous experience,
 - Qualification question – are there any unsatisfied county court judgements against them,
 - Modern Day Slavery Statement,
 - Previous jobs – have they brought them to completion on time and within budget,
 - Ability to go and see their previous work,
 - Appropriate qualifications to meet the specifications,
 - Professional accreditation,
 - Waste management – disposal of surplus bits of materials.
- In terms of what we are asking them to provide are:
 - Qualifications questions,
 - How they are proposing to work on site,
 - Site management (including disposal of waste),
 - Preferable, if there is a choice of two compatible tenders, to choose the most local contractor as they may employ local people,
 - Have they been convicted of fraud/issues with the taxman/health and safety, breeches etc. If they are going to employ sub-contractors, have they got a process in place to be able to check that the latter can answer appropriately all the questions? This will be a tick box and we will reserve the right to check/ask for the detail,
 - Company Information - this is information that will not automatically exclude them, but we want to know if they are a limited company etc. The architect has advised not to include the sections on consortiums. If they are a subsidiary of a larger company, it would be helpful to know,
 - Questions relating to size of the business, public liability (ten million), employee liability (ten million), professional indemnity and how much higher it needs to be than the projected cost of the building (1.5 million for any one claim). Product liability is another option,
 - Size of the organisation – turnover more than 1.5 million (due diligence can be undertaken by checking Companies House),
 - Numbers of qualified staff,
 - Contact details,
 - Details of three contracts that you have delivered within the last 5 years that show experience that is relevant to requirements. Include the possibility of site visits,
 - Operating policies i.e., health and safety policy that has been reviewed in the last 18 months, managing chemicals etc. What is your payment policy? Do they operate within a quality management system? Environmental policy statement, General policies as an organisation. List professional accreditations and/or memberships that are relevant to the contract,
 - Method statements including site management (access, storage, protection of pedestrians/public right of way, traffic management plan, waste management plan, drainage protection, plans on how to keep the play area/football pitch open for the duration of the contract, etc. Possibly break this down into two – management of site and management of adjacent impact/local impact,
 - Health and Safety - securing the site/Covid19,
 - Risk Register – demolition of old pavilion,
 - Programme of works (three phases) and managing costs,
 - How they will communicate with local people during the contract, how will they handle complaints, single point of contact from each side, diagram of the roles and responsibilities of the people in the construction team,
 - Hours of operation – earliest time on site, weekend working, possibly specify delivery times (due to tight access to the site),
 - Pricing – excel spreadsheet for completion allowing them to divide into three phases. Contractors' overheads and profits,

- Weighting. Quality v's Price (currently drafted at 40% v's 60%) – we want the best quality we can afford. What is the lifespan of the building i.e., break cost down over 60 years and it becomes affordable (whole life impact assessment – can be used to quantify the value against price). Another aspect of this is how we physically score it because we will have to say to people “you did not get the bid because you did not score as much as the other company and here is why....”,
- Suggest there is a panel of three councillors to score the tenders – each councillor will score each different tender and then a collective score. Make-up of the panel to be established at the next parish council meeting,
- If it is a 60:40 split, the 60% is relatively straight forward but the 40% would need to be weighted appropriately between the six questions asked,
- Proposal for scoring assuming the 60:40 split is:
 - Programme of works - 10 points,
 - Managing the local impact including keeping the access free etc - 10 points,
 - Basic information for managing the site - 5 points,
 - Basic site management - 5 points,
 - Health and Safety (including security of covid) - 5 points,
 - Risk Register - 5 points,
 - Communicating with the public - 5 points.
- A final version of the questions, that meet the appropriate regulations will be circulated for approval.
- The revised document will be circulated to councillors and any comments/amendments are required by 10:00 on Thursday 22 July 2021 so that the correct information can be placed on the tender portal.

ii. Tender Process

- Due to the value of the contract, we are required to advertise the contract on the National Public Tender Portal,
- It is hoped to get the final tender documents approved and uploaded onto the appropriate portals by Friday 23 July,
- Due to the summer holiday period, it is suggested that there is an 8-week period for tenders therefore the earliest closing date would be Friday 17 September,
- There would then be a panel meeting to resolve the tenders,
- Parish council meeting to agree the result – may require an extraordinary meeting to do this,
- Once appointed there is a 10 day 'standstill period' which allows for people to complain if they think they have not been properly treated.
- Inflation: How is materials inflation going to be covered – the contract has a space in it for that point and there is a standard clause for managing that process within this model contract.
- If the tendering documentation goes out in July, the closing date will be in September. A parish council meeting will then be required to appoint the contractor. To ensure we can complete the application for phase 2 funding, three tenders are required.
- If we get the HS2 funding application submitted at the start of next month, it is an eight week turn around and would therefore get that grant response in October.
- By October we should know what the cost is, what the deal is with the contractor, what we are going to get from HS2, and we know the monies available from S106 monies and therefore the balance will be what is required from a public works loan for the completion of phase 1.
- Jayne Warman circulated what she feels is a more realistic timetable in relation to the funding applications. She advised that until we know what our costs are we cannot firm up the funding bids. Therefore, until the parish council agrees the contractor/costs at the meeting to be held on 11 October she does not feel that the HS2 application can be submitted as they will want to see what their money will fund and what proportion of the overall costs this will represent represents. As soon as the overall cost of the project is confirmed, the HS2 bid can be submitted (if the application needs to be submitted before the contract is finalised, the February

estimate should be used) . There is then a wait of 8 weeks to get their answer which will take us into December and until we know we have got the HS2 money, we cannot submit the Landfill Tax bid as they are going to want to know what other monies we have got. The deadline for the next Landfill Tax applications is 1 December 2021. Landfill Tax (funding of up to £100,000 for second fix works) will not announce the successful bids for three months which will take us to March, and we cannot submit our public works loan application until we know all the bits of funding we have got. Currently, from submission, it is taking the Public Works Loan Board four months to make a decision therefore a worse case scenario is June 2022 for a final decision. It will also take approximately one month to complete the necessary application to them. If we have a robust application and can prove that we can ensure the repayments, it is unlikely that the loan would be refused. Currently there is no indication that the government's spending profiles are about to change for the next financial year. Assuming we do get the HS2 funding, we have six months to spend it although we do not know what spend means i.e., physically leave the bank account or whether it just get committed to the overall project. Critical date for the Land Tax application appears to be 1 December as we need to have the costs of the project, three quotes and the ability to show we have the funding in place for phase 1 of the project.

- Main concern is awarding a contract without the money being in the bank.
- Regarding phase 3 funding (car park and landscaping), if someone has to go off site and then back onto site at a later date, this will incur additional costs.
- If monies did not come in on time for phase 2, a second Public Works Board Loan may have to be taken out.
- Public Works Board Loan process needs to be started as soon as possible (could look at the worst-case scenario and apply for all the funding and reduce it if additional funding is achieved).
- We have also put in an application for CIL support but will not know the outcome until the autumn.
- Section 106 monies of £120,000 is confirmed – clerk to check if the monies must be spent by a certain date.
- Adrian Honeybill advised that the word 'contingency' should not be used when looking at the sum plus. The correct terminology is 'tolerance' as you have tolerance of time and tolerance of money.
- If the total build cost went up to £850,000 including inflation and tolerance, once the section 106 monies were deducted, if no additional funding became available the cost would be £730,000. As this is seen as a public resource for the village, an increase in the precept would be required to cover the cost of repayments – loan repayments can be spread over a maximum of 50 years. Is there a willingness/appetite for this? Cllr Gates input is imperative regarding analysing the figures and breaking them down/sums/cashflows/stage payments etc.
- HS2 funding application would need to be submitted by the end of September if the current timeline is to be achieved for the submission of the Landfill Tax scheme.

iii. Funding Applications

It was **RESOLVED** that Bishop's Itchington Parish Council seek the Secretary of State's approval and complete approval for a Public Works Board Loan to support this project. (Proposed Cllr Dugmore, seconded Cllr Tressler, all in favour).

iv. BISA Charitable Status

- Currently exploring the possibilities with Andrew Maliphant's help.
- VAT element must be looked at carefully i.e., if BISA applied successfully for funding for phase 3 it may be that BISA cannot claim back the VAT element of the costs, and neither could the parish council.

- If BISA did raise the funding for phase 3, the works would have to be a separate contract as BISA cannot give the monies to the parish council.
- It was suggested that one item BISA could fund is the container.
- If charity status is obtained, then Gift Aid can be claimed on monies raised.
- Can apply using BISA's current constitution.
- Charity commission will want to see that there is an income activity of £5,000 or over per annum – will need to look at business plan.
- You can apply for charity status without any money, but this would require a new constitution to be adopted – there is about a six-month delay in this form of charitable status being processed.

v. Adrian Honeybill introduced himself as a resident of Braunston. For over 20 years he has had a number of project and consulting roles in a variety of construction projects most of which have been high value speciality projects but also advising on weaknesses within contracts and programmes and providing solutions for a city firm. He has also worked within the university sector in specialist constructions. He has recently retired but prior to this he worked for over two years with the Canal and River Trust as a senior project manager on civil engineering projects. Working in the areas that he has; the money was always in situ for each project.

Cllr Mann advised that he has been talking to Adrian over a period of months as a project of this size is going to require professional expertise in the form of a project manager – Adrian would be interested in fulfilling this role. Adrian has already been helping Andrew Maliphant with certain aspects of this tender process.

The parish council expressed the opinion that there is a need to have a professional consultant in place, with an hourly rate agreed, some sort of structure for the role and whether this will need to go out to tender or not, but this will be a matter for a much more detailed discussion at a later date.

Adrian advised that the issues raised tonight over funding are issues he does not normally see but the issues we have come across already over the construction, how to construct a programme, what is the relationship between contractor and us as a whole – how does that work, how regularly do we meet, communication between project manager and parish council and for keeping the community up to date, are all areas where he has expert knowledge and experience.

In summary, although appointing a project manager will have a cost associated with it, it can ensure we get value for money, can save the council money on the contract, and ensure that the contract runs smoothly whilst keeping both the parish council and residents full informed.

21/107 Date of Next Meeting

The next ordinary meeting of the parish council is scheduled to take place on Monday, 6 September 2021 at 7.30pm at the Community Centre.

Meeting closed at 21:35

Signed.....Chairman Date.....