

# Public Document Pack



Democratic Services  
White Cliffs Business Park  
Dover  
Kent CT16 3PJ

Telephone: (01304) 821199  
Fax: (01304) 872453  
DX: 6312  
Minicom: (01304) 820115  
Website: [www.dover.gov.uk](http://www.dover.gov.uk)  
e-mail: [democraticservices@dover.gov.uk](mailto:democraticservices@dover.gov.uk)

31 May 2019

Dear Councillor

## **NOTICE OF DELEGATED DECISION – (DD01 19) AWARD OF CONTRACT FOR WORKS TO BEACH HUTS AT ST MARGARET’S BAY**

Please find attached details of a decision taken by Mr Roger Walton, Strategic Director (Operations and Commercial), to award a contract for the installation and refurbishment of beach huts at St Margaret’s Bay.

As a non-Key Officer Decision, call-in does not apply (paragraph 18(a) of Part 4 (Rules of Procedure) of the Constitution).

The appendix to the accompanying report is exempt under paragraph 3 of Schedule 12A of the Local Government Act 1972.

Members of the public who require further information are asked to contact Kate Batty-Smith on 01304 872303 or by e-mail at [democraticservices@dover.gov.uk](mailto:democraticservices@dover.gov.uk).

Yours sincerely

A handwritten signature in cursive script that reads "Kate Batty-Smith". Below the signature is a short horizontal line.

Democratic Services Officer

ENCL

1 **NOTICE OF DELEGATED DECISION - (DD01 19) AWARD OF CONTRACT FOR WORKS TO BEACH HUTS AT ST MARGARET’S BAY** (Pages 2-7)

## Decision Notice

## Delegated Decision

<b>Decision No:</b>	<b>DD01</b>
<b>Subject:</b>	<b>AWARD OF CONTRACT FOR INSTALLATION OF NINE NEW, AND REFURBISHMENT OF FOURTEEN EXISTING, BEACH HUTS AT ST MARGARET'S BAY</b>
<b>Notification Date:</b>	<b>31 May 2019</b>
<b>Implementation Date:</b>	<b>31 May 2019</b>
<b>Decision taken by:</b>	<b>Roger Walton, Strategic Director (Operations and Commercial)</b>
<b>Portfolio Holder:</b>	<b>Councillor Trevor Bartlett, Portfolio Holder for Environment and Commercial Services</b>
<b>Decision Type:</b>	<b>Executive Non-Key Decision</b>
<b>Call in to be Suspended:</b>	<b>No (<i>Call-in does not apply to non-Key Officer Decisions</i>)</b>
<b>Classification:</b>	<b>Unrestricted - but the appendix to the accompanying report contains information which is exempt under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972</b>
<b>Delegated Authority:</b>	<b>Delegation No. 5 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution – 'To authorise contracts with a value not exceeding £200,000.'</b>
<b>Reason for the Decision:</b>	To award a contract to Hipperson Builders (M&E) Ltd to carry out refurbishment works and installation of new beach huts to St Margaret's Bay Beach Hut compound.
<b>Decision:</b>	That the contract is awarded to Hipperson Builders (M&E) Ltd to carry out the installation of nine new beach huts and the refurbishment of fourteen existing beach huts at St Margaret's Bay.
<b>1. Consideration and Alternatives</b>	
1.1	See attached report (with exempt appendix).
<b>2. Any Conflicts of Interest Declared?</b>	
2.1	None.
<b>3. Supporting Information (as applicable)</b>	
3.1	See attached report.

Contact Toni Johnson, Quantity Surveyor

---

<b>Subject:</b>	<b>AWARD OF CONTRACT FOR INSTALLATION OF NINE NEW, AND REFURBISHMENT OF FOURTEEN EXISTING, BEACH HUTS AT ST MARGARET'S BAY</b>
<b>Decision to be taken by:</b>	<b>Roger Walton, Strategic Director (Operations and Commercial)</b>
<b>Report of:</b>	<b>Toni Johnson, Quantity Surveyor</b>
<b>Portfolio Holder:</b>	<b>Councillor Trevor Bartlett, Portfolio Holder for Environment and Commercial Services</b>
<b>Decision Type:</b>	<b>Executive Non-Key Decision</b>
<b>Classification:</b>	<b>Unrestricted (but the accompanying appendix contains information which is exempt under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972</b>
<b>Delegated Authority:</b>	<b>Delegation No 5 of Section 6 (Scheme of Officer Delegations) of Part 3 (Responsibility for Functions) of the Constitution – 'To authorise contracts with a value not exceeding £200,000.'</b>

---

**Purpose of the report:** To award the contract for the provision of 9 new beach huts and the refurbishment of 14 existing beach huts to Hipperson Builders (M&E) Ltd.

---

**Recommendation:** To award the contract for the provision of 9 new beach huts and the refurbishment of the existing 14 beach huts in St Margaret's Bay.

---

## **1. Summary**

- 1.1. At its meeting held on 14<sup>th</sup> May 2018, Cabinet approved the business case to undertake the provision of 9 new beach huts and the refurbishment of 14 existing beach huts in St Margarets Bay.
- 1.2. Dover District Council has undertaken a procurement procedure for these works in accordance with Contract Standing Orders and approval is now sought to accept the most economically advantageous tender received and award the best value for money tender received and award the contract.

## **2. Background**

- 2.1. At its meeting held on 14 May 2018 Cabinet approved capital expenditure of £100,000 for the purchase of 9 new beach huts to be located within the beach hut compound at St Margaret's Bay. The project also included enhancements to the site and repairs to the 14 existing huts on the site.
- 2.2. The existing St Margaret's Bay beach huts have deteriorated to such an extent that repairs are no longer economically sustainable. The existing beach huts have been vacant since October 2017 due to the poor state of repair and a further £49,500 has been drawn down from the MTFP for the huts to undergo a full refurbishment.

## **3. Procurement Process**

- 3.1. The procurement process for this project commenced in January 2019 and followed the requirements of the Contract Standing Orders with an open advertisement being issued through the Councils Procurement Portal and Governments Contracts Finder Website.
- 3.2. The estimated contract value was below the £4,551,413 OJEU threshold for Works Contracts and therefore the Public Contract Regulations 2015 did not apply.
- 3.3. Eleven completed invitation to Tender (ITT) submissions were received.
- 3.4. The tenders have been checked and where errors or omissions were found these have been clarified with Contractors and amended in accordance with standing orders.

#### **4. Evaluation of Tenders**

- 4.1. The evaluation criteria was split into a ratio of Price 100% and Quality 0% and was published in the tender documents at the outset of the procurement.
- 4.2. The ITT evaluation process assessed the suppliers' commercial, technical and financial competencies to meet the minimum criteria of the contract.
- 4.3. The tender report and scoring from the pricing and quality evaluation were combined and the final rankings of Tenderers are detailed within Appendix1.

#### **5. Additional Information**

- 5.1. To date in the region of £8,000 has been spent on enabling works which includes asbestos investigation and removal works and professional fees.

#### **6. Due Diligence**

- 6.1. Post tender clarifications have been undertaken where necessary with bidders and any subsequent amendments to their submissions incorporated into the final evaluation..
- 6.2. In addition to the project specific assessment completed, the winning bidder also provided a satisfactory Suitability Questionnaire confirming their commercial, technical and financial competency to meet the minimum criteria of the contract.

#### **7. Identification of Options**

- 7.1. Option 1. Not to award contract.
- 7.2. Option 2. To award the contract and accept the tender received from Hipperson Builders (M&E) Ltd to undertake the works.

#### **8. Evaluation of Options**

- 8.1. Option 1 is not recommended as, at present, the existing beach huts are unoccupied with contingent revenue expenditure such as rates and site security. The decision would also prevent delivery of revenue generating properties and the project costs expended to date, would be wasted.
- 8.2. Option 2 is the recommended option as this will deliver 23 beach huts at a site where there is great demand for this facility.

#### **9. Resource Implications**

- 9.1. Funds have been allocated in the MTFP for the construction of the 9 new beach huts and the refurbishment of 14 beach huts. The scheme has been tendered on a fixed price contract based on drawings and a priced bill of quantities which includes a contingency sum of £10,000 in order to mitigate any unforeseeable building issues and cost overruns.

## **10. Risk**

- 10.1. One identified risk is the awarding of a contract to a company who cease trading within the contract period. However Hipperson Builders (M&E) Ltd are a long-established construction company with their head office located in Deal, Kent.

## **11. Corporate Implications**

- 11.1. Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment. (DL)
- 11.2. Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 11.3. Comment from the Equalities Officer: This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

## **12. Background Papers**

- 12.1. Appendix A - Tender Documents and tender analysis with Contractor adjustments for items not included within the original tender returns.

Contact Officer: Toni Johnson, Quantity Surveyor.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted