

PFCC Decision Report

Report reference number: PFCC/058/24

Classification OFFICIAL

Title of report: Dovercourt Police Station – Pre-Construction Services Agreement (PCSA) and Demolition Contract Award

Area of county / stakeholders affected: District of Tendring

Report by: Patrick Duffy – Head of Estates

Chief Officer: DCC Andrew Prophet – Deputy Chief Constable

Date of report: 9th July 2024

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1. Executive Summary

This decision report outlines the procurement process and recommended contract award for the pre-construction services agreement (PCSA) associated with the construction of a new police station on the Dovercourt Fire Station site. A PCSA will be used to appoint a design and build contractor to carry out detailed design services before entering into the formal building contract. The contractor undertaking the PCSA will also be appointed using a JCT minor works contract to demolish the former fire station commander's house and erect hoarding to secure the site in preparation for the construction works.

The collaboration proposal underpins the joint working between the police and the fire and rescue service and provides the foundation for a clear and accountable working relationship, providing the cornerstone for joint working now and laying the foundations and providing scope for further joint working in the future.

2. Recommendations

The first recommendation to the PFCC is to award the JCT Minor Works contract to Pentaco Construction Limited at a cost of £60,794.83 to undertake the demolition of

the former fire station commander's house and erect hoarding to secure the site in preparation for the construction works.

The second recommendation to the PFCC is to award the PCSA contract to Pentaco Construction Limited at a cost of £158,904.85, appointing the successful bidder to carry out detailed design services required before formally entering into a building contract.

The PFCC is asked to note that there will be further decision report presented in relation to the full construction contract associated with the construction of a new police station.

3. Background to the Proposal

The proposal is for the Police, Fire and Crime Commissioner to undertake the construction of a new police station at 155a Fronks Road, Dovercourt following the acquisition of the land agreed via decision report 090/24.

Following a previous procurement process being completed and a preferred supplier being selected, the proposed contract amendments were not agreed. Therefore, it was agreed to re-tender the construction contract and an assessment of available construction frameworks was considered by both Estate Services and 7 Force Commercial Services. Previously the Essex Construction Framework 2 (ECF2) was utilised but, at the time of procurement, the framework had ended and ECF 3 was yet to be awarded, therefore the preferred framework was identified as being the Crown Commercial Services Framework.

An early market engagement exercise was undertaken to establish the market capacity and appetite to bid for this work. This highlighted that a two-stage tender using a PCSA would be the most attractive to potential bidders. Five out of 18 bidders on the framework expressed interest to take part in the process, with four bidders providing a tender return.

The tender was published on 27/03/2024 with a planned tender return date of 08/05/2024. We received four compliant tender returns that have been assessed against the commercial, technical and social value criteria. The results of the evaluations for all bidders are shown below:

Supplier	Total Bid Price (£)	Commercial Score % (max 40%)	Technical Score % (max 60%)*	Total Score (out of 100%)
Bidder 1	249,245	35.3	29.3	64.6
Bidder 2	278,986	31.5	46.5	78.0
Bidder 3	224,608	39.1	44.0	83.1
Bidder 4	219,670	40.0	52.3	92.3

*Technical score broken down as follows:

Design and delivery - 10%, Resources 7.5%, Quality – 5%, Programme – 7.5%, Risks to deliverability 5%, Operational site awareness 7.5%, Sustainability – 7.5%, Social Value – 10%.

4. Proposal and Associated Benefits

The PCSA and Minor Works contract to demolish the former dwelling on the site are enablers to construct a new, purpose-built, standalone two storey police station to accommodate office space, secure car parking, locker rooms and ancillary areas. The objective is to create a modern, fit for purpose emergency services facility for Essex Police. There will also be shared space within the fire station for use by both police staff / officers and Essex County Fire and Rescue Service (ECFRS).

The collaboration proposal underpins the joint working between the parties and provides the foundation for a clear and accountable working relationship, providing the cornerstone for joint working now and laying the foundations and providing scope for further joint working in the future.

The collaboration proposal also fulfils the statutory duty on emergency services to collaborate. It gives each organisation an opportunity to maximise interoperability and integration in the future, and to maintain and improve service delivery and increase public confidence by working more closely together while recognising the importance of maintaining their individual identity.

The proposal would enable the existing Harwich Police Station to be declared surplus to operational requirements following the re-location of staff and officers to the new police station. This would generate an additional disposal generating further capital resources. The property is not currently on the disposal programme. The estimated capital receipt for the existing police station is £450,000¹.

5. Options Analysis

Award Both Contracts – Preferred Option

Following the land acquisition, awarding the contracts will allow the project to progress to detailed design with a fixed construction cost, and facilitate the completion of demolition and site enabling work in advance of entering into the formal construction contract to build the new police station.

Award Contracts Separately

The two elements of the project are intrinsically linked and undertaking the demolition of the former Commander's house enables the contractor with site familiarisation. The two elements were procured together with our intention to evaluate the tender response as one and award to the preferred bidder.

Do Not Proceed with the Project

This would result in Essex Police remaining at the current Harwich Police Station site. This is not recommended as:

¹ Based on formal valuation December 2019

- The backlog maintenance investment required at the existing Harwich Police Station is currently £1,649,690, budget for which has not been allocated. This does not undertake general internal improvements to the existing working facilities and is principally building fabric and building services investment to keep the building operating.
- The building capacity would remain under utilised due to the modular nature of the layout.

6. Consultation and Engagement

Extensive consultation and engagement have been undertaken with local and senior leaders from Essex Police and ECFRS throughout every stage of the project's development.

Our communications plan for the project has been completed to date including public announcements prior to our planning application being submitted in early 2023. Further public engagement will be required to emphasise the need to replace the existing police station and the benefits and opportunities this offers.

7. Strategic Links

The building blocks of the Police and Crime Plan (prevention and communications and engagement) are directly enhanced by the proposal, which enables co-located delivery of preventative public safety and community engagement activities.

Within the priorities directly supported by the proposal are further investment in crime prevention (by continuing to invest in neighbourhood policing at the heart of the Harwich and Dovercourt community through the move to sustainable accommodation) and improving road safety, the main area of collaborative delivery between ECFRS and Essex Police. The ability to train, command incidents and engage and educate the public on this area from a shared site will vastly improve that delivery. The proposal also directly contributes to the priority within the Police and Crime Plan to increase collaboration, and the specific commitments to:

- Utilise the substantial estate of both policing and the fire and rescue service to help deliver a better, more accessible service to the public and improve operational effectiveness, and
- Continue to expand the use of fire stations as drop-in centres for policing colleagues and invest in the co-location of a new build police station alongside the existing fire station in Harwich and Dovercourt.

The proposal also supports the strategic management of our estate by replacing failing building components to improve the resilience, cost efficiency and energy performance of our buildings and improving the current estate where it fails to meet the current minimum legislative and policy standards.

8. Police operational implications

There are no changes to operational policing activities associated with this decision report. The re-location of policing activities from Harwich Police Station to Dovercourt Fire Station upon completion of the construction project will have no impact on our operational capability.

9. Financial implications

The approved capital budget allocated in the force capital programme for this project is £2,768,197. This decision report relates specifically to the approval of contracts for the demolition of an existing building and then a Pre-Construction Services Agreement that would appoint a contractor to carry out services in advance of entering into the formal construction contract.

A separate decision report (090/24) associated with this project has been submitted to seek approval for the purchase of the freehold property upon which the new police station will be constructed. That element of the project is valued at £300,000, the cost of which is included in the summary table which follows. This table shows that, subject to the approval of both decision reports, the balance of available capital budget for the project will then be reduced to £2,122,216. This would be used to cover any unforeseen risks detailed within the contract award report.

MIP 5 - Dovercourt Police Station		£
Capital budget	2,768,197	
Capital costs incurred to date	(126,281)	
Freehold purchase (DR 090/24)	(300,000)	
Demolition and PCSA contracts	(219,700)	
Balance of available capital budget	2,122,216	

The above figures exclude the costs associated with borrowing in respect of this project, which relate to the increase in the force's capital financing requirement (CFR) as well as the associated treasury management process to source external funds to finance this expenditure. Assuming no other resources are available, and the project is financed by borrowing, the applicable revenue charges which would accrue are presented within the table below.

REVENUE NET EXPENDITURE PROFILE								
	Year 1	Year 2	Year 3	Year 4	Year 5	Years 6-15	Years 16-41	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30 - 2038/39	2039/40 - 2064/65	
	£000	£000	£000	£000	£000	£000	£000	£000
REVENUE NET COSTS								
Revenue Consequences	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Payable	12.10	12.10	12.10	12.10	12.10	121.00	0.00	181.50
Minimum Revenue Provision (MRP)	0.00	5.50	5.50	5.50	5.50	55.00	143.00	220.00
Specific Revenue Funding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL NET REVENUE EXPENDITURE PROFILE	12.10	17.60	17.60	17.60	17.60	176.00	143.00	401.50

Note – the above figures assume an assumption of 15 years external borrowing based on a maturity loan approach, with a useful economic life for the related asset spanning 40 years, with MRP chargeable to revenue in equal instalments one year in arrears.

10. Legal implications

There are no direct legal implications arising from this decision report, although in approving this decision the PFCC will be required to enter into two contracts as set out below.

- JCT Pre-Construction Services Agreement (General Contractor) 2016
- JCT Minor Works Building Contract with Contractors Design 2016

Both contracts are required to be executed under hand and, in line with the PFCC Financial Regulations, fall within delegated authority.

11. Staffing implications

There are no staffing implications arising from this decision report and the recommendations.

At the appropriate time, the police officers, staff and PCSOs currently based at Harwich police station will be required to relocate to the new police station. Employees have already been engaged in respect of the proposal. Formal notice periods for change in location for officers will be undertaken in accordance with the Police Regulations and staff and PCSOs will be formally consulted with prior to the relocation in accordance with existing organisational HR policies. The proposed police station location is less than 1.5 miles from the current police station which reduces any staff consultation risks.

12. Equality, Diversity and Inclusion implications

There are no equality, diversity and inclusion implications associated with the recommendations contained within this decision report. There will be no disadvantages to people with protected characteristics.

The proposed new station will be compliant with the current building regulations and will therefore afford significantly improved accessibility for officers, staff, volunteers and members of the public compared with the current Harwich Police Station site.

13. Risks and Mitigations

Procurement risks have been mitigated by use of the information gained through an early market engagement exercise undertaken via the Crown Commercial Services Framework in order to establish the market capacity and appetite to bid for this work. Following feedback from the market engagement, we have progressed a two-stage tender procurement route, enabling the contractor to have input from an earlier stage of the design and therefore reducing cost risk for the PFCC once the final construction costs are known.

There are manageable risks in terms of agreeing contract amendments, which the preferred bidder proposed at tender stage. They are yet to be concluded due to timing of the approval of the Regulation 84 Report and notification of our intention to award to successful and unsuccessful suppliers.

There is also a budget risk. Due to the PCSA not yet being completed, there may be insufficient budget to complete the construction of the police station. These costs will be known following completion of the contract.

14. Governance Boards

Extraordinary Joint Strategic Board – 26th June 2024

15. Links to Future Plans

This proposal is linked to the future construction of a new police station and is a key enabling decision to allow that to take place upon full detailed design and agreement of the construction contract.

16. Background Papers and Appendices

Appendix A

[Redacted]

[Redacted]

Appendix B

[Redacted]

[Redacted]

Appendix C

[Redacted]

[Redacted]

Appendix D

[Redacted]

[Redacted]

Report Approval

The report will be signed off by the PFCC's Chief Executive and Chief Finance Officer prior to review and sign off by the PFCC / DPFCC.



Chief Executive / M.O.

Sign:

Print: P. Brent-Isherwood

Date: 22 July 2024

Chief Finance Officer

Sign:



Print: Janet Perry

Date: 25 July 2024

Publication

Is the report for publication?

YES

NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

Subject to redaction, as set out below

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet?

YES

2. Of Appendix?

YES

NO

NO


If 'YES', please provide details of required redaction:

Appendices are classified Official Sensitive and not for publishing, as they contain commercially sensitive information.

Date redaction carried out:

Chief Finance Officer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign: 

Print: Darren Horsman - Deputy MO

Chief Executive / Chief Finance Officer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Roger Hirst

PFCC

Date signed: 26/07/2024

I do not agree the recommendations to this report because:

.....
.....
.....

Sign:

Print:

PFCC/Deputy PFCC

Date signed: