

Executive Director Place Services	Ref No: OKD12 (19/20)
July 2019	Key Decision: Yes
Crawley Growth Programme – Delivery of Eastern Gateway Improvement Scheme	Part 1
Report by Growth Programme Delivery Manager, Crawley	Electoral Division(s): Crawley
<p>Summary</p> <p>The Crawley Growth Programme (CGP) is a key delivery mechanism to achieve the economic growth outcomes agreed in the Crawley Growth Deal. The programme is supported by financial allocations from the Coast to Capital Local Enterprise Partnership (LEP), West Sussex County Council (WSCC) and Crawley Borough Council (CBC). A WSCC decision in December 2017 (OKD03(17/18)) agreed funding allocations and delivery governance for the projects within the CGP. A critical CGP project approved in December 2017 is the improvements at Eastern Gateway in Crawley Town Centre.</p> <p>Preliminary design and engagement has now been completed for the Eastern Gateway improvement scheme and it is proposed that scheme delivery is now progressed further through the procurement of a design and build partner from the WSCC Highways Design and Build framework.</p> <p>The scheme will:</p> <ul style="list-style-type: none"> • Improve connectivity between the town and key development sites in the vicinity of the proposals including the Town Hall, County Buildings, Crawley College and Telford Place; • Support the delivery of residential and commercial development in Crawley Town centre; • Improve the public realm and living environment in the town. 	
<p>West Sussex Plan: Policy Impact and Context</p> <p>This proposal will support the delivery of key economic benefits identified in the agreed CGP and Crawley Growth Deal.</p>	
<p>Financial Impact</p> <p>Funding for the CGP schemes delivered by WSCC is allocated in the WSCC Capital Programme. A CGP funding allocation of £8.35m to the Eastern Gateway project was agreed in December 2017 (OKD03(17/18)). Current estimates suggest that the scheme will be delivered within the current funding allocation for the project. It is anticipated that the project will draw funds from the LGF allocated by the LEP and the WSCC funding allocation to the CGP.</p> <p>A design and build contract will be awarded in two stages. –.</p> <p><i>“There will be two Contracts;</i></p> <ul style="list-style-type: none"> • <i>Stage 1 will be for the Design and Other Services and will include detailed design and finalisation of the tendered target cost and construction programme for the Scheme which will be awarded in July 2019 with an expected completion in January 2020. The Form of Contract will be the NEC3 Professional Services Contract.</i> 	

- *Stage 2 will be the Construction Contract. The award of this stage is subject to affordability and perceived risk of same, but it is anticipated that this contract will commence in early spring 2020. The Form of Contract will be the NEC3 Engineering and Construction Contract.*

Costs to be reviewed at the completion of the detailed design stage (stage 1) and next steps reviewed if the estimated build costs exceed the budget available, prior to seeking a new decision for stage 2. Current estimates suggest that the risk of this is low.

Recommendation

That the Executive Director Place Services awards the design contract (stage 1) for the Eastern Gateway project to Volker Fitzpatrick Limited.

PROPOSAL

1. Background and Context

- 1.1. The Crawley Growth Programme has been developed with partners following the completion of the Crawley Growth Deal, signed by the Leaders of the County Council and CBC in December 2016.
- 1.2. The Coast to Capital LEP, WSCC and CBC have allocated funds to the programme totalling around £31.8m.
- 1.3. A WSCC decision in December 2017 ([OKD03\(17/18\)](#)) approved funding allocations and delivery governance for each of the proposals identified in the CGP. The contractual lead for projects is identified as either WSCC or CBC depending on which authority is best placed to secure delivery. WSCC is identified as the contractual lead for the Eastern Gateway improvement scheme.
- 1.4. The Eastern Gateway scheme will:
 - Improve connectivity between the town and key development sites including the Town Hall, County Buildings, Crawley College and Telford Place.
 - Support the delivery of residential development in Crawley Town Centre – the Crawley Growth Programme identifies a commitment to secure the delivery of over 1,000 additional homes in order to develop the critical mass of housing required in the town centre to create a new neighbourhood where people live and work.
 - Support the delivery of commercial development in Crawley Town Centre – the lack of good quality commercial space is identified as an issue that is holding back the Town and the Crawley Growth Programme identifies an aspiration to provide an additional 135,000sqm of commercial space across the Borough
 - Improve the public realm and living environment in the town – currently much of the area is outdated, of poor quality and car dominated.

2. Proposal Details

- 2.1. The Council invited bids in relation to a two stage process being (1) the design and then (2) the build stage of the project.
- 2.2. Volker Fitzpatrick submitted a compliance bid for both stages of the project, which has been evaluated and was considered to be the most economically advantageous to the County Council in terms of value for money (set out in the exempt Appendix).
- 2.3. The Executive Director is therefore asked to approve the awarded to Volker Fitzpatrick for the Stage 1 (design) to enable all necessary information to be prepared and ready for construction.
- 2.4. Further approval for Stage 2 (construction) award for the scheme will be sought from the executive Director for Place before the contract is awarded. Stage 2 of the contract is considered to be a key decision and will require another Forward Plan item and published decision.

FACTORS TAKEN INTO ACCOUNT

3. Consultation

- 3.1. The Cabinet Member for Highways and Infrastructure has been consulted.
- 3.2. Key officers and members at CBC have been consulted. The proposal is supported by the Crawley Growth Board.
- 3.3. The proposal is supported by the LEP.
- 3.4. An initial public engagement process, undertaken by WSCC, has identified significant local support for the Eastern Gateway proposals. Comments received during the consultation have been considered and influenced the current designs.
- 3.5. <https://www.westsussex.gov.uk/roads-and-travel/roadworks-and-projects/road-projects/the-eastern-gateway-scheme/>
- 3.6. A Full Business Case for the proposal has been agreed by the WSCC Highways & Transport Hub.
- 3.7. The proposed procurement route is supported by the WSCC Procurement Board.

4. Financial (revenue and capital) and Resource Implications

- 4.1. Funding for the CGP schemes delivered by WSCC is allocated in the WSCC Capital Programme. A CGP funding allocation of £8.35m to the Eastern Gateway project was agreed in December 2017 ([OKD03\(17/18\)](#)). Current estimates suggest that the scheme will be delivered within the current funding allocation for the project. It is anticipated that the project will draw funds from the LGF allocated by the LEP and the WSCC funding allocation to the CGP.

	Previous years	2019/2020 £m	2020/2021 £m	2021/2022 £m	Total £m
Capital Budget approved	0.337	1.037	6.976	0	8.350
Revised Profile	0.337	0.835	4.858	2.320	8.350

5. Legal Implications

- 5.1. The procurement procedure has been undertaken utilising the WSCC Highways Design and Build Framework and specifically Lot 2. This Framework is compliant with the Council's obligations under the Public Contract Regulations 2015 and its own Standing Orders on Procurement and Contracts.
- 5.2. As a member of the LEP and as the statutory highway authority it is considered to be a statutory role to enable the delivery of local economic growth and WSCC is therefore undertaking core statutory duties in terms of our Crawley growth deal and aims as set out in the Crawley Growth Deal business case.
- 5.3. The scheme, named Crawley Growth Programme; Eastern Gateway, is identified in the Capital Programme which as a whole has received Council approval. The individual contract(s) for the scheme require decisions, as per the Council's constitution
- 5.4. It is highly unlikely that TUPE would apply at either the commencement of the contract or at the end of the contract.
- 5.5. The procurement approach has been developed with the WSCC Contracts & Procurement Services Team and has been scrutinised by the WSCC Procurement Board.

6. Risk Assessment Implications and Mitigations

- 6.1. The design for the scheme needs to be completed so that the scheme can be delivered by 2021, in line with our commitments to the total Crawley Growth Programme package, and to ensure total programme benefit realisation by 2025.
- 6.2. There is a risk that the County Council delays the decision to proceed, which consequentially prevents the scheme from being delivered within the LEP agreed timeframes, ie 2021. It is therefore recommended that the award is approved as fast as practicable, to allow the contractor to begin Detail Design immediately.

7. Other Options Considered

- 7.1. A number of options were considered at feasibility stage, and these are identified in the project Business Case. The preferred design option was chosen

as it best met key objectives, whilst returning a positive cost benefit ratio. The preferred option has been refined to take on board a number of issues raised during the engagement period.

8. Equality and Human Rights Assessment

Attached as Appendix A.

9. Social Value and Sustainability Assessment

Attached as Appendix B.

10. Crime and Disorder Reduction Assessment

None.

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Background papers

None