

<b>Subject:</b>	<b>Madeira Terrace Restoration – Phase 1 (MTR Phase 1) Contractor procurement</b>		
<b>Date of Meeting:</b>	<b>1 July 2021</b>		
<b>Report of:</b>	Executive Director Economy, Environment & Culture		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Abigail Hone</b>	<b>Tel: 01273 292163</b>
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<b>Ward(s) affected:</b>	<b>East Brighton, Queen’s Park</b>		

## FOR GENERAL RELEASE

### 1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report updates members on delivery of the first phase of the restoration of Madeira Terrace and outlines next steps to procure contractors services to restore the first phase of Madeira Terrace.
- 1.2 The request is that Policy & Resources Committee delegates authority to officers to procure and award the construction/restoration contract for Madeira Terrace Restoration Phase 1, but that the detail of the procurement process is finalised in consultation with the Procurement Advisory Board and MTR cross-party Project Board. This is to meet the current programme for Madeira Terraces Restoration.

### 2. RECOMMENDATIONS:

- 2.1 That authority is delegated to the Executive Director Economy, Environment & Culture to commence the procurement (following consultation with the Cross Party Project Board and the Procurement Advisory Board), award the contracts and take all necessary steps to complete the restoration of the first phase of Madeira Terrace.

### 3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The first phase of restoring Madeira Terrace will be directly west of the [Madeira Terrace Shelter Hall](#) (AKA [Concorde 2](#) venue) up to the set of cliff steps opposite [Royal Crescent](#). Restoring the whole Terrace will happen in phases.
- 3.2 The Design Team received approval to start [RIBA Stage 3 – Spatial Co-ordination](#) at the end of April 2021. In this stage of work the team will further develop some aspects of the conceptual design work explored in [RIBA Stage 2 – Concept Design](#).
- 3.3 All design work is conscious of addressing the Terrace’s [Grade 2\\* listed status](#) and taking particular care of the historic [Green Wall](#). The design work will also give full consideration for how best to include circular economy principles and sustainability into the project, though the options for doing this are limited by the Grade 2\* listed status of the terraces.

- 3.4 A clear aim of the restoration is to re-instate the much-valued social function of the Terrace as a 'linear stadium' for viewing events held on Madeira Drive.
- 3.5 During all stages of developing the design brief and designs the team have worked with the community Advisory Panel to the project and sought approval of each RIBA stage from the cross-party Project Board. Delegated authority to sign off RIBA Stages 2 & 3 was given to the Executive Director Economy, Environment & Culture at Policy & Resources Committee in October 2020.
- 3.6 A planning application for the restoration works is scheduled for submission in late Summer 2021. If the planning application is approved by the city council the design team will move to the next stage: [RIBA Stage 4 - Technical Design](#) scheduled to begin in Autumn 2021.
- 3.7 The original design brief released with a Tender Specification to appoint a Design Team in late 2019 (see Appendix 1) estimated the construction budget to deliver the then named 'MT30' project was £2.8M.
- 3.8 The design team have worked through RIBA stages to develop the original design brief resulting in an estimated construction value increase to between £6.135M and £6.278M.
- 3.9 Robinson Low Francis (RLF), appointed costs consultant/QS to MTR – Phase 1 produced an outline procurement strategy report in January 2021 where they assessed possible contractor procurement options available to the MTR – Phase 1 project and made initial recommendations in how to procure contractor services.
- 3.10 RLF recommend that procuring an early enabling works package could benefit the tender exercise by reducing risks associated with restoration unknowns. This could allow the design team to further assess condition of the Terrace and finalise the design for tendering to contractors. This approach could also allow the main contractor (completing the main package of restoration works) to price works more accurately.
- 3.11 RLF recognised in their report that although this approach could likely include a separate procurement resulting in added preliminary costs & professional fees this could be offset by the benefit of understanding the structure better and identifying any further time and cost related risks affecting project delivery at a later date.
- 3.12 The Value of the works (over £4,733,252) means that the Council is required to undertake a procurement which is compliant with the Public Contracts Regulations 2015. There are no frameworks available due to the specialist expertise required.
- 3.13 RIBA Stage 2 – Concept Design was signed off and agreed by the Executive Director Economy, Environment & Culture, in consultation with the cross-party Project Board, giving due consideration to the feedback from the community Advisory Panel in late April 2021.

- 3.14 The Design Team are now developing concepts further in RIBA Stage 3 - Spatial Co-ordination. The formal pre-application meeting was held between the design team, planning and Historic England on 25<sup>th</sup> May, the team await formal feedback following a workshop with Historic England, the council's conservation planners and the Lead Designer, Purcell Architects.
- 3.15 The aim of the MTR Phase 1 project timeline is for the contractor to start on site as soon as possible in 2022. Awarding delegated authority to the Executive Director Economy, Environment and Culture helps with project flexibility to proceed with procurement and award of contract while ensuring compliance with the Council's contract standing orders (CSO's). Normally this process would involve a detailed report to Procurement Advisory Board before seeking P&R Agreement to proceed. However, the next P&R meeting is not until October 2021, which is when the tender process is targeted to start. For that reason, this report seeks P&R approval to proceed ahead of a more detailed report to consult PAB on 26<sup>th</sup> July 2021. A briefing note was given to PAB for their meeting on 14<sup>th</sup> June 2021 to explain the approach and a further briefing will be taken prior to commencement of procurement, on 26<sup>th</sup> July 2021.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 Existing Framework Agreements the council is able to access have been reviewed by the team and do not include relevant specialist expertise to use contractors available.
- 4.2 Further analysis of the various procurement and contracting options will be provided in the more detailed report to consult PAB on 26<sup>th</sup> July 2021

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

5.1 An [Advisory Panel](#) was set up in May 2019 to work alongside the council as the Madeira Terrace Restoration project develops. Monthly meetings led by the Panel members have been held since September 2019. The council are secretariat for the Panel and since COVID the Panel requested the council Project Manager also chair the monthly meetings while they continue online.

5.2 Advisory Panel members represent the following interest category groups:

- Community groups & residents
- Event organisers
- Businesses
- Tourism
- Conservation of the Built and Natural Environment Panel

Advisory Panel members have wider networks in their category area where they share information about Madeira Terrace's restoration

5.3 Consultation on the Conservation Management Plan for Madeira Terrace is being held in late summer 2021 the consultation outcomes will be noted at a timely TECC Committee.

5.4 Consultation on the planning application for Madeira Terrace will be held in Jul/Aug 2021 with information boards located close the Terrace on Madeira Drive.

5.5 Web pages for the project are user friendly and updated with the latest information about the project. A wide email list are notified of updates to webpages by the VisitBrighton marketing team.

## **6. CONCLUSION**

6.1 Work on the restoration of Madeira Terrace has been in high public demand since the Terrace closed to public access in 2014.

6.2 Access for all to the Eastern Seafront particularly in continued circumstances of physical distancing due to COVID 19 is much needed.

6.3 Starting work on site at the earliest opportunity will be welcomed by many and as such seeking approval of delegated authority to the Executive Director of Economy, Environment & Culture helps create agile delivery of the project in time with the planned programme.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

7.1 Capital funding of £2.440M was made available for the restoration of Madeira Terraces in 2018. This funding was made available through £2.000M as part of the council's corporate capital investment strategy and the crowdfunding campaign in 2017 which delivered funds of £0.440M. This funding has supported the design and costing phases of the project and will also contribute toward the construction of the first phase. The 2021/22 budget council approved revenue funding to support capital borrowing of up to £5.600M to deliver the first phase of restoration of Madeira Terrace. The estimated construction costs of up to £6.278m will be met through these two capital funding sources.

7.2 Additional capital borrowing of up to £3.635m has also been identified to support future phases of Madeira Terraces restoration.

*Finance Officer Consulted: Rob Allen*

*Date: 17/6/21*

### Legal Implications:

7.3 As set out in the report works contracts with a value of over £4,733.252 must be procured in compliance with the Public Contracts Regulations 2015. Contracts under the applicable thresholds must be procured in compliance with the Council's Contract Standing Orders.

*Lawyer Consulted Alice Rowland*

*Date: 18/6/21*

#### Equalities Implications:

- 7.4 Access is one of three cornerstones of the restoration design approach to Madeira Terrace. Step free access forms a key part of the strategic approach to the whole structure. MTR Phase 1 aspires to introduce a new increased capacity lift close to Royal Crescent steps and upgrade the Concorde 2 venue historic lift to year-round, unaccompanied use.

#### Sustainability Implications:

- 7.5 A sustainable future for the whole of Madeira Terrace is at the heart of the restoration intention, all design interventions seek to low carbon/carbon neutral options and Circular Economy principles adopted and integrated where feasible & practical.

#### Brexit Implications:

- 7.6 Brexit may have affected supply chains and associated costs of material increase due to import charges.
- 7.7 Where possible the project will seek to use contractors and materials sourced in the UK helping to achieve a carbon neutral restoration.

#### Risk and Opportunity Management Implications:

- 7.8 Risk Register to be submitted with PAB report.

#### Public Health Implications:

- 7.11 A key ambition for the MTR Phase 1 delivery team is to see the Terrace used as a year-round place for local people, sustainable tourism, leisure, recreation and culture. A core focus of the project is to enable greater access for all to the Eastern Seafront by providing step free access to tie in with existing pedestrian facilities on Marine Parade.

#### Corporate / Citywide Implications:

- 7.12 Increasing access for all to Eastern Seafront is a key driver for Madeira Terrace's restoration particularly as Madeira Drive hosts around 20 large and national events each year to which the Terrace forms an iconic backdrop.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

- 1.MT Brief for Design Team purposes

### **Background documents:**

- 1.RLF Procurement Strategy Report – MT30  
2.RIBA Stages 0-1 Report  
3.RIBA Stage 2 Report

