



INDIVIDUAL CABINET MEMBER AND OFFICER DELEGATED DECISIONS

WEDNESDAY, 11 MAY 2022

Please find enclosed Decision Notice in connection with the following:

ICMD22 Mainway Next Steps - Appointment of Strategic Management and construction delivery partner (Pages 2 - 6)

Please note that this is subject to call-in.

Queries regarding these documents

Please contact Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk.

Democratic Services,
Town Hall,
Dalton Square,
Lancaster,
LA1 1PJ

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EXECUTIVE DECISIONS TAKEN BY CABINET PORTFOLIO HOLDER OR DELEGATED OFFICER NOTICE OF DECISION

TITLE OF DECISION:			
APPOINTMENT OF STRATEGIC MANAGEMENT AND CONSTRUCTION DELIVERY PARTNER			
NAME OF DECISION TAKER:	COUNCILLOR MATTHEWS		
POSITION AND RESPONSIBILITY HELD:	CABINET MEMBER WITH RESPONSIBILITY FOR HOUSING		
CONTACT OFFICER:	ANDREW WHITTAKER		
TELEPHONE:	07539 213614		
E-MAIL:	awhittaker@lancaster.gov.uk		
Details of Decision:			
To seek authorisation for the Appointment of a Strategic Management and Construction Delivery Partner for Mainway Next Steps project.			
Reasons for the decision:			
Decision required by cabinet portfolio holder due to the value of the contract.			
IS THE DECISION URGENT			
No.			
I can confirm that this decision is urgent as any delay likely to be caused by the Call-in process would seriously prejudice the Council's or the public's interests and therefore is not subject to Call-in. The Chair of the Overview and Scrutiny Committee has been consulted. I hereby agree both that the decision proposed is reasonable, in all the circumstances, and to it being treated as a matter of urgency. n/a			
I confirm that I have taken account of the options proposed by officers, the various implications set out in the report and the comments of the Monitoring and Section 151 Officers and am authorising the decision as set out above			
SIGNATURE OF DECISION TAKER:	Cllr Cary Matthews		
DATE:	10.5.22		
<i>THIS SECTION TO BE COMPLETED BY DEMOCRATIC SERVICES</i>			REF NO.
			ICMD22
DATE DECISION TAKEN:	10.5.22	DATE RECEIVED BY DEMOCRATIC SERVICES:	10.5.22
DATE DECISION PUBLISHED:	11.5.22	IMPLEMENTATION DATE (publication day + 5 working days):	19.5.22

Lancaster City Council | Report Cover Sheet

Meeting	Individual Cabinet Member Decision		Date	
Title	Mainway Next Steps			
Report of	Director for Communities and the Environment			
Purpose of Report: To seek authorisation to procure and commission the Mainway District Master Plan, and the first phase of Mainway Regeneration.				
Key Decision (Y/N)	Y	Date of Notice	21/04/2022	Exempt(Y/N)

Report Summary
To seek authorisation for the Appointment of a Strategic Management and Construction Delivery Partner for Mainway Next Steps project.

Recommendations of Officer
That the contract is awarded to the successful tender bid

Relationship to Policy Framework
A sustainable district – development will ensure properties are fit for a zero carbon future An inclusive and prosperous local economy – creation of jobs and opportunities Happy and Healthy Communities – contribution to the well-being through quality housing A co-operative, kind and responsible council – working in partnership with tenants Local plan – comprehensive Housing strategy – key contribution to Lancaster District Homes Strategy 2020-2025

Conclusion of Impact Assessment(s) where applicable	
Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety
Significant positive impact for the Mainway estate & Skerton Ward including climate change resilience, well-being, and social value. Enhancement of the vision for Mainway; opportunities to increase number and types of housing and assessable provision. Compliance with the obligations under the Housing Act 1985, and Equality Act and Compulsory Purchase Act.	
Details of Consultation Consultation with residents has continued throughout 2021, including: The MyMainway Hub remained open as much as Covid safety allowed. In May, a 'door knock' took place. Home visits to around 70% of current residents In June, a 'Memories, realities and dreams' event took place on the estate. Through to late summer the 'conversation wall' was developed in the Hub. In October, a coffee morning at the Hub gave the team the chance to keep the conversation going, attended by residents and local ward Councillors. The MyMainway page on the Council's keep Connected Platform was launched .	
Legal Implications	
The appointment of the successful tenderer will be managed through a compliant framework agreement and the use of the standard form of call off contract. Legal Services together with	

any external legal advisors will be able to approve and issue any necessary contracts in respect of the project.	
Financial Implications	
The HRA Capital Programme includes £4M for the pilot phase of the Mainway project. The only commitment to date from this amount is the procurement of project management services which is £0.19M. This procurement exercise is estimated to be in the region of the remaining funds however should the winning tender be above that amount then a further call on the HRA Business Support Reserve will need to be made to address any shortfalls. This issue will be considered as part of the award of contract process,	
Other Resource or Risk Implications	
The award is required to achieve the project milestones and maintain project milestones and avoid significant risk of properties becoming redundant.	
Section 151 Officer's Comments	
Cabinet approved the use of £4M from the HRA Business Support Reserves at its meeting 8 th February 2022. Should the project require additional funding either through use of HRA reserves or other routes then approval will need to be in accordance with the Council's governance processes.	
Monitoring Officer's Comments	
The Monitoring Officer has been consulted and has no further comments to add	
Contact Officer	Andrew Whittaker
Tel	07539 213614
Email	awhittaker@lancaster.gov.uk
Links to Background Papers	
Information summarised in this report is from the Mainway Next Steps Project Report, recommendations, and decision: reference cabinet meeting of 08/02/2022 item 84	

1.0 Introduction

- 1.1 In February 2022 Cabinet approved the recommendations of the Mainway Next Steps report.
- 1.2 Officers were authorised to
 - 1.2.1 Negotiate terms for the purchase/transfer of the redundant areas of Skerton School
 - 1.2.2 Commission and procure of detailed design and a master planning team and submit a detailed planning application for the Mainway development
 - 1.2.3 Commission and procure a development design and build partner to refurbish Derby and Lune House.
- 1.3 The competitive procurement exercise for the above has now reached the tender evaluation stage

2.0 Proposal

- 2.1 Appointment of Strategic Development Management and Construction Delivery Partner to the successful tenderer in line with procurement procedures.

3.0 Options and Options Analysis (including risk assessment)

Option 1: to proceed with the appointment of a Strategic Management and Construction Delivery Partner in accordance with procurement rules
<p>Advantages:</p> <p>This appointment will commence the Mainway Next Steps project authorised by the cabinet decision.</p> <p>A co-ordinated masterplan and early phase detailed design for planning approval, will ensure how core design principles will flow through the combined site.</p> <p>Enhanced placemaking creates a real opportunity to reverse the cycle of decline</p> <p>The masterplan will plan the integration of the redundant parts of the Skerton School site into the Mainway proposals, increasing housing numbers, housing mix and community amenity.</p> <p>The early establishment of the design team and development partner for phase 1 is key to meet timeline expectations.</p> <p>Accelerating an early phase, (Lune & Deby pilot) sets out how the regeneration of the area will come forward and delivers on site examples of the wider masterplan vision.</p> <p>The strategy of retaining the core buildings, is important viability and zero carbon objective for Mainway.</p> <p>It provides clarity and communicates the vision of the Council to the community after some perceived delays in progressing the scheme.</p>
<p>Disadvantages:</p> <p>The cost of delivering a combined Mainway & school site programme is significant and dependent on the review of potential different Treasury strategies.</p> <p>The school site will incur holding costs until developed.</p> <p>The masterplan considers a S77 approval may not be granted, but in that instance whilst a portion of that work would be wasted expense, every effort will be to minimise that element.</p>
<p>Risks:</p> <p>All development comes with some risk. For example, unforeseen ground conditions, asbestos, covenants etc. It is believed all identified risks have been assessed and mitigated.</p>

<p>Proposals are based on the premise that the Mainway blocks can be completely stripped back to their concrete structure, re-configured, and then refurbished. Should it prove not to be, then a demolition and new build plan will need to be pursued.</p> <p>Qualifying social housing tenants are entitled to exercise their 'Right-to-Buy' option. However, 'the cost floor' provides around 10 and 15 years protection for modernised blocks and any new build element, respectively.</p> <p>A delay in procuring and appointing a design team and development partner for phase 1 will lead delay submission and approval of planning consent, the construction programme, and the key understanding of the refurbishment strategy.</p>
<p>Option 2: Do not proceed with the appointment</p>
<p>Advantages: None</p>
<p>Disadvantages:</p> <p>The cabinet's decision to proceed with the recommendations of the Mainway Nest Steps will not be realised.</p> <p>The Mainway blocks continue to deteriorate and represent sub-standard living for most residents.</p> <p>Community expectation of action by the Council will again be questioned.</p>
<p>Risks:</p> <p>The Mainway blocks will continue to deteriorate and represent sub-standard living for most residents.</p> <p>The Masterplan is essential to realising the project.</p> <p>Not pursuing a pilot scheme increases risk and cost of the overall scheme. It delays establishing a clear strategy for how we best bring forward this key regeneration project.</p> <p>The Council will incur significant and increasing costs for management, temporary repairs and abortive maintenance and create a standing and incur serious health and safety the risk(s) and associated abortive mitigation costs as the buildings accelerate to redundancy. The properties will become untenable.</p>

4. Officer Preferred Option (and comments)

- 4.1 The officer preferred option is Option 1 which will commence the Mainway Next Steps project.