

**Wards Affected:**

Stantonbury and Wolverton

**ITEM 8****CABINET PROCUREMENT COMMITTEE****7 MAY 2013****AWARD OF CONTRACT FOR BRADWELL WINDMILL MODERNISATION WORKS  
(REF: CU2288)**

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**Executive Summary:**

This report is seeking approval to award the works contract to a specialist millwright works contractor to modernise Bradwell Windmill. The Mill is Grade II Listed and the works when completed will deliver a fully protected and modernised mill able to better deliver important social and educational benefits to local communities and wider Milton Keynes for which it is a historic landmark.

The contract term:

- is for 1 year, expiring on 31 May 2014
- the works will be using lime mortar, therefore if the weather conditions mean that the lime mortar will not set the works period can be extended up to 31/05/15 if needed.
- the full value of this contract is £139,116, and this is a fixed price.
- if the works are delivered now this will save much larger costs in future than if the windmill was left to deteriorate
- CPC previously agreed that the tender could progress on 08 January 2013.
- as well as appointing a works contractor the council will also appoint Faithful & Gould from the professional services framework to carry out the role of Cost Controllers and Project Managers at a fee of 3.5%.
- the Council will also appoint Luke Bonwick of BHM Consultants as a specialist consultant to oversee the works [due to its grade 2 listing] at a fee of £350 a day with an estimate of 20 days work during the build period.

**1 Recommendation(s)**

1.1 That the Contract for Bradwell Windmill Modernisation Works be awarded to the bidder scoring the highest in accordance with the Most Economically Advantageous Tender (MEAT) evaluation.

1.2 That a consultancy contract be awarded to Luke Bonwick of BHM Consultants.

1.3 That Faithful and Gould be appointed as Project Managers.

## 2 Context

2.1 The Windmill is a unique example of Milton Keynes' historic environment and modernising it will provide a valuable resource for social and well-being benefits for local communities within both existing and new growth areas. The contracted works will affect the site and current delivery by MK Museum and local partners from Stantonbury, New Bradwell and Oakridge, but this is mitigated by an activity plan that the contracted millwrights can work around and involves the community through volunteering and learning activities and ultimately through extensive new use by residents and visitors delivers enhanced use of the re-vitalised mill.

## 3 Background

### 3.1 Decision to Proceed to Tender

This procurement was approved to proceed to Tender by CPC 08 January 2013. The Mill meets a priority within the Corporate Plan for the World Class MK: Distinctive heritage and is consistent with Council's delivery of its Heritage Strategy adopted by Cabinet in July 2008 and refreshed in December 2010.

### 3.2 Consultation

3.2.1 The schedule of works was prepared by BHM Consultants (Annex B).

3.2.2 The evaluation criteria for this contract were developed following consultation with the following key stakeholders:

- With relevant Cabinet Member and officers to progress the Council's Strategic Aim to deliver distinctive heritage through a restored Mill, an important landmark for residents and visitors to Milton Keynes.
- With the Bradwell Windmill Partnership Steering Group consisting of Milton Keynes Museum, Stantonbury and New Bradwell parish councils, Bradville Community Centre, Stantonbury Urban Rangers and local volunteers who help operate the Mill.

3.2.3 Consultation highlighted a strong desire to see Bradwell Mill modernised to be a real focus for the diverse audiences in the local community whilst retaining its historic integrity. This approach was built into the specification and evaluation criteria and has influenced the procurement strategy.

### 3.3 Market engagement and lessons learnt

3.3.1 Before this tender commenced there were regular discussions with the representative steering group and the local community through events to ensure full community support for the project and that use of a modernised facility would be extensive. Luke Bonwick [BHM Consultants] as part of his survey work undertook considerable research to calculate the cost of the Council's requirement and to understand the current appetite for this type of contract. This ensured the correct brief for tender was established and a realistic schedule of works was achieved.

3.3.2 A bid to the Heritage Lottery Fund (HLF) for a complementary community activity programme was unsuccessful owing to high demand in the final

round of their five-year strategic programme. It is proposed that the mill be restored in 2013/14 according to schedule and that a smaller bid to HLF is submitted in early 2014 when demand on their funding will be less and to spread the risk identify other funders to fund follow-on activity focused on active community participation and learning.

### 3.4 Tender Evaluation

3.4.1 The contract was advertised on the Council's E-Tendering system on 11 February 2013 and 3 tenders were returned on 08/03/13. The Tenders were evaluated by a suitably qualified and experienced panel namely the Heritage Development Officer, Director of Milton Keynes Museum [as community delivery representative] and the mill mentor. The Risk Assessment for the contract is set out in section 4.2.

3.4.2 The MEAT evaluation of tenders resulted in the following results (note the actual names of suppliers their pricing and a break down of the Quality will be in the exempt Annex A).

#### 3.4.3

	Quality score (out of 60)	Price score (out of 40)	Total score	Ranking
Company A	24.00	35.82	59.82	3
Company B	50.00	40.00	90.00	1
Company C	35.00	29.91	64.91	2

3.4.4 The evaluation criteria were weighted 40% pricing and 60% quality to ensure specialist millwright expertise as best tender for this contract. The supplier with the lowest price also had the best quality tender.

### 3.5 Contract Management

3.5.1 The Senior Client Officer for this contract is the Heritage Development Officer working closely with a Client Officer from the Capital Build Team.

3.5.2 The key governance processes include:

- Weekly updates to Project Manager/mill mentor and Monthly meeting of Project Team and monthly reporting to Archive and Museum Project Board, Capital Programme Board.
- Ongoing performance measurement by mill mentor and project manager against delivery of the itemised schedule of works and a clear escalation process through a clear officer structure.
- Staged payments to be made only when specific works are completed
- Payment terms which include final payment being made only when the final build is signed off by project manager following approval by the

Consultant and client team and the Council having ownership of all materials and documents created by project.

- A requirement for a 6 month defect period where the building contract will correct any defects identified.

## 4 Implications

### 4.1 Policy

The award of this contract will progress the World Class MK: distinctive heritage priority within the Corporate Plan 2012-16 and the MK Heritage Strategy. The procurement of this contract has complied with Contract Procedure Rules, Financial Regulations and applicable European Procurement Regulations.

### 4.2 Resources and Risk

4.2.1 The capital costs were agreed by Council in 2012/13 and spend approval given by Cabinet Procurement Review Panel (CPRP) in July 2012. The Award is within the budget tolerances set.

4.2.2 The key OPPORTUNITY secured by this contract is to restore the Mill through professional millwrights so it can be used for educational, social and health and wellbeing purposes. It is assessed that the contract delivery provides a HIGH Likelihood that a HIGH Impact will secure the opportunity defined.

4.2.3 The key THREATS for this contract have been assessed as:

<b>Risk</b>	<b>Likelihood</b>	<b>Mitigation</b>
Insufficient resource in capital contract management	M	Contingency is available and works priced and prioritised to avoid budget overspend.
Contract not robust or clear enough to deliver the outcomes expected	L	Mill mentor and project manager specialists have been appointed to ensure clear direction.
Operational peaks of work through weather-dependent or community access needs	L	The works programme will operate around usage and seasonal requirements.

The governance measures in 3.5.2 above provide a basis to conclude that these threats, properly managed represent a LOW Likelihood or a MEDIUM Impact.

### Resources & Risk Implications

This project is designed to be delivered with the Capital funding granted and will minimise the future maintenance needs of the Mill, so those costs remain within its revenue budget. Additionally, the community partners will fundraise to assist with operational activity funding and external funding through HLF and/or other funders will be applied for at the end of the project to develop greater community activity to enhance revenue at no additional cost to the Council.

Y	Capital	Y	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	Y	Asset Management

#### 4.3 Carbon and Energy Management

Although the mill is restricted to using historic, natural building materials, it is a strong asset for carbon and energy management. The use of wind as a source of energy from the past to the present will be an important educational resource. This Award to modernise the Mill will enable MK Museum and parish partners to attract diverse audience groups to explore topic themes of farming and food production flour milling, industrial revolution and wildlife biodiversity. The Mill is also part of the Millennium trail, National Cycle Route 6 and two heritage trails which enables it to promote sustainable transport and health and wellbeing.

#### 4.4 Legal

4.4.1 The council's legal department have drafted a specific works contract given the nature of the specialist works.

4.4.2 The council's legal department have drafted a consultantancy agreement to appoint BHM Consultants.

4.4.3 A call off contract under the framework will be awarded to Faithful and Gould.

4.4.4 The Contract and its procurement are compliant with Council Constitution, UK and European Laws.

4.4.5 The works contract will have to be sealed as a deed therefore legal will have to arrange completion of the works contract and sealing accordingly.

#### 4.5 Other Implications

Y	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder
Y	Carbon and Energy	Y	Policy		

#### Background Papers:

Decision to Proceed to Tender 08/01/13

Milton Keynes Heritage Strategy 2008 – 13, refreshed December 2010.

Bradwell Windmill Modernisation Survey, BHM Consultants, 2013.