

# North Yorkshire Council

## Executive Member

15 September 2023

Levelling Up Fund – Catterick Garrison Town Centre Regeneration Project –  
Submission of Construction Tender

### Report of the Corporate Director of Community Development

#### 1.0 PURPOSE OF REPORT

- 1.1 To Seek Approval from the Executive Member for Open to Business to submit a 2 stage Tender and to allow the procurement of the contract for the construction and delivery of the Catterick Garrison LUF (Levelling Up Fund) regeneration of Shute Road.

#### 2.0 SUMMARY

- 2.1 This report covers the approach to procuring a Construction Company to deliver the entire proposed capital works comprised within the Catterick Garrison Levelling Up Fund (LUF) Project. This contract would encompass all 3 sub projects; 1/ Accessibility and Connectivity, 2/ Public Realm including Coronation Park and, 3/ the Community and Enterprise Building. This report recommends that the project is given permission to utilise a 2 Stage tender to obtain a suitable construction company in line with current North Yorkshire Council Guidelines and Policies.

#### 3.0 BACKGROUND

- 3.1 The Catterick Town Regeneration procurement is a new procurement due to securing DLUHC (Department for Levelling Up, Housing and Communities) LUF grant funding to transform Shute Road and Coronation Park to provide a dynamic, well-connected, and inclusive Catterick Garrison town centre focus.

The overall procurement will account for each of the following three components that will be delivered by the appointed contractor and their subcontractors:

- Project 1 - Active pedestrian and cycle connections, increasing footfall whilst reducing carbon emissions.
- Project 2 - Create a new town events square, park activities and community gardens connecting the town via a feature walkway.
- Project 3 - A new mixed-use Community and Enterprise Facility to boost economic productivity. This will host facilities including business start-ups, community kitchen, training opportunities, small business incubator units and support community events and park activities.

The area chosen for redevelopment lies at the 'heart' of Catterick Garrison. It is the location of the historic town centre adjacent to the extensive urban green space of Coronation Park which leads to Risedale Secondary School and both military and civilian housing. It also lies adjacent to the new retail park, cinema, and leisure centre.

The MoD's Catterick Garrison Long Term Development Plan (2008 and refresh 2015) and the Richmondshire Local Plan 2012 – 2028 both highlight the need to regenerate the old town centre at Shute Road and buildings along Richmond Road to provide facilities for the immediate local audience and residents of the large rural hinterland. The provision of the new Catterick Integrated Care Centre (CICC) finally allows for existing medical services to be relocated from adjacent to Shute Road to release an important site for redevelopment and provide improved access to the old town.

The location complements the strategy for the reuse of brownfield town centre land as the first approach rather than development on greenfield sites in less sustainable locations on the Garrison.

In developing a new Local Plan for Richmondshire, the MoD and the former Richmondshire District Council worked together on formulating a Catterick Garrison Masterplan to enhance existing facilities and put great emphasis on design and place-making to improve the quality of the built and natural environment. The Masterplan seeks to connect disparate development through wider improvements to green corridors and highways and create high quality sustainable housing. The LUF intervention will realise the ambition for the town centre which could not be funded directly from the market or from a programme of developer contributions.

One of the largest interventions identified in the Local Plan Infrastructure Delivery Plan was a series of highways improvements to increase the capacity of the main A6136 Catterick Road. These were funded through the Local Enterprise Partnership and Council totalling £1.4m.

The redevelopment of Shute Road as a focal point for the town is the last remaining piece of the jigsaw. There are no other sites which are available or suitable for the community focus. The majority are in MoD ownership and are unsuitable for several reasons including existing use and security.

Coronation Park is a great asset with the proposal to create an attractive urban square with the adjacent parkland green corridor to create a large community space in which community events and festivals can be held and children can play. Consultation with the military has identified a desire for a central space in which to hold military remembrance events.

The aims of the Catterick Town Centre Regeneration project are to:

- Build a strong community that supports families and the local community.
- Support local businesses and start-ups by providing commercial facilities and flexible lease arrangements.
- Provide connected walking and cycling opportunities to increase active and healthy travel.
- Create community gardens, provide events, and improve Coronation Park to increase activity.
- Provide low carbon electricity generation to help tackle the climate change emergency.

The projects will support the Authority creating a powerful sense of place to bring existing communities together and reduce car travel. Improvements will be made to key walking and cycling connections to and from key destinations in the town centre – the shopping parks, leisure centre, Risedale (secondary) School and the soon to be constructed (in 2023/4) Catterick Integrated Care Campus, which is the first of its kind combined military and local community primary health and social care hub.

## **4.0 TWO STAGE CONTRACT PROCESS**

- 4.1 The preferred process is to undertake a two-stage competition via the Yorbuild 3 Major Works framework for the construction and civils requirements of the Catterick Garrison Levelling Up Fund project.

The recommendation is to secure a supplier using an NEC4 Option C (Target Cost) contract with Early Contractor Involvement (ECI). The scheme design is being developed by the Project Designers (Align Property Partners) and an ECI will allow for contractor input into final design and early planning for wider supply chain and works phasing considerations. The contract type also encourages collaboration between the contractor, designer and client whilst allowing the contractor to be innovative to achieve value for money.

This will be a two-stage process with appointment of contractors for the ECI stage followed by the agreement of a target cost before appointing to the second construction phase. The commercial basis for the agreement of target costs will be competitively assessed as part of the initial procurement exercise and the right not to proceed to the construction phase will be reserved.

## **5.0 ALTERNATIVE OPTIONS CONSIDERED**

### **5.1 IN-HOUSE OPTION**

The Authority does not hold the required capabilities in-house to be able to construct the project on site. The recommended process will allow the project designers to work alongside the appointed Contractor. NY Highways are not able to deliver the build.

### **5.2 OPEN PROCUREMENT & DIRECT AWARD**

These approaches have been looked and due to time constraints with regards to utilising an open procurement it was deemed this would:

1. Take too long to acquire an appropriate construction company
2. Following discovery sessions with potential construction companies the industry feedback was that an open tender process was not an attractive tender process for potential Construction Companies and the two stage process was more attractive.
3. A direct award would not be in line with current procurement legislation due to the nature of the Bid and project.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 By utilising the preferred early contractor involvement with target cost contract, both parties continue to be incentivised throughout the contract delivery to identify and implement more cost-effective designs and efficient ways of working as well as working collaboratively to meet the target costs. Additionally, by engaging the contractor early there is increased time to build an efficient supply chain which considers support for the local economy.

The Target Price mechanism under Option C of the NEC contract includes a pain / gain mechanism to financially penalise or reward the Contractor judged against outturn costs compared to the Target Price. This would take the form of a profit-sharing incentive for delivering below Target Price or the contract can be weighted to penalise the Contractor for cost increases above Target Price while protecting the Councils liability. This will support the Authority in ensuring that the project is delivered within the available budget.

The three individual projects have also been grouped together as one single project in order to make it more attractive to potential contractors and enable effective management of the site for residents of Catterick Garrison during the build process. This should result in more increased competition than if issued as separate projects and therefore may result in more competitive pricing in line with the project budget.

DLUHC will expect the Council to be responsible for all project overruns associated with the delivery as well as underwriting the agreed match funding contributions from DIO (Defence Infrastructure Organisation). The Council has established a project governance framework to ensure that project financial monitoring and requirements are managed and met.

## **7.0 LEGAL IMPLICATIONS**

7.1 The Council has general powers to undertake regeneration projects such as the Catterick Garrison Town Centre Regeneration Project pursuant to the general power of competence contained in the Localism Act 2011 as well as the wellbeing provisions in the Local Government Act 2000.

7.2 The Memorandum of Understanding (MOU) between DLUHC and the Council is stated to not be legally binding; it does however set out the understanding between the parties for the use of the funding for the project. Notwithstanding this position, the Council will be required to submit regular project, financial, and risk reporting outlined to DLUHC and DLUHC will then have the ability to make appropriate adjustments or withhold payments where there is concern over the status of project delivery. Any changes to the project must be agreed with DLUHC by way of a project adjustment request. The Council has established a project governance framework to ensure these requirements are met.

7.3 DLUHC will expect the Council to be responsible for all project overruns associated with the delivery as well as underwriting the agreed match funding contributions from DIO (Defence Infrastructure Organisation).

## **8.0 EQUALITIES IMPLICATIONS**

8.1 An equalities impact assessment has been undertaken and identified no negative impacts on people with protected characteristics. The form is attached in Appendix A. The project is intended to support people with disabilities through the provision of a changing place.

## **9.0 CLIMATE CHANGE IMPLICATIONS**

9.1 There has been a climate change impact assessment undertaken. This is attached as Appendix B. This has identified some minor climate impact in terms of carbon emissions during construction. The whole project however will feature renewable energy and state of the art building construction methods which will be an exemplar Net Zero project monitored by North Yorkshire Council's climate change team. In addition, the project has a community garden which will be used for food and flower growing supporting pollinators and reducing food miles. There has been attention paid to connecting paths and cycleways with networks running from housing and schools to the town centre through the park. Investment in these cycleways will encourage active travel.

9.2 Part of the deciding factor with regards to the successful applicant will be the ability to utilise locally sourced materials factoring a more Bio-diverse material gain, lower transportation costs and an ability to show minimal ecological and social impact.

## 10.0 REASONS FOR RECOMMENDATIONS

- 10.1 The preference for the Authority is to award a contract to one Contractor to deliver all elements of the three packages. This will support in meeting timescales and ensuring that all elements are undertaken as required so that they can progress and are not held up. This will also assist in contract managing the project with a sole Contractor as well as making the opportunity more attractive to potential tenderers. Collaborative partnering with a single contractor at the ECI stage through to delivery embellishes the positive relationship encouraged under the Option 3 NEC contract proposed.
- 10.2 By utilising the preferred early contractor involvement with target cost contract, both parties continue to be incentivised throughout the contract delivery to identify and implement more cost-effective designs and efficient ways of working as well as working collaboratively to meet the target costs. Additionally, by engaging the contractor early there is increased time to build an efficient supply chain which considers support for the local economy.

### 11.0 RECOMMENDATION(S)

It is recommended that the Executive Member for Open for Business:

- i. Note and support the recommendations set forward in the Gateway 1 report
- ii. Support, in principle the utilisation of the 2-stage tender so the construction and delivery of the Catterick Garrison LUF regeneration of Shute Road can progress
- iii. Make any recommendations they see fit.

### APPENDICES:

[Appendix A - Equality Impact Assessment Catterick Garrison LUF Tender report 0923.docx](#)

[Appendix B - Climate change Impact Assessment form 23.docx](#)

Nic Harne  
Corporate Director – Community Development  
County Hall  
Northallerton  
1<sup>st</sup> September 2023

Report Author – Simon Hayden – Lead Project Manager CG LUF Regeneration  
Presenter of Report – Simon Hayden – Lead Project Manager CG LUF Regeneration

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

## Appendix A – EIA

Initial equality impact assessment screening form			
<p>This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</p>			
Directorate	Community Development Directorate		
Service area	Economic Development, Regeneration, Skills and Tourism		
Proposal being screened	Levelling Up Fund Catterick Garrison Town Centre Regeneration Project Submission of Construction Tender		
Officer(s) carrying out screening	Simon Hayden		
What are you proposing to do?	For Submission of Construction Tender. Agreement and sign off from Executive Board needed prior to submission of the 2 Stage Tender, for the construction and delivery of the Catterick Garrison LUF regeneration of Shute Road		
Why are you proposing this? What are the desired outcomes?	The preference for the Authority is to award a contract to one Contractor to deliver all elements of the three packages. This will support in meeting timescales and ensuring that all elements are undertaken as required so that they can progress and are not held up. This will also assist in contract managing the project with a sole Contractor as well as making the opportunity more attractive to potential tenderers. Collaborative partnering with a single contractor at the ECI stage through to delivery embellishes the positive relationship encouraged under the Option 3 NEC contract proposed.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	Yes, the tender process will involve 2 stages with early engagement from the onset of potential construction companies. This will require the appointment of a contract manager and appointment of a construction Project manager.		
<p><b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics</b></p> <p>As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> <li>To what extent is this service used by particular groups of people with protected characteristics?</li> <li>Does the proposal relate to functions that previous consultation has identified as important?</li> <li>Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul> <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.</p>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	

Marriage or civil partnership		X	
<b>NYC additional characteristics</b>			
People in rural areas		X	
People on a low income		X	
Carer (unpaid family or friend)		X	
<b>Does the proposal relate to an area where there are known inequalities/probable impacts</b> (e.g. disabled people's access to public transport)? Please give details.	No however there are areas of significant health concerns in terms of obesity and in activity. This project will help to alleviate these through provision of improvements in active travel ( cycle ways ) and activities in Coronation Park.		
<b>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics?</b> Please explain why you have reached this conclusion.	Yes, as part of the initial community consultation and ongoing engagement with neighbouring groups working with people with protected characteristics were and are being consulted. This provision will support people with disabilities with new community facilities such as a changing place and community garden and provide a centre and activities where the community can come together.		
<b>Decision (Please tick one option)</b>	EIA not relevant or proportionate:	<input checked="" type="checkbox"/>	Continue to full EIA:
<b>Reason for decision</b>	This is a report seeking approval and permission to proceed with the tender process. There are no negative impacts on people with protected characteristics and the project will support people with protected characteristics in many ways..		
<b>Signed (Assistant Director or equivalent)</b>	<b>Dave Caulfield, Assistant Director – Economic Development, Regeneration, Skills and Tourism</b>  <i>Dave Caulfield</i>		
<b>Date</b>	<b>01/09/2023</b>		



## Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk)

**Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:**

Planning Permission  
Environmental Impact Assessment  
Strategic Environmental Assessment

However, you will still need to summarise your findings in in the summary section of the form below.

Please contact [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk) for advice.

<b>Title of proposal</b>	<b>Levelling Up Fund – Catterick Garrison Town Centre Regeneration Project – Submission of Construction Tender</b>
<b>Brief description of proposal</b>	<b>To seek approval to undertake a procurement for the construction and delivery of the Catterick Town Centre LUF regeneration project</b>
<b>Directorate</b>	<b>Community Development Directorate</b>
<b>Service area</b>	<b>Economic Development, Regeneration, Skills and Tourism</b>
<b>Lead officer</b>	<b>Simon Hayden</b>
<b>Names and roles of other people involved in carrying out the impact assessment</b>	n/a
<b>Date impact assessment started</b>	<b>25/04/23</b>

**Options appraisal**

**Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.**

There were no other options considered in trying to achieve the aim of this project.

This is a new funding stream that provides support for place transformation to support business and the community. This work is directly complementary to other key initiatives and responsibilities of the Council. The scheme being progressed has been designed with and has a high degree of support from the local community and other key stakeholders.

**What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?**

**Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.**

This project will involve nearly £400,000 of combined North Yorkshire Council match funding to develop (£100,000 match from the former Richmondshire District Council and £282,075 match from North Yorkshire Council). In addition the project will involve the development of new assets in the form of a community enterprise building and park facilities. There will however be income from rental of offices and facilities within the new building and renewable energy installations which will offset building and park running and maintenance costs. The project in addition provides capital investment in pedestrian/ traffic controls on Richmond Road and cycle ways which will be a saving to Council budgets. Discussions with the MOD/DIO have included capturing some of the uplift from future development phases to help funding ongoing revenue maintenance costs of the park and public realm.

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Minimise <b>greenhouse gas emissions</b> e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	<p>Emissions from travel</p>	<p>X</p>			<p>There are planned improvements to active the travel network from footpath and cycleway investment, encouraging active travel.</p>		<p>Investment in the footpaths and cycleways has been targeted at the Catterick Garrison wider network to encourage linkages between housing and schools and the park and town centre.</p>
	<p>Emissions from construction</p>			<p>X</p>	<p>There will be some negative emissions from construction due to the use of new materials and powered vehicles</p>	<p>Reuse of materials will be explored and reduction in vehicle movements</p>	<p>The new building and public realm will feature renewable energy installations.</p>
	<p>Emissions from running of buildings</p>	<p>X</p>			<p>The design of the building will include renewable energy elements which will cover the energy requirements of the new build and generate excess energy.</p>		<p>As above</p>
	<p>Other</p>	<p>X</p>			<p>New facilities in the park and growing of food in the community garden will contribute to</p>		

<p><b>How will this proposal impact on the environment?</b></p> <p><b>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</b></p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p><b>Explain why will it have this effect and over what timescale?</b></p> <p><b>Where possible/relevant please include:</b></p> <ul style="list-style-type: none"> <li>Changes over and above business as usual</li> <li>Evidence or measurement of effect</li> <li>Figures for CO<sub>2</sub>e</li> <li>Links to relevant documents</li> </ul>	<p><b>Explain how you plan to mitigate any negative impacts.</b></p>	<p><b>Explain how you plan to improve any positive outcomes as far as possible.</b></p>
				reduction of carbon footprints from children playing locally and community food growing.		
<p>Minimise <b>waste</b>: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>	X			The community facility will encourage the reduce, reuse, recycle and compost message.		
<p>Reduce <b>water</b> consumption</p>		X		The building and new park facilities will be developed to the latest standards to reduce water consumption.		
<p>Minimise <b>pollution</b> (including air, land, water, light and noise)</p>	X			The building and new park facilities will be developed to the latest standards and will minimise pollution.		
<p>Ensure <b>resilience</b> to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>	X			The building and new park facilities will be developed to the latest standards and will be adapted to unavoidable climate change impacts.		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p><b>Positive impact</b> (Place a X in the box below where relevant)</p>	<p><b>No impact</b> (Place a X in the box below where relevant)</p>	<p><b>Negative impact</b> (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> <li>• Changes over and above business as usual</li> <li>• Evidence or measurement of effect</li> <li>• Figures for CO<sub>2</sub>e</li> <li>• Links to relevant documents</li> </ul>	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Enhance <b>conservation</b> and wildlife</p>		X		<p>There will be park improvements which will aim to contribute to conservation and wildlife however this is likely to be a neutral impact in the beginning.</p>		<p>Work with the members of the community garden initiative could develop into a Friends of Coronation Park initiative looking at nature improvements.</p>
<p>Safeguard the distinctive characteristics, features and special qualities of <b>North Yorkshire's landscape</b></p>	X			<p>This will improve the quality of place in Catterick Garrison. Currently the area identified for investment is run down and this funding will transform this area into an attractive community facility.</p>		<p>The building and park facilities will be designed to the highest standards to ensure attractive design.</p>
<p>Other (please state below)</p>						

**Are there any recognised good practice environmental standards in relation to this proposal?** If so, please detail how this proposal meets those standards.

**Summary** Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The Catterick Garrison Levelling Up project was subject to comprehensive community consultation and incorporated the community’s ideas including suggestions from young people from the neighbouring school. It will transform a run-down area of Catterick Garrison to create a high quality heart to the town centre and enable active travel and play in a transformed local park.

**Sign off section**

This climate change impact assessment was completed by:

<b>Name</b>	<b>Simon Hayden</b>
<b>Job title</b>	<b>Lead Project Manager</b>
<b>Service area</b>	<b>Economic Development Skills and Tourism</b>
<b>Directorate</b>	<b>Community Development</b>
<b>Signature</b>	<i>Simon Hayden</i>
<b>Completion date</b>	<b>01 /09/2023</b>

**Authorised by relevant Assistant Director (signature):**

*Dave Caulfield*

**Dave Caulfield, Assistant Director – Economic Development, Regeneration, Skills and Tourism**

**Date: 01/09/2023**

