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Award

Design and Construction of 45 New Apartments and 46 New Houses, Kara Street, Salford

Salix Homes Developments Limited

F15: Voluntary ex ante transparency notice

Notice identifier: 2021/S 000-008664

Procurement identifier (OCID): ocids-h6vhtk-02a949

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Section I: Contracting authority/entity

I.1) Name and addresses

Salix Homes Developments Limited

2 Peel Cross Road

Salford

M5 4DT

Contact

Terry McBride

Email

terry.mcbride@salixhomes.co.uk

Telephone

+44 08002182000

Country

United Kingdom

NUTS code

UKD34 - Greater Manchester South West

Internet address(es)

Main address

www.salixhomes.org

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Housing and community amenities

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Design and Construction of 45 New Apartments and 46 New Houses, Kara Street, Salford

II.1.2) Main CPV code

- 45211000 - Construction work for multi-dwelling buildings and individual houses

II.1.3) Type of contract

Works

II.1.4) Short description

Salix Homes Developments Limited are entering into a construction contract with Watson Construction Limited for the design and construction of 45 new build apartments and 46 new build houses in a single phase including external works, drainage and improvements to existing highways. Salix Homes Developments Limited is appointing the contractor following the withdrawal of a previously appointed contractor procured through a call-off under a Framework Agreement

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £14,751,000

II.2) Description

II.2.2) Additional CPV code(s)

- 45211300 - Houses construction work
- 45211340 - Multi-dwelling buildings construction work
- 45232452 - Drainage works
- 45233000 - Construction, foundation and surface works for highways, roads
- 71500000 - Construction-related services

II.2.3) Place of performance

NUTS codes

- UKD34 - Greater Manchester South West

Main site or place of performance

Salford

II.2.4) Description of the procurement

Salix Homes Developments are entering into a construction contract with Watson Construction Limited for the design and construction of 45 new build apartments and 46 new build houses in a single phase including external works, drainage and improvements to existing highways. Salix Homes Developments Limited is appointing the contractor following the withdrawal of a previously appointed contractor procured through a call-off under a Framework Agreement.

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated without a prior call for competition

- Extreme urgency brought about by events unforeseeable for the contracting authority

Explanation:

1. Salix Homes Developments Limited is satisfied the tests permitting reliance on Regulation 32(2)(c) are met:

A. As far as is strictly necessary: Following a call-off under Regional Housing Framework,

Salix Homes Developments Limited appointed a previous contractor for the design and construction of the works. Two weeks prior to contract award, the contractor withdrew from the contract for internal reasons.

B. There are genuine reasons for extreme urgency: Salix Homes Developments Limited must award the contract to avoid the loss of funding from Homes England and to ensure that the scheme can be delivered by June 2022.

C. The events that have led to the need for extreme urgency were unforeseeable: The late withdrawal of the previous contractor was unforeseeable. Salix Homes Developments Limited has undertaken an appraisal of the market and considers that there is no alternative available given the construction sector conditions including with restrictions and limitations on supply of both contractors and materials due to COVID-19.

D. It is impossible to comply with the usual timescales in the PCR: Salix Homes Developments Limited has explored alternative frameworks including making a direct award under a framework. Supplier capacity is currently limited meaning this was not a feasible approach in view of the urgency..

Salix Homes Developments Limited considered running an accelerated procedure. However, due to urgency, there was no time to run an accelerated procurement that would have allowed Salix Homes Developments Limited to deliver the scheme within the timescales required by Homes England as funder and in view of other commercial and contractual obligations requiring practical completion of the project by June 2022. Any breach of such arrangements could lead to incurring unnecessary expense for the parties involved including the Local Authority as proposed purchaser of part of the scheme on completion.

Having undergone one failed procurement, given the urgency, Salix Homes Developments Limited needed to ensure a solution could be achieved in a time critical fashion in order to satisfy funding conditions before the funding is withdrawn. The situation is not attributable to the contracting authority – Salix Homes Developments has not done anything to cause or contribute to the need for extreme urgency as the previous contractor withdrew from the contract for their own reasons.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

22 April 2021

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Watson Construction Limited

Spark Studio, 208-210 Great Clowes Street

Salford

M5 2ZS

Email

hello@watson-homes.co.uk

Telephone

+44 1612418787

Country

United Kingdom

NUTS code

- UKD34 - Greater Manchester South West

Internet address

www.watson-homes.co.uk

The contractor/concessionaire is an SME

Yes

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession: £14,751,000

Section VI. Complementary information

VI.3) Additional information

(MT Ref:222620)

VI.4) Procedures for review

VI.4.1) Review body

Public Procurement Review Service

Cabinet Office

London

Country

United Kingdom