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Award

324-338 Bensham Lane Works Contract

Optivo Development Services Limited

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-009916

Procurement identifier (OCID): ocds-h6vhtk-044d3f

Published 26 March 2024, 5:07pm

Section I: Contracting authority/entity

I.1) Name and addresses

Optivo Development Services Limited

Fleet House, 59-61 Clerkenwell Road, London, England, EC1M 5LA

London

EC1M 5LA

Contact

Altaf Sharif

Email

Altaf.Sharif@southernhousing.org.uk

Country

United Kingdom

Region code

UK - United Kingdom

Companies House

Companies House

Internet address(es)

Main address

www.shgroup.org.uk

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

324-338 Bensham Lane Works Contract

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

A contract for the carrying out and completion of the following works at the 324-338 Bensham Lane site:

The design and construction of 44 units comprising of a six-storey building (including lower ground floor) fronting Bensham Lane comprising of: 17 one bedroom flats, 18 two bedroom flats, 1 two bedroom Duplex, 1 three bedroom Duplex and 7 three bedroom townhouses. This also includes the formation of vehicular accesses and provision of associated off-street parking; provision of associated refuse cycle storage formation of vehicular accesses and provision of associated off-street parking.

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: £14,009,292

II.2) Description

II.2.2) Additional CPV code(s)

- 45000000 - Construction work

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

324-338 Bensham Lane

Thornton Heath

Croydon

CR7 7EQ

II.2.4) Description of the procurement

A contract for the carrying out and completion of the following works at the 324-368 Bensham Lane site:

The design and construction of 44 units comprising of a six-storey building (including lower ground floor) fronting Bensham Lane comprising of: 17 one bedroom flats, 18 two bedroom flats, 1 two bedroom Duplex, 1 three bedroom Duplex and 7 three bedroom townhouses. This also includes the formation of vehicular accesses and provision of associated off-street parking; provision of associated refuse cycle storage formation of vehicular accesses and provision of associated off-street parking.

II.2.11) Information about options

Options: 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:

Optivo Development Services Limited (ODSL) is a subsidiary within the Southern Housing Group. ODSL intends to award the Contract to Oakwood Building Contractors Limited ("Oakwood") pursuant to Regulation 32(2)(c) of the Public Contracts Regulations 2015 ("PCR"), for the reasons set out below:

DCB (Kent) Limited ("DCB") were originally appointed to carry out the development works at the site under a building contract with ODSL. Kinovo Plc ("Kinovo") provided a parent company guarantee ("PCG") in respect of DCB's performance of the building contract.

In May 2022 DCB entered into administration. Pursuant to the terms of the PCG, Kinovo were required to arrange for the completion of the works, subject to ODSL's agreement. Accordingly, Kinovo took steps to procure a replacement building contractor, but have not been able to secure a proposal that is acceptable to ODSL both in terms of the price payable for the completion of the works and the experience and credentials of the proposed replacement contractor.

In light of the above ODSL has decided to take direct control of the selection and appointment of a replacement contractor. ODSL now wish to appoint Oakwood as the replacement contractor.

Regulation 32(2)(c) allows a contracting authority to award a contract under the negotiated procedure without prior publication "insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with"

ODSL is relying on this exemption to award the Contract to Oakwood on the following basis:

- (i) The events that have given rise to the need to appoint Oakwood on an urgent basis without undertaking a competitive tender process in accordance with the PCR were not foreseeable by, or attributable to, ODSL - such events being DCB entering into administration originally, and Kinovo subsequently being unable to secure a proposal for the completion of the works that is acceptable to ODSL;
- (ii) If a contractor is not appointed urgently to complete the remaining works this will result in ODSL incurring significant additional costs (to add to the costs that it has already incurred);
- (iii) Any further delay in completing the works could also give rise to health and safety issues and/or security issues on site.

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

Contract No

1

Title

324-338 Bensham Lane Works Contract

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

26 March 2024

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

Oakwood Building Contractors Limited

Suite 4 Oaks House, 12 - 22 West Street, Epsom, Surrey, KT18 7RG

Epsom

KT18 7RG

Country

United Kingdom

NUTS code

- UKJ - South East (England)

Companies House

02085761

The contractor/concessionaire is an SME

Yes

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

Initial estimated total value of the contract/lot/concession: £14,009,292

Total value of the contract/lot/concession: £14,009,292

Section VI. Complementary information

VI.3) Additional information

The Contracting Authority intends to enter into this contract following a minimum 10 day calendar day standstill period starting on the day after this notice is published in the UK Find a Tender Service. The Public Contracts Regulations 2015 (SI 2015 No 102) (as amended) (the Regulations) provide for aggrieved parties who have been harmed or who are at risk of harm by a breach of the Regulations to bring proceedings in the High Court. Any such proceedings must be brought within the limitation period specified by the Regulations according to the remedy sought.

VI.4) Procedures for review

VI.4.1) Review body

High Court

The Strand

London

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

In accordance with Part 3 of the Public Contracts Regulations 2015