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Award

Deed of Variation in relation to construction contract for the development at North Town

VIVID

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-022123

Procurement identifier (OCID): ocids-h6vhtk-03eb99

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Section I: Contracting authority/entity

I.1) Name and addresses

VIVID

Peninsular House, Wharf Road

Portsmouth

PO2 8HB

Contact

Victoria Harfield

Email

victoria.harfield@vividhomes.co.uk

Telephone

+44 2392896815

Country

United Kingdom

Region code

UKJ3 - Hampshire and Isle of Wight

Internet address(es)

Main address

<http://www.vividhomes.co.uk>

Buyer's address

<http://www.vividhomes.co.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

Deed of Variation in relation to construction contract for the development at North Town

Reference number

DN166897

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

Vivid intends to enter into a deed of variation with Hill Partnership Limited ("Hill"), the effect of which will extend the duration of an existing construction contract between Vivid and Hill (the "Underling Contract") by 100 weeks, and which will increase the value of the Underlying Contract by approximately £8,000,000 (eight million pounds).

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: £8,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKJ3 - Hampshire and Isle of Wight

II.2.4) Description of the procurement

Vivid intends to enter into a deed of variation with Hill Partnership Limited ("Hill"), the effect of which will extend the duration of an existing construction contract between Vivid and Hill (the "Underling Contract") by 100 weeks, and which will increase the value of the Underlying Contract by approximately £8,000,000 (eight million pounds).

The Underlying Contract is in respect of a regeneration scheme in Aldershot for 215 dwellings consisting of houses, maisonettes and flats at North Town under a JCT Design and Build Contract. The variation is limited to the construction of 30 new homes and 1 community space under the Underlying Contract.

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

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

This VTN gives notice that Vivid is entering into a deed of variation (the "Contract") to award additional works to Hill. The estimated increase in the value of the Underlying Contract is estimated to be £8,000,000 (eight million pounds). A procurement procedure is not necessary on the basis that the award of the Contract is permitted pursuant to regulation 71(1)(e) of the Public Contracts Regulations 2015 (the "Regulations").

The Contract will award additional works to Hill and will have the effect of modifying the Underlying Contract in accordance with Regulation 72 of the Regulations.

Whereas the Underlying Contract had an original value of £31,776,193.36 (thirty one million, seven hundred and seventy six thousand pounds and one hundred and ninety three pounds and thirty six pence across a full possible 143 week term, the Underlying Contract will be varied in order to extend the duration of the

Underlying Contract by a period of 100 weeks, and the estimated value of the Underlying Contract is increased by £8,000,000 (eight million pounds).

This modification is being made in accordance with regulation 72(1)(e) and 72(8) of the Public Contracts Regulations 2015. Namely, the proposed modification is not substantial within the meaning of regulation 72(1)(8) on the basis that:

1. the modification does not render the contract materially different in character - the proposed modification remains limited to the same type, scope and nature of works, and will be delivered in the same geographic region. There is just a small increase in the number of homes to be constructed by Hill.
2. the modification does not introduce conditions which would have (a) allowed for the admission of other candidates, (b) allowed for the acceptance of another tender, or (c) attracted additional participants in the procurement procedure - the change in value of the opportunity is not a significant change and is unlikely to have changed the outcome of the procurement. Further, the additional units to be constructed are located in a constrained

site in close proximity to other phases which are still being completed by Hill, and this presents significant complexity of developing this Phase as a standalone project in light of those circumstances..

3. The modification does not change the economic balance in favour of the contractor in a manner which was not provided for in the contract - Vivid has satisfied itself that the estimated compensation for the additional works are reflective of market costs and do not amount to an over-compensation of the works to be provided.

4. As per our comments at 1. above, the modification does not extend the scope of the contract considerably. For the reasons set out above, the proposed modification does not constitute a substantial modification and is permitted by regulation 72(1)(e) and 72(8) of the Public Contracts Regulations 2015.

Hill are currently on site for construction works for an earlier phase of the development project and have a well-established site set up. As Hill are already set up and understand the difficulties and constraints of the site, if there were to be a change of contractor Vivid would face significant duplication of mobilisation costs and duplication costs in order for the new contractor to get up to speed with the site's difficulties and constraints.

Part of the proposed works include the provision of open space which is currently being used by Hill as site set-up and as a compound. This area will not be released until completion of Hill's existing works. Given the location of the proposed works on the site, there is extremely limited space outside of the building footprint which can be used for site set-up. To build out the proposed works economically will require a delay to the open space construction of works already being provided by Hill, and the continued use of this area for site set-up, compound use and temporary accommodation.

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

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2016/S 147-265506](#)

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

31 July 2023

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

Hill Partnerships Limited

The Power House, Gunpowder Mill, Powdermill Lane, Essex

Waltham Abbey

EN9 1BN

Country

United Kingdom

NUTS code

- UKJ3 - Hampshire and Isle of Wight

The contractor/concessionaire is an SME

No

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

Total value of the contract/lot/concession: £8,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

High Court of England and Wales

London

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

High Court of England and Wales

London

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

The Contracting Authority will conduct itself in accordance with the Public Contracts Regulations 2015.

VI.4.4) Service from which information about the review procedure may be obtained

Cabinet office

London

Country

United Kingdom