

**BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK**

**RECORD OF DECISION TAKEN BY OFFICERS UNDER DELEGATED POWERS**

This is a record of a decision taken by an officers under delegated powers and where necessary taken in consultation with members and officers.

<b>REPORT TITLE:</b>	Lynnsport 1 PPC
<b>OPEN/EXEMPT</b>	Open
<b>LEAD OFFICER</b>	James Grant
<b>IS DECISION SUBJECT TO CALL IN?:</b>	Yes
<b>DATE DECISION ADVERTISED:</b>	05/06/2024
<b>DATE OF DECISION:</b>	12/06/2024
<b>DEADLINE FOR CALL IN:</b>	19/06/2024
<b>PRE-SCREENING EQUALITY IMPACT ASSESSMENT COMPLETED:</b>	YES /NO

**Delegated Power**

Specify the particular delegated power being exercised by reference to the Scheme of Delegation or the Council body minute and date.

Report to Cabinet – 06<sup>th</sup> Feb 2024

Recommendation 2: That the Executive Director (Place), in consultation with the Portfolio Holder for Business and Monitoring Officer be given delegated authority to approve the final terms of a Project Partnering Contract (PPC) 2000 with LPL to deliver this project.

\*The role of Portfolio Holder for Business, as the time of cabinet, was held by Cllr Allister Beales. Cllr Beales has subsequently been appointed as Leader of Council.

**Decision Taken**

Specify precise details of the decision taken.

To agree the terms of the PPC contract and proceed with signing to proceed with the start on site of the construction of the new 96 homes off Front Way, King's Lynn, Norfolk – known as Lynnsport 1.

The terms of the proposed Lynnsport 1 contract reflect those changes made to the Parkway (Florence Fields) contract in 2023, based upon advice from Stefan Harris Wright & Patrick Cooney of Birketts PLC. These changes were made to reflect the scale and complexity of more recent housing development schemes and the changing risk profile of the housing market and construction sector.

Key changes formally made to the PPC, and replicated within the Lynnsport 1 contract included:

- Inclusion of a Parent Company Guarantee
- Retention
- Liquidated Damages
- Review of clauses amended by Lovell Partnerships Ltd, and reverting them back to PPC2000 standard wording where required.

The revised terms provide better security for the council in encouraging Lovell to meet project goals.

James Arrandale and James Grant have undertaken a subsequent review of the Lynnsport 1 PCC to ensure that the contract terms contain all recent revisions. Furthermore, some technical changes to the documentation have also been made to the Lynnsport 1 contract.

Subsequent key changes to the Lynnsport 1 PPC include:

- Direct reference to the Borough Council's Affordable Housing Space Standards within the development specification,
- Alterations to the Problem-Solving Terms to reflect changes in staff,

**Reasons for the Decision**

Specify all reasons for taking the decision:

Contract signing to enable Lovell Partnerships Ltd to issue subcontracts and engage with suppliers. For works to start on the scheme.

- Deliver housing of a range of tenures to meet local needs,
- To deliver on Council Corporate Objectives:
  - o Promote growth and properties to benefit West Norfolk;
  - o Protect our environment;
  - o Efficient and effective delivery of our services; and
  - o Support our communities.
- To deliver affordable and private rented (PRS) housing for acquisition by the Council's wholly owned companies to support the delivery of council corporate objectives.

**Details of alternative options, if any, considered and rejected.**

The Corporate Projects team have assessed the implications this scheme will have in a number of areas should the scheme be aborted or delayed.

Key implications include: Financial loss incurred by BCKLWN (project spend to date), Failure to meet Local Plan & 5 Year Land Supply Targets, Housing delivery failure, implications on BCKLWN Companies business plans, local economic impact, etc.

Lynnsport 1 requires significant ground stabilisation works prior to traditional building works commencing. These works are comparable to those undertaken at NORA 4 and Salters Road. The project team therefore has experience managing these works and will look to appoint a specialist subcontractor as a primary activity. Due to the scale of the stabilisation and the risk associated with this activity, the partnership requires a fixed price from the contractor. To provide a fixed price, the subcontractor expects to commence in June 2024 to ensure they have the maximum possibility of good weather conditions and low groundwater levels. If contracts do not proceed in June 2024, the stabilisation activities cannot commence until late spring 2025. The contract would then be exposed to all construction inflation that takes place in this period, forecasted at around 2.8% based on the Building Cost Information Service (BCIS) All-in TPI index moving from 391 in 2024 Q2 to 402 in Q2 2025. This would have a forecasted gross impact on build cost of around £639,270. However, the overall net impact may be less, partially offset by house-price inflation.

As part of the due diligence and decision making process associated with appointing Lovell Partnerships Ltd to undertake this further project, a review of the relationship and projects to date was undertaken. This meeting includes a review of the wider partnership, contract mechanics, and discussions on contractual matters that have resulted from other sites, includes delay issues at Southend Road and the groundworker at Parkway and Salters Road entering administration. It was determined that whilst there are a number of ongoing issues on other sites, that the partnership is working together to overcome these issues in the best interest of the partnership and that works on other projects should not be unnecessarily delayed as a result.

A copy of the meeting minutes can be found as appendix 1. These minutes are exempt from public publication Under Schedule 12A of the Local Government Act 1972 as amended, item 3.

**Any declarations of interest and details of any dispensations granted in respect of interests (in relation to officers and any Members consulted).**

N/A

**List of Background papers**


Report to Cabinet on 06.02.24: Cabinet recommendation to proceed (CAB106)

Council on 22.02.23: decision to proceed on recommendation from Cabinet.

Appendix 1 (exempt): Major Housing Partnership Review meeting - 16.5.2024

**Authorisation**

Post Held: Executive Director (Place)

Signature: 

Date: **29 May 2024**

**Consultation with members/officers**

**If the decision is taken following consultation with the members/officers, please give details:**


**Name of Members/officers consulted:**

Oliver Judges - Executive Director (Place)

James Arrandale – Deputy Monitoring Officer

Cllr Allister Beales – Leader, formerly Portfolio Holder for Business

**Signed by Member/officer as consulted:**

Date  **31 May 2024**

 **04 June 2024**

# Pre-Screening Equality Impact Assessment

Borough Council of  
**King's Lynn &  
West Norfolk**



Name of policy/service/function		Corporate Projects				
Is this a new or existing policy/ service/function?		New / <del>Existing</del> (delete as appropriate)				
Brief summary/description of the main aims of the policy/service/function being screened.  Please state if this policy/service rigidly constrained by statutory obligations		Agreement to sign the PPC 2000 in order to proceed with the construction of 96 homes at Lynnsport 1.				
<b>Question</b>		<b>Answer</b>				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups <b>according to their different protected characteristic</b>, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>			Positive	Negative	Neutral	Unsure
		Age			X	
		Disability			X	
		Gender			X	
		Gender Re-assignment			X	
		Marriage/civil partnership			X	
		Pregnancy & maternity			X	
		Race			X	
		Religion or belief			X	
		Sexual orientation			X	
Other (eg low income)			X			
<b>Question</b>	<b>Answer</b>	<b>Comments</b>				
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	<del>Yes</del> / No					
3. Could this policy/service be perceived as impacting on communities differently?	<del>Yes</del> / No					
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	<del>Yes</del> / No	Housing of a range of sizes and tenures, in accordance with the Borough Councils affordable housing strategy, is to be delivered. Thus helping ensure quality housing is available to a wide spectrum of the community.				
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions?  If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	<del>Yes</del> / No	<b>Actions: N/A</b>				
		<b>Actions agreed by EWG member:</b>  <b>Name James Grant</b>				
<b>Assessment completed by:</b> <b>Name</b>	<b>James Grant</b>					
<b>Job title</b> <b>Principal Project Officer</b>	<b>Date 29/05/2024</b>					
<b>Please Note: If there are any positive or negative impacts identified in question 1, or there any 'yes' responses to questions 2 – 4 a full impact assessment will be required.</b>						