

Guildford Borough Council

Report to: Executive
Date: 27 March 2024
Ward(s) affected: Bellfields and Slyfield
Report of Strategic Director of: Place
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Regeneration & Economic Development
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Lead Executive Member: Cllr Tom Hunt
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Status: Open
Key decision: Yes

Award of Contract for Construction of New GBC Depot

1.0 Executive Summary

- 1.1 The relocation of the GBC depot is required to release land for the development of the Weyside Urban Village (WUV) regeneration project.
- 1.2 In November 2023, the Council entered into a Pre-Construction Services Agreement (PCSA) with McLaren Construction (Southern) Limited to progress with the development of the detailed design for the new depot. This was subsequently followed by an enabling works contract let to McLaren on 28 May 2024.
- 1.3 The Council is now looking to enter into the Main Works contract with McLaren Construction (Southern) Limited to deliver the new depot. This report provides a summary of work completed to date on the new depot and seeks approval for Officers to execute the associated construction contract.
- 1.4 The Strategic Director of Planning, Economy and Place already has overarching delegations from Full Council (in consultation with the

Lead Councillor for Regeneration and Lead Councillor Finance and Property) to enter into contracts relating to Weyside. However, owing to the value of the proposed depot contract, Executive is being asked to approve the recommendations outlined below.

2.0 Recommendation to Executive

That the Executive resolves to:

- 2.1 Approve the award of the contract for the construction of the new Guildford Borough Council depot to McLaren Construction (Southern) Limited.
- 2.2 Delegate to the Strategic Director of Economy, Planning and Place, in consultation with the Lead Councillor for Regeneration and Lead Councillor for Finance and Property, authority to enter into such other contracts and legal agreements connected with the new GBC depot project as may be necessary in compliance with Procurement Procedure Rules, the Council's Constitution and within the approved budget.

3.0 Reasons for Recommendations

- 3.1 The recommendations in this report support the delivery of the wider Weyside Urban Village programme through the release of the existing depot site for housing, whilst providing a new fit-for-purpose facility accommodating a range of Council services in a single location.

4.0 Status of Report

- 4.1 Open

5.0 Strategic Priorities

- 5.1 This recommendation will support the Council's Corporate Strategy (2024-2034) priorities, delivering a new Council depot that facilitates the delivery of the wider Weyside Urban Village programme and provides a fit-for-purpose new facility from which to deliver Council services. Specifically, it links to the following objectives:

- Decent and affordable homes
- A more sustainable borough
- A more prosperous borough

6.0 Background

- 6.1 The site of the current depot will be redeveloped as part of the Weyside Urban Village regeneration scheme. Under the WUV masterplan the current Guildford Borough Council depot site, which is not fit-for-purpose, will be demolished and the land sold to generate a capital receipt for the Council.
- 6.2 Once completed, the new depot will be the home for several Council departments and services. These include the waste service, parks and countryside, and housing services. The site will incorporate new modern office space, a MOT Testing Centre, workshops, museum stores and electric charging bays. The new facility will allow the Council to co-locate services into a single, purpose-built location and improve service efficiency.
- 6.3 Officers from services that will be located in the new depot have provided input into the design phase of the project, working to ensure that their operational requirements are accommodated. In parallel, the operational team are also working to establish the decant strategy, including considering whether equipment coming to end of life needs to be replaced in the new facility.
- 6.4 Planning permission for a new Council depot was approved on 19 June 2024. Over the past 2 years, Officers have been working to secure a main contractor to deliver the works.
- 6.5 Wates Construction Limited were originally appointed to deliver the GBC Depot project, however their pricing was significantly above the project allowances. This was due to the risks associated with the ground remediation works, Mechanical, Electrical and Plumbing (MEP) services and the Multi Storey Car Park.
- 6.6 As a result, GBC appointed McLaren Construction (Southern) Limited - via a framework - as the alternative preferred Main Contractor to

complete the design of the new GBC Depot and Multi Storey Car Park under a Pre-Construction Services Agreement.

- 6.7 The Council then appointed McLaren to deliver an Enabling Works contract, dealing with ground conditions, to derisk delays to the overall WUV programme. The PCSA contract was entered into on 30 November 2023 and the enabling works was entered into on 28 May 2024.
- 6.8 The Council is now in a position to award McLaren with the Main Works contract, the contract sum for which is £38,360,000. The Council's professional advisory team have been scrutinising the works packages to enable a fair assessment of the cost build up, ensuring Value for Money. The contract is being entered into on a Fixed Price, fixed programme basis, meaning that the Council has greater surety around delivery.

7.0 Options

- 7.1 Do nothing – The Executive could decide not to progress with the recommendations outlined in this report. However, this will mean that the Council will not have a fit-for-purpose depot and Weyside Urban Village will need re-masterplanning, with the Council incurring significant additional and unforeseen cost.
- 7.2 Do most (recommended) – The Executive could decide to approve the recommendations outlined in this report. This will mean that the Weyside programme can progress as planned, with a new depot delivered which will enable the future disposal of the current depot site for housing.

8.0 Consultation

- 8.1 Public engagement drop-in sessions were held in Spring 2022 at Jacob's Well Village Hall ahead of the submission of the depot planning application. Residents also had an opportunity to provide formal feedback on the planning application ahead of its determination in May 2024.
- 8.2 Updates on the progress of the WUV Programme have been provided to Councillors at the quarterly Weyside Governance Board meetings

and the Strategic Programmes and Projects Board. This has included reporting on the GBC depot.

- 8.3 Full Council receives an annual financial position report for WUV which provides a breakdown of forecast costs and income. The last report was presented in May 2024. The next report is scheduled for discussion at Executive in April 2025 and Full Council in May 2025. In the intervening period, Resources Overview and Scrutiny Committee received an update on the progress of the WUV project at its meeting on 2 December 2024.

9.0 Key Risks

- 9.1 The new depot is being built on former landfill which typically carries an element of risk. However, the contract with McLaren is being entered into on a Fixed Sum basis, minimising the financial exposure to the Council in relation to scope.
- 9.2 Should delays to the depot programme be incurred, this will have an impact on the decant from and demolition of the existing site, which will delay the sale of the phase 3 land for housing. Liquidated Damages can be applied for in delays arising, so long as they are not caused by the Council.

10.0 Legal and Governance Implications

- 10.1 The Council's internal legal and procurement officers are providing support to the Weyside project team in relation to procurement of consultancy services and construction contracts to ensure compliance with the Council's legal duties including the Procurement Act 2023, Public Contracts Regulations 2015 and the Council's Contract Procedure Rules, and to enter into associated contracts. The new depot contract was procured through a compliant procedure and in accordance with the Contract Procedure Rules. The Council's external legal advisers for Weyside Urban Village have reviewed and advised the Council on the depot contract.

11.0 Financial Implications

11.1 The contract sum for the new depot is £38,360,000. This is within the programme budget, as reported to Executive and Full Council in the annual financial update report presented in May 2024. Detail on the overall WUV budget is outlined in the “Background papers”, specified in paragraph 16.1.

12.0 Human Resources Implications

12.1 The WUV programme is sponsored by the Strategic Director for Economy, Planning and Place and led by the Assistant Director of Regeneration and Economic Development. The day-to-day Client-side project management will be led by an interim Project Manager with experience of managing JCT Design and Build contracts. They will be supported by a consultant team, including Quantity Surveyor, Clerk of Works, Contract Administrator. The cost of this is captured within the Weyside budget.

12.2 The Weyside Programme is supported by the Council’s procurement, legal and finance teams, which are currently under significant pressure. Where possible, the Weyside team will look to secure additional grant funding to support additional resourcing specifically for the programme.

13.0 Equality and Diversity Implications

13.1 The Council has a statutory duty under Section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

13.2 The new depot has been designed in accordance with Building Regulations Part L and M, which relate to accessibility. A separate EqIA will need to be conducted by the operational depot team ahead of its occupation post construction.

14.0 Climate Change and Sustainability Implications

14.1 The Council formally declared a climate emergency in July 2019 and set a goal for the borough to reach net zero emissions by 2030. In relation to the sustainability performance of the building, the new depot has been designed to achieve BREEAM Excellent. The building has also been future proofed to accommodate potential changes in operating model for the GBC fleet, for example a shift to EV or hydrogen.

15.0 Next Steps

15.1 Once approvals are received, the contract with McLaren Construction (Southern) Limited will be sealed, enabling the contractor to commence with the Main Works package. It is anticipated that this will be a 15 month build period.

16.0 Background Papers

16.1 Full Council meeting, 13 May 2024 – Agenda item CO15.
[Meeting of Selection Council, Council, Monday, 13th May, 2024 7.00 pm \(Item CO15\)](#)

17.0 Appendices

17.1 None.

Report clearance progress:

Finance	Jo Knight	17 th March 2025
Legal & Governance	Claire Beesly	17 March 2025
Human Resources	Insert name	Insert date cleared
Equalities	Insert name	Insert date cleared
Strategic Director	Ezra Wallace	19 March 2025