

Record of Officer's Decision

The Openness of Local Government Bodies Regulations 2014 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Date of Decision:	21/07/2026
Decision Maker (Officer):	Deputy Chief Executive and Corporate Director for Place & Wellbeing / or Corporate Director Operations and Delivery.
Authority for Delegated Decision (Cabinet/Committee Decision or Scheme of Delegation – provide reference):	Part 3, Schedule 3 – Responsibility for Executive Functions delegated to Officers paragraph 4.3 (1) – the Corporate Director has delegated authority to discharge executive functions within their respective service areas (Part 3.38). All delegations are subject to consultation where considered appropriate in the circumstances (paragraph 4.3 (4(ii) – Part 3.39). 4.4.1(1) All Corporate Directors have the authority to incur expenditure (with the exception of external legal resources) in accordance with the Budget and Policy Framework, Financial Procedure Rules and Procurement Procedure Rules. Cabinet – December 2024; Progression to procurement (13113), March 2026; Procurement Update and Next Steps (22534), and April 2026; Financial Report (22684) Cabinet on 20 December 2024 authorised <i>the Corporate Director (Place and Economy) to procure and enter into a Pre-Contract Services Agreement with a suitable main contractor, to increase buildability, reduce risk and deliver value for money on the schemes;</i>
Identify which Portfolio Holder(s)/Committee Chairman consulted?	Deputy Leader of the Council and Portfolio Holder for Regeneration and Tourism
Ward Member(s) consulted?	No
Is it a Key Decision?	No

Is it subject to call-in?	No
Decision Made:	To approve award of a pre-construction services contract (PCSA) to DHC Construction Ltd (Company number 02305619) in respect of the Carnarvon Terrace scheme, at a value of £199,184.60 (excluding VAT), for the purposes of progressing the project through detailed design, cost development and pre-construction planning. A decision to award contract for demolition and main works contracts will be subject to a further and separate report.
Reason for Decision (if a report was produced to support the Decision, refer to or attach it):	Regeneration in Clacton-on-Sea The Carnarvon Terrace scheme is the most significant TDC-led scheme within wider regeneration investment across Clacton-on-Sea, supported by the Local Regeneration Fund, Pride in Place and Community Regeneration Partnership. Together, the programmes are working to deliver greater social wellbeing for residents, a healthier and more sustainable economy, with an enhanced and more diverse town centre offer, driving growth within Clacton to catalyse private sector investment. In Clacton-on-Sea, working alongside Essex County Council, Carnarvon Road will see £30.35m investment transforming the existing library and town centre car park into a new Civic Quarter, with: • new affordable homes will be provided on a currently derelict site in a sought-after location in Tendring; • the existing 300-space car parking provision rationalised into a modern multi storey structure, opening up this key site for improved landscaping and public spaces and commercial spaces for civic use. Provisions of electric charging spaces will future proof residents' transport offer while meeting needs of residents; • a community hub including a new library, adult community learning space for upskilling residents and space for public sector partners, community space for upskilling residents, and commercial space for public sector partners in a convenient location. Progress update A summary of progress made to date, including design, planning and procurement milestones and recent updates following the March 2026 Cabinet report, is as follows:

- Completed RIBA Stage 3 design and secured planning permission (Feb–Apr 2025);
- Undertaken an initial tender exercise, which did not deliver a viable outcome;
- Reviewed procurement strategy, retaining a two-stage approach, enabling early contractor involvement to improve cost certainty and deliverability, and adopted an Open Tender route to market to boost competition, as referenced in the March Cabinet [Report](#);
- Completed amendments to the scheme to seek simplification and savings whilst retaining the overall design concept and layout of the schemes (February – March 2026);
- Undertaken a second procurement exercise (April–June 2026), receiving strong market interest (10 submissions, 8 compliant);
- Project funding is confirmed within the Council's Capital Programme within April 2026 Cabinet Report;
- Completed evaluation and identified a preferred contractor; and
- Cabinet has approved in principle that the future management of the housing will be 100% affordable; a future report will be brought to Cabinet setting out the business case for this approach.

Legal basis for the decision

The procurement has been undertaken in full compliance with the Council's Procurement Procedure Rules and Procurement Act 2023.

A two-stage tender process that was adopted simply means the contractor can be engaged at an early stage for the purposes of completion of design and other ancillary services.

The report is therefore, seeking authority to award preconstruction services contract.

The resultant contract will be sealed.

During the preconstruction services phase, a programme for demolition or enabling works can be submitted by the contractor and only if the Council is satisfied, can a decision to award a contract those works be made. Such a decision will require a further report.

Also, during the preconstruction services phases, the contractor will work with the Council's consultant on the final contract sum.

Where a contract sum is submitted to the Council by the contractor, a decision to award such contract, will be subject to further reports and decision.

It is worth noting that the Council is not bound by the award of this preconstruction services contract, to award any works contract.

A suite of contract documents has been prepared for use during the preconstruction and main works phases.

Next steps

This contract is limited to the PCSA services and does not include demolition works. As with the [Homes for Dovercourt scheme](#), the PCSA stage provides a defined period to work collaboratively with the appointed contractor and wider supply chain to refine the design, test buildability and progress value engineering, with the aim of reducing costs and securing a deliverable scheme within the available funding envelope. This stage will enable proactive risk management with the appointed contractor to improve cost certainty.

The tender report identifies a Preferred Bidder and provides:

- A fixed cost of the PCSA stage of £199,184.60;
- An estimate of the Demolition works cost
- An estimate of the main works cost which will be refined during the PCSA period;
- An estimate of value engineering opportunities on the scheme, of £215,000 with further savings possible if the sustainability performance of the design is compromised;
- A programme for completion of the works, with enabling works commencing on site autumn 2026 including demolition of the car park within the PCSA period, and agreement of the main build contract sum in Q4 2026/7.

The tender for the main works contract delivers an estimated £8.84m in Social Value, including £8.7m spend in local supply chains, £24,000 spend in reduction of waste through reuse of products and materials, and £10,000 for in-kind contributions to local community projects.

	The price submitted for the tender return is within the budget of £18,769,810 allocated to this project in the General Fund Capital Programme. However, the current estimated main build cost is currently viewed to allow an insufficient sum for contingency, at around 3%. Based on best practice and lessons learned from past projects by the authority, a higher contingency sum is sought. Value engineering with the contractor during the PCSA stage will work to achieve this, through refining the design and testing buildability, with the aim of reducing costs and securing a deliverable scheme within the available funding envelope. The programme submitted by the contractor sets out an ambitious timeline for completion of the works in line with the Council's aspirations and funding envelope with the following key dates: w/c 20/07/2026: PCSA contract signed w/c 07/12/2026: Construction commencement w/c 31/04/2028: Car park structure completed w/c 08/08/2028: Construction completion The programme will be subject to detailed review with the contractor during the PCSA stage, with opportunities sought to bring forward the completion of the car park and public realm, in conjunction with liaison with MHCLG as the funder. Due to programme pressures to have the new car park and residential block completed within the funding envelope by March 2028, the preferred contractor's current programme indicates a need for the demolition of the car park to take place in tandem with the PCSA exercise. This timeline will be reviewed with the contractor and will require a separate decision to be made. <u>Management of the assets</u> The site is currently held within the General Fund. In March 2026 Cabinet set out an underlying policy direction and 'in principle' approach for the housing element at Carnarvon Terrace to be 100% and managed directly by the Council. This is subject to a future full report to Cabinet, planned for the milestone of agreeing the final contract sum in Q4 26/7, which will address considerations of appropriate into the Housing Revenue Account.
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	Baily Garner, the Employer's Agent and project's Quantity Surveyor has provided a Tender Report on 10/07/2026, with detailed information about the project and the tender process, with the basis for recommendation of the preferred contractor.
Highlight any associated risks/finance/legal/equality considerations:	The cost of the PCSA will be met from the approved project budget within the Council's Capital Programme. Key considerations include • Having the demolition works carried out prior to the main works' value & programme being agreed at the end of the PCSA period is a significant risk that requires careful consideration. Delaying this decision until the Main Works contract sum is agreed risks delaying the project completion date further beyond the March 2028 funding window agreed with the Ministry for Housing Communities and Local Government (MHCLG) • An impact assessment of the car park closure will be carried out before the decision to enter a contract for the demolition works is taken. Further assessment of the project's overall timeline will be carried out with the Contractor, with the aim to identify opportunities to avoid early start of demolition works. • Financial risk: The PCSA stage will reduce cost uncertainty through design development and value engineering, improving the likelihood of delivering within the approved funding envelope. • Programme risk: Early contractor involvement supports delivery within the required funding timeframe. • Procurement / legal: The procurement has been undertaken in accordance with the Council's Procurement Procedure Rules and the Procurement Act 2023 requirements. • Delivery risk: Ongoing monitoring of contractor performance, financial standing and programme through the PCSA stage. No additional equality implications beyond those already identified in previous Cabinet reports; May 2024 (12439).
NEW : Details of Local Government Reorganisation	The PCSA stage is short term and will be completed ahead of any potential Local Government

and/or Devolution considerations	Reorganisation milestones, with no anticipated impact on delivery.	
Details of any Alternative Options Considered and rejected (together with reasons):	Option 1 – Do not award the PCSA contract; would delay or prevent delivery of the scheme and risk loss of external funding. Option 2 – Delay award; would impact programme and increase risk to meeting funding deadlines. Option 3 – Undertake a further procurement exercise; unlikely to improve outcome and would introduce unnecessary delay.	
Details of any declarations of interest (by Portfolio Holder/Committee Chairman who was consulted by the officer, which related to the decision)	Not applicable	
If relevant, a note of the dispensation granted by the Monitoring Officer:		
Reason Decision, or supporting Report, is not published:		Not applicable – Decision [and report] to be published
<i>Tick one or more of the specific exemptions,</i>	If Report is not to be published – tick one of the following boxes:	
<u>and</u>		The report supporting the Decision contains confidential information
<i>Give more information in the final box with regards to why the exemption applies and outweighs the public interest test (which is in favour of disclosure).</i>	X	The Report supporting the Decision falls within an exemption pursuant to Schedule 12A of the Local Government Act 1972 Information:
		• Relates to an individual
		• Likely to reveal the identity of an individual
		• Relating to financial or business affairs of a person or organisation
		• Relates to a claim for legal professional privilege in legal proceedings
		• Reveals that the Council proposes to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or to make an order or direction under any enactment
		• Relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

	<u>And</u> is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information Reasons:
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Officers

Signed: Title: Deputy Chief Executive and Corporate Director
for Place & Wellbeing

In consultation with:

Signed: **Portfolio Holder For Economic Growth,
Regeneration and Tourism**