

<b>Report on</b>	Davagh Forest Outdoor Experience (Phase II) DAERA funding applications
<b>Date of Meeting</b>	4 <sup>th</sup> April 2019
<b>Reporting Officer</b>	Michael Browne
<b>Contact Officer</b>	Michael Browne

<b>Is this report restricted for confidential business?</b>	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	x

<b>1.0</b>	<b>Purpose of Report</b>
1.1	To request permission from the Policy & Resources Committee for the release of an additional £16,855.00 from the Capital Fund to support the development of the Davagh Forest Outdoor Experience Phase II Project
<b>2.0</b>	<b>Background</b>
2.1	The Officer team from Business and Communities have identified and prepared applications to DAERA – Rural Development Programme to support the development and delivery of the Davagh Forest Outdoor Experience (Phase 2) project.
2.2.	To bring this project to full application stage, May 2018, DAERA offered Mid Ulster District Council a Technical Assistance grants to develop a Scoping Study for the development of the Davagh Forest Outdoor Experience. A paper to proceed was presented and approved at the Development Committee October 2018.
2.3	At the P & R Committee on the 6 <sup>th</sup> January 2019, Financial support was approved to progress the Davagh Forest Outdoor Experience based on the total project cost of £591,780, which 75% matched funded by DAERA £443,835 was identified, with a request from Council of £147,945. These figures were based on the scoping study, which was prior to the procurement process being completed.
2.4	As part of the funding application to DAERA, the matched funding requirement for this project needed to have the necessary approvals from Mid Ulster District Council in place in advance of the submission date of 31 <sup>st</sup> January 2019.
2.5	Following the completion of the Scoping Studies, the next stage of the development of this project is to prepare and submit a full application to DAERA, which was submitted on 31 <sup>st</sup> January 2019.
2.6	A letter of offer was issued by DAERA on the 1 <sup>st</sup> March 2019 making available a grant of £485,400 (Appendix 1)

<b>3.0</b>	<b>Main Report</b>
3.1	The tender for Davagh Forest Phase II was uploaded onto the Council E-Tenders website inviting experienced and competent Design and Build Contractors to carry out the design and construction works as per supplied tender documentation.
3.2	<p>A single stage procurement process was utilised consisting of ITT Works Information for the contract.</p> <p>The assessment panel consisted of:</p> <p>Linda Ferguson – Procurement (Chair of the panel)  Raymond Lowry – Technical Services  Mary McKeown – Tourism</p> <ul style="list-style-type: none"> <li>• ITT closed on 14/01/19.</li> <li>• The ITT return was cost only with Tandem Partners Limited, Holywood, being the only firm to submit a tender, at an overall cost of £650,000.00 including MCE (Model Compensation Event).</li> <li>• This has been arithmetically checked and confirmed as fully compliant.</li> <li>• It was noted during the tender assessment that PC sums were reduced by £38,000 from that indicated in the tender documents issued. On review, it was confirmed that £19,000 of this was to be reinstated into the tender submission and this has been assessed and considered acceptable to the Procurement panel giving a revised tender cost of £669,000.</li> </ul>
3.3	At the Council meeting held on 24 <sup>th</sup> January 2019, Council approved the appointment of Tandem Partners Limited, Holywood to carry out the Interpretive design and construction fit out contract for Davagh Forest Outdoor Experience (Phase 2) scheme, at a cost of £647,200. (Excluding MCE) plus 10% contingency sum resulting in upper limit of potential spend of £ 711,920 for the Interpretive design and construction fit out scheme delivery (excl. VAT).
3.4	Because of the difference in price between the Scoping Study and the final contract cost, there is a shortfall difference of £58,420. By maximising the grant offer from DAERA, £41,565 be allocated, towards this shortfall, leaving an additional match fund of £16,855 required from Council.
<b>4.0</b>	<b>Other Considerations</b>
<b>4.1</b>	<b>Financial, Human Resources &amp; Risk Implications</b>
	Financial: Loss of funding.
	Human: Staff time to manage and support programme delivery.
	Risk Management: As contained within project management.
<b>4.2</b>	<b>Screening &amp; Impact Assessments</b>
	Equality & Good Relations Implications: none

	Rural Needs Implications: none
<b>5.0</b>	<b>Recommendation(s)</b>
5.1	Members are requested to note the content of this report and approve the release of £16,855.
<b>6.0</b>	<b>Documents Attached &amp; References</b>
	Appendix 1. DAERA Letter of offer.