

Report of the Strategic Director of Place to the meeting of Regeneration and Environment to be held on 9 July 2019

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Subject:

General structures works framework contract 2019 arrangements for procurement for delivery of structures unit statutory functions.

Summary statement:

In accordance with Contract Standing Orders 2018/19 the report informs the Committee of the proposal to procure works in excess of £2m

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Portfolio:

Regeneration, Planning & Transport

Overview & Scrutiny Area:

Regeneration & Environment

1. SUMMARY

- 1.1 In accordance with Contract Standing Orders 2018/19 the report informs the Committee of the proposal to procure works in excess of £2m

2. BACKGROUND

- 2.1 The Department for Transport (DfT) formulaic capital funding allocation for 2019/20 to the Highways Service is expected to be £6,008,000 as in 2018/19, comprising a £4,972,000 'needs-based' allocation and a £1,036,000 Band 3 Incentive Fund allocation. The Highways Maintenance element is £4,951,000, Structures £924,000 and Street Lighting £133,000. The Framework contract is primarily for the appointment of Contractors to carry out various construction works in Local Transport Plan (LTP) Structures Capital Programme and other capital programmes that may arise during the course of the Framework. The Framework contract will also be used for the appointment of Contractors to carry out planned and reactive maintenance works required on bridges, retaining walls and other structures on the district's road network.
- 2.2 The Framework will be for an initial term of two years with an option to extend for a further two terms of one year each.
- 2.3 The Framework contract value is approximately £4m over the potential four year term and falls below the current limit of £4.551m for full EU procurement compliance. Procurement will be in accordance with Council Contract Standing Orders 2018/19 and its toolkit. It is proposed that competitive tenders will be invited on a 'open tender' basis through the YORtender e.procurement portal. Tenders will include a social value requirement in accordance with the Council's Social Value and Inclusive Growth policy.
The Framework will be in 3 Lots as follows:
Lot 1 - £0 to £25,000.00 value of works using a Schedule of Rates
Lot 2 - £0 to £300,000.00 value of works using a Schedule of Rates
Lot 3 – any value of works outside the scope of a Schedule of Rates using mini-competition (for example bridge painting, river works and specialist bridge repairs).
A maximum of 10 Contractors per Lot will be appointed.

3. OTHER CONSIDERATIONS

- 3.1 The DfT has provided consistent annual funding to this value since 2016/17 and the allocations continue to be influenced by the 'incentive funding' element, which is based on our ability to demonstrate that we are adopting efficiency principles and delivering value for money in carrying out cost-effective improvements and maintenance. Band 3 Incentive Funding for 2019/20 has been confirmed.
- 3.2 Procurement of the Framework will include asking bidders to demonstrate their commitment to Social Value; for Lots 1 and 2, bidders will be asked to offer proposals for - increasing their local (Bradford sourced) supply chain spend, opportunities for local good jobs and sustainable employment, delivering quality and cost effective services that are safe and best meet needs, and by investing in Bradford community projects. For Lot 3 additional Social Value elements will be added as required as part of the mini-competition exercise.

4. FINANCIAL & RESOURCE APPRAISAL

- 4.1 The 'open tender' procedure is proposed, the market is wide and diverse and the commissioner considered this approach to be the best way to secure Most Economically Advantageous Tender. The approach is considered best value and use of resources for delivering the volume of Structures construction work required across the whole department. The Framework in its current form has been successfully utilised since 2016. The current Framework term expires on the 30th June 2019. It is proposed to re-tender the Framework in the same form.
- 4.2 The Framework will ensure the best value delivery of the LTP Capital programme. The Framework contract will also be used for the appointment of Contractors to carry out planned and reactive maintenance works required on bridges and retaining walls on the district's road network through a £130,000.00 Structures Revenue fund each year.
- 4.3 The Council does not have in-house providers for the full scope of this type of civil engineering/highway structures construction/contracting. Any scope and availability of in-house provision will be considered on a project by project basis.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 5.1 The Framework contract is required to enable the Structures Unit to carry out maintenance works on bridges and retaining walls which are necessary for the Council to fulfil its obligations as the Highway Authority.

6. LEGAL APPRAISAL

- 6.1 Allocations over £100,000.00 will be executed under seal as a Deed with the common seal of the Council by the City Solicitor.

7. OTHER IMPLICATIONS

7.1 EQUALITY & DIVERSITY

Due consideration has been given in writing this report to the Council's duties under Section 149 of the Equalities Act 2011 and will be incorporated into the procurement exercise.

7.2 SUSTAINABILITY IMPLICATIONS

Not applicable

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

Not applicable

7.4 COMMUNITY SAFETY IMPLICATIONS

The Framework will ensure the safety of the Bradford District road network is maintained.

7.5 HUMAN RIGHTS ACT

There are no Human Rights Act implications arising as a consequence of this report.

7.6 TRADE UNION

There are no Trade Union implications arising as a consequence of this report.

7.7 WARD IMPLICATIONS

The specific schemes allocated via the Framework will potentially lie within any Ward within the Bradford District. Members and the local community will be consulted as each scheme progresses through the respective stages of development.

7.8 IMPLICATIONS FOR CORPORATE PARENTING

There are no implications for corporate parenting associated with the contents of this report.

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

Not Applicable

8. NOT FOR PUBLICATION DOCUMENTS

None

9. OPTIONS

The 'open tender' procedure is proposed, the market is wide and diverse and the commissioner considered this approach to be the best way to secure a Most Economically Advantageous Tender. The approach is considered best value and use of resources for delivering the volume of Structures construction work required across the whole department.

The Council does not have in-house providers for the full scope of this type of civil engineering/highway structures construction/contracting. Any scope and availability of in-house provision will be considered on a project by project basis.

10. RECOMMENDATIONS

That the procurement approach for the General Structures Works Framework 2019 as set out in this report be noted.

11. APPENDICES

None

12. BACKGROUND DOCUMENTS

None