Reason for Decision

To seek approval for the award of a civil engineering contract in excess of approximately £400,000 to the contractor of choice for the Union Street West Footbridge Enhancement Project following the tender selection process.

Executive Summary

This report provides information on the results of the EU compliant selection process for the construction works associated with the Union Street West Footbridge Enhancement Project.

The project involves the procurement, tender evaluation and acceptance for improvements to the footbridge’s parapets, deep cleaning of the structure and minor repair works.

Recommendations

It is recommended that Members agree:

To award the contract for the civil engineering works associated with the Union Street West Footbridge Enhancement Project to the preferred bidder following the tender and selection process.
Union Street West Footbridge – Enhancement Project – Tender Acceptance Report

1. **Background**

1.1. The Union Street West Footbridge Enhancement Project is an approved scheme in the transport capital programme. It was split into phase 1 and phase 2 to reflect the advanced works required (phase 1) to gain a clear understanding of the overall remedial works (phase 2).

1.2. The scheme budget is made up of the following government grants:
- Cycle City Ambition Grant (Phase 2)
- Local Transport Plan Grant

1.3. The Union Street West Footbridge Enhancement Project is intended to improve pedestrian and cycle infrastructure leading to the Town Centre retail, amenities and educational facilities whilst also enhancing the overall appearance of the area.

1.4. In order to achieve value for money through economies of scale e.g. by having a single procurement exercise and a single contractor, it is intended that the Union Street West Footbridge Enhancement Project is let as a single contract.

1.5. The Union Street West Footbridge Enhancement Project has had significant involvement from the former Leader of the Council and the former Portfolio Holder for Housing, Planning and Transport and Regeneration Colleagues. A design freeze was established and detailed design developed through Unity Partnership.

1.6. As part of the value engineering exercise cost savings have been made. These savings are primarily focused on material choice and Contractor involvement.

1.7. The Union Street West footbridge refurbishment scheme will help to deliver the Council’s Corporate objective one: a productive place where business and enterprise thrive as it is part of the high level programme of activity in the outcomes framework to maintain and continue to invest in our highways and transport infrastructure to enable the movement of people and goods, in, around, and out of the borough.

2. **Current position**

2.1. Unity Partnership has made the necessary arrangements to circulate the tender acceptance report for review and comment via the following meetings:
- DMT (25th May)
- EMT (31st May)
- Leadership (13th June)
- Cabinet (27th June)

This was a Mini Competition tender advertised via the Council’s Procurement Portal: The Chest. A Mini Competition was administered via the Low Value Construction and Highways Services Framework – Lot 15 Bridges, Structures & Drainage.

In accordance with the Council’s Contract Procedure Rules, the evaluation of the tender submissions has sought to identify the submission offering best value, based upon a combination of economy, efficiency and effectiveness. The weightings applied to the tender submissions have been:
- Technical Assessment – 30%
Contract Price – 70%

The tender evaluation was undertaken by Darren Judge (Procurement Manager) and Alex Shaw (Unity Partnership Project Manager).

2.2 The outcome of the evaluation process has shown that the preferred tender proposal to Oldham Council is that offered by the contractor of choice. There are further peripheral costs, including street lighting, which will take the budget spend in excess of £400,000.

3. Options / Alternatives

3.1. Option 1 – Agree to appoint the contractor of choice and enable a purchase order for the works value to be raised for the construction of the highway works associated with the Union Street West Footbridge Enhancement Project.

3.2. Option 2 – Do not agree to appoint the contractor of choice to undertake the works associated with Union Street West Footbridge Enhancement Project. This would mean the funding available for the Union Street West Footbridge Enhancement Project could not be utilised in the timescales TfGM have set out and therefore we would not be able to take up the grant. This would result in reputational damage for the Council with both TfGM and the DfT and may impact our success in future bidding opportunities.

4. Preferred option

4.1. Option 1 is the preferred option.

5. Consultation

5.1. The consultation process for the scheme has been continual due to the nature and complexity of the proposals. The former Leader of the Council and the former Portfolio Holder for Housing, Planning and Transport have been consulted regularly during the design process as well as Third Party Stakeholders such as Regeneration and Transport for Greater Manchester (TfGM).

5.2. Ward Members have been consulted on the proposals.

5.3. Members of Capital Investment Programme Board (CIPB) have been consulted on the acceptance of various grants into the transport capital programme and approval to spend on the Union Street West Footbridge Enhancement Project.

6. Financial Implications

Capital Implications:

6.1 There is currently a budget of £348,515 included within the 2016/17 Transport Capital Programme against M0391 Union Street West Footbridge scheme, which is funded by Cycle City Ambition Grant (CCAG).

6.2 If the proposals to award the civil engineering contract to the contractor of choice are accepted there will be an anticipated increase in the budgeted cost of the scheme by £160,438. This increase in costs will need to be found from Local Transport Plan (LTP) grant funding within the 2016/17 Transport Capital Programme.

6.3 There is currently £3,869,115 Local Transport Plan (LTP) grant funding available that has been allocated to schemes within the 2016/17 Transport Capital Programme. Of this total grant, £264,914 has been allocated to the King Street Connectivity Scheme.
As advised elsewhere on the agenda, £209,914 of the LTP funding for the King Street project is available for reallocation and therefore £160,438 can be realigned to support this scheme and hence provide a complete funding package.

**Revenue Implications:**

6.4 There are no revenue implications from awarding the civil engineering contract, however the street lighting element of this scheme will increase the street lighting annual maintenance costs, which will be funded from within existing resources on cost centre 40400 Street Lighting. (Michelle Welsh / Sadrul Alam)

7. **Legal Services**

7.1 None (A Evans)

8. **Cooperative Agenda**

8.1 The delivery of the Union Street West Footbridge Enhancement Project supports the Cooperative Agenda by achieving outcomes that will assist Oldham residents to access employment opportunities and amenities by sustainable modes of transport.

9. **Human Resources**

9.1 N/a

10. **Risk Assessments**

10.1 The risk on this project is that the current contingency set aside is exceeded as the extra work required is costed up (Mark Stenson).

11. **IT Implications**

11.1 None

12. **Property Implications**

12.1 The asset will be enhanced with investment. (Cath Conroy)

12.2 Regeneration – none comment. (Bryn Cooke)

13. **Procurement Implications**

13.1 These works have been procured via the Low Value Construction & Highways Services Framework administered through Lot 15 for Bridges, Structures & Drainage.

13.2 Under the Framework remit, the ongoing due diligence and Company monitoring is being managed and undertaken by the Constructionline initiative. The contractor of choice is registered with Constructionline and maintains an active account. (Darren Judge)

14. **Environmental and Health & Safety Implications**

14.1 Environmental

The footbridge enhancement project will help to encourage residents and visitors to access the town centre on foot or bicycle, which will help to improve air quality, reduce carbon emissions associated with transport, and reduce congestion. Environmental
management was one of the criteria on which the preferred contractor was scored during the procurement process (Andy Hunt).

14.2. Health and Safety

The contractor of choice are accredited within the CHAS scheme. There have been no prosecutions recorded on the Health and Safety Executive (HSE) enforcement website relating to the contractor of choice within the last 3 years. It must be noted however that the contractor of choice were served with two legal Notices in July 2015, for health and safety related matters, which should be noted and monitored by the relevant project manager. These notices related to washing water being contaminated and not clean during the construction phase. Safety critical documentation such as risk assessments, safe working methods etc. have not been assessed by the health and safety service and these checks must be undertaken by the relevant project manager as should relevant supervisory checks of any contractors (Laura Smith).

15. Equality, community cohesion and crime implications

15.1. The scheme will have a positive impact on equality, community cohesion and crime. The bridge has been temporarily boarded for some time due to broken and missing glass panels. Although it has remained open, users are not as visible as they should be. The approved scheme will enable the boarding to be removed and provide pedestrians and cyclists with a modern, well lit, more open structure on which they will be visible, thus reducing the risk of crime and improving personal safety and security.

16. Equality Impact Assessment Completed

16.1. No. The scheme has been designed in accordance with accessible design principles and is part of the approved transport capital programme.

17. Key Decision

17.1. This is a key decision

18. Forward Plan Reference

18.1. HPT-03-16

19. Background papers

19.1. The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

Records held in Unity Partnership, Henshaw House, Cheapside, Oldham, OL1 1NY
Officer Name: Alex Shaw
Contact No: 0161 770 1953

20. Appendices

None