



## London Borough of Enfield

<b>Report Title</b>	Approval to award Highway Maintenance and Civil Engineering Works Contract. G MD 446
<b>Report to</b>	Simon Pollock - Executive Director of Environment and Communities
<b>Date of Meeting</b>	N/A
<b>Executive Director / Director</b>	Doug Wilkinson – Director of Environment and Streetscene
<b>Report Author</b>	Andrew Dodkins, andrew.dodkins@enfield.gov.uk
<b>Ward(s) affected</b>	All
<b>Key Decision Number</b>	KD 5242
<b>Classification</b>	Part 1 Public and Part 2 Private
<b>Reason for exemption</b>	<p>By virtue of paragraph(s) marked below with * of Part 1 of Schedule 12A of the Local Government Act 1972:</p> <ul style="list-style-type: none"> <li>* 1 Information relating to any individual.</li> <li>* 2 Information which is likely to reveal the identity of an individual.</li> <li>* 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).</li> <li>4 Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.</li> <li>5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.</li> <li>6a Information which reveals that the authority</li> </ul>

	<p>proposes to give under any enactment a notice under or by virtue of which requirements are imposed on a person.</p> <p>6b Information which reveals that the authority proposes to make an order or direction under any enactment.</p> <p>7 Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.</p>
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## Purpose of Report

1. Approval to award the Highway Maintenance and Civil Engineering Works Contract G MD 446, which was tendered through the London Tenders Portal.

## Recommendations

<ol style="list-style-type: none"> <li>I. That the Director of Environment and Street Scene approves the award of the Highway Maintenance and Civil Engineering Works Contract G MD 446, to the contractor listed in Part 2 of this report to commence on 1<sup>st</sup> November 2023 for a five year term with the option to extend up to 5 years or part thereof</li> <li>II. That the Director of Environment and Street Scene approves the price fluctuation mechanism set out in this report to be incorporated into the contract.</li> <li>III. Delegate the approval to extend the contract at the end of the first five year period to the Head of Service in consultation with the Director of Environment and Street Scene.</li> </ol>
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## Background and Options

2. The current term contract was awarded on 1<sup>st</sup> November 2018 to provide resilience for project scheme delivery, and to run adjacent to the call-off contract with Ringway Jacobs as part of the London Highway Alliance Contract (LoHAC) framework. Upon the ending of the LoHAC contract on 31<sup>st</sup> March 2021, highway maintenance was included into the current term contract.
3. To ensure continuity of service at the end of the current contract a review was undertaken and a decision made to undertake a competitive tender for highway maintenance and civil engineering works.
4. Market engagement was undertaken during the tender preparation stage to understand the current market with regard to Highway reactive maintenance

and scheme projects. This was taken into account where appropriate as part of the tender document preparation.

5. The scope of the contract includes highways reactive maintenance and emergency works, planned works footway renewal, and civil engineering works for programme projects.

### **Procurement Process**

6. Due to diverse market, the recommended route to market for this procurement was a Restricted Procedure to be conducted in accordance with The Public Contract Regulations 2015. The tender was published on London Tenders Portal. 5 submissions were received. Upon evaluation at the SQ stage (PAS91 - Selection Questionnaire), 4 companies met the requirements and were invited to tender.
7. Invitation to Tender was issued via the London Tenders Portal to the 4 selected companies on 27<sup>th</sup> April 2023, with a tender return date of 5<sup>th</sup> June 2023. A request for an extension was agreed and the tender return date was extended to 19<sup>th</sup> June 2023.
8. Three out of the four tenders were received with one company opting out.
9. After evaluating the 3 submissions, all 3 tenders were compliant.
10. This contract has been tendered and evaluated on the basis of most economically advantageous to the Council based on the evaluation criteria of 60/40 Price/Quality including Social Value ratio set out in the Invitation to Tender issued to bidders.
11. The tender documentation consisted of two parts, namely the completed Method Statements (Quality Submission) and the Pricing Schedule (Financial Evaluation).
12. The evaluation panel was formed from 3 representatives from Highway Services and Parks & Open Spaces, who evaluated and scored the returned Method Statements (Quality Submissions). The moderation was led by Procurement Manager.
13. The financial evaluation model was created taking into account each area of the provision of service prior to tender.
14. The criteria for award of the tender were stated under Schedule 4 (Evaluation Criteria) in the Instructions issued to bidders with the invitation to Tender.
15. Details of the evaluation process are contained in the Part 2 report.

### **Risks that may arise if the proposed decision and related work is not taken**

16. Should a decision not be taken, the council will not have a Term maintenance contractor to undertake Reactive Highways maintenance on the adopted Highway network. There is a statutory duty placed upon the Council

(as a Highway Authority) under Section 41 of the Highways Act to maintain a safe and useable highway for all users.

17. Enfield's highway network would continue to deteriorate resulting in a potential rise in insurance claims.
18. Roads and footways may have to be closed or individual contracts let on a reactive basis to keep them open which would be both a costly and time-consuming process.
19. Civil Engineering projects may have to be tendered on an individual basis, adding time and potential costs to project work.

#### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

20. The contractor awarded these works could go bankrupt or into insolvency. Thorough financial checks were undertaken to all tenderers by Enfield's Finance Team at SQ stage to ensure their financial stability. The Contractors' Financial resilience will be checked regularly throughout the contract term. In the unlikely event that an unforeseen issue should arise with the chosen provider Highway Services have other Term Contractors in place who could carry out works in the short term while another procurement process took place.

#### **Preferred Option and Reasons for Preferred Option**

21. Other options considered include commissioning this work through existing term contracts, however, rates would need to be provided under variation orders outside of a competitive environment and would therefore be unlikely to provide such good value. Alternatively, the option to invite quotes for specific schemes, or for packages of schemes, would be more time consuming and less efficient than entering into a term contract.
22. The tender received from the contractor listed in Part 2 of this report is recommended for acceptance as the tender achieved the highest overall combined (financial and quality) evaluation score, in accordance with the evaluation criteria.

#### **Relevance to Council Plans and Strategies**

23. Enfield's highway network is probably the largest and most visible community asset for which Enfield is responsible and fundamental to the economic, social and environmental well-being of the community.
24. The Contract will span across multiple services, including Highways, Parks and Open Spaces, and Journeys and Places. The Contract will support these services in delivering the Council's plan priorities.
25. Clean and green places

Enhance biodiversity and protect our parks, open spaces, woodlands, watercourses, wetlands, trees and shrubs. Keep our streets and public spaces clean and welcoming. Enable active and low carbon travel.

26. Strong, healthy and safe communities  
Improve feelings of safety and tackle crime and antisocial behaviour  
Support communities to access healthy and sustainable food. Improve our leisure and sports opportunities to enable more active lifestyles. Nurture our arts, heritage and creative sectors to connect people through culture.
27. Thriving children and young people  
Increase local education, play and leisure opportunities for children and young people with special educational needs and disabilities. Engage children and young people in positive activities.
28. More and better homes  
Deliver low carbon, and climate-resilient new-build homes and facilitate retrofitting of existing homes. Create well-connected, digitally enabled and well-managed neighbourhoods. Invest in and improve our council homes.
29. An economy that works for everyone  
Enable local people to develop skills to access good quality work. Support local businesses and encourage inward investment in growing sectors which offer sustainable employment to local people. Provide support and advice for residents on low incomes. Develop town centres that are vibrant, healthy and inclusive. Transform our industrial land to create modern and low carbon spaces for business.

### **Financial Implications**

30. Please refer to the Part 2 report for financial implications

### **Legal Implications**

31. The Highways Act 1980 places a duty on the Council as Highway Authority to maintain the highways for which it is responsible to an appropriate standard for their respective uses. In addition, the general power of competence in s.1 (1) of the Localism Act 2011 states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. By virtue of s.111 of the Local Government Act 1972, the Council has the power to do anything (whether involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of its functions. The proposals in this report are in accordance with the Council powers and duties.
32. Due to the value being above the relevant EU Procurement threshold, the procurement of this contract is caught by the Public Contract Regulations 2015. As detailed in this report, the procurement process has been carried out in compliance with those Regulations, and in compliance with the Council's Contract Procedure Rules.

33. This report constitutes a Key Decision under the Council's Constitution and, as such, must comply with the Key Decisions process.
34. The agreement must be in a form approved by the Director of Law and Governance and contracts with a value above the Key Decision threshold of £500,000 must be executed under seal.
35. For contracts £1,000,000+ in value, the CPRs provide that contractors must be required to provide sufficient security in one of the forms outlined in CPR 7.3. If the contractor cannot provide such security, the Executive Director of Resources must approve such a decision, with reasons and risk mitigation measures set out in the relevant authority report, prior to the award of the contract.
36. Through discussions with the Council's Data Protection Officer, it has been agreed that the contract will not currently entail the processing of personal data, but should that change in the future, appropriate data processing provisions will need to be incorporated into the contract.

### Equalities Implications

37. An Equality Impact Assessment has been carried out. The mitigation actions of the EqlA are listed below.

Protected characteristic	Impact	Mitigation
Age	None	N/A
Disability	Access and orientation during any works commissioned through this contract can be more difficult for disabled people.	All works carried out on Enfield's Networks will have temporary measures that meet accessibility guidance, adapted to the specific location, providing temporary crossing points, ramps, barriers with tapping rails etc.
Gender reassignment	None	N/A
Marriage and Civil Partnership	None	N/A
Pregnancy and Maternity	Pregnant women and women in the early months after birth, who may also have other young children, as well as a new-born baby, to look after, as a family group may need to take extra care, both when walking on the footway and crossing a road. Access and orientation during any	All works on site and temporary measures will meet accessibility guidance, adapted to the specific location, providing temporary crossing points, ramps, barriers with tapping rails etc.

	works commissioned through this contract can be more difficult for new parents with prams.	
Race	None	N/A
Religion and belief	None	N/A
Sex	None	N/A
Sexual Orientation	None	N/A
Socio-economic deprivation	None	N/A

38. It should be noted that projects or work stream deriving from this may be subject to a separate Equalities Impact Assessment. Therefore, any projects or work stream will be assessed independently on its need to undertake an EQIA to ensure that the Council meets the Public Sector Duty of the Equality Act 2010.

39. Through the tender process the contractor has signed up to the Equality Act 2010, Human Rights Act 1999 and the Employers Equal Opportunities policy all detailed in Schedule 3 Terms and conditions (Para 72.4.1) of the Contract.

#### **HR and Workforce Implications**

40. There are no direct implications for Enfield Council, however, TUPE may apply.

#### **Environmental and Climate Change Implications**

41. The Tender evaluation included a requirement for the tenderer to state how they would meet the minimum requirements for the council's Sustainable and Ethical Procurement policy including for they would reduce waste, reuse, and recycle within the contract. Demonstrating how this will provide best value for the council in economic and environmental terms.

42. The successful tenderer has put forward proposals which proactively support the council's climate action plan, and the council target of being carbon neutral by 2030.

#### **Public Health Implications**

43. There is increasing evidence that the public realm has a profound effect on behaviour and lifestyle influencing how people travel, how much time they wish to spend in the public realm and how they feel about where they live. How these budgets are spent will therefore have a significant effect on the health of the borough.

#### **Property Implications**

44. With regard to Corporate Property assets, there are no property implications that arise from the implementation of the contract.
45. With regard to Public Highway assets, the proposed work programmes are good asset management practice as they help prevent the progressive deterioration of these assets, which in turn helps to reduce potential corporate liabilities.

### **Safeguarding Implications**

46. The proposals within this report are for the maintenance and improvement of the Highway and Landscape areas and it is not considered that there are any specific safeguarding implications.

### **Crime and Disorder Implications**

47. The proposals within this report are for the maintenance and improvement of the Highway and Landscape areas. Crime and safety will be considered at the design and implementation stage of undertaking works, although there are not any specific Crime and Disorder implications.

### **Procurement Implications**

48. The procurement was undertaken using the E-Tendering Portal (ref DN650430) in accordance with the Councils Contract Procedure Rules (CPR's), the Public Contracts Regulations 2015 and Council's Sustainable and Ethical Procurement Policy.
49. Gateway 3 Contract Award report was presented and endorsed at Procurement Assurance Group on the 12/10/2023.
50. The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including arrangements for the future management of the contract. The award of contract must be published on Find at Tender and Contracts Finder to comply with the and the Public Contract Regulations 2015 and the Government's transparency requirements.
51. As the estimated contract value is in excess of £100,000 the CPR's state that the contract must have a nominated contract manager in the Council's e-Tendering portal and that the contract management monitoring requirements are adhered to.
52. As the contract estimated turnover is over £1,000,000, the service must ensure that sufficient security has been considered to manage risk. Evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal for audit purposes.

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**Appendices**

See Part 2 Appendix

**Background Papers**

None

**Departmental reference number, if relevant:**