

## MUNICIPAL YEAR 2019/2020 - REPORT NO. PL 19/140 O

### ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

### OPERATIONAL DECISION OF

Director of Environment and Operational  
Services

**REPORT OF:** Darren Bryant

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<b>Agenda - Part: 1</b>	<b>Item: KD4761</b>
<b>Subject:</b> Highways Vehicle Crossing and Associated Works Contract 2020-2022 (G/MD 426)	
<b>Wards:</b> All Wards <b>Key Decision No:</b> 4761	
<b>Cabinet Member consulted:</b>	

## 1. EXECUTIVE SUMMARY

- 1.1 This report details the evaluation exercise for Enfield Council Highways Vehicle Crossing and Associated Works Contract G/MD 426, which was tendered through the London Tenders Portal in October/November 2019.
- 1.2 The Contract period is for 2 years. It is to commence on 17th February 2020, expiring on 16th February 2022, subject to the Council's option to extend for 1 year then another year or part thereof.

## 2. RECOMMENDATIONS

That the Director of Environment and Operational Services notes and approves;

- 2.1 the award of the Enfield Council Highways Vehicle Crossing and Associated Works Contract G MD 426, to the contractor listed in Part 2 of this report to commence on 17<sup>th</sup> February 2020 for a two year term, subject to the Council's option to extend for 1 year then another year or part thereof and
- 2.2 the details of the evaluation exercise contained in part 2 of this report.

### **3. BACKGROUND**

- 3.1 The Council has a robust process for residents and businesses to apply for vehicle crossovers and, following approval, the Council will arrange for the successful contractor to construct the crossover at the resident's, businesses' or developer's cost. This ensures that all construction works carried out are compliant with the Council's specifications and that contractual warranties are adhered to. It will also ensure that all traffic regulations, utility company apparatus diversions or alterations and necessary permissions are managed through the national street works noticing systems
- 3.2 The scope of the contract includes the construction of residential and heavy-duty footway crossings and associated works.
- 3.3 The initial shortlisting was carried out via Constructionline (Para 3.7 CPRs) and then the tendering process was conducted using the Council's e-Tendering system.
- 3.4 Tender documents were issued via the London Tenders Portal to the 8 selected companies on 16<sup>th</sup> October 2019, with a tender return date of 29<sup>th</sup> October 2019.
- 3.5 During the tender period one company opted out of the tender process.
- 3.6 At the end of the tender period two companies had not responded.
- 3.7 After evaluating the 5 submissions, only 4 bidders were compliant with 1 bidder having not supplied any accounts for assessment of their financial standing or a response for the quality evaluation.
- 3.8 This contract has been tendered and evaluated on the basis of most economically advantageous to the Council. This was based on a 30/70 Quality/Price ratio.
- 3.9 The tender documentation consisted of two parts, namely the completed Technical Questionnaire (Quality Submission) and the Schedule of Rates Submission and Pricing Model (Financial Evaluation).
- 3.10 Representatives from Highway Services evaluated and scored the returned Technical Questionnaires (Quality Submissions).
- 3.11 A financial evaluation model was created taking into account each area of the provision of service.
- 3.12 The criteria for award of the tender was stated under item 1.4 and Section 3 (Evaluation Criteria) in the Instructions for Tendering that were sent out as part of the contract documents prior to the tender period.
- 3.13 Details of the evaluation process are contained in the Part 2 report.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The London Highways Alliance Contract was considered. However, the rates provided are not seen as offering Best Value for the residents and businesses of Enfield.
- 4.2 Highways Civil Engineering Minor Works Contract was procured to deliver the Council's own capital work programmes as well as commissions from other service areas. The schedule of rates does not include specific rates for the construction of vehicle crossovers and therefore cannot be guaranteed to provide the best prices for residents and businesses.

#### **5. REASONS FOR RECOMMENDATIONS**

- 5.1 The tender received from the contractor listed in Part 2 of this report is recommended for acceptance as its tender achieved the highest overall combined (financial and quality) evaluation score, in accordance with the tender requirements.

#### **6. COMMENTS OF OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

See Part 2 Report

##### **6.2 Legal Implications**

- 6.2.1 Section 184 of The Highways Act 1980 enable the Council, as a Highway Authority, to construct a vehicular crossover at the applicant's expense. Section 111, of the Local Government Act 1972 gives a local authority power to do anything (whether or not 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 any of its functions. The Council also has a general power of competence in section 1(1) of the Localism Act 2011 which states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation. The contract award proposed within this Report is in accordance with such powers.
- 6.2.2 The value of the proposed contract is below the EU threshold for Works, which means that the Public Contracts Regulations 2015 do not apply. Procurement colleagues have confirmed that the procurement was carried out in accordance with the Council's Contract Procedure Rules ('CPR').
- 6.2.3 The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.
- 6.2.4 As the value of this contract is over £250,000 it is a Key Decision and the Council must comply with the Key Decision procedure set out in its Constitution.

- 6.2.5 The CPR state that where the Council procures contracts for works with a value of £1m or above (as is the case here), it must require the contractor to provide 'sufficient security', as defined in CPR 1.18. This could be a performance bond or a parent company guarantee (among other options). If such security is not required, the Executive Director of Finance, Resources and Customer Services must approve the award, with the reasons and mitigating measures detailed within this Report.
- 6.2.6 The form of contract must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.
- 6.2.7 If the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) apply, the Council must be mindful of the requirements regarding exchange of employee liability information, and consultation with affected employees (although the obligations are primarily on the outgoing and incoming contractors, rather than the Council itself).

### **6.3 Property Implications**

None

### **6.4 Procurement Implications**

- 6.4.1 Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).
- 6.4.2 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 future management of the contract.
- 6.4.3 All awarded projects must be promoted to Contracts Finder to comply with the Government's transparency requirements.
- 6.4.4 The services are expected to monitor and manage the contract effectively to ensure that VFM is maintained and delivered throughout the lifetime of the contract.

## **7. KEY RISKS**

- 7.1 The appointment of a competent contractor specifically to construct vehicle crossings will mitigate any potential challenge from residents regarding the unit rate costs for constructing their vehicle crossing.
- 7.2 Challenge received prior to award - The Contract has been procured and evaluated in accordance with the Council's Procedure Rules. The evaluation criteria was transparent and clear guidance was provided to bidders on how their bids will be evaluated within the contract documentation. Any challenges will be robustly defended and considered by Legal.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Good homes in well-connected neighbourhoods**

The delivery of vehicle crossovers through an approved contractor will ensure that our highway assets are adjusted and maintained to the highest quality thereby ensuring well maintained neighbourhoods.

### **8.2 Sustain strong and healthy communities**

The delivery of vehicle crossovers can support independent living by enabling off street parking

### **8.3 Build our local economy to create a thriving place**

Having a contractor to construct vehicle crossovers will ensure residents, businesses and developers benefit from competitive rates. This supports the growth of businesses building stronger communities through employment and will in turn lead to sustainable futures for our residents.

## **9. EQUALITIES IMPACT IMPLICATIONS**

9.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these diverse groups when designing and changing services or budgets so that our decisions do not unduly or disproportionately affect access by some groups more than others.

9.2 Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report to enter into a contract agreement with the Contractor listed in Part 2 of this report. However 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.

9.3 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 Section 5 Terms and conditions (Para 72.4.1) of the Contract.

## **10. PERFORMANCE AND DATA IMPLICATIONS**

10.1 The Contractor's performance in delivering the service will have a direct impact on the Council's Vision and Priorities. The Contractor's performance will therefore be continually assessed in the following categories.

Contract Management .

Customer Satisfaction  
Operational Performance

- 10.2 Performance monitoring will be a continuous process and Key Performance indicators will be reported monthly at the contract progress meetings.

**11. HEALTH AND SAFETY IMPLICATIONS**

N/A

**12. HUMAN RESOURCES IMPLICATIONS**

No TUPE implications arising from existing contract.

**13. PUBLIC HEALTH IMPLICATIONS**

- 13.1 Vehicle crossovers will make it easier to park and use motorised vehicles and are therefore likely to increase in motor-vehicle ownership and usage. Awarding this contract is therefore likely to reduce physical activity, increase air pollution, worsen global warming and increase congestion.

**Background Papers**