REPORT OF
THE STRATEGIC DIRECTOR PLACE
TO
PROCUREMENT BOARD
ON
13 DECEMBER 2017

TITLE: Request for approval to appoint a contractor for the RHS off-site highway works.

RECOMMENDATION:
That Procurement Board:

1. Approve the appointment of Eurovia Infrastructure Ltd at a target cost of £1,431,872.67 to deliver the RHS off-site highway works.
2. Approve an uplift of £2,500 in the annual maintenance budget for the newly adopted sections of highway on Leigh Road (A572) and Occupation Road.

<table>
<thead>
<tr>
<th>Detail required</th>
<th>RHS off-site highway works</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title/Description of Contracted</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Name of Successful Contractor</strong></td>
<td>Eurovia Infrastructure Ltd</td>
</tr>
<tr>
<td><strong>Supplier Registration Number</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Type of organisation</strong></td>
<td>Private Limited Company</td>
</tr>
<tr>
<td><strong>Status of Organisation</strong></td>
<td>SME</td>
</tr>
<tr>
<td><strong>Contract Value</strong></td>
<td>£1,431,872.67</td>
</tr>
<tr>
<td><strong>Contract Duration</strong></td>
<td>7 months</td>
</tr>
<tr>
<td><strong>Contract Start Date</strong></td>
<td>12/02/2018</td>
</tr>
<tr>
<td><strong>Contract End Date</strong></td>
<td>06/09/2019</td>
</tr>
<tr>
<td><strong>Optional Extension Period 1</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Optional Extension Period 2</strong></td>
<td></td>
</tr>
</tbody>
</table>
The Royal Horticultural Society (RHS) are opening their fifth national garden in Salford in June 2020. RHS Garden Bridgewater will be situated on the site of the former Worsley New Hall in Worsley.

Under the terms of the development agreement between SCC and the RHS the council is required to design and deliver the off-site highway improvement works up to a maximum value of £5m. Urban Vision have progressed the design of the new access arrangements in agreement with the RHS and the scheme was tendered on 5 October 2017. The scheme comprises:

- A new signalised junction and spine road at the location of the existing Worsley Garden Centre access;
- Realignment of the road southbound either side of the approach to site to create a new residential access road, retain a two lane carriageway on Leigh Road and provide tapered right and left turn lanes into the site;
- Minor works to the entry taper from the A572 Leigh Road on to the M60 Junction 13 roundabout;
- Improvement works to pedestrian crossings facilities at the M60 roundabouts, lighting and wayfinding to improve pedestrian access to the site;
- Utilities diversion works and new service provision for the RHS development; and
- A new bus shelter on the south side of Leigh Road and relocation of the bus stop on the north side of Leigh Road.
Open market tenders were invited via The Chest and seven compliant tender submissions were received. Following evaluation to determine the most economically advantageous tender, approval is sought to appoint Eurovia Infrastructure Ltd at a target cost of £1,431,872.67. Eurovia have committed to appointing 2 new apprentices from Salford and 2 work placements on this contract as part of their social value commitments. They have also committed to a 1 day community cleanup or environmental improvement day in Salford and 1 corporate volunteering day.

Subject to approval construction will start on site on 12 February 2018 and the target completion date is 6 September 2018.

BACKGROUND DOCUMENTS: (Open to the Public)

N/a.

BACKGROUND DOCUMENTS (NOT OPEN TO THE PUBLIC)

N/a.

KEY DECISION:
Yes

DETAILS:

1.0 Background

1.1 In December 2015 the City Council unanimously endorsed the proposed creation of an RHS fifth national garden in Salford called RHS Garden Bridgewater at the former Worsley New Hall site. Alongside this endorsement the City Council also provided a financial commitment of up to £19 million to facilitate the land transaction (£9 million), on-site RHS infrastructure works (£5 million) and the off-site highway access works (£5 million) along with the entering into of various legal agreements to facilitate the development.

1.2 On 20 July 2017 all three parties to the development – Salford City Council, the RHS and Peel Holdings, entered into the various lease and sub-lease agreements to facilitate the development. Following legal completion there is a three-year investment programme before RHS Garden Bridgewater opens to the public in June 2020 (see Annex A for RHS masterplan).

2.0 Off-site highway works
2.1 Under the terms of the development agreement between SCC and the RHS the council is required to design and deliver the off-site highway improvement works up to a maximum value of £5m.

2.2 The existing access is off the single lane Occupation Road, which egresses onto Leigh Road (A572) which has a single traffic lane in each direction. This arrangement was deemed inadequate to deal with the anticipated visitor numbers to the site of 700,000 by 2030.

2.3 In February 2016 Urban Vision reported the results of a feasibility study assessing potential options to facilitate a new access to the RHS site. The RHS, via their transport consultants TTHC, have undertaken all of the traffic modelling work to determine the required highway improvement works to facilitate the RHS garden and instructed the council and Urban Vision accordingly.

2.4 Detailed design and site investigation works have been progressed by Urban Vision over the last 12 – 18 months, in consultation with the RHS to arrive at an agreed new junction access arrangement.

2.5 Annexes B and C show the proposed highway improvement works and in summary includes:

- A new signalised junction and spine road at the location of the existing Worsley Garden Centre access down Occupation Road;
- Realignment of the road southbound either side of the approach to site to create a new residential access road, retain a two lane carriageway on Leigh Road and provide tapered right and left turn lanes into the site;
- Minor works to the entry taper from the A572 Leigh Road on to the M60 Junction 13 roundabout;
- Improvement works to pedestrian crossings facilities at the M60 roundabouts, lighting and wayfinding to improve pedestrian access to the site;
- Utilities diversion works and new service provision for the RHS development; and
- A new bus shelter on the south side of Leigh Road and relocation of the bus stop on the north side of Leigh Road.

2.6 Please note that the tender price stated above only includes for managing and co-ordinating the utilities companies, installing ducting and a time allowance for the utilities companies to undertake their works. Separate orders will be placed by the City Council directly with the utilities companies to secure the local authority price discount.
2.7 Once the new access arrangement is constructed the City Council, under the terms of the various legal agreements, are required to adopt the new sections of roadway upto the boundary of the RHS site. This will require an uplift in the annual maintenance budget of £2,500.

3.0 The procurement process

3.1 The RHS project has previously been approved as part of the council’s capital programme and this is the first time therefore this scheme has been presented to the Procurement Board. The tender for this project was issued on Thursday 5 October 2017 via an open tender exercise on the Chest.

3.2 The City Council received 32 expressions of interest and 9 contractors submitted tenders on Friday 17 November 2017, 2 of which were incomplete and therefore couldn’t be fully evaluated. The 7 compliant submissions have been evaluated to determine the most economically advantageous tender under the criteria of quality and price (40% and 60% respectively). The evaluation was undertaken by officers from the council’s Regeneration Team, Commissioning and Partnerships Team and Urban Vision (Highways).

3.3 Following an evaluation of the tender submissions the successful contractor is Eurovia Infrastructure Ltd (bidder A). Approval is therefore sought to award the RHS off-site highway contract to Eurovia Infrastructure Ltd at a target cost of £1,431,872.67. The tender scores were as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>% price score Max 60%</th>
<th>% quality score Max 40%</th>
<th>% overall score 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>46.66%</td>
<td>32.00%</td>
<td>78.66%</td>
</tr>
<tr>
<td>B</td>
<td>60.00%</td>
<td>18.00%</td>
<td>78.00%</td>
</tr>
<tr>
<td>C</td>
<td>46.99%</td>
<td>28.00%</td>
<td>74.99%</td>
</tr>
<tr>
<td>D</td>
<td>45.62%</td>
<td>22.00%</td>
<td>67.62%</td>
</tr>
<tr>
<td>E</td>
<td>42.54%</td>
<td>16.00%</td>
<td>58.54%</td>
</tr>
<tr>
<td>F</td>
<td>38.18%</td>
<td>16.00%</td>
<td>56.18%</td>
</tr>
<tr>
<td>G</td>
<td>38.18%</td>
<td>16.00%</td>
<td>54.18%</td>
</tr>
</tbody>
</table>

4.0 Social value

4.1 The contractors’ ability to deliver social value outcomes was assessed as part of the tender scoring process. Bidders were asked what social value they would deliver as part of this contract with specific reference to the following:

- Details of any apprenticeships, work experience placements and employment of local labour on this contract;
- Details of any commitments to pay the Salford Living Wage;
- Details of any local companies to be employed as sub-contractors or local suppliers to be utilised in delivering this contract;
Details of any proposed donations or in-kind contributions to local community and user groups such as (but not limited to) primary and secondary schools, community village associations, civic trust, scouts and brownie groups, age and mental health related groups. This should detail the group(s) and the monetary value of the donation(s);

Details of any proposed corporate volunteering days to be undertaken as part of this contract to support improvements in the local area. (NB. At this stage this doesn’t need to include the specific activity to be supported – this can be discussed with the City Council upon appointment). This should detail numbers of volunteers and the numbers of hours / days to be offered;

Details of any specific environmental sustainability practices / measures to be employed on this contract;

How you will develop, monitor and report upon the social value you deliver.

4.2 The successful contractor gave excellent responses to the quality questions and how they would achieve social value in particular. A summary of their response to the quality questions is detailed below:

- 2 new apprentices to be employed on this contract from Salford;
- 2 one-week work experience placements during the contract to provide an insight into the construction industry;
- Basic training, cv and interview skills workshops;
- 1 corporate volunteering day to be agreed with the City Council. Examples of the type of work include environmental enhancements, pond clearance, school or other building repair works;
- 1 environmental clean-up day;
- A commitment to buy goods and services on this contract from Salford-based companies and to ensure fair payment terms for the supply chain; and
- A commitment to work with local groups to enhance recycling rates in the area

4.3 These commitments will be formally agreed at the contractor inception meeting and will be closely monitored as part of the ongoing contract management.

5.0 Programme

5.1 Subject to approval to award the contract construction will start on site on 12 February 2018. The contractor’s work programme details a completion date of 6 September 2018.

6.0 Maintenance
6.1 An uplift in the maintenance budget of £2,500 will be required to account for the additional sections of carriageway, new traffic lights and highways lighting that will become part of the adopted highway following completion of the works.

6.2 Approval is sought therefore for an uplift in the maintenance budget of £2,500 per annum.

KEY COUNCIL POLICIES:

- Salford 2025, a Modern Global City.
- Transport in Salford 2025.

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

The scheme has been designed in accordance with highways design standards and Disability Discrimination Act (DDA) legislation.

ASSESSMENT OF RISK: Medium – SCC have entered into legal agreements with the RHS to deliver highway improvement works to facilitate a new access to RHS Garden Bridgewater. Within these agreements SCC are subject to an escalating amount of liquidated damages should the works not be complete by 1 March 2019 or 28 June 2019 for the higher rate of damages.

SOURCE OF FUNDING: This scheme is to be funded via Growth Deal 3 grant funding (70%) and Salford City Council capital programme monies (30%). The city council will claim any grant funding in arrears on a quarterly basis.

The uplift in maintenance will be funded from the council’s revenue maintenance budget.

LEGAL IMPLICATIONS Submitted by: Richard Holmes, Principal Solicitor
Date: 29/11/2017

Comments:

When commissioning goods, services or works the Council must comply with the public procurement regulations and its own Contractual Standing Orders. In that regard, this report comments confirm that an open tender procedure was undertaken by the Council to procure the works in accordance with the Council’s Contractual Standing Orders to ensure that the Council achieved Best Value. This will ensure that the risk of challenge to the award to the successful contractors is minimal and that any challenge, should it materialise, is unlikely to be successful.
FINANCIAL IMPLICATIONS Submitted by: Chris Mee, Strategic Finance Manager Ext 0434
Date 4/12/2017

Comments:

The capital cost of these works of £1.432m will be met from within the approved 2017/18 capital programme for Regeneration funded from a combination of Growth Deal 3 grant (70%) and council own resources (30%).

The ongoing revenue maintenance costs of £2.5k pa will be met from within the existing revenue budget.

PROCUREMENT IMPLICATIONS: Submitted by: Stephen Warren, Category Manager Level 2
Date: 01/12/2017

Comments:

The opportunity was openly advertised on the North West procurement portal inviting Providers to submit bids. The procurement process undertaken is detailed in the report above. This conforms to Salford City Councils contractual standing orders.

OTHER DIRECTORATES CONSULTED: N/a.

CONTACT OFFICER: Paul Gill TEL. NO. 0161 793 2207

WARD(S) TO WHICH REPORT RELATE(S): Worsley and Boothstown