

**REPORT TO:** Executive Board

**DATE:** 18 January 2018

**REPORTING OFFICER:** Strategic Director Enterprise, Community & Resources

**SUBJECT:** Highways Capital Improvement Term Contract Tender

**PORTFOLIO:** Transportation

**WARDS:** Borough-wide

### **1.0 PURPOSE OF THE REPORT**

1.1 The purpose of the report is to notify members that the Strategic Director, Strategic Director Enterprise, Community & Resources has given approval to proceed with a procurement process with regards to the provision of a capital projects delivery contract for the implementation of projects to deliver highway improvement works across the Borough.

**2.0 RECOMMENDATION: That Members note that a procurement process will be entered into via The Chest, with the purpose of securing a capital projects delivery contract for the implementation of projects to deliver sustainable highway improvement works across the Borough.**

### **3.0 SUPPORTING INFORMATION**

3.1 This contract will assist the Council as the Highway Authority with the delivery of its current programme of capital funded projects. There is, therefore, a need to make arrangements to secure a new contract which will commence from 1<sup>st</sup> June 2018.

3.2 At present capital funded schemes have been delivered through the existing Highway Maintenance and Improvement Term Contract and it is proposed that this new Highways Capital Improvement Term Contract will run alongside the existing contract thus providing greater flexibility in delivery.

3.3 It is proposed that the new arrangements are set up for a 3 year period with an option to award a one year extension. This would be in line with current capital funding arrangements for Sustainable Transport Enhancement Package (STEP) schemes, funded via the City Region. The tender process will start in February 2018, with a commencement date being 1<sup>st</sup> June 2018.

- 3.4 Based on current funding via LCR through STEP allocations, it is anticipated that the annual value of the contract in total is likely to be in the region of £800k thus making the value of a three year contract in the order £2.4m. This figure is above the OJEU threshold; as such the contract is subject to European procurement rules and will be tendered accordingly. The open procedure will be used whereby expressions of interest are first obtained and then assessed.
- 3.5 The tender submissions will be evaluated on both price and quality; this being on a 30% price, 70% quality ratio and the most economically advantageous tender will be reported to this Board.
- 3.6 The cost of the works that will be met through this contract will be met from approved budget allocations for capital funding received via Liverpool City Region and Local Transport Plan Integrated Transport Block.

#### **4.0 POLICY IMPLICATIONS**

- 4.1 The method of procurement fits with the Council's procurement policy, the tender process being carried out in conjunction with the Procurement Centre of Excellence, using 'The Chest' procurement portal.

#### **5.0 OTHER IMPLICATIONS**

- 5.1 The above contract will ensure that we continue to deliver capital funding in a cost effective manner ensuring the Highway Authority fulfils its capital funding obligations statutory duties.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children and Young People in Halton**

None

##### **6.2 Employment, Learning and Skills in Halton**

The primary objective of the present STEP funding is to assist with access to employment sites.

##### **6.3 A Healthy Halton**

Improved sustainable links to employment sites should encourage more people to walk and cycle, and hence develop healthier lifestyles

##### **6.4 A Safer Halton**

Improvements to walking and cycling links will be designed to improve the safety of the traveling public with improved crossing points and low energy street lighting.

## **6.5 Halton's Urban Renewal**

Providing improved sustainable links to employment areas will improve the public realm and the reputation of the borough, thereby making it potentially more attractive to investors and to those who may wish to live here.

## **7.0 RISK ANALYSIS**

Failure to enter into this contract would mean that the delivery of capital funded projects would fail to meet funding deadlines leading to decreased opportunity to bid successfully for future funding.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

None

## **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.