

Delegated Decisions report



15 October 2019

Award of Contract – Works to Deliver Go Ultra Low Programme (Infrastructure Innovation)

Name of Cabinet Member	Councillor Gowans Cabinet member for Planning and Transport
Report sponsor	Geoff Snelson Director of Strategy and Futures
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Exempt / confidential / not for publication	Yes
Council Plan reference	Key Priority Ref number 9.6
Wards affected	All wards

Executive summary

This report is seeking approval to award a contract for the development and delivery of electric vehicle charging technology (infrastructure innovation). The contract will enable delivery of key elements of the Council's 5 year programme ("Go Ultra Low") to drive the uptake of ultra-low- emission vehicles. These include deployment of demonstration applications in Milton Keynes over the next two years, including wireless charging applications at hubs in CMK and within a local community and domestic energy management using vehicle batteries.

The contract terms are:

1 year development; 1 year trials, expiring on 30 November 2021

The Procurement and Commissioning Committee previously agreed that the tender could progress at its meeting on 15 March 2016 (Minute PC111 refers)

1. Decision(s) to be made

1. The public and press may be excluded from the meeting by virtue of Paragraph 3 (Information relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1972, in order that the meeting may consider the Annex(es) to the item.
2. That the Contract for the development and delivery of electric vehicle charging technology (infrastructure innovation) be awarded to the bidder(s) who scored the highest in accordance with the Most Economically Advantageous Tender evaluation for each of the three scenarios presented.

3. Why is the decision needed?

- 2.1 This procurement was approved to proceed to tender by Procurement and Commissioning Committee on 15th March 2016 and the contracted works will support the uptake of Ultra Low Emissions vehicles for Milton Keynes. Milton Keynes Council was awarded £9M capital funding by the government in March 2016 to deliver the programme.
- 2.2 The principle of the commission is to consider and deploy near future vehicle charging and energy management options which improve convenience and practicality of vehicle charging and energy management for the user. The project will deploy demonstration applications in Milton Keynes over the next two years, including wireless charging applications at hubs in CMK and within a local community. The programme will also look at domestic energy management, balancing supply and demand through use of vehicle batteries.
- 2.3 Suitably qualified consultants were appointed via quotations to provide professional support, working closely with MKC to produce the specification and tender documentation for this contract.
- 2.4 **Supplier Engagement:** A supplier engagement day was held on 19 February 2019 as an opportunity for potential suppliers and consortiums to discuss the opportunities that this project presents with the MKC Team and to network with other potential consortia partners for the development and delivery of the technology.

4. Implications of the decision

Financial	Yes	Human rights, equalities, diversity	No
Legal	Yes	Policies or Council Plan	Yes
Communication	No	Procurement	Yes
Energy Efficiency	Yes	Workforce	No

a) Financial and Procurement implications

- **Tender Evaluation:** The contract for development and delivery was advertised on the Councils E-tendering system on 31 May 2019 and 11 tenders were returned on 23 August 2019. One tender was incomplete and therefore invalid.
- The Tenders were evaluated by a suitably qualified and experienced panel of officers consisting of the Head of Transport Innovation and the Programme Manager for Innovation and moderated by MKC Senior Procurement Manager.
- The Evaluation criteria and scores for all tenders are attached in Annex A and B respectively of this report, which is not for publication by virtue of Paragraph 3 (Information relating to the Financial or Business Affairs of the Authority) of Part 1 of scheduled 12A of the Local Government Act 1972. The budget was capped at £0.700m across all three scenarios and the successful suppliers confirmed within the quality evaluation that their tender submissions could be delivered within this budget. From the budget, Scenarios 1 and 2 will share £0.400m and Scenario 3 £0.300m.
- The MEAT evaluation of tenders, which was a 100% quality evaluation because the budget was fixed, resulted in identifying a suitably qualified supplier for each of the three scenarios with appropriate experienced staff to undertake the development and delivery of the electric vehicle technology. One supplier has been identified for both Scenarios 1 and 2 and a different supplier has been identified for Scenario 3. The award of this contract is therefore to two suppliers.
- **Resources:** The capital cost of this contract was agreed by Cabinet on 6th Sept 2016. The funding to deliver the contract has been granted to the Council by Government (Office for Low Emission Vehicles) and the expenditure is in line with the purpose for which it was granted
- Milton Keynes Council was awarded £9M capital funding in March 2016 to deliver the Go Ultra Low Programme. The budget for this contract, for the development and delivery of the electric vehicle technology is £0.700m which is within the approved capital budget allocation.
- The Government grant also includes £0.180m revenue. This will be used to undertake any activities that fall outside the capital definition, however, it is not expected that the call on this resource will be significant for this contract but there is unallocated funding within this budget if needed.

b) Legal implications

- The award of this contract will enhance the Councils compliance with the Environmental Protection Act 1990 and goes towards wider compliance by the UK of EU targets for reduction of air pollution
- No statutory consultation was required at tender stage but there may be consultation in the future as part of the process for obtaining any relevant planning permission. Any consultation would be dealt with as part of the planning application process.
- Appropriate delegated decision was taken on 9th Feb 2016 to accept funding for the project. Procurement and Commissioning Committee further approved the commencement of the tender on 15th March 2016
- The tender was advertised on the Councils tendering system INTEND in compliance with the Public Contracts Regulations 2015 and the Councils contract procedure rules.
- This report therefore seeks approval to award this contract in line with the Councils contract procedure rules

c) Other implications

- **Energy Efficiency** - The award of this contract significantly contributes to the reduction in carbon emissions and improves the management and use of energy by promoting greater uptake of zero carbon vehicles.
- **Policy** - The award of this contract will progress the following priorities within the Council Plan 2016-2020
 - a. Transport – tackling our transport issues
 - b. Environment – committing to make Milton Keynes Carbon Neutral by 2050
- **Risks** - The Risk Assessment for this contract identifies no significant risks.
 - a. The key opportunity secured by this contract is for MK to be a UK exemplar city for the delivery of more ULEV's.
 - b. The key threats for this contract being delivered are:

Risk	Likelihood/impact	Mitigation	Likelihood/Impact after mitigation
<i>Removal of funding by Government</i>	<i>Low/High</i>	<i>Timely delivery of the infrastructure</i>	<i>High/ Low</i>
<i>Development of DVEC technology does not progress</i>	<i>Low/High</i>	<i>Regular project meetings to monitor progress against project plan</i>	<i>High/Low</i>

- **Contract Management:** The senior Client officer for this contract is the Head of Transport Innovation. The contract adheres to the Councils Standard Terms and Conditions. The key Governance process for the project is the MK Approach.
- The governance measures above provide a basis to conclude that these threats, properly managed represent a LOW likelihood

5. Alternatives

Not Applicable as this report seeks approval to award a contract.

6. Timetable for implementation

Oct 2019: Notify successful contractors of Award of Contract
 Nov 2019: Contract start and kick-off meetings
 Nov 2019 -20: Technology development and project progress meetings
 Nov 2020-21: Project trials and progress meetings
 Nov 2021: Project closure and reporting

List of annexes

Annex A – Evaluation criteria
 Annex B – Evaluation scores

List of background papers

Decision to proceed to tender 15 March 2016 ([15 March 2016 Minute PC111](#))