

Wards Affected:

All Wards

INVITATION TO TENDER RETREAD RECYCLING PROCESS – FOOTWAYS/REDWAYS – (REF: CU2354)

Author: Andy Dickinson, Highways Network Co-ordinator Tel 01908 252379

Assistant Director: John Pryor Tel: (01908) 254258

Executive Summary:

This report is seeking approval to commence the tender process for a contract for the footway/redway Retread Recycling Process. The contract will commence on 01/06/2013 and will be for a period of 9 months up to April 2014.

The contract must be in place to enable delivery of the Local Transport Plan (LTP) capital for footway/redway Retread Recycling Process for the year 2013/14

1 Recommendation(s)

1.1 That the commencement of tender processes for the procurement of footway/redway Retread Recycling Process be approved.

2 Background

2.1 This report requests approval to obtain tenders for the provision of footway/redway Retread Recycling Process. The funding for the requirement will be met from the Transport Infrastructure Capital Prudential Borrowing budget allocated within 2013/2014 years. Formal capital spend allocation and approval was agreed at 25th July 2012 Cabinet. The estimate budget for the contract is £2,000,000.

2.2 Consultation

2.2.1 The draft specification has been / will be developed in partnership with the relevant Cabinet Member, Corporate Procurement Team and Head of Service for Highways.

2.2.2 A review of the current / previous contract identified the following:

- Lessons learned – This process has only ever been used in trial applications in Milton Keynes, the trials were very successful providing very good outcomes. The one lesson learnt was the need to identify the areas suitable for this process and to prepare those areas at the earliest opportunity prior to treatment.

- Areas of change / improvement needed were highlighted as the need to identify suitable areas for this treatment, this has been done by analysis of footway/redway condition data collected from survey data and applying UKPMS rules and parameters along with other data such as insurance claims to give the greatest 'value management' to selected schemes.

2.3 Specification

2.3.1 The procurement seeks to deliver the following service objectives:

- To have an efficient transport and highways infrastructure.
- To promote sustainable movement through the borough of Milton Keynes.

2.3.2 The Specification can be summarised as:

- The contract will be an 'end performance' contract, the specification will be designed in accordance with the Design Manual for Roads and Bridges volume 7 section 4 – note hd 31/94.

2.4 Evaluation Criteria & Panel

2.4.1 The MEAT evaluation of tenders will be as follows:

- (a) Price @ 70%
- (b) Quality @ 30%

2.4.2 The quality evaluation criteria will also have sub criteria that reflect the relative importance of functional and technical compliance with the specification (15%), quality systems (10%) and environmental considerations (5%).

2.4.3 Tenders submitted will be evaluated by a panel comprising of Head of Service for Highways, Highways Network Co-ordinator, Head of Traffic and Highways Project Manager. Colleagues within Finance and Legal and Corporate Procurement will be engaged to support the tender process.

2.5 Contract Terms and Conditions

2.5.1 Tenders will be sought for a contract period starting on 01/06/2013 and ending on 30/09/2014.

2.5.2 There will be a provision for an extension of 6 months.

2.5.3 The NEC Terms and Conditions for contract for Works will be used. Upon approval of this report we will liaise with the legal department to have the Terms and Conditions issued as a formal contract which will then be sealed and stored in the deeds room.

2.5.4 The Council's Senior Client Officer for the procurement is Corporate Procurement Manager and for the management of the contract is Highways Network Co-Ordinator

2.7 Project Management – Governance will be provided by monthly highlight reports via the Programme Manager to the Highways and Transport Board and if required via dashboard to CLT. The GRACE risk register will be reviewed quarterly and updated. All in accordance with MK Approach principles.

3 Alternative Options

3.1 The following options appraisal has been conducted in conjunction with the Council's Corporate Procurement Team):

1. Do Nothing
2. Open (single stage) tender - most appropriate option due to timeframe, number of likely tenderers and specialist nature of works.
3. Use MKC Framework or externally let Framework Agreement – not an option as this is specialist works not delivered currently by either MKC or external frameworks.

4 Implications

4.1 Policy - The procurement of these contracts seek to implement the Council's Highways Network Service Plan objective of providing a safer highway network thereby reducing the potential for accidents, delays and future costs to the council.

The procurement seeks to implement / apply the Council's policy for Local Transport Plan 3, adopted by Cabinet in June 2011. The award of this contract will progress the following priorities/outcomes within the Corporate Plan 2012-16:

Resources and Risk

4.1.1 The costs of this contract are met from the Highways Service Budget within the Transport Infrastructure Investment Capital Programme (Capital). The costs identified within this exercise can be contained within the agreed budget.

4.1.2 The Risk Assessment for this contract is available if requested or directly via Members access to GRACE. In summary:

- The key OPPORTUNITY secured by this contract is to uphold MKC's statutory duty under section 41 of the Highways Act 1980 to keep the highway in a safe condition and a reduction in insurance claims and minimise disruption to the highway network in Milton Keynes. It is assessed that the delivery of this contract provides a HIGH Likelihood that will secure the opportunity defined providing MKC with a MEDIUM positive Impact.
- The key THREATS for this contract have been assessed as:

Risk	Likelihood	Mitigation
Procurement Timeline	M	Reduce tender period to minimum, contract requirement to programme works in anticipation of successful bid
Inclement Weather	M	Engage contractor in alternative solutions to deliver contract
No bids received	L	Ensure relevant contractors are made aware of contract

The governance measures set out in 2.7 above provide a basis to conclude that these threats, properly managed represent a MEDIUM Likelihood with a HIGH Impact.

Resources & Risk Implications

Y	Capital	N	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

- 4.2 Carbon and Energy Management This process increases the life expectancy of the asset without generating large amount of waste using conventional methods and also reduces vehicle movements during works.

As set out in the specification, evaluation criteria and risk assessment.

- 4.3 Legal

The Council's Constitution further requires that all contracts in excess of £100,00 are sealed as deeds with the legal department agreeing contract terms with the client department and making the arrangements for sending out final Terms & Conditions to Contractors and sealing and storage of the final contract in the deeds room.

The requirement for this tender will meet the Council's statutory obligations to provide Highways Maintenance service under Highways Act 1980 Act.

This recommendation complies with MKC rules, UK and European legislation.

Other Implications

N	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder
Y	Carbon and Energy Policy				

Background Papers: Specification