

## READING BOROUGH COUNCIL

### REPORT BY DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

<b>TO:</b>	<b>STRATEGIC ENVIRONMENT, PLANNING &amp; TRANSPORT</b>		
<b>DATE:</b>	<b>30<sup>th</sup> JUNE 2021</b>	<b>AGENDA ITEM:</b>	
<b>TITLE:</b>	<b>BRIDGE MAINTENANCE (WORKS) TERM CONTRACT 2021-2025 CONTRACT AWARD - INFORMATION REPORT</b>		
<b>LEAD COUNCILLOR:</b>	<b>COUNCILLOR TONY PAGE</b>	<b>PORTFOLIO:</b>	<b>STRATEGIC ENVIRONMENT, PLANNING &amp; TRANSPORT</b>
<b>SERVICE:</b>	<b>TRANSPORTATION AND STREETCARE</b>	<b>WARDS:</b>	<b>BOROUGHWIDE</b>
<b>LEAD OFFICER:</b>	<b>SAM SHEAN</b>	<b>TEL:</b>	<b>0118 9372138</b>
<b>JOB TITLE:</b>	<b>STREETCARE SERVICES MANAGER</b>	<b>E-MAIL:</b>	<b><a href="mailto:sam.shean@reading.gov.uk">sam.shean@reading.gov.uk</a></b>

#### 1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of the report is to inform the Committee and Councillors of the outcome of the procurement process for the Bridge Maintenance (Works) Term Contract 2021-2025.

#### 2. RECOMMENDED ACTION

- 2.1 That the Committee note the outcome of the Bridge Maintenance (Works) Term Contract 2021-2025 with a possible 3 year extension.

#### 3. POLICY CONTEXT

- 3.1 Policy Committee of 26<sup>th</sup> September 2019 provided delegated authority to the Assistant Director of Environmental & Commercial Services in consultation with the Lead Councillor for Strategic Environment Planning and Transport, the Assistant Director of Legal & Democratic Services and the Director of Finance to enter into a contract with the successful tenderer for the Bridge Maintenance (Works) Term Contract 2020-2024 with a possible 3 year extension.
- 3.2 To secure the most effective use of resources in the delivery of high quality, best value public service.

- 3.3 To ensure that all bridges and highway structures are secure, safe and comfortable for all users of the public
- 3.4 To provide a public highway network as safe as reasonably practical having due regard to financial constraints and statutory duties.

#### 4. THE PROPOSAL

- 4.1 Reading Borough Council, as Highway Authority, has a duty under the Highways Act 1980 (Section 41) to maintain public highway at public expense and (Section 90) protection of Bridges
- 4.2 The Council is responsible for the maintenance of over 260 bridges and structures on the public highway. The Council employs a term consultant who carries out a programme of routine inspections of all the bridges and structures on their behalf and produces a 5 year rolling programme of maintenance work.
- 4.3 Since 2015 all programmed structural maintenance works have been awarded on a competitive mini tender basis in line with the Public Contracts Regulations 2015 for works value under £ 100,000.
- 4.5 All major structural repair works, (for example Reading Bridge Strengthening) have been separately tendered for in line with the Public Contracts Regulations. This practice will continue going forward for all large projects, including the proposed Council Investment of £7M for the IDR Bridge Bearing Replacement and Structural Strengthening of the Berkeley Avenue Bridges Project, due to take place during 2022/23 to 2023/24.
- 4.6 The tender for a new term bridge maintenance contract 2021-2025 commencing in July 2021 is for an initial term of 48 months (4 years) with the option to extend by a further 36 months (3 years) subject to performance.

#### Procurement

- 4.7 The total estimated value of the contract is approximately £2M over the first 4 years (48 months), at the rate of approximately £500k per year and potentially up to an additional £1.5M should the contract be extended for the subsequent 3 year duration.
- 4.8 In accordance with the Public Procurement Rules the opportunity was published on the 24 December 2020 on the Official Journal of European Union (OJEU) contract notice number in the OJ S: 2020/S 251-634160. In addition, in accordance Council Contract Procedure Rules, the opportunity was advertised on the Council's electronic tendering portal, as well as via 'Contracts Finder'.

- 4.9 Four tender responses were received and following the tender evaluation process Volker Laser Limited have been found to meet the quality (30%) and price (70%) tender evaluation criteria as follows:
- Quality 26.6% out of 30%
  - Price 68.5% out of 70%
- 4.10 Volker Laser Limited shall therefore be awarded the Bridge Maintenance (Works) Term Contract 2021-2025 in accordance with ‘the regulations’ and the specification.

## **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 The Bridge Maintenance (Works) Term Contract **2021-2025** will contribute to the Council’s Corporate Plan 2019 - 2022 objectives of:
- Securing the economic success of Reading
  - Keeping Reading’s environment clean, green and safe
  - Ensuring the Council is fit for the future

## **6. COMMUNITY ENGAGEMENT AND INFORMATION**

- 6.1 The approved Bridge Term (Works) Contract 2021 - 2025 Committee report will be released into the public domain in the lead up to the Committee meeting.

## **7. EQUALITY IMPACT ASSESSMENT**

- 7.1 Under the Equality Act 2010, Section 149, the Council must, in the exercise of its functions, have due regard to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 The Council has reviewed the scope of the service as outlined within this report and considers that the proposals have an equal impact on all members of the general public.
- 7.3 There is no overall change to service delivery at this time. Should any future updates/amendments be required, which result in service delivery changes, an equality impact assessment will be carried out.

## **8. LEGAL IMPLICATIONS**

- 8.1 It will be necessary to enter into a contract with the successful tenderer.
- 8.2 The tender process is being undertaken in accordance with the Council's Contract Procedure Rules and the principles of the Open Process as defined by the Public Contract Regulations 2015 ("the Regulations"). It is intended to enter into a contract based upon the most economically advantageous tender.
- 8.3 Reading Borough Council, as Highway Authority, has a duty under the Highways Act 1980 (Section 41) to maintain public highway at public expense and (Section 90) protection of Bridges.

## **9. FINANCIAL IMPLICATIONS**

- 9.1 The costs of the contract of up to £3.5m proposed in this paper will be met from existing budgets.
- 9.2 The cost of the Bridge Maintenance (Works) Term Contract 2021-2025 will be met from the Transport and Streetcare Local Transport Plan Annual Capital Award for Bridges & Carriageways & the existing Bridge Maintenance Revenue Budget.
- 9.3 The annual Highway Bridge Maintenance Revenue spend for 2021/22 financial year is approximately £100,000 and the proposed 4 year contract assumes a similar budget will be agreed per annum for 2022/23 to 2024/25.
- 9.4 The annual Highway Bridge Maintenance Capital spend for 2021/22 financial year is approximately £400,000 and the proposed 4 year contract assumes a similar budget will be agreed per annum for 2022/23 to 2024/25.
- 9.5 Budgets identified are not currently uplifted annually and may be impacted by contract inflation in future years as this forms part of the contract agreement.
- 9.6 The proposed Council Investment of £7m for the IDR Bridge Bearing Replacement and Structural Strengthening of the Berkeley Avenue Bridges Project is included in the Capital Programme approved by Council in February 2021, and will be funded by capital borrowing. The Council continues to actively seeks alternate sources of income from the Department of Transport and will bid for capital funding as and when the opportunity arrives.

## **10. ENVIRONMENTAL IMPLICATIONS**

- 10.1 The Council declared a climate emergency at its meeting in February 2019 and as such recognises the need to minimise the climate impacts of its decisions. To this end, Council on 15<sup>th</sup> October 2019 formally adopted of the 'Unite Construction Charter' where the Authority supports the 'Get Britain

Building' campaign, which is aimed at supporting and sustaining the British construction industry. All relevant construction contracts will be required to comply with the Authority's Sustainable Buying Standard for Highways and Construction Materials, which requires structural steel and other relevant materials to be covered by BES 6001 Responsible Sourcing of Construction Product certification, or equivalent.

- 10.2 Tenders will be invited to submit Environmental Implications proposals to assist the Council in delivering the Climate Emergency issued by the Council.
- 10.3 Tenders will need to include carbon reduction targets and improved sustainability within tender returns.

## **11. BACKGROUND PAPERS**

- 11.1 Policy Committee Report 26<sup>th</sup> September 2019; Highway Maintenance (Works) Term Contract Award Update (delegation to enter contract).
- 11.2 Unite Construction Charter