

NORTH SOMERSET COUNCIL DECISION

DECISION OF: COUNCILLOR JAMES TONKIN. THE EXECUTIVE MEMBER FOR PLANNING, HIGHWAYS AND TRANSPORT



WITH ADVICE FROM: THE DIRECTOR OF PLACE

DECISION NO: 20/21 DP 257

SUBJECT: Procurement Plan 19/20 DE 257: Design and Build of Winterstoke Road Bridge and adjacent highway in WsM - AMENDMENT

KEY DECISION: No

REASON: Contract Standing Orders do not deem procurement plans as key decisions

BACKGROUND:

The original Procurement Plan for the Design and Build services for Winterstoke Road Bridge was approved on 15th January 2020 by the Executive Member for Planning, Highways and Transport.

The plan stated that the contract award (Stage 1 and Stage 2) would be approved by the Executive, due to the estimated value of ~£10m.

Proposal

It is proposed that Stage 1 and Stage 2 are awarded separately, each by the director. No other amendments are proposed for the Procurement Plan nor the Commissioning Plan.

DECISION:

To approve the procurement plan amendment

REASONS:

A)

Existing Procurement Plan

As the procurement plan sets out on page 7 para 8.5, the procurement exercise will appoint a contractor by two interlinked contracts, these are:

- Stage 1: an NEC4 Professional Services Contract Option C Target Cost (PSC) to undertake the preliminary design, statutory approvals and negotiation of a target cost for the detailed design and construction phase;
- Stage 2: an NEC4 Engineering and Construction Contract Option C Target Cost (ECC) for the detailed design and construction of the works, subject to target cost negotiation.

The procurement plan stated that the Design & Build Services (both contracts) would be approved by the Executive at the same time.

Proposed amendment

It is now proposed that the approval for the Stage 2 ECC contract for the detailed design and construction would not be awarded until the end of stage 1.

Reasoning for amendment

There is currently a very low level of detail with regard to what is required in Stage 2 and as such, the contractor will be tasked with producing a final scope for Stage 2. This will be developed and refined during stage 1 of the project as more becomes known about the works and project in general through the results of surveys / investigations and the development of the preliminary design. Therefore, the cost of Stage 2 is subject to change throughout Stage 1.

The two contracts are interlinked and whilst the intention is to award Stage 2 to the tenderer at the end of Stage 1, this is subject to agreement of the Target Cost, with a break clause enabling either party to walk away if costs and a satisfactory design cannot be agreed. This encourages the tenderer to deliver value for money and if not, provides NSC with the option of walking away with the designs and re-procuring Stage 2.

B)

Cost

The original estimate at concept stage for the design and construction work (Stage 1 and Stage 2) was £10.7m. In accordance with contract standing orders, approvals for this value is by the Executive.

The cost estimate for the D&B services (Stage 1 and Stage 2) that was done at concept stage has since been updated and is now estimated at below 10m.

The new estimate for the D&B services under Contract Standing Orders now reduces the approval level to the Director, advised by the S.151 Officer and Head of Strategic Procurement for capital projects.

OPTIONS CONSIDERED:

- Carry on with approach set out in original procurement plan.

Rejected because the value of the contract (Stage 2) is subject to change as detail / scope is developed during Stage 1. Without this detail, there is a lack of substantiation to ensure Stage 2 is providing value for money.

- Amend original approach to contract award to a phased approach by the Director in accordance with Contract Standing Orders.

Accepted because...see reasons A and B above.

FINANCIAL IMPLICATIONS:

There are no financial implications as a consequence of this amendment.

Costs

The total cost estimate for the bridge and highway design and construction work is £8m

Funding

An initial £10.8m has been secured from the MOD for the bridge replacement and added to the capital programme. A contribution of £450k from NSC has also been secured, towards enhanced pedestrian and cycling provision.

LEGAL POWERS AND IMPLICATIONS

The contract approval thresholds proposed are in accordance with Contract Standing Orders.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

This amendment has no climate change and environmental implications.

CONSULTATION

This amendment has been proposed in consultation with Head of Legal & Democratic Services.

A briefing session with the Executive Member and Assistant Executive Member for Planning, Highways and Transport was held 3rd December to inform them of the proposed amendments.

Members of the Executive have also been given the opportunity to provide comments to the Executive Member for Planning and Transport.

RISK MANAGEMENT

There are no additional risks or risk management requirements as a consequence of this amendment.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? No

This decision regards legal process for contract approval and does not impact protected groups of people.

CORPORATE IMPLICATIONS

This amendment has no corporate implications.

APPENDICES

None

BACKGROUND PAPERS

Procurement Plan 19/20 DE 257

SIGNATORIES:

DECISION MAKER(S):

A handwritten signature in black ink, appearing to read "P. Forster". The signature is written in a cursive style with a horizontal line underneath the name.

Signed:

Executive Member for Planning, Highways and Transport

Date: 22 December 2020

WITH ADVICE FROM:

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Signed:

Director of Place

Date: 14 December 2020