

North Somerset Council Decision
Decision Of: Executive Member for Transport and Highways
With Advice From: Assistant Director Neighbourhoods and
Transport and Head of Strategic Procurement
Directorate: Place



Decision No: 22/23 DP 194

Subject: PROCUREMENT PLAN FOR BUS SERVICE IMPROVEMENT PLAN (BSIP)
BUS PRIORITY SCHEMES EMPLOYER'S AGENT AND PROFESSIONAL SERVICES

Key Decision: No

Reason:

The Commissioning Plan, which was a key decision, approved the project, the Procurement Plan sets out the way in which the approved commission will be delivered.

Background:

On 4 May 2022 the DfT awarded North Somerset Council an indicative award of £47.8million in capital funding, to spend entirely on bus priority schemes within North Somerset over the next 3 years. This award once confirmed will enable the council to rapidly transform the efficiency and effectiveness of bus services across the North Somerset area, by delivering;

- Bus traffic signal priority along all the key bus routes or delay hotspots;
- 18 bus priority schemes;
- 3 new interchanges and one upgraded bus interchange in our key towns;
- Investment in circa 500 new modern bus shelters;
- Rapid charging facilities; and
- Integration of cycling facilities at key bus stops.

The indicative funding is currently subject to a final DfT outline review of the proposed schemes which concluded in June 2022 and is expected to result in the release of the funding in the late Summer. As part of this review the DfT are asking us to expedite the delivery of some of the simpler schemes in the current financial year.

The council will need to mobilise and approach the market in advance of the autumn and select delivery partners to supplement internal resources. Given the many demands on internal resources at present, and the significant size of the award / proposed program of works, it is acknowledged by the Place Directorate Leadership Team that external resources will be required to deliver these schemes, many of which are readily available on industry standard tried and tested frameworks.

Decision:

It is requested that this procurement plan be approved to proceed.

Reasons:**Introduction**

The BSIP capital schemes are focused on providing bus priority schemes on three key corridors in North Somerset, consisting of the A38, A369 and A370, with Weston-super-Mare and Clevedon also having bus priority schemes. There are 18 schemes in total.

A consultant is currently being procured to undertake the detailed design of 7 bus priority schemes from September 2022. It is proposed that 3 of these schemes will be delivered by the council's Highways Term Maintenance contractor and that 4 schemes will be delivered by an external contractor (build only) to be procured in early 2023. It is intended that a further 11 schemes will be delivered by a design and build contractor, due to be appointed in early 2023. These commissions are subject to separate procurement plans.

This procurement plan is to procure a consultant to provide professional services, such as project management, and to act as Employer's Agent for the council in respect of the above contracts. The Employer's Agent will have oversight and provide advice to the council for:

- The detailed design of the bus priority schemes
- The development of target cost by the build only contractor
- The development of the target cost by the design and build contractor
- The construction of the bus priority schemes (by the build only, and design and build contractor).

Contract Structure

The estimated contract value is up to £950,000 and the contract duration will be 2 years and 6 months, to correspond with the appointment of the design and build contractor for the BSIP bus priority schemes

Requirement

An external consultant is required to provide professional services and act as Employer's Agent on behalf of the council during the design and construction phases of the BSIP bus priority schemes. The Employer's Agent will undertake the following core duties:

- Project Management duties including but not restricted to:
 - Oversight and agreement of the detailed design;
 - Target cost development.
- Employer's Agent duties to encompass Project Management and Quantity Surveying roles to proactively control the works, including:
 - Liaison with and management of the on-site contractor;
 - Site management;
 - Regular site visits;
 - Compiling progress reports and giving updates such as changes to price, defects, early warnings and compensation events;

- Approving and ensuring delivery of programmes;
- Monitoring progress (to include design change, costs and programme management);
- Chairing weekly on site progress meetings and managing actions;
- Reviewing and accepting the Design;
- Accepting Subcontractors;
- Issuing Early Warnings;
- Assessing and managing Compensation Events and Compensation Events Quotations;
- Issuing Project Manager Instructions;
- Developing and maintaining the Risk Register;
- Obtain, assess and verify actual costs;
- Assessing amounts due for payment.

Route to market

The WECA Professional Services Framework has been identified as the preferred route to market, which has three pre-approved consultants, ensuring an element of competition between suppliers. The consultants have a wide range of expertise to call upon which is essential for this project.

Market / Suppliers

The WECA Professional Services Framework has the following three contractors:

- AECOM
- Atkins
- WSP

Framework suppliers have been notified of the opportunity to gauge their interest in bidding. Suppliers will be contacted again in advance of publishing the mini competition to provide more information about the BSIP project, including to confirm the scope and timescales of the Employer’s Agent commission.

Timescales

An indicative timetable of the procurement process:

Activity	Date
Publish mini competition	Mid-September 2022
Submission date	Mid October 2022
Evaluation	Late October 2022
Internal governance	Early November 2022
Contract Award	Mid November 2022

Governance

This procurement plan will be subject to approval by the Executive Member for Transport and Highways, with advice from the Assistant Director of Neighbourhoods and Transport (in

accordance with delegated authority 22/23 DP53) and the Head of Strategic Procurement, before the procurement is undertaken.

Contract Award approval will be a Director Decision, advised by the Section 151 Officer and Head of Strategic Procurement.

Social Value, TOMs, Sustainability & VCSE

In accordance with the council's Social Value Policy, 10% of the overall weighting will be for bidders to propose their tangible social value commitments.

During the tender process, bidders will be asked to enter their social value commitments on the Social Value Portal using a unique registration link included in the mini competition documents. Social Value Portal utilises the National Themes, Outcomes and Measures (TOMs) to calculate social value contributions, which enables NSC to gain a greater understanding of the value of bidders' commitments and to evaluate social value tender responses quantitatively as well as qualitatively. The Main/Full list of TOMs will be used for this commission.

For this commission the project team are proposing the use Social Value Portal to undertake both the evaluation of the social value responses and ongoing contract management of the social value commitments provided by the appointed supplier. This service will cost 0.20% of the contract value and will be paid by the winning bidder direct to the Social Value Portal.

Evaluation

All bids will be evaluated on the basis of:

- 40% Price;
- 50% Quality; and
- 10% Social Value.

The WECA Professional Services Framework consists of pre-qualified bidders who have gone through a testing process to get onto the framework, so will have the technical, commercial and project management skills required.

The project team will provide a clear specification with set deliverables and bidders will have to demonstrate their skills and methodology to achieve the requirements within the specified timeframe.

Price and quality assessment will score the following:

Price: Price will have a weighted score of 40% and will be based on the submission of a pricing schedule. The lowest total price will receive the maximum score of 100% and the prices of all other tenders will be expressed as a percentage of the maximum score.

Quality: Quality will be assessed against the following topics:

Quality Sub-Criteria	Weighting
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Business capability, resource and project team	25%
Professional Expertise	25%
Commercial Offering	20%
Track Record	15%
Carbon management, sustainability and environmental impact	15%
	100%

Quality will have a weighted score of 50% and will be evaluated in accordance with the following scoring guidelines:

Score	Classification	Award Criteria
5	Excellent	A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation.
4	Good	A response supported by good evidence/examples of the Bidders' relevant ability and/or gives the council a good level of confidence in the Bidders' ability. All requirements are met and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation.
3	Satisfactory	A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon.
2	Weak	A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and provides the council a limited level of confidence in the Bidders' ability to deliver the specification.
1	Inadequate	A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall, the response provides the council with a very low level of confidence in the Bidders' ability to deliver the specification.
0	Unsatisfactory	No response or response does not provide any relevant information and does not answer the question.

Social Value:

Social Value will have a weighted score of 10% and will be based both a quantitative offer (TOMs social value calculator) and a qualitative response, including evidence of delivery and a delivery plan.

Evaluation Panel

The evaluation panel will consist of:

- Infrastructure Delivery Manager
- Head of Highways and Parking Operations (or delegate)
- Head of Highway Technical Services (or delegate)

The moderation will be facilitated by the Strategic Procurement Team. The Head of Transport will observe the moderation.

Contract Management

This contract will be managed on a day-to-day basis by the Infrastructure Delivery Manager, overseen by the Head of Transport Planning.

A BSIP Steering Group meets on a weekly basis and is attended by the Assistant Director for Neighbourhoods and Transport and the Head of Strategic Procurement.

The use of Key Performance Indicators (KPIs) will be used as a tool to measure performance of the supplier. These will be based around the core principles of time, cost and quality but will also link back to the quality element of the successful supplier's submission.

Contract Management meetings will be held every month due to the initial shortness of the programme for the work to be completed. These meeting will be to review output against timescales. Update progress meetings will occur weekly with NSC. Regular programme (assume fortnightly) meetings will be held with the delivery contractor, the Employer's Agent and NSC.

Options Considered:

Framework agreements provide a timely, cost and resource efficient process for securing the services required; it will be quicker and less resource intensive than carrying out a competitive tender and the WECA Professional Services Framework includes enough resourced, competent and experienced suppliers to help de-risk delivery and ensure compliance.

The team will carry out a mini competition, so all the pre-qualified suppliers will have the opportunity to bid, and their fees cannot exceed the fees they quoted to get on the original framework agreement. The suppliers have signed up to the framework agreement terms and conditions and call-off contract, so the council will only have to populate the standard NEC4 Professional Services Short Form (PSSC) contract and will not have to write a separate contract for this procurement, which will also save time and resource.

The WECA Framework is NSC's preferred framework for professional services. Suppliers are familiar with the process, documentation and contract type, so this is likely to be the quickest and most straight forward option. All suppliers on WECA framework have a good track record.

Other options considered:

1. In house resource – There is a lack of capacity and specialist skills in the project team to undertake the role of Employers Agent without the support of a consultant. There is also limited engineering resources due to a committed capital programme for 2022/23.
2. A competitive tender – this was discounted due to being a more resource intensive and time-consuming process, when there are several suitable frameworks available for professional services.

The option to carry out a mini competition using the WECA Professional Services Framework is therefore the recommended option to provide additional resources to the BSIP project team to undertake the role of Employer's Agent.

Financial Implications:

Costs

The estimated contract award is up to £950,000, which will be funded by the BSIP grant from the Department for Transport and is due to be received by NSC in September 2022. This contract is due to be awarded in October 2022.

Funding

On 12 July 2022, Full Council approved an increase to the Capital Programme of £47,983,473 in recognition of the outline DfT funding award. The BSIP Employer's Agent and Professional Services contract will be funded by the BSIP grant funding when this is received.

NEC4 pricing Option A, a priced contract with activity schedule, will be used for this commission. This will ensure some cost certainty for the council.

Legal Powers and Implications:

The WECA Professional Services Framework Agreement has been procured in line with Public Contract Regulations 2015. The Contract will use NEC4 Professional Services Short Form Contract Option A.

The procurement process will be compliant with the Public Services (Social Value Act) 2012 by ensuring it seeks additional social value during the tender process.

Climate Change and Environmental Implications:

1. Pre-qualification

Due to using an existing Framework Agreement, our influence at this stage is limited as the

suppliers are pre-qualified. However, all three suppliers on the WECA framework have previously demonstrated knowledge and experience of carbon management, sustainability and mitigating environmental impact through their quality submissions for other similar projects.

2. Specification

The BSIP bus priority schemes will contribute to the reliability and attractiveness of the public transport network, with the aim of reducing car journeys within North Somerset and beyond. The design and construction of these bus priority schemes will be key to delivering these outcomes, as well as identifying opportunities for Biodiversity Net Gain during construction.

The Employer's Agent will have an important role in influencing the design and construction of the BSIP schemes, as well as ensuring that the appointed contractor delivers on their commitments to carbon reduction and Biodiversity Net Gain.

The carbon impact of the Employer's Agent contract itself is minimal. Utilising remote working technology, such as Microsoft Teams, for most meetings will reduce the need for consultants to travel to our offices, thus reducing the carbon impact of this commission.

3. Tender Evaluation

A quality question about carbon management, sustainability, the mitigation of environmental impacts and monitoring the contractor's Biodiversity Net Gain, worth 15% of the quality weighting, will form part of the evaluation.

4. Social Value

A Social Value question worth 10% of the overall weighting will form part of the evaluation. Suppliers will be encouraged to provide social value commitments relating to reducing carbon emissions and air pollution, safeguarding the natural environment etc.

5. Contract Management

The contract will be managed by the Infrastructure Delivery Manager for the BSIP programme, who will ensure adherence with the Specification, including any requirements for carbon management, sustainability, and monitoring the contractor's Biodiversity Net Gain. Social Value Portal will monitor the supplier's progress on their Social Value commitments.

Consultation:

The wider BSIP Commissioning Plan was approved by the Executive on Wednesday 22 June 2022 and by Full Council on 12 July 2022. This prepares for the wider consultation with the public on scheme designs in due course.

Risk Management:

Description	Impact	Mitigation
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Lack of market appetite	Limited returns and reduced value for money	The WECA Professional Services Framework has a range of potential suppliers, the offer is favourable to the market and the use of a mini competition will be provide greater assurance of success. Framework suppliers have been given advanced notice of this opportunity for resource planning.
Lack of market capacity	Limited returns or of poor quality.	Use of the WECA Professional Services Framework provides assurance of a depth and breadth of qualified, experienced suppliers. Early market engagement will be used to confirm that capacity is available.
DfT not agreeing to funding	The project not proceeding	DfT have provided an outline funding award and Full Council approved an increase to the Capital Programme in recognition of this. The Employer's Agent contract will be awarded in October, by which point the DfT grant should be received by NSC. The mini competition documents will make it clear to bidders that award is subject to DfT funding.
The actual spend exceeds the contract value	The project budget is impacted by overspends on professional services.	Use of Option A to have a commitment to the baseline tasks. Risk pot and regular check point reviews to ensure spend against budget.
There is potential for conflict of interest	Employer's agent also being designer	Suppliers are informed that they cannot be awarded both the Employer's Agent and Detailed Design contracts.

Equality Implications:

Have you undertaken an Equality Impact Assessment? No

A wider Equality Impact Assessment will be completed for the wider BSIP programme in due course.

Corporate Implications:

The provision of key enabling infrastructure and improvements to the transport network widely supports the Corporate Plan objectives and priorities, most specifically within the priority of a Thriving and Sustainable Place.

Appendices:

Sustainability Risk Assessment

Background Papers:

- Commissioning Plan for BSIP Project
- West of England Bus Service Improvement Plan

- DfT Confirmation of funding for North Somerset and WECA
- Executive Council Decisions

SIGNATORIES:

DECISION MAKER(S):



Signed:

Executive Member for Transport and Highways

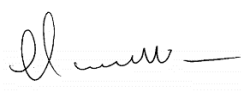
Date: 12 September 2022



Signed:

Assistant Director Neighbourhoods and Transport

Date: 8 September 2022

Signed: 

Head of Strategic Procurement

Date: 12 September 2022