

North Lanarkshire Council

Report

Enterprise and Growth Committee

approval noting

Ref YB/DB

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Contract Award for East Airdrie Link Road Professional Services - Contract for Noting

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Executive Summary

Committee is asked to note the award of the Contract for the services associated with the generation and appraisal of options for the East Airdrie Link Road project (the 'Contract') to; Aecom Limited.

The Contract is for a period of 14 months commencing in September 2019, together with additional periods for provision of updates in support of Outline and Final Business Cases.

The value of the contract is £851,302.

Recommendations

It is recommended that the Committee notes the action taken to award the professional services Contract for Options Generation and Appraisal Services to Aecom Limited for the sum of £851,302.

The award of the contract followed the completion of a procurement procedure, where the Tenderer recommended for contract award has been evaluated as providing the most economically advantageous tender in terms of cost and quality for the Council. This award has been approved by the Executive Director of Enterprise & Communities, between committee cycles in accordance with the Council's General Contract Standing Orders (Sep 2018), in order to achieve the programme requirements.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (5) Grow and improve the sustainability and diversity of North Lanarkshire's economy

1. Background

- 1.1 The Contract is for professional services in relation to Options Generation and Appraisal for the East Airdrie Link Road Project (a sub-project of the Pan Lanarkshire Orbital Transport Corridor).
- 1.2 The procurement of a consultant has followed previous approvals by the Council's Policy and Strategy Committee on 21st March 2019, and the Glasgow City Region Cabinet on the 9th April 2019, for the revised City Deal programme which retains support of the East Airdrie Link Road project.
- 1.3 As reported to the Enterprise and Growth Committee on 29th August 2019, the original 2018 multi-disciplinary lead consultant appointment for the East Airdrie Link Road was terminated and a new approach to delivering the sub project developed. The decision to award the Contract follows this new approach to sub project delivery.
- 1.4 Earlier approval to procure Professional Services to develop the proposed East Airdrie Link Road forming part of the Pan Lanarkshire Orbital Transport Corridor, in accordance with the Glasgow City Region City Deal Procurement Strategy, was given by the Council's Special Planning and Transportation Committee on 20th April 2017.

2. Report

- 2.1 A user intelligence group (the 'UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy that would deliver maximum benefit for the Council.
- 2.2 The value of the Contract dictated that the procurement procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015 (PCSR 2015) The contract opportunity was published on the Public Contracts Scotland – Tender (PCS-T) e-tendering platform. The procurement of services was undertaken via call off from an existing framework using a mini-competition. The Scotland Excel: 0616 Engineering and Technical Consultancy Services Framework Agreement, and specifically Lot 2 Transportation and Traffic, was used. The mini-competition followed initial market testing through the issue of a Capacity and Capability Inquiry, and the determination and approval of a Sourcing Methodology.
- 2.3 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the tender responses was completed by members of the UIG.
- 2.4 The development and delivery of the East Airdrie Link Road project necessitates close working with a number of stakeholders. The consultant team appointed through this Contract will work closely with the Council in developing a robust strategy for all stakeholder engagements.
- 2.5 The contract award recommendation and award was made on the basis of the Tenderer who submitted the most economically advantageous tender.
- 2.6 The tender submitted by Aecom Limited has been evaluated as representing the most economically advantageous tender.

- 2.7 Appendix 1 confirms the scoring achieved by each Tenderer, further details of the procurement procedure is provided in Appendix 2.
- 2.8 Officers from the Enterprise Projects Team, part of Enterprise and Communities, will be responsible for managing the Contract which will be undertaken in accordance with the Councils agreed approach to Contract and Supplier Management.

3. Equality and Diversity

3.1 Fairer Scotland Duty

- 3.1.1 The development of infrastructure to support regeneration, will improve the social and environmental wellbeing of the Council area. This commission will specifically contribute to ensuring that robust and appropriate proposals are developed and implemented.

3.2 Equality Impact Assessment

- 3.2.1 An Assessment has been carried out for the Glasgow City Region City Deal Infrastructure Fund. This forms a part of the brief to the project team and will be re-evaluated throughout the options generation and appraisal process.
- 3.2.2 The project team and consultants will consult with a number of advisory groups.

4. Implications

4.1 Financial Impact

- 4.1.1 The value of the contract is £851,302
- 4.1.2 The costs associated with contract delivery will be met from the Glasgow City Region City Deal Programme, which combines capital funding from UK and Scottish Governments and Member Authorities
- 4.1.3 The Council has entered into a Grant Agreement with Glasgow City Council, as lead authority of the City Deal Cabinet for the drawdown of capital funds. The cost of progressing this project will initially be incurred by North Lanarkshire Council and then reimbursed by the Cabinet in accordance with this Grant Agreement and the wider City Deal approval processes.
- 4.1.4 Contract pricing is fixed for the initial 14 month duration, thereafter prices will be adjusted by the application of the agreed price index applied by Scotland Excel to the framework used.

4.2 HR/Policy/Legislative Impact

Community Benefits

- 4.2.1 The Council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to

deliver local community benefits where possible. The successful Tenderer has committed to delivering a range of community benefits, these include;

- Work Experience Placement (16yrs +); 1 mandatory and 1 voluntary
- Work Experience (14-16yrs); 1 mandatory and 5 voluntary
- Careers Events; 1 mandatory
- Site Visits; 2 mandatory
- Community Projects, Non-financial support; 1 mandatory and 1 voluntary
- School Mentoring or Enterprise Programme; 1 mandatory

The community benefits that will be delivered do not include the creation of jobs or apprenticeships

Fair Work Practices

4.2.2 The successful Tenderer has also demonstrated commitment to Fair Work practices including payment of the real Living Wage to staff employed in the delivery of the Contract.

4.3 **Environmental Impact**

4.3.1 The consultant appointed will support the development of robust and deliverable proposals that ensure environmental issues including contamination, are properly understood and able to be overcome or mitigated. The options appraisal and identification of a preferred route will be supported by detailed considerations of the environmental impact including ecology, and the design and specification for the works will include for requirements of energy, materials, waste etc.

4.4 **Risk Impact**

There are no significant risk implications arising from this report.

5. **Measures of success**

The Contract will deliver the following outcomes;

- i. facilitate the development of detailed project proposals including the Outline Business Case for the East Airdrie Link Road project. Subject to planning and other approvals by City Deal, this Contract supports the development of the new road infrastructure.
- ii. the appointment of a Service Provider who has the experience and capability to deliver an innovative, high quality and responsive service;
- iii. the procurement procedure is compliant with the procurement legislation and internal procedures;
- iv. that best value is both demonstrable and achieved;
- v. that the Contract secures a range of community benefits;
- vi. that the Contract supports payment of the real Living Wage to staff employed in the delivery of the Contract;

- vii. that the Contract performance is proactively managed against a number of Key Performance Indicators; and
- viii. a collaborative approach to the procurement of the requirement, minimising the burden on internal resource and leveraging the economies of scale.

6. Supporting documents

The plan for North Lanarkshire	Improve economic opportunities and outcomes, and to improve North Lanarkshire's resource base
Appendix 1	Summary of Evaluation Process
Appendix 2	Summary of Procurement Procedure
Appendix 3	SME status and location of all Tenderers



Pamela Humphries
Head of Planning and Regeneration

Appendix 1 – Summary of Evaluation Process

Tenderer Name	Final Tender Score	Final Rank	Recommended for Contract Award (Yes/No)
Aecom Limited	85.00%	1	Yes
Sweco UK Limited	71.54%	2*	No
Amey	76.57%	N/A**	No
Arcadis	71.72%	N/A**	No

* Note. Tenderer combined technical and commercial score did not fall within the 5% of the highest placed Tenderer therefore they were not invited to interview.

** Note. Tenderers failed to meet the minimum pass mark on key award criteria and therefore did not pass the first stage of the evaluation

Appendix 2 – Summary of Procurement Process

Contract Title	East Airdrie Link Road Options Generation and Appraisal Services
Contract start date	September 2019
Initial Contract Period	14 Months
Contract Extension option	Not Applicable
Total contract value including extension option	£851,302 including costs for employer's provisional sum for ad-hoc surveys under £50K, employer's contingency (£100,000 + £55,000) and Carbon Management.
Governing UK Procurement Regulation	Public Contracts (Scotland) Regulations 2015
Procurement procedure adopted	Call off via mini-competition from existing framework
Interest List – number of organisations that downloaded the procurement documents from the procurement portal	20
Number of tenders received	4
Number of non-compliant tenders	0
Number of compliant tenders	4
Number of recommended providers	1
Basis of contract award	Most economically advantageous tender Price 40% / Quality 60%
Evaluation Team	Enterprise Projects

Appendix 3 – SME status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority/Council Area)
Aecom Limited	Large	Glasgow City Council / Glasgow
Sweco UK Limited	Large	Leeds City Council / West Yorkshire, Leeds
Amey	Large	North Lanarkshire Council / Eurocentral, Motherwell
Arcadis	Large	Islington Borough Council / London