

	REPORT TO CABINET TO BE HELD ON 17 OCTOBER 2017
	Key Decision NO Forward Plan Ref No
Corporate Priority <ul style="list-style-type: none"> • Place - to protect and improve our environment, now and for the future • Council – to be an efficient and effective council which is financially sustainable for the future 	Cabinet Portfolio Holder Cllr Mike Cockerill

REPORT OF: CHIEF EXECUTIVE (17/232)

WARDS AFFECTED: ALL

SUBJECT: AWARD OF COASTAL AND FLOOD MAINTENANCE WORKS TERM CONTRACT 2017 - 2021

RECOMMENDATION (S):

Cabinet is recommended to :

1. Approve entry into contract with Transcore Ltd for the provision of a Maintenance Term Contract starting in October 2017 and completing in October 2021 for reactive maintenance works to the coastal defences, coastal slopes and flood sites within the Borough.

REASON FOR RECOMMENDATION (S):

- To comply with the Council's Financial and Contract Procedure Rules;
- To ensure the Council's coast and flood defence assets are adequately maintained.
- To ensure that there is a competent identified Contractor appointed to provide

- the services required.
- To ensure that speed of response and best value are attained.

HIGHLIGHTED RISKS:

See Appendix A.

1. INTRODUCTION

- 1.1 Scarborough Borough Council's shoreline extends along the length of its North Yorkshire coast from Staithes in the north to Speeton in the south, a distance of approximately 68 km. Coastal settlements include Runswick Bay, Sandsend, Whitby, Robin Hoods Bay, Scarborough, and Filey, all of which have defended frontages.
- 1.2 Since 2006 the Council has appointed a term maintenance contractor to maintenance works to these defended frontages with the contract being re-tendered every 4 to 6 years.
- 1.3 The services provided include reactive maintenance works to the coastal defences, coastal slopes and flood sites within the Borough. The Contractor may also be requested to undertake such other ad-hoc maintenance or repair works as may be required in relation to the Council's assets within the Borough.
- 1.4 The most recent term contract expired in July 2017 and the contract has recently been re-tendered, and the Council is now looking to appoint an experienced contractor to undertake the services included within this new Term Maintenance Contract starting in October 2017 and completing in October 2021.
- 1.5 This report seeks authority to enter into a contract with Transcore Ltd and to proceed to undertake Term Maintenance to the coastal defences, coastal slopes and flood sites within the Borough.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

- 2.1 This proposal contributes to all the Council's key aims but specifically supports at this stage "improving the performance of our services and ensuring they provide value for money".

3. BACKGROUND AND ISSUES

- 3.1 As the value of this contract will not exceed the relevant EU financial threshold, the contract was advertised on the Council's YORtender procurement system.

- 3.2 Tender documents were prepared by the Project Service on the basis of the NEC3 Term Service Contract. The contract is for a period of four years but has the option to be extended by a further two years if necessary.
- 3.3 Tenders were invited on the basis of cost and quality. Contractors were invited to price an activity schedule representing works required to the whole of the borough for approximately one year. These rates and prices are then used as the basis for pricing of works in later years.
- 3.4 Contractors were also requested to provide a quality submission in response to the following criteria :
- Previous company experience
 - Key personal experience
 - Method statement in response to a high risk scenario
 - Contractors plan in response to a high risk scenario
- 3.5 By the due deadline the Council received four tenders for the services.

4. CONSULTATION

- 4.1 There are no consultation implications or requirements arising from this report.

5. ASSESSMENT

- 5.1 The tenders were analysed on the basis of the most economically advantageous tender comprising a cost and quality submission. The evaluation method used was in accordance with the CIRIA Special Publication 117 'Value by Competition' Method 4. The quality of the submission was weighted 60% and the financial element of the submission was weighted 40% in the assessment.
- 5.2 A comprehensive and detailed tender evaluation was undertaken by officers with the following results :

	Contractor A	Contractor B	Transcore Limited	Contractor D
Quality Ratio	0.44	0.52	0.60	0.38
Price Ratio	0.40	0.23	0.31	0.20
Overall Score (%)	84%	75%	91%	58%

- 5.3 Based upon the tender evaluation, Transcore Limited are identified as the tenderer providing the most economically advantageous tender in line with the

pre-established tender criteria, and are recommended as the preferred contractor for appointment to undertake the services.

6. IMPLICATIONS

(a) Policy

6.1 There are no policy implications as a result of this report.

(b) Financial

6.2 There are no financial implications as a result of this report.

6.3 The contract is used to expend the Council established revenue budget for coast and flood protection of £304,000 per annum.

(c) Legal

6.4 There is a requirement to follow the Council's financial and contract procedure rules. This report is part of that process.

(d) Risk

6.5 The risks are set out in Appendix A.

(e) Others

6.6 I have considered whether the following implications arise from this report and am satisfied that there is no adverse identified implications that will arise from this decision to proceed with the HLF South Cliff project.

Staffing Implications, Planning Implications, Crime and Disorder Implications, Health and Safety implications, Equalities implications, and Environmental implications.



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Chief Executive

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Background Papers:

None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT THE AUTHOR

Appendix A Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	15/9/17	Failure to comply with the Council's Financial and Contract Procedure Rules.	There could be a challenge which may delay the implementation of the contract.	Procurement Services has been consulted and involved in the preparation and publication of the Contract to comply with the Council's constitution.	B1	B1	Martin Lloyd	Proceed as outlined in the report.
2	15/9/17	Failure to appoint the preferred contractor.	Cost uncertainty for coastal and flood maintenance works and a decrease in efficiency in service delivery.	A preferred contractor has been identified through compliant procurement procedures and a tender assessment carried out.	B3	B1	Martin Lloyd	Proceed as outlined in the report.
3	15/9/17	Challenge from unsuccessful tenderers.	Possible delay in awarding contract. Possible legal action against the Council.	Debriefing of unsuccessful tenderers.	C3	B2	Martin Lloyd	Offer debriefing prior to awarding contract.

Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

A = Very Low
 B = Not Likely
 C = Likely
 D = Very Likely
 E = Almost Certain

Impact

1 = Low
 2 = Minor
 3 = Medium
 4 = Major
 5 = Disaster