

# Policy and Sustainability Committee

10.00am, Thursday, 23 July 2020

## Spaces for People – Further Contract Waiver for Material Orders and Contract Services

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| Executive/routine<br>Wards<br>Council Commitments | Executive<br>All |
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### 1. Recommendations

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- 1.1 The Policy and Sustainability Committee is asked to:
  - 1.1.1 Note the purchase arrangements in place to support the installation of measures to create safe spaces for people to walk and cycle in the city, as part of the Spaces for People programme;
  - 1.1.2 Approve an extension to the Direct Awards via waiver of the Council's Contract Standing Orders (CSOs), approved by Committee on 11 June 2020, for the purchase of additional temporary traffic management infrastructure and to appoint installation contract services up to a total value of £4.1m;
  - 1.1.3 Note that existing arrangements for procurement frameworks will be used where possible however, if Direct Awards via waiver are required, these will be negotiated with current suppliers and framework contractors on a best value basis; and
  - 1.1.4 Note that this temporary traffic management infrastructure will be used in the city centre, town centres, cycle segregation, low traffic neighbourhoods, school routes and spaces for exercise to support urgent economic recovery and will enable the interventions to be delivered in line with the time critical project programme.

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# Report

## Spaces for People – Additional Contract Waiver for Material Orders and Contract Services

### 2. Executive Summary

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- 2.1 Policy and Sustainability Committee approved a waiver of the Council's Contract Standing Orders (CSOs) in June 2020 to enable the urgent purchase or hire of traffic management materials up to a value of £1.5m. This report seeks approval to place additional material orders for temporary traffic management infrastructure and installation contract services on a Direct Award basis, via a waiver of CSOs, for the second phase of the Spaces for People programme if it is not possible to utilise existing procurement frameworks. The total value of these Direct Awards is expected to be a maximum of £4.1m, an increase of £2.6m on the original award.

### 3. Background

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- 3.1 On [14 May 2020](#) Policy and Sustainability Committee considered a report on Creating Safe Spaces for Walking and Cycling in the city, as a result of COVID-19.
- 3.2 The Council has been awarded £5 million of funding from the Scottish Government's Spaces for People initial programme fund of £10 million.
- 3.3 Edinburgh's Spaces for People programme aims to help ensure that people can safely and easily maintain physical distancing whilst accessing the parts of the city they need to for work and daily exercise. This includes introducing temporary measures to create safe spaces for walking and cycling.
- 3.4 As part of a programme update on [11 June 2020](#) Committee approved an initial waiver to the Council's CSOs by means of Direct Award of up to £1.5 million for the urgent purchase of the following traffic management materials:
- 3.4.1 bolt down kerb units for city centre and town centre schemes;
  - 3.4.2 bolt down segregation units for Phase 1 Arterial route cycleways;
  - 3.4.3 high visibility bollards unit for above;
  - 3.4.4 temporary bus stop platforms and ramps; and

3.4.5 timber planters for city centre closures and low traffic neighbourhood schemes.

- 3.5 In addition, an existing Framework Contract CT2676 Transport Traffic Management is currently in place for the provision of Roadworks (Chapter 8) traffic management services and professional design services. This contract is being used to for the provision of temporary roadworks signs, cones and barriers under the terms of Chapter 8 (normal roadworks equipment) to facilitate early programme delivery.
- 3.6 Suppliers from across the United Kingdom and Europe have been contacted to establish product specification, determine market rates and build a range of supplier options for the materials required for the Spaces for People programme. This urgent buying exercise has been undertaken with support from the Commercial and Procurement Services (CPS) team to build up a defined schedule of unit rates for supply, installation, maintenance and ultimately removal of temporary features.
- 3.7 The scope of the initial waiver was focused on the materials and services required to deliver the first phase of the Spaces for People programme in the city centre and town centres and included early estimates of the strategic route cycle segregation schemes.
- 3.8 The prioritised project programme and cost plan has now defined the overall scope of the programme in the context of the current budget allocation. The value of material and contract services is now expected to be in the region of £4.1m to deliver the full current programme.
- 3.9 The programme to date has included notification of many city centre, town centre and cycle segregation proposals including:

3.9.1 City centre plans:

- North Bridge;
- South Bridge;
- East Princes Street;
- Waverley Bridge closure;
- George IV Bridge;
- Bank Street/Mound;
- Forest Road;
- Victoria Street; and
- Cockburn Street.

3.9.2 Town centre plans:

- Gorgie/Dalry;
- Morningside and Bruntsfield;
- Tollcross;

- Newington;
- Queensferry;
- Corstorphine;
- Stockbridge;
- Portobello High Street; and
- Great Junction Street.

### 3.9.3 Cycle segregation:

- Ferry Road;
- Orchard Brae roundabout;
- Comiston Road;
- Wester Hailes Road;
- Meadow Place Road; and
- Dundee Street/Fountainbridge.

## 4. Main report

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### **Spaces for People Programme**

- 4.1 The City of Edinburgh Council, with support from Sustrans Scotland, is introducing temporary measures to protect public health, provide space for physical distancing, improve access to areas for exercise, create opportunities for active travel and support economic recovery in the city centre and town centres. These measures will make it safer for people to use our streets for essential journeys, shopping and exercise.
- 4.2 To date, the programme has committed the full £1.5 million approved on 11 June 2020 for traffic management materials.
- 4.3 A full prioritised programme and cost plan has now been defined, setting out the overall scope in the context of all the strategic themes and prioritised interventions and within the funding secured.
- 4.4 The programme includes interventions in the city centre, in town centres, for cycle segregation, in low traffic neighbourhoods, on school routes and to create spaces for exercise. The interventions include, for example, lane separation units, traffic bollards/cylinders, temporary bus boarders and planters etc.

### **Purchasing Arrangements**

- 4.5 To fully deliver this programme, it is essential to purchase further essential traffic management products and to establish contract services.
- 4.6 However, due to unprecedented market conditions, the cost of materials and services required to deliver this programme have increased, and delivery dates for

material orders are extending. It is therefore not possible to go through a full procurement process to supply the required materials and services.

- 4.7 All material orders have and will continue to be benchmarked against costs from any National Framework Agreements already in place. If an existing National Agreement offers best value and a compliant route for goods in stock (and which can be delivered in line with the project programme), then an order will be placed via that Agreement.
- 4.8 Where a National Framework Agreement does not exist, is unable to supply the required materials or service or does not represent best value, a Direct Award, via waiver of the Council's CSOs, will be made.
- 4.9 Committee is therefore asked to approve the extension of the existing arrangement to enable further Direct Awards, via waiver to the CSOs, to be made. It is considered that given the market conditions, timescales required, specification and related volumes, there are only specific suppliers who can meet the requirements of the Council for these supplies/services.
- 4.10 The initial waiver of £1.5m was for the first phase of city centre, town centre and outline cycle segregation schemes and has been expended. Therefore, Committee is asked to approve the extension of the scope and value of direct awards to cover the procurement of materials and services for the whole programme. The full cost is expected to be £4.1m, a cost increase of £2.6m on the original value.
- 4.11 An estimate of the additional materials and contract services required is noted below.

**Table 1 – Programme Material and Contract Service Requirements**

| <b>Product description / Contract Service</b>                           | <b>Estimated Cost</b> |
|-------------------------------------------------------------------------|-----------------------|
| Existing Waiver (Approved 11 June 2020)                                 | £1.500m               |
| Additional material/service orders (in addition to above)               |                       |
| Contract installation services (Framework & New Contractors)            | £0.500m               |
| Material order:<br>Bolt down kerbs / Cycle segregation units / Bollards | £1.000m               |
| Temporary bus stop platforms and ramps                                  | £1.000m               |
| Planters                                                                | £0.100m               |
| <b>Total Material and Contract Costs</b>                                | <b>£4.1m</b>          |

- 4.12 At the time of preparing this report detailed discussions are taking place with representatives from Sustrans and Transport Scotland to potentially realign expenditure from the Traveling Safely (cycle segregation schemes) element of the programme to existing Places for Everyone funding. In real terms this would increase the overall funding for the Spaces for People programme to £6.4m. The value of the direct awards outlined in this report have been updated to reflect this anticipated increase in funding.

## **5. Next Steps**

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- 5.1 The Spaces for People team, working with support from Commercial and Procurement Services, will continue to establish commercial contracts and contract extensions with material suppliers and existing Framework Contractors.
- 5.2 The project team will manage and track material and contract requirements making use of the master programme and established budget tracking arrangements. The delivery team will continue to negotiate and source appropriate products and services that reflect best value to reflect the Project programme and future pandemic situation.
- 5.3 Delivery for some materials can be achieved in two to four weeks, however, the supply timeline for critical kerb/segregation units will not commence until 20 August 2020 and will run for up to six months.
- 5.4 Discussions will continue with Sustrans and Transport Scotland on the potential to utilise Places for Everyone funding for Travelling Safely materials.

## **6. Financial impact**

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- 6.1 The City of Edinburgh Council has been allocated £5m from the Scottish Government's Spaces for People programme.
- 6.2 Purchased orders have already been placed for the urgent purchase of traffic management materials up to a value of £1.5m.
- 6.3 Following completion of the detailed scope and delivery programme, the financial impact and estimate of material and contract costs over the next six months has shown that the additional estimated costs would be in the region of £4.1m. This is an increase of £2.6m from the original waiver value.
- 6.4 Expenditure will only be committed where funding has been secured. Discussions will continue with Sustrans and Transport Scotland on the potential to utilise Places for Everyone funding for elements of this programme.

## **7. Stakeholder/Community Impact**

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- 7.1 The approval of this urgent procurement exercise will allow the Spaces for People programme to deliver all aspects of the delivery phase of the programme (total budget to be confirmed) to provide appropriate space for distancing requirements,

allow our town centres to function safely, improve access to areas for exercise and create better facilities for active travel choices.

- 7.2 There are no known equalities impacts arising from this additional Direct Award material order or Framework contract extension. An [Integrated Impact Assessment](#) was prepared for the Spaces for People Programme.
- 7.3 There is a risk of legal challenge by suppliers who consider they could provide these supplies/services were they to be competitively tendered. As such, and through dialogue with Commercial and Procurement Services and Legal Services, steps will be taken to mitigate that risk, including by the publication of a Voluntary Ex Ante Transparency (VEAT) notice, and the associated standstill period being observed, in advance of the issue of any contract awards.

## **8. Background reading/external references**

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- 8.1 None.

## **9. Appendices**

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- 9.1 None.