

Finance and Resources Committee

10.00am, Thursday, 4 March 2021

Contracts for Provision of Engineering Services for Roads Design, Structures and Flood Prevention

Executive/routine	Executive
Wards	n/a
Council Commitments	16, 17, 27

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
- 1.1.1 Approves the adoption of the new Scotland Excel Framework for Engineering and Technical Consultancy (0820) which replaces the previous Framework Agreement (0616) expiring 17 March 2021;
 - 1.1.2 Delegates authority to the Executive Director of Place to award Contracts for Provision of Engineering Services for Roads Design, Structures and Flood Prevention to the most economically advantageous organisation(s) identified following competitive tendering processes undertaken as mini-competitions through the Scotland Excel Framework for Engineering and Technical Consultancy - Lot 1 Roads and Structures and Lot 5 Drainage and Flooding;
 - 1.1.3 Notes that the contract values are estimated to be between £400k - £600k per annum for Roads Design, £100k – £150k per annum for Structures and £100 – £150k per annum for Flood Prevention for a period of up to four years; and
 - 1.1.4 Notes that the awards will be reported to the Finance and Resources Committee under the half yearly procurement report for Awards of Contracts.

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Executive Director of Place

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Report

Contracts for Provision of Engineering Services for Roads Design, Structures and Flood Prevention

2. Executive Summary

- 2.1 This report seeks approval from the Finance and Resources Committee to:
- 2.1.1 Adopt the Scotland Excel Framework for Engineering and Technical Consultancy (0820) which runs from 18 March 2021 until 17 March 2025; and
 - 2.1.2 Delegate authority to the Executive Director of Place to award Contracts for Provision of Engineering Services for Roads Design, Structures and Flood Prevention to the most economically advantageous organisation(s) identified following a competitive tendering process for each requirement. These Contracts will run for an initial period of two years with the option to extend for up to a further 12 months twice (undertaken at the sole discretion of the Council).

3. Background

Scotland Excel Framework for Engineering and Technical Consultancy (0820)

- 3.1 The Scotland Excel Framework Agreement for Engineering and Technical Consultancy (0820) replaces the previous Framework Agreement (0616) which expires on 17 March 2021.
- 3.2 The Framework Agreement will provide the Council with a mechanism to procure a wide range of civil engineering and associated technical consultancy services.

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- 3.3 The Roads and Transport Improvement Action Plan has identified a need to augment current in-house design resources by means of consultancy support to increase capacity to facilitate delivery of a wider portfolio of projects types, such as Active Travel and Public Realm projects, alongside annual capital renewals programmes and maintenance requirements. To date, Transport have augmented the in-house design resource from time-to-time utilising Scotland Excel and other

internal and external professional services frameworks. The three new Contracts, for Roads Design, Structures and Flood Prevention, will each engender a collaborative working relationship with a single Consultant, working alongside in-house staff to increase the level of available design resource to deliver annual programmes of work and provide specialist advice to help alleviate some of the challenges that have been encountered in the past.

- 3.4 Mini-competition 1 – Roads Design: The condition of Edinburgh’s roads is assessed annually as part of the Scottish Roads Maintenance Condition Survey (SRMCS), an independent survey of road conditions in all 32 Scottish local authorities. The survey provides each local authority with a Road Condition Index (RCI) which identifies the percentage of roads in need of maintenance. The City of Edinburgh Council (the Council) does not have adequate internal resource available to design and deliver all the approved capital carriageway and footway schemes. To address this and maximise capital scheme delivery, it is proposed to appoint a Consultant to supplement the in-house resource. This Contract will provide the service area with external resource to undertake the design and delivery of road schemes.
- 3.5 Mini-competition 2 - Structures; This Contract will support the service area in the design and delivery of structures schemes. The construction of these will be subsequently procured through existing Council or National Frameworks, or through Public Contracts Scotland Quick Quote facility, where appropriate, depending on the scale and complexity of the project.
- 3.6 Mini-competition 3 – Flood Prevention: This Contract will provide technical support in relation to flood prevention. This includes infrastructure inspection, design and delivery, and managing flood risk through planning, modelling, and strategic initiatives with Scottish Water and SEPA.

4. Main report

Scotland Excel Framework for Engineering and Technical Consultancy (0820)

- 4.1 Scotland Excel published a Prior Information Notice (PIN) on 24 April 2020 which generated 200 notes of interest and was followed by a consultation exercise. The User Intelligence Group, consisting of procurement and technical representatives, met on several occasions between October 2019 and May 2020 and helped shape the Framework requirements and tender methodology.
- 4.2 The Framework Agreement covers the following Lots: Lot 1 Roads and Structures, Lot 2 Transportation and Traffic, Lot 3 Environmental Engineering, Lot 4 Land Surveying, Lot 5 Drainage and Flooding, Lot 6 Geoenvironmental and Geotechnical, Lot 7 Coastal and Maritime, Lot 8 Master Planning and Lot 9 Project and Commercial Management.
- 4.3 To ensure maximum competition, Scotland Excel followed an open tender process and advertised the tender on the Official Journal of the European Union and the Public Contracts Scotland portal on 9 September 2020 with a deadline of 16 October

2020. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

- 4.4 The offers were evaluated against the following criteria and weightings:
- 4.4.1 Qualification (pass/fail): Qualification was conducted using the European Single Procurement Document (ESPD). Within the ESPD tenderers are required to answer a number of questions, including insurance, financial standing and quality management.
 - 4.4.2 Technical (60%): Tenderers were required to evidence their knowledge and experience by responding to core technical questions. These included their management arrangements for delivering the services, compliance with the community benefits method and their approach to fair work practices. In addition, lot specific technical questions were also asked in relation to technical merit, levels of innovation and sustainability.
 - 4.4.3 Commercial (40%): Tenderers were invited to offer rates for three separate pricing mechanisms: 1) hourly rates for a range of clearly specified professional roles within each lot; 2) hourly rates for a range of salary bands; and 3) fee and overhead percentages for instances where pricing is agreed under a cost reimbursable model. These pricing mechanisms support a range of pricing models that the Council can adopt in alignment with the nature of requirements.
- 4.5 Following analysis of 66 tenders received, Scotland Excel appointed 31 suppliers across nine lots as outlined in Appendix 1. 11 of the recommended suppliers are classed as SMEs. 30 of the 31 recommended suppliers pay the real Living Wage and commit to maintaining that for the duration of the framework and the remaining one supplier has committed to pay the real Living Wage to all employees (except volunteers, apprentices and interns) within two years.

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- 4.6 Commercial and Procurement Services (CPS) and Roads & Transport Infrastructure intend to undertake mini-competitions utilising Lot 1 (Roads and Structures) and Lot 5 (Drainage and Flooding) from Scotland Excel's Framework Agreement for Engineering and Technical Consultancy (0820).
- 4.7 The Council will conduct mini-competitions assessing cost, experience, resources and performance to award each Contract to a single Consultant.
- 4.8 Tenders will be evaluated by Council Officers from Roads & Transport Infrastructure.
- 4.9 To quickly progress services on completion of the Tender, delegated authority is requested to allow the Executive Director of Place to award the Contracts when the outcomes of the procurement processes are reached.

5. Next Steps

- 5.1 Subject to approval of delegation of authority by Finance and Resources Committee, approval to award to the most economically advantageous organisation will be requested from the Executive Director of Place when the outcome of the procurement process is reached.
- 5.2 Subject to approval of award by the Executive Director of Place, the Contract will commence on 1 May 2021 for an initial period of two years with the option to extend for up to a further 12 months twice (undertaken at the sole discretion of the Council).
- 5.3 The award will be reported to Finance and Resources Committee under the half yearly procurement report for Awards of Contracts.
- 5.4 Roads and Transport Infrastructure will ensure that effective contract management is delivered throughout the lifecycle of the Contract, in accordance with the Council's contract management framework and with the support of the Contracts and Grants Management Team, as necessary.

6. Financial impact

Scotland Excel Framework for Engineering and Technical Consultancy (0820)

- 6.1 The value of the adoption will depend on individual call offs. Scotland Excel indicated that the estimated forecast savings for the City of Edinburgh Council will be approximately 3.8%.

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- 6.2 The Contract value is estimated at between £400k - £600k per annum for Roads Design, £100k – £150k per annum for Structures and £100 – £150k per annum for Flood Prevention for a minimum of two and a maximum of four years.
- 6.3 Rates will be fixed, subject to indexation, for the duration of the Contract.
- 6.4 Savings will be calculated based on the percentage difference between the average total of the successful organisations and the average total of all tenderer submission.
- 6.5 The costs associated with procuring each Contract are estimated to be between £10,000 and £20,000.

7. Stakeholder/Community Impact

Scotland Excel Framework for Engineering and Technical Consultancy (0820)

- 7.1 All suppliers had the opportunity to input into the Framework and a survey was carried out with 103 suppliers providing responses, of which 15 follow up meetings were held. This consultation exercise provided insight into the overall supply base,

typical contracting practices between Councils and consultants as well as emerging new services that consultants are providing, all of which helped inform the procurement strategy.

- 7.2 The User Intelligence Group, consisting of procurement and technical representatives, met on several occasions between October 2019 and May 2020 and helped shape the Framework requirements and tender methodology. Through the User Intelligence Group, several improvements were developed as part of this renewal framework, including the clarity of services for both councils and suppliers and community benefits model.
- 7.3 The Framework Agreement includes a community benefit approach designed to deliver local community benefits based on individual member spend thresholds. All 31 recommended suppliers have confirmed their acceptance.

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- 7.4 There is a risk of reputational damage to the Council if the Roads Capital Investment and Structures Programmes are not delivered, or if the Council's response to flood risk is not progressed.
- 7.5 Community Benefits, Sustainability and Fair Work Practices including Living Wage will be part of the mini-competition evaluations and the Council's requirements have been communicated to the invited Consultants in the Specification.
- 7.6 The Contract to be recommended for award will be compliant with procurement regulations and the Contract Standing Orders.

8. Background reading/external references

- 8.1 Scotland Excel (2021) Contract for Approval: Engineering and Technical Consultancy Framework. *Report by Chief Executive of Scotland Excel to Executive Sub-Committee on 29 January 2021*. Retrieved from:
<https://renfrewshire.cmis.uk.com/renfrewshire/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/4678/Committee/80/SelectedTab/Documents/Default.aspx>

9. Appendices

- 9.1 Appendix 1 – Overview Appointed Suppliers Scotland Excel Framework per Lot
- 9.2 Appendix 2 – Summary of Tendering and Tender Evaluation Process

Appendix 1 – Overview Appointed Suppliers Scotland Excel Framework per Lot

Lot 1 – Roads and Structures	
Tenderer	Score
Atkins Limited	89.6
Amey OW Limited	80.7
RPS Consulting Services Ltd	80.3
Gavin and Doherty Geosolutions (UK) Limited	77.8
Haskoningdhv UK Limited	77.4
WSP UK Limited	75.5
Mott MacDonald Limited	75.3
AECOM Limited	75.1
Sweco UK Limited	74.5
Stantec UK Limited	72.8
Jacobs U.K. Limited	72.7
Ironside Farrar Limited	72.6
RSK Environment Limited	72.1
Local Transport Projects Limited	71.6

Lot 2 – Transportation and Traffic	
Tenderer	Score
Atkins Limited	83.6
AECOM Limited	81.1
Stantec UK Limited	77.6
Amey OW Limited	75.4
Systra Limited	73.0
Arcadis Consulting (UK) Limited	71.5
Mott MacDonald Limited	71.0
WSP UK Limited	68.9
Jacobs U.K. Limited	68.6
RPS Consulting Services Ltd	67.9
Waterman Infrastructure & Environment Limited	67.5
Sweco UK Limited	66.8

Lot 3 – Environmental Engineering	
Tenderer	Score
Atkins Limited	91.7
Jeremy Benn Associates Limited	77.4
AECOM Limited	76.7
Sweco UK Limited	76.6
Mott MacDonald Limited	75.4
RPS Consulting Services Ltd	74.6
Amey OW Limited	73.5
Jacobs U.K. Limited	71.5
Stantec UK Limited	71.5

Lot 4 – Land Surveying	
Tenderer	Score
Atkins Limited	91.5
WSP UK Limited	85.5
Jeremy Benn Associates Limited	84.4
AECOM Limited	81.1
RSK Environment Limited	81.0

IKM Consulting Ltd	80.6
Systra Limited	78.7
Currie & Brown UK Limited	78.0
Capita Property and Infrastructure Limited	76.6
SAC Commercial Limited	75.1
MHB Consultants Ltd	73.8
RPS Consulting Services Ltd	72.2
Pell Frischmann Consultants Limited	71.8
Aird Geomatics Limited	60.6

Lot 5 – Drainage and Flooding

Tenderer	Score
Atkins Limited	91.6
Jeremy Benn Associates Limited	83.8
AECOM Limited	79.4
RPS Consulting Services Ltd	78.3
Haskoningdhv UK Limited	76.7
Mott MacDonald Limited	74.8
Sweco UK Limited	72.7
RSK Environment Limited	71.4
Stantec UK Limited	71.1
Amey OW Limited	71.0
Jacobs U.K. Limited	70.9

Lot 6 – Geoenvironmental and Geotechnical

Tenderer	Score
Atkins Limited	93.1
Sweco UK Limited	82.0
Waterman Infrastructure & Environment Limited	78.9
Jeremy Benn Associates Limited	78.2
RSK Environment Limited	78.2
WSP UK Limited	77.3
Mott MacDonald Limited	76.8
RPS Consulting Services Ltd	76.3
Fairhurst	75.0
Gavin and Doherty Geosolutions (UK) Limited	74.0
Stantec UK Limited	73.8
MHB Consultants Ltd	73.1
Jacobs U.K. Limited	72.6
AECOM Limited	72.3

Lot 7 – Coastal and Maritime

Tenderer	Score
Atkins Limited	84.4
Jeremy Benn Associates Limited	79.7
RPS Consulting Services Ltd	79.4
Arcadis Consulting (UK) Limited	77.9
Wallace Stone LLP	75.6
Haskoningdhv UK Limited	73.7
AECOM Limited	73.4
Gavin and Doherty Geosolutions (UK) Limited	71.7
WSP UK Limited	70.6

Lot 8 – Master Planning	
Tenderer	Score
Atkins Limited	84.1
RPS Consulting Services Ltd	73.1
Ironside Farrar Limited	71.5
AECOM Limited	71.5
Stantec UK Limited	71.0
Amey OW Limited	69.9
Arcadis Consulting (UK) Limited	68.1
Mott MacDonald Limited	66.6
RSK Environment Limited	64.3

Lot 9 – Project and Commercial Management	
Tenderer	Score
Atkins Limited	84.4
Amey OW Limited	80.8
Gardiner & Theobald LLP	72.6
Currie & Brown UK Limited	69.5
Turner & Townsend Project Management Limited	69.0
Capita Property and Infrastructure Limited	68.3
Pick Everard	67.6
IBI Group (UK) Limited	66.4
RPS Consulting Services Ltd	66.3
WSP UK Limited	64.9
Mott MacDonald Limited	64.9
Arcadis Consulting (UK) Limited	64.4

Appendix 2 – Summary of Tendering and Tender Evaluation Process

CT2669 – Contract for Provision of Engineering Services	
<u>Mini-competition 1 - Road Design</u>	
Contract Period	1 May 2021 for an initial period of two years with the option to extend for up to a further 12 months twice (undertaken at the sole discretion of the Council)
Estimated Contract Value (including extensions)	£1.6m - £2.4m (£400,000- £600,000 per annum)
Procurement Route Chosen	Mini-competition utilising Lot 1 (Roads and Structures) from Scotland Excel's Framework Agreement for Engineering and Technical Consultancy (0820).
Tenders Invited	Atkins Limited Amey OW Limited RPS Consulting Services Ltd Gavin and Doherty Geosolutions (UK) Limited Haskoningdhv UK Limited WSP UK Limited Mott MacDonald Limited AECOM Limited Sweco UK Limited Stantec UK Limited Jacobs U.K. Limited Ironside Farrar Limited RSK Environment Limited Local Transport Projects Limited
Evaluation Team	Council Officers from Roads & Transport Infrastructure

CT2669 – Contract for Provision of Engineering Services	
<u>Mini-competition 2 – Structures</u>	
Contract Period	1 May 2021 for an initial period of two years with the option to extend for up to a further 12 months twice (undertaken at the sole discretion of the Council)
Estimated Contract Value (including extensions)	£400k - £600k (£100,000- £150,000 per annum)
Procurement Route Chosen	Mini-competition utilising Lot 1 (Roads and Structures) from Scotland Excel's Framework Agreement for Engineering and Technical Consultancy (0820).
Tenders Invited	Atkins Limited Amey OW Limited RPS Consulting Services Ltd Gavin and Doherty Geosolutions (UK) Limited Haskoningdhv UK Limited WSP UK Limited Mott MacDonald Limited AECOM Limited Sweco UK Limited Stantec UK Limited Jacobs U.K. Limited Ironside Farrar Limited RSK Environment Limited Local Transport Projects Limited

Evaluation Team	Council Officers from Roads & Transport Infrastructure
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CT2669 – Contract for Provision of Engineering Services <u>Mini-competition 3 – Flood Prevention</u>	
Contract Period	1 May 2021 for an initial period of two years with the option to extend for up to a further 12 months twice (undertaken at the sole discretion of the Council)
Estimated Contract Value (including extensions)	£400k - £600k (£100,000- £150,000 per annum)
Procurement Route Chosen	Mini-competition utilising Lot 5 (Drainage and Flooding) from Scotland Excel's Framework Agreement for Engineering and Technical Consultancy (0820).
Tenders Invited	Atkins Limited Jeremy Benn Associates Limited AECOM Limited RPS Consulting Services Ltd Haskoningdhv UK Limited Mott MacDonald Limited Sweco UK Limited RSK Environment Limited Stantec UK Limited Amey OW Limited Jacobs U.K. Limited
Evaluation Team	Council Officers from Roads & Transport Infrastructure