

Cabinet Meeting		Agenda Item: 7
Meeting Date	9 November 2016	
Report Title	Award of Contract - Resurfacing Promenade, The Leas, Minster	
Cabinet Member	Cllr David Simmons, Cabinet Member for Environmental and Rural Affairs	
SMT Lead	Dave Thomas	
Head of Service	Dave Thomas	
Lead Officer	Mike Knowles / Martyn Cassell	
Key Decision	Yes	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	<ol style="list-style-type: none"> 1. To approve the award of the works to Ovenden Allworks Limited. 2. To delegate authority to the Head of Commissioning and Customer Contact, and Head of Legal, in consultation with the Cabinet Member for Environmental and Rural Affairs, to complete the contract award. 	

1 Purpose of Report and Executive Summary

- 1.1 Swale Borough Council has been awarded external funding from the Environment Agency to re-surface the promenade along the coastal defence at The Leas in Minster on the Isle of Sheppey.
- 1.2 This report provides an explanation of the tender process undertaken to find suitably qualified contractors and requests authority to award the re-surfacing contract to Ovenden Allworks Limited.

2 Background

- 2.1 Swale Borough Council has successfully bid for funding from the Environment Agency to carry out re-surfacing works to the promenade along the coastal defence at The Leas in Minster, east of Seaside Avenue.
- 2.2 The total funding received from the Environment Agency is £306,000 from the Flood Defence Grant in Aid (FDGiA) fund. This figure is made up of £234,500 to carry out the works, £20,500 for fees to cover the bid submission, contract

management and site supervision, and £51,000 Optimism Bias (Contingency) funding. A condition of funding is that it is spent in the 2016/17 financial year and so there is limited timeframe to work in.

- 2.3 The current surface has suffered severe cracking over the years due to the different rates of expansion and contraction between the concrete sub base and asphalt surfacing. This has the potential to affect the flood defence mechanisms in the area and has resulted in a number of trips and accidents by members of the public walking along the promenade. Four cases have resulted in insurance claims to the Council with a further two currently in progress.
- 2.4 The proposed works will provide a new surface along the whole length of the sea defence to the east of Seaside Avenue (0.9 kilometres in length), making good and enhancing the promenade which will further encourage residents and visitors to make use of the area.
- 2.5 The design and contract preparation for the works which will help to overcome existing issues has been undertaken by Canterbury City Council's Coastal Engineering Team, through the East Kent Engineering Partnership and they will also be undertaking the supervision of the works.
- 2.6 The East Kent Engineering Partnership (EKEP) established a Framework Agreement that can be used by any member of the EKEP (Swale BC, Thanet DC, Canterbury CC, Dover DC and Shepway DC) and any member of the South East Coastal Group.
- 2.7 The Framework agreement (valid until 2018) is an approved list of experienced contractors who have been extensively vetted for their experience, financial, quality and environmental credentials. SBC was fully involved with this initial process.
- 2.8 Initially five contractors were selected from the EKEP Framework agreement for general civil engineering works between £250k and £500k. The initial tender for the framework was advertised by Canterbury City Council in their role as the contracting authority under the EKEP, and is compliant with OJEU rules.
- 2.9 All of the contractors invited to tender in the first round are capable of completing the works but unfortunately due to an upturn in the market and commitment to other projects, none of the contractors felt that they would be able to submit a competitive tender. A further factor was thought to be the need for the works to be completed in this financial year.
- 2.10 As the first procurement process produced no tender responses, the tender process was repeated, but this time as an Open Tender through the Kent Business Portal. This produced a return of eight tenders, although two were excluded for incomplete submissions.

- 2.11 Bids were evaluated on price and quality criteria by members of the Technical Services department with support from the Procurement Team, and advice from Canterbury City Council's engineering department. A table of the evaluation details can be found below.

Organisation	Price Score	Quality Score	Total Score
Ovenden Allworks Ltd	60	31	91
Company B	52	27	79
Company C	48	30	78
Company D	32	22	54
Company E	54	0	54
Company F	34	13	47

3 Proposals

- 3.1 To approve the award of the works to Ovenden Allworks Limited.
- 3.2 To delegate authority to the Head of Commissioning and Customer Contact, in consultation with the Cabinet Member for Environmental and Rural Affairs, to complete the contract award.

4 Alternative Options

- 4.1 To consider awarding the contract to an alternative contractor who submitted a tender for the works. This is not recommended as Ovenden Allworks Limited is considered to be the most suitable contractor for the works, following Swale's procurement and evaluation process producing the Most Economically Advantageous Tender.
- 4.2 To not continue with the project: this is not recommended as the funding provided by the Environment Agency would need to be returned and Swale Borough Council would need to pay for the contract works carried out to date by Canterbury City Council. In addition to this, the surface of the promenade would continue to deteriorate resulting in an increase in the number of accidents and a higher number of insurance claims.

5 Consultation Undertaken or Proposed

- 5.1 Consultation has taken place with the Commissioning and Procurement Team throughout the tendering process to ensure that Swale's procedures have been followed and with other members of the East Kent Engineering Partnership.
- 5.2 Information will be given to anybody in the proximity and likely to be affected the works.

6 Implications

Issue	Implications
Corporate Plan	<p>A Borough to be proud of – protect and improve our natural and built environments. Enhance the Borough’s economic and tourism offer.</p> <p>A council to be proud of – improve residents’ perceptions and customer experiences.</p>
Financial, Resource and Property	<p>Funding for the Scheme has come from the Environment Agency and as such there will be no requirements for funding from Swale Borough Council. This funding has already been paid to SBC and needs to be used within the 2016/17 financial year.</p> <p>Using the East Kent Engineering Partnership, Swale Borough Council has access to a large number of experienced Coastal Engineers to carry out the contract management and supervision, and the cost of this service will be met by the Environment Agency funding.</p>
Legal and Statutory	Complies with Public Contract Regulations, as it is below the OJEU threshold for Works.
Crime and Disorder	None identified at this stage.
Sustainability	None identified at this stage.
Health and Wellbeing	Improved facilities for public.
Risk Management and Health and Safety	If this re-surfacing work is not completed there will be an increased number of trips and falls resulting in more insurance claims to the Council and further large scale deterioration will start to affect the flood defence mechanisms in place.
Social Value	Ovenden Allworks Limited have stated that waste will be minimised through re-use and recycling. They have also stated that where possible local jobs and apprentice positions will be created, although it is accepted that due to the short timescale for the works this opportunity may be minimal.
Equality and Diversity	Undertaking these works will ensure accessibility for all to our coastline.

7 Appendices

7.1 Appendix I – Location Plan

8 Background Papers

8.1 None