

Report of Civil Engineering Manager – Flood Programme

Report to Chief Officer (Highways and Transportation)

Date: 23 October 2018

Subject: Leeds Flood Alleviation Works Programme – Authority to Tender

Are specific electoral wards affected? If yes, name(s) of ward(s): All wards	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. During the last two months of 2015 northern Britain received some of the highest recorded rainfall on record, culminating with storm Eva which, during the Christmas period, led to major urban and rural flooding across Yorkshire, Cumbria and southern Scotland resulting in devastating physical and economic damage.
2. In the aftermath of this, and following extensive lobbying by the City Council, the government have made monies available to progress a flood alleviation scheme in Leeds, upstream of the Phase One project.
3. In addition to the main River Aire flood defence scheme, Leeds City Council is also committed to reducing the risk of local flooding originating from ordinary watercourses, surface water, sewers and ground water.
4. Reviewing the model utilised for the ongoing city centre flood alleviation scheme and taking into consideration lessons learnt during this, the contents of this report set out details of the proposed procurement plan for this programme of flood alleviation works, including the procurement of engineering construction contracts (ECC) and professional services contract (PSC).

Recommendations

5. The Chief Officer (Highways and Transportation) is requested to:

- i) give authority to tender the Leeds Flood Alleviation Works Programme through the Environment Agency's (EA's) Water Environment Management (WEM) framework.

1. Purpose of this report

- 1.1 This report seeks authority to tender the Leeds Flood Alleviation Works Programme using the WEM framework contract.

2. Background information

- 2.1 The Phase One River Aire Flood Alleviation Scheme (FAS) is a crucial project for Leeds, which aims to defend the city centre against the significant physical and economic damage that results from flooding. Since becoming the Lead Local Flood Authority in Autumn 2010, the Council has continued to work with partners to develop proposals, secure external funding, drive down costs and improve the standard of protection offered by the scheme.
- 2.2 Events triggered by the extended period of rainfall during November and December 2015, culminating with storm Eva and the Boxing Day floods, led to the government announcement of some monies available to swiftly progress with an investigation into a potential extension of the flood protection measures, upstream of Leeds city centre.
- 2.3 There is significant risk that if the progression of this complex large scale scheme is delayed, difficulties will be encountered in achieving the deadlines and funding could be withdrawn.
- 2.4 A procurement strategy for FAS 2 was endorsed in March 2016 by the FAS Project Board which identified the preferred option as utilising Lot 4 of the Water and Environment Management (WEM) framework twice. Combining all of the pre-design and build work packages together as a single procurement and procuring again within Lot 4 once a design and build tender had been formulated. With this approach, the aim is to reduce the overall programme and provide the same team throughout, comprising of consultants and contractors, with the team either taking on the role of technical advisor under a project support role at a later stage, or continuing as a contractor subject to the outcome of a design and build tender.
- 2.5 Further to the procurement strategy, an NEC 3 Professional Services Contract for the Feasibility and Preliminary Design was procured and awarded to BMM JV (BAM Nuttall and Mott Macdonald joint venture) in September 2016.
- 2.6 Alongside the FAS, Leeds Flood Risk Management team have identified a number of smaller flood alleviation schemes at varying stages of development that will be delivered concurrently with the FAS providing greater resilience to the whole of Leeds.
- 2.7 This report sets out a detailed plan for the procurement of the FAS Main Works design and build engineering and construction contract, in addition to the staged award of the local flood alleviation schemes through professional services contracts and engineering and construction contracts

3. Main issues

3.1 Objectives:

The main objectives of the Flood Alleviation Works programme is to improve and strengthen Leeds resilience to flooding by way of the following:

- Improving cooperation between Leeds City Council and other Flood Risk Management Authorities to meet the requirements of new legislation and achieve holistic (catchment wide) solutions to identified risks and problems including Emergency Planning;
- Promote sustainable flood risk management through Water Framework Directive compliance, climate change adaptation, land management, habitat protection and creation;
- Developing a consistent, affordable and sustainable approach to planning and investment in Flood Risk Management such as land allocation and sustainable drainage systems;
- Increasing skills and the capacity to deal with Flood Risk Management issues;
- Increase community awareness of flood risk and the work of Leeds City Council in managing this risk; engage with local communities and involve them in decision making; and
- Improve understanding of flood risk and seek to decrease local flood risk through implementation of affordable, high quality measures to alleviate flooding where practicable.

3.2 The FAS 2 Main Works contract will deliver flood risk reduction benefits between Calverley and the M1 motorway. The scheme will also provide an uplift to the standard of protection to the city centre already delivered as part of Phase One. The works will include;

- Construction of a new flood storage area with active defence at Calverley;
- Conveyance improvements including the removal of obstructions and setting back defences;
- Construction of linear defences in the form of walls, embankments, terracing and locally lifting ground levels; and
- Supplementary works such as wetland planting, habitat creation and access improvements.

3.3 The remainder of the flood alleviation works programme will consist of smaller flood defence schemes in and around the Leeds area on a number of watercourses such as Wyke Beck, River Wharf, Lin Dyke etc. These works are likely to involve:

- feasibility and appraisal development;
- outline and detailed design;

- preparation of Outline Business Cases;
- construction; and
- commissioning and handover.

3.4 Procurement Process:

The tender exercise will utilise Lot 4 of the WEM framework to procure two contracts;

- Contract 1 Leeds (River Aire) Flood Alleviation Scheme Phase Two Main Works design and build contract.
- Contract 2 Leeds Flood Alleviation Works – a two-stage award utilising professional services contracts for feasibility and outline design and subsequent engineering construction contracts for detailed design and construction of each individual scheme.

Contract 1 will use the NEC3 Engineering Construction Contract Option C; target cost with activity schedule.

Contract 2 will use the NEC3 Professional Services Contract for stage 1 (feasibility and outline design), and the NEC3 Engineering Construction Contract for stage 2 (detailed design and construction). Both stages will utilise Option C; target cost with activity schedule.

3.5 Procurement Delivery:

It is anticipated that the day to day delivery of contract 1 will be through the existing FAS Project Team and the Flood Risk Management Team will administer contract 2.

- 3.6 During the construction period of the FAS Main Works contract it is proposed that a separate technical advisor contract is procured to assist with the successful delivery of the scheme and undertake the role of NEC Supervisor. Depending on the outcome of the contract award, this will either be a continuation of the current feasibility and outline design commission (BMM JV), or a separate procurement will be undertaken.

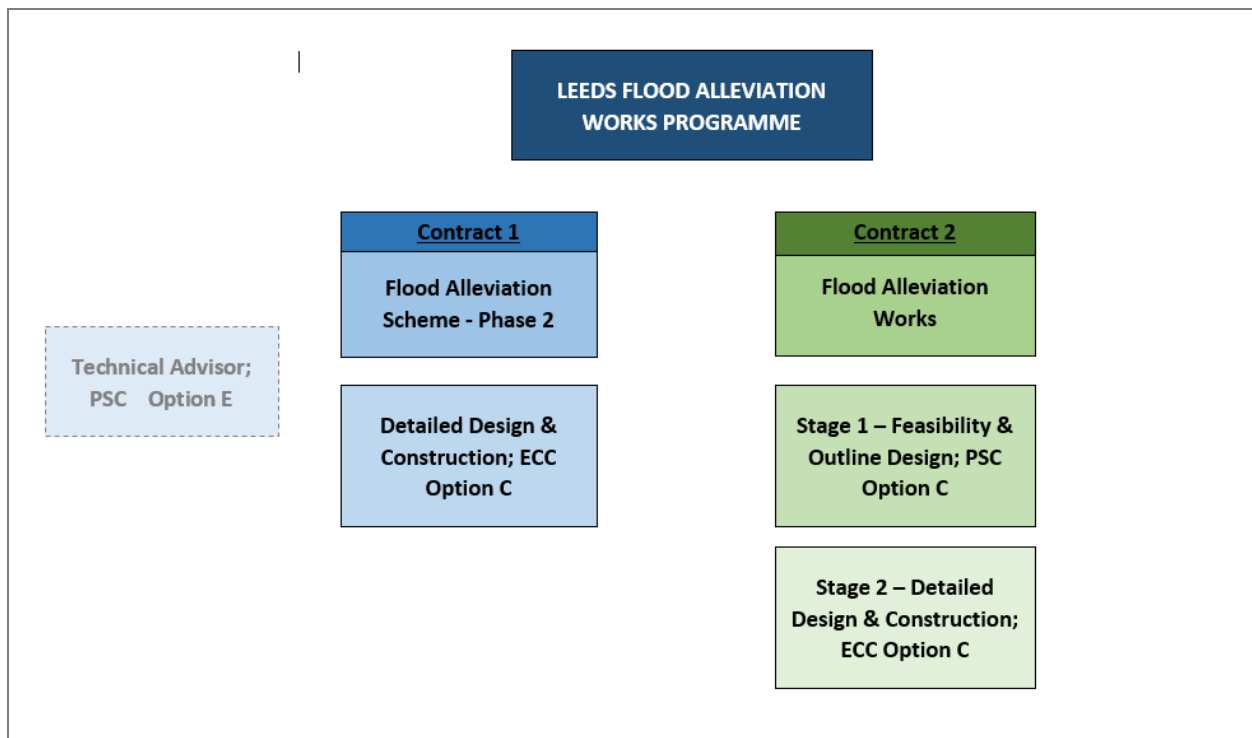


Figure 1.0 – Flood Alleviation Works Programme Breakdown

3.7 Timescales:

On completion of the current FAS Feasibility and Preliminary Design contract, it is expected the contracts will be tendered through a single procurement at the beginning of November 2018 for 14 weeks inclusive of the Christmas period. Subject to approvals, it is expected the contracts will be awarded in March 2019.

3.8 The table below summarises the timescales associated with this procurement.

Activity	Start Date	End Date
Tender Period	07/11/18	13/02/19
Tender Evaluation	18/02/19	10/03/19
Standstill Period	11/03/19	21/03/19
Contract award	22/03/19	
Undertake detailed design	02/04/19	
Construction works	summer '19	

Table 1.0 – WEM Procurement Timescales

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Consultation with a broad range of stakeholders taking a catchment wide approach is on-going in relation to FAS 2. Engagement will continue throughout the scheme, targeted to areas for delivery. The December 2017 Executive Board outlines the consultation and engagement undertaken to date.

4.1.2 The local flood alleviation schemes will undertake engagement with local communities and ward members which will commence as individual scheme proposals emerge.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Future proposals to mitigate the risk and effects of flooding across the city will be subject to detailed Equality Impact Assessments to ensure that the most disadvantaged are not adversely impacted and that individual needs and the requirement to make reasonable adjustments where necessary are recognised.

4.3 Council policies and best council plan

- 4.3.1 This scheme embodies many of the priorities and outcomes sought in the Best Council Plan (BCP) as outlined below:

- i) Good Growth – the scheme will seek to support the sustainable growth of the Leeds economy through safeguarding jobs in the area protected by flood defences. The investigation of measures to reduce flood risk with regard to opportunities presented by the South Bank Master Plan (Europe’s largest regeneration area with the potential to create 35,000 new jobs and 4000 new homes), HS2, the A65 Kirkstall corridor and its interface with wider existing Network Rail infrastructure. This will directly support the BCP ambition for a strong economy.
- ii) Resilient Communities – adopting a Catchment Based approach to flood defence would offer a high level of community confidence against future flood events, enhance public citizen and stewardship involvement, moving toward a more holistic solution to a flood defence initiative and to be the vanguard community ownership and their association to local flood protection measures. This will support the BCP outcome for people to be safe and feel safe. It will also directly support the BCP ambition for a more engaged public.
- iii) Transport and Infrastructure; Low Carbon – the scheme will seek to enable the growth of the city whilst protecting its distinctive green character; it will investigate the enhancement of the waterfront areas through new or improved and accessible public spaces to support leisure and amenity uses, in keeping with the urban context, sense of place and identity. This will support the BCP outcome for people to live in clean and well cared for places and for people to enjoy greater access to green spaces, leisure and the arts.
- iv) The scheme would protect road, rail and ped/cycle accessibility to the city centre from the west, safeguarding local multi-modal commuting routes and city regional transport links and through the protection afforded to the South Bank and Leeds Station area, helping the city become ready for HS2, Northern Powerhouse Rail and the interchange facilities to be provided at the remodelled ‘Yorkshire Hub’. This will support the BCP outcome of moving around a well-planned city easily.

4.4 Resources and value for money

4.4.1 Funding:

Contract 1 will be through various sources including the EA’s FDGiA, Defra Booster and LCC’s capital programme. The estimated value of Contract 1 is £61m.

- 4.4.2 Funding for Contract 2 will be through various sources including the EA’s FDGiA and local levy and LCC capital programme in addition to other third parties such as

developers and WYCA. The current estimated value of Contract 2 is £8.3m although this value is subject to refinement as part of the stage one award.

4.4.3 Revenue:

The present value maintenance and operational costs associated with Contract 1 are estimated at £7m. These costs will be funded through an allocation within Leeds City Council's revenue budget. The operation and maintenance costs associated with the wider flood alleviation programme will be calculated as part of the stage 1 commission for each individual scheme.

4.5 Legal implications, access to information, and call-in

4.5.1 There are no specific legal implications arising from this report. All activities relating to this procurement are being executed in accordance with the Public Procurement Regulations 2015 and the LCC Contract Procedure Rules.

4.6 Risk management

4.6.1 The WEM framework is due to expire 30 June 2019. If the procurement is delayed and the contract is not awarded before this date, the WEM framework will no longer be available. In this case, it is anticipated that an open tender would be utilised as an alternative as the Collaborative Delivery Framework (CDF) which is being established by the EA to replace the WEM is for procurements between £250,000 and £50million.

4.6.2 The table below summarises the timescales associated with an open tender:

Activity	Start Date	End Date
Prior Information Notice (PIN)	01/07/19	07/08/19
Tender Period	01/07/19	22/09/19
Tender Evaluation	23/09/19	13/10/19
Standstill Period	14/10/19	23/10/19
Contract award	24/10/19	
Undertake detailed design	04/11/19	
Construction works	early 2020	

Table 2.0 – Open Tender Procurement Timescales

5. Conclusions

5.1 It is proposed that the Flood Alleviation Works Programme are procured through one tender exercise to obtain two contracts:

- Contract 1 Leeds (River Aire) Flood Alleviation Scheme Phase Two Main Works design and build contract – ECC Option C.
- Contract 2 Leeds Flood Alleviation Works – a two-stage award utilising a professional services contract (option C) for feasibility and outline design and subsequent engineering construction contracts (option C) for detailed design and construction of each individual scheme.

5.2 The day to day delivery of the contracts will be undertaken by the existing FAS Project Delivery Team and LCC's Flood Risk Management Team.

5.3 The preferred option is to utilise the WEM framework for this procurement, however in the event the WEM becomes unavailable, an open tender would be the suggested alternative.

6. Recommendations

6.1 The Chief Officer (Highways and Transportation) is requested to:

- i) give authority to tender the Leeds Flood Alleviation Works Programme through the Environment Agency's (EA's) Water Environment Management (WEM) framework.

7. Background documents¹

7.1 Procurement Strategy.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.