

**Report of Civil Engineering – Flood Programme**

**Report to Chief Officer (Highways and Transportation)**

**Date: 12 February 2019**

**Subject: Approval to tender for Technical Advisor Services for Leeds (River Aire) Flood Alleviation Scheme Phase 2**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" 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. The Best Council Plan 2018-19 outlines how Leeds City will achieve its ambition to become the Best City in the UK and Leeds City Council the best local authority. In line with the Council's Best Council Plan, the Leeds (River Aire) Flood Alleviation Scheme Phase 2 (LFAS 2) will make communities more resilient, support the further growth and regeneration of the Leeds economy, and protect key transportation infrastructure and the high quality public services it supports.
2. 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.
3. 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 current city centre project.
4. The design and build contract for the main works is currently out to tender with tender returns expected early in March. Subject to the outcome of the tender exercise, a Professional Services Contract for technical advice may need to be procured.
5. This report sets out the routes available to procure a technical advisor contract and provides a recommendation of the preferred route.

## **Recommendations**

6. The Chief Officer (Highways and Transportation) is asked to give authority:
  - i) to tender the role of Technical Advisor through the WYCA Specialist Professional Services Dynamic Purchasing System for the Construction Stage Support Contract of the Leeds (River Aire) Flood Alleviation Scheme Phase 2; and
  - ii) to approve the tender evaluation procedure of quality 60% and price 40%.

## 1. Purpose of this report

- 1.1 This report seeks authority to tender the Construction Stage Support contract for the appointment of the role of technical advisor, to provide technical and project management support during construction of the Leeds (River Aire) Flood Alleviation Scheme Phase 2 (LFAS 2).

## 2. Background information

- 2.1 The procurement strategy for the main LFAS 2 construction works was endorsed by the project board March 2016. The preferred option utilises Lot 4 (Asset Delivery) of the Environment Agency's (EA) Water and Environment Management (WEM) framework twice, by combining all of the pre design and build work packages together as a single procurement and then procuring again within the same Lot once a design and build tender has been formulated.
- 2.2 This approach reduces the overall programme for the main scheme works and provides the same team throughout comprising of consultants and contractors, with the team either later taking on the role of technical advisor under a project support role, or continuing as a contractor subject to successfully winning a design and build tender (see Figure 1).

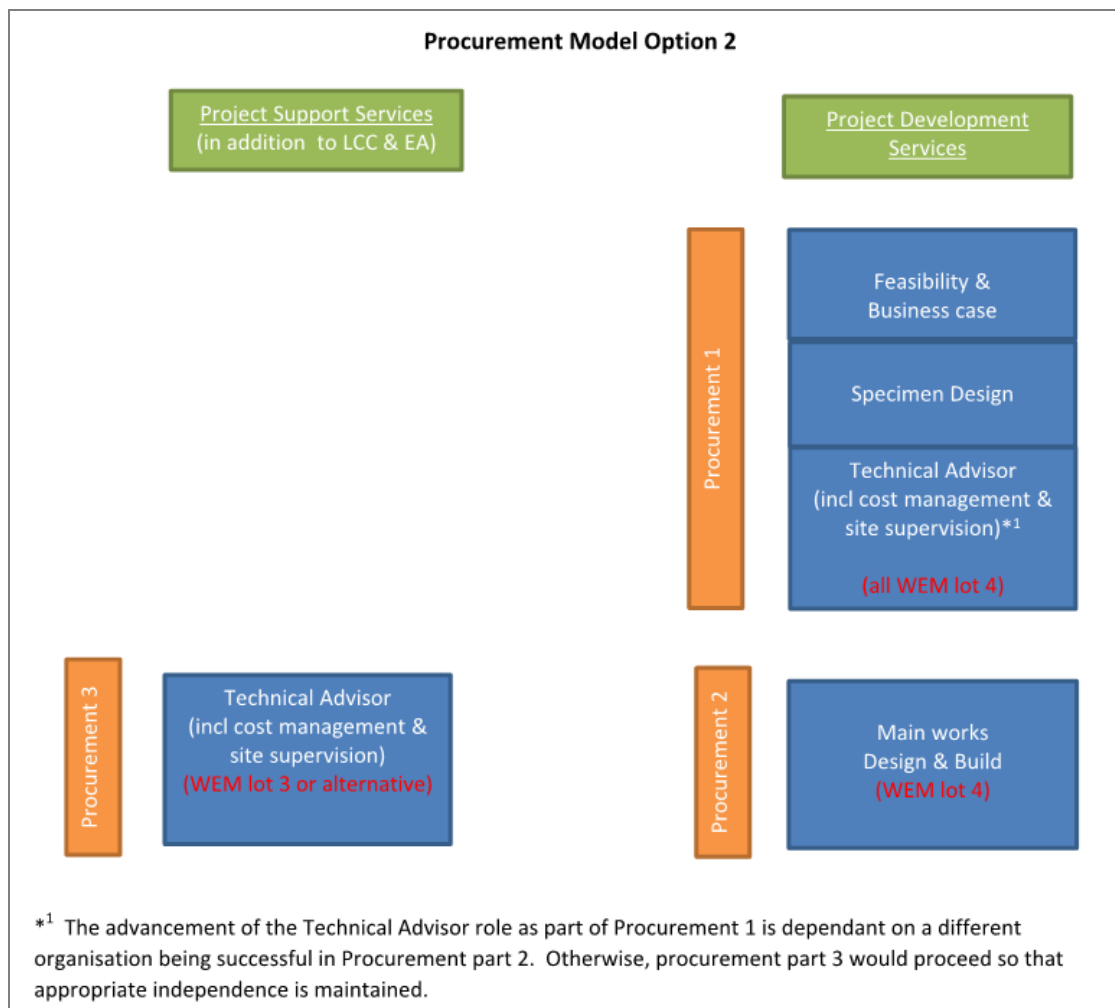


Figure 1

- 2.3 Procurement 2 for the main works design and build contract is currently out to tender with returns due early March 2019.
- 2.4 It is proposed the Technical Advisor procurement is commenced as soon as possible through the issue of an Expression of Interest (EOI) alongside the current main works tender. This twin track approach will invite bids at the earliest opportunity and expedite the award of the construction stage support contract however, the tender period for this procurement would not commence until the preferred bidder for the design and build contract has been selected.
- 2.5 Without knowing the outcome of Procurement 2, there is a risk tendering the Technical Advisor could become abortive however this risk is offset by the requirement to have resources in place as soon as possible following award of the design and build contract to ensure there are no delays in delivering flood protection for the city.
- 2.6 The previous procurement strategy identified the Technical Advisor Services could be procured through Lot 3 (Engineering & Related Services) of the WEM framework or an alternative. This report sets out the options available for procuring this Technical Advisor Services Contract.
- 2.7 It is expected that the contract will use the NEC3 Professional Services conditions of contract. The preferred bidder will then be identified through a tender assessment based on quality and price (60/40).

### **3. Main issues**

#### **3.1 Options:**

The following options have been considered:

Option 1 - WEM Framework (Lot 3)

Option 2 - West Yorkshire Combined Authority (WYCA) Specialist Professional Services Dynamic Purchasing System (DPS)

Option 3 - LCC Professional Services Core Contract

Option 4 - YorConsult

Option 5 - Homes and Communities Agency Framework (HCA)

The option to utilise LCC's Technical Advisor Framework which was previously used to procure Technical Advisor Services for LFAS 1 was considered but the framework has now expired and is no longer available for use.

##### **3.1.1 Option 1: WEM Framework (Lot 3)**

- LCC Civil Engineering has had previous experience of the WEM Framework.
- There are fewer consultants on the framework compared to other options.
- Framework is due to expire end June 2019.

##### **3.1.2 Option 2: WYCA Specialist Professional Services DPS**

- Only one procurement would be required to obtain services under multiple lots.
- This route offers the earliest opportunity for contract award.
- Large number of relevant consultants on the framework
- Framework has no limit on project value.

### 3.1.3 Option 3: LCC HW&T Professional Services Core Contract

- Framework is not yet in place (expected date tbc but likely May/June).
- The framework is internal to Leeds and will be set up specifically to procure technical advisor services.

### 3.1.4 Option 4: YorConsult

- There are less consultants on the framework than option 2.
- This framework has not previously been used by LCC Civil Engineering.

### 3.1.5 Option 5: HCA Framework

- An “Access Agreement” will be required, potential to lengthen timescales while this is reviewed and agreed by LCC legal.
- This framework has not previously been used by LCC Civil Engineering.

## 3.2 Options Appraisal:

3.2.1 Option 1 uses a framework familiar to LCC Civil Engineering and would provide a similar timeframe to that of option 2, however with a fewer number of consultants available, this option has no additional benefits to over option 2.

3.2.2 Option 2 has previously been used for procurements by LCC Civil Engineering and offers a good selection of relevant consultants capable of providing the services required. This option also provides the earliest opportunity for contract award.

3.2.3 Option 3 would provide the benefit of being set up and managed by LCC specifically for the provision of technical services for work to the Network including Flood Risk Management and Alleviation, however the framework is not yet in place and does not fit with the timescales of this procurement.

3.2.4 Options 4 and 5 have not previously been utilised by LCC Civil Engineering and would not provide any acceleration to the programme.

3.2.5 If the options considered are not deemed to be satisfactory, a further alternative avenue would be to procure under an open or restricted tender. However, this would be reliant on a justification that no available framework is appropriate and due to the value of the contract, it would trigger more lengthy lead in times associated with an OJEU notice.

## 3.3 Preferred Option Timescales:

It is recommended that an Expression of Interest (EOI) for this procurement is issued at the earliest opportunity following approval. If the WYCA DPS is utilised (option 2) it is anticipated the contract could be awarded in July 2019. A summary of milestones associated with this procurement route is included in Table 1 below.

Issue EOI	10 days	18/03/19	29/03/19
LCC review of EOI responses	2 days	01/04/19	02/04/19
Issue Pre-selection questions	10 days	03/04/19	16/04/19
LCC selection review	10 days	17/04/19	30/04/19
Tender Period	6 weeks	01/05/19	12/06/19
Tender Evaluation	28 days	13/06/19	10/07/19
Tender Award	0 days	<b>11/07/19</b>	

Anticipated Main Works Contract Award Date	0 days	11/04/19	
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Table 1

### 3.4 Form of Contract:

It is expected that the contract will use the NEC3 Professional Services conditions of contract. The preferred bidder will then be identified through a tender assessment based on quality and price (60/40).

## 4. Corporate considerations

### 4.1 Consultation and engagement

- 4.1.1 This procurement approach has been compiled with colleagues from Procurement. It is comparable to the approach utilised to procure technical advice for LFAS 1 and it is in line with the steps included in the LFAS 2 Procurement Strategy.
- 4.1.2 Consultation regarding the main scheme is on-going with a broad range of stakeholders taking a catchment wide approach and engagement will continue throughout the scheme, targeted to areas for delivery. The January 2019 Executive Board outlines the consultation and engagement undertaken to date.

### 4.2 Equality and diversity / cohesion and integration

- 4.2.1 There are no equality and diversity, cohesion and integration issues arising from this procurement.

### 4.3 Council policies and best council plan

- 4.3.1 The main LFAS 2 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 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 The total estimated cost of the Construction Stage Support contract is £3,867k.
- 4.4.2 Funding for the contract will be through DEFRA booster fund and a number of other sources. Further details of the £112m funding strategy for the scheme can be found in the Outline Business Case contained within the Background Documents section of this report.

#### **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 There is a risk that if the progression of this procurement is delayed, there will not be sufficient support in place to deliver the main works design and build contract which would subsequently result in significant delays to the scheme and the provision of flood protection for the city.
- 4.6.2 The award of the technical advisor is subject to the outcome of the design and build procurement. The procurement strategy sets out that the same organisation involved in all the pre-design and build work packages will either take on the role of technical advisor, or will continue as a contractor subject to successfully winning the design and build contract (see Figure 1). If a different organisation is awarded the design and build contract, a separate technical advisor would not be required. As such, there could be a risk that tendering the technical advisor role prior to the award of the design and build contract could become abortive. This risk will be mitigated by not commencing the tender period until the outcome of the design and build tender is known.

### **5. Conclusions**

- 5.1 The preferred procurement route is option 2. The WYCA DPS has previously been used for procurements by LCC Civil Engineering and offers a good selection of relevant consultants capable of providing the services required. This option also provides the earliest opportunity for contract award which is key to the successful delivery of LFAS2.

## **6. Recommendations**

- 6.1 The Chief Officer (Highways and Transportation) is asked to give authority:
- i) to tender the role of Technical Advisor through the WYCA Specialist Professional Services Dynamic Purchasing System for the Construction Stage Support Contract of the Leeds (River Aire) Flood Alleviation Scheme Phase 2; and
  - ii) to approve the tender evaluation procedure of quality 60% and price 40%.

## **7. Background documents<sup>1</sup>**

- 7.1 None.

## **8. Appendices**

- 8.1 Framework Listings
- 8.2 Procurement Strategy
- 8.3 Outline Business Case

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<sup>1</sup> 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.