

REPORT TO: Executive Board

DATE: 7 June 2007

REPORTING OFFICER: Strategic Director Environment

SUBJECT: Appointment of Consulting Engineer for
Design of Highway Infrastructure Projects

WARDS: All Wards

1.0 PURPOSE OF THE REPORT

1.1 To seek the Board's approval for the waiver of procurement standing orders for the award of highway infrastructure design work and to appoint consulting engineers by the single tender contract procedure.

2.0 RECOMMENDATION: That

- (1) Procurement standing orders 3.1 to 3.6 be waived, and**
- (2) Atkins Highways and Transportation be invited to submit a price under the single tender contract procedure in accordance with procurement standing order 1.5**

3.0 SUPPORTING INFORMATION

- 3.1 Design work for new highway access to the Mersey Multi-Modal Gateway freight park has now progressed to the detail design stage. The proposed highway infrastructure comprises two new roads: one connecting the park to the A5300 / A562 junction incorporating an overbridge crossing of the Liverpool Branch of the West Coast Mainline railway and another linking the eastern and western parts of the 3MG site.
- 3.2 In order to meet the tight timescales required for delivery of the 3MG project and to keep to the programmed Network Rail railway possessions currently planned for the construction of the replacement Hale Road bridge, it is necessary to proceed with detail design work without delay. The implications of missing the critical railway possession date is that additional cost will be incurred in arranging for an additional possession and the provision of highway access to the site would be delayed.
- 3.3 The estimated value of the detail design work exceeds £50,000 and is therefore subject to the Council's procurement standing orders (part 3) but is below the relevant European Union directive threshold value and consequently does not require advertising as a contract under the European Commission public procurement rules.

- 3.4 Atkins Highways and Transportation have been involved in the 3MG since its inception producing the following reports and outputs relating to the project and are therefore considered to offer the most efficient and cost effective means of delivering this next stage of design work:
- Development and production of DSRFP Draft Masterplan;
 - Delivery of proof of evidence in relation to transportation and highway issues at public inquiry;
 - Preliminary highway alignments for the highway infrastructure
 - Surveys and ground investigation works.
- 3.5 Undertaking a competitive tendering process would now delay the start of the detail design. The preparation of a design brief, the invitation of tenders and the tender process and assessment periods themselves would add around two months to the programme. The potential for involvement of another consulting engineering firm at this stage would entail a further significant lead-in period to allow them to familiarise themselves with the project overall and the several and particular elements of the highway infrastructure work itself such as transportation planning issues, investigations and preliminary layout designs.
- 3.6 The use of Atkins has an added advantage for the management of the project in that their rail infrastructure division are lead consultant for Network Rail in the replacement of the Hale Road bridge.
- 3.7 It is considered therefore that the appointment of Atkins for this work would provide the Council with a clear financial and commercial benefit in bringing the 3MG site to the market on programme. It is suggested that Atkins Highways and Transportation be invited to submit prices for the design of 3MG highway infrastructure projects as a 'single tender contract' in accordance with Procurement Standing Order 1.5. Value for money, transparency, proprietary and accountability issues would be managed through the following measures:
- Submission of fee proposal based upon written design brief / task order providing a definitive scope of work and setting out agreed standards and programme;
 - Costs will be compared to existing engineering consultants currently involved in infrastructure design projects for the Highways Transportation and Logistics department and challenged where necessary to ensure that rates remain competitive and provide value for money;
 - Preparation of a formal agreement between HBC and the consultant;
 - Meetings will be convened at regular intervals to receive a written report from Atkins on progress and costs.
 - Submission of monthly detailed invoices for work completed based on staff timesheet information, scrutinised and evaluated against progress and programme.

4.0 POLICY IMPLICATIONS

There are no policy implications

5.0 OTHER IMPLICATIONS

There are no other implications

6.0 RISK ANALYSIS

- 6.1 The key risk associated with the proposed action is that the detail design work for 3MG highway infrastructure will cost more due to the lack of a competitive tendering exercise. The control measures outlined in 3.7 above will serve to manage this risk to the Council.
- 6.2 This course of action will reduce the risk of time overrun on the project by allowing an immediate start to be made on detail design and by utilising the invested knowledge that Atkins have in the 3MG project.
- 6.3 Atkins' history of involvement in the project, and detailed knowledge of the problems and challenges associated with the site, provides the opportunity to deliver efficient and effective solutions to the delivery of highway access to the 3MG site. It is considered that their appointment will provide the best value approach to the Council.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 Atkins Highways and Transportation are a large multi-national organisation and operate equality and diversity employment policies.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 8.1 There are no background papers in connection with this item