

Meeting of:	Cabinet
Date of Meeting:	Thursday, 03 November 2022
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Award of Engineering Call-off Contract for Direct Labour and Plant 2022-2024
Purpose of Report:	To obtain the approval to award the Call-off Contract for Direct Labour and Plant 2022-2024.
Report Owner:	Cabinet Member for Neighbourhood and Building Services
Responsible Officer:	Miles Punter - Director of Environment & Housing Services
Elected Member and Officer Consultation:	Operational Manager Engineering Accountant Environment and Housing Services Legal Services (Committee Reports)
Policy Framework:	This Report is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This Report details the tender process required for the Design & Construction Section's Direct Labour & Plant Call-Off Contract 2022 - 2024. • An existing Direct Labour & Plant Call-off Contract 2019/22 has successfully run for the last 3 years with the term extended for a further 6 months to October 2022 (Cabinet Minute C878) to allow time to procure a new contract for financial years 2022/23 and 2023/24. • The contract provides for suitable labour resource in the form of 2 or 3 person construction gangs to undertake Capital financed projects. It seeks to deliver value and efficiency by using external labour resource to strengthen the Council's in-house provision. • The contract was retendered via the Sell2Wales portal on 13th April, 2022 with tenders being returned on 13th May, 2022 following which a detailed evaluation exercise was carried out. This is detailed in the Part II report later on this agenda. • It is proposed to appoint 3 Contractors, ranked in the order that is the most financially advantageous to the Council. 	

- It is intended that the appointment of the three contractors to the Call off Contract will be initially for a period of 24 months; however, also includes conditions for an extension of a further 12 months on agreement with the relevant contractors.
- The award of services under the contract will be financed from Welsh Government funded schemes, Section106 funding and various internal and/or external budgets.
- Cabinet is asked to note the contents of this report with a view to taking a decision on a contract award via the part II report later on this agenda.

Recommendation

1. That the contents of this Report be noted and considered in connection with the Part II report later on the agenda.

Reason for Recommendation

1. To allow the Part I and Part II reports to be considered together.

1. Background

- 1.1** The existing Direct Labour & Plant Call-off Contract 2019/22 has successfully operated for the past 3 years. The Contract provides a suitable labour resource in the form of 2 or 3 person construction gangs to undertake Capital financed construction projects.
- 1.2** It is now necessary to procure a contract to provide Direct Labour & Plant for financial years 2022/23 and 2023/24.
- 1.3** The Contract was tendered via the Sell2Wales portal which is fully auditable.

2. Key Issues for Consideration

- 2.1** The tenders were published on 13th April 2022, and returned on 13th May, 2022. A tender evaluation exercise was undertaken based on a cost matrix exercise.
- 2.2** The Call off Contract seeks to deliver value and efficiency in delivering Capital construction projects and other highway construction works to ensure that construction programme needs are adequately met and managed.
- 2.3** A detailed tender assessment of the returned tenders was undertaken, and a tender assessment report produced, together with a cost matrix comparison and tender evaluation matrix.
- 2.4** The Call off Contract is also required to provide sufficient flexibility in labour resource provision to allow the Council to deliver its Capital programme. It also delivers value and efficiency by using external labour resource to supplement and strengthen the Council's in-house provision.
- 2.5** Based on the tender assessment exercise carried out it is proposed to appoint three contractors on to the Council's Call off Contract for Direct Labour and Plant 2022-2024
- 2.6** The provision of works will then be awarded in the first instance to the lowest priced tenderer. Where the first placed tenderer is unable to provide suitable resource then the works will be subsequently awarded to the second or third placed tenderer, whichever is most cost effective at the discretion of the Council.
- 2.7** It is intended that the appointment of contractors on to the Call off Contract will be initially for 24 months with an option to extend for a further 12 months.

- 2.8** The award of services under the contract will be financed from various Welsh Government grant funded schemes, Section106 funding and internal or external budgets.
- 2.9** The Direct Labour & Plant Call-off Contract Contract(s) is managed by the Engineering Section of Neighbourhood Services and Transport.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** The goals and objectives of the Well-being of Future Generations (Wales) Act 2015 are generally achieved by implementing the Council's Call-off Contract for Direct Labour and Plant 2022-24.
- 3.2** A Prosperous Wales - the employment of local contractors will assist in the provision of the Council's programme delivery to suit Capital budget requirements and reflect Capital project and other highway works priorities throughout the financial year.
- 3.3** A Resilient Wales - the improvement of highway infrastructure through capital programme and Section 106 schemes.
- 3.4** A More Equal Wales - improvements to the highway infrastructure, with measures and features being provided to accommodate all users including those with a disability.
- 3.5** A Healthier Wales - the Contract will assist in the delivery of schemes for Active-Travel through the provision of improved pedestrian and cycle routes to encourage sustainable transport as an alternative to the private car.
- 3.6** A Wales of Cohesive Communities - the Contract will assist with the delivery of community improvements throughout the Vale of Glamorgan.
- 3.7** A Wales of Vibrant Culture and Thriving Welsh Language - delivery of highway schemes which improve the infrastructure to cultural locations, experiences, signage, and lining schemes which meet the requirements of the Welsh Language Act.
- 3.8** A Globally Responsible Wales - delivery of highway schemes in a sustainable and responsible manner by use of alternative methods and materials which will be adopted and utilised throughout the life of the contract.
- 3.9** Collaboration - this Contract works directly with local contractors to deliver the Council's programme delivery to suit Capital budget requirements and reflect Capital project and other highway works.

- 3.10** Integration - integrates with the Vale of Glamorgan's Wellbeing Plan, Active Travel Integrated Network Map, Local Transport Plan.
- 3.11** Involvement - between key stakeholders within the Vale of Glamorgan, Transport for Wales, Welsh Government, and local contractors.
- 3.12** Long term - providing new and improvements to the highway infrastructure throughout the Vale for the long-term benefits of communities and the local economy.
- 3.13** Prevention - assists in prevent existing problems of traffic congestion and its associated negative economic and environmental impacts from worsening. Prevent health and wellbeing problems within local communities by improving pedestrian and cycling routes.
- 3.14** Current and future generations of Vale residents and visitors enjoy the built and natural environments of the Vale of Glamorgan, through schemes delivered under this Contract.

4. Climate Change and Nature Implications

- 4.1** The appointed contractors will be required to contribute to the Council's Project Zero to tackle the climate emergency and contribute to reducing the Council's carbon emissions to net zero by 2030 wherever practical.
- 4.2** The schemes implemented using the appointed contractors will primarily focus on active travel and sustainable travel. These schemes are essential to allow and promote people to walk and cycle safely throughout the Vale of Glamorgan. Reducing journeys by car through making active travel more attractive will assist in reducing the carbon impact of travel as well as encouraging people to be more active improving their health and wellbeing.
- 4.3** Where schemes are progressed to improve the highway asset to accommodate and encourage active travel they will be designed and constructed in accordance with the appropriate Welsh Government guidelines for such facilities to ensure that the maximum benefit is achieved.

5. Resources and Legal Considerations

Financial

- 5.1** There are no budget requirements to appoint contractors on to the Council's Direct Labour and Plant Call off Contract 2022-24. The award of works under the contract will be financed from various Welsh Government funded schemes, Capital funded internal schemes and other highway improvement/ maintenance schemes on an annual basis.

Employment

- 5.2 It is proposed to employ the three Contractors that are the most financially advantageous to the Council.

Legal (Including Equalities)

- 5.3 The Council has a statutory duty to maintain the Highway pursuant to the Highways Act (1980). The Council also has statutory duty to improve the highway under the Road Traffic Act 1988 to reduce and prevent accidents wherever practicable.

- 5.4 There are no Equalities implications.

6. Background Papers

None.