

Meeting of:	Cabinet
Date of Meeting:	Thursday, 07 March 2024
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Highway Maintenance Contract Awards
Purpose of Report:	To advise Cabinet of the tender process for Highway Maintenance Repairs and Carriageway Resurfacing (2024-2027) and for Surface Dressing and Micro Asphalt Treatment (2024/2026).
Report Owner:	Cabinet Member for Neighbourhood and Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing Services
Elected Member and Officer Consultation:	<p>Head of Neighbourhood Services & Transport</p> <p>Operational Manager – Neighbourhood Services [Operations]</p> <p>Operational Manager – Engineering</p> <p>Operational Manager – Accountancy</p> <p>Principal Accountant</p> <p>Committee Reports</p> <p>Programme Manager, Project Zero</p>
Policy Framework:	This is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This Report details the proposed contract awards to undertake highway maintenance repairs and carriageway resurfacing from 2024 to 2027) and surface dressing and micro asphalt treatment from 2024 to 2026. • The contract for highway repairs is due to expire in July 2024 and all other existing contracts expired in July 2023. As a result, a procurement exercise was undertaken, advertising these contracts on Sell2Wales, and inviting potential service providers that are on the South East Wales Highway (SEWH) framework to submit tenders, for these services. • The Report details the submissions received for these services, and their price proposals detailed in the Part II report later on this Agenda. 	

Recommendation

1. That Cabinet notes the details of the tender process with a view of taking a decision on the contract awards via the Part II report later on the agenda.

Reason for Recommendation

1. To advise of the current position in respect of these particular contracts.

1. Background

- 1.1 The existing local highway network within the Vale of Glamorgan is an asset for which the Council is responsible. The way it is managed and maintained has a direct impact on residents, businesses, and visitors.
- 1.2 All road users depend on a reliable local highway network to sustain the Vale of Glamorgan's economic, social and transport needs. It is therefore essential that the highway network is maintained to statutory standards and as economically and as sustainably as possible.
- 1.3 The Council has a statutory duty to maintain the highway network across the Vale of Glamorgan, under Section 41 of the Highways Act 1980.

As the maintenance tasks are of a specialist nature, the Council's Highway Maintenance Service, only considers contractors from the South East Wales Highway (SEWH) framework, as part of the procurement selection process. See: [South East Wales Civil Engineering and Highways Construction Framework \(sewh.co.uk\)](http://sewh.co.uk)

- 1.4 The SEWH framework draws together the expertise of specialist contractors from the various civil engineering and highways construction backgrounds.
- 1.5 The purpose of the SEWH framework is to achieve best value arrangements for South East & Mid Wales through competitive procurement, whilst driving regeneration, continuous improvement and best practice.
- 1.6 This effectively means that the procurement process is ring fenced to only companies that are on the SEWH framework ensuring only qualified contractors can submit tenders for this specialist work.
- 1.7 The current Highway Maintenance contract status is as follows:
 - Emergency and Permanent Highway Repairs – Extended until July 2024
 - Carriageway Resurfacing – Expired July 2023 (no works undertaken since expiry).

- Surface Dressing Treatment – Expired July 2023 (no works undertaken since expiry).
- Micro Asphalt Treatment – Expired July 2023(no works undertaken since expiry).

2. Key Issues for Consideration

2.1 The tenders for the four Highway Maintenance Contracts were prepared in November 2023 and individually advertised on Sell2Wales through specialist lots of the SEWH framework. This was coordinated with our procurement partners at Cardiff Council, Ardal.

2.2 The analysis of the tenders for all four contracts was based on 70% price and 30% quality, with the quality element weighted heavily towards carbon reduction and capturing carbon activity associated with the delivery of works. This provides an opportunity to allow the service area to record the associated data and contribute toward project zero carbon objectives.

2.3 The Highway Maintenance repairs Contract was advertised on Lot 7 with the following suppliers being invited to Tender:

- Centregreat Ltd
- Alun Griffiths Ltd
- Encon Construction Ltd
- Walters
- Andrew Scott
- Horan Construction
- Jones Bros Ruthin Co Ltd
- Knights Brown Construction Ltd

2.4 The Carriageway Resurfacing Contract was advertised on Lot 10 with the following suppliers being invited to Tender:

- Tarmac Trading Ltd
- Centregreat Ltd
- Hanson Quarry Products Europe Ltd
- Breedon Trading Group
- Enable Infrastructure

2.5 The Surface Dressing Contract was advertised on Lot 11 with the following suppliers being invited to Tender:

- Alun Griffiths Ltd
- Road Maintenance Services Ltd.

2.6 The Micro Asphalt Contract was advertised on Lot 11 with the following suppliers being invited to Tender:

- Alun Griffiths Ltd
- Road Maintenance Services Ltd

2.7 The results of the tender process are detailed in the Part II Report later on this Agenda.

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

3.1 Collaboration with others:

It is necessary to review contracts on a regular basis to ensure best value for the Council. This review is undertaken in the context of the Wellbeing of Future Generations Act which requires the Council to consider five ways of working when making decisions.

The Highway Maintenance teams adopts a collaborative approach when engaging contractors, ensuring the minimum disruption to the travelling public and the highest quality work expected by the Council.

3.2 Involving People:

We listen to our stakeholders and customers when they have reported poor condition carriageways. Officers within the Highway Maintenance team will assess those carriageways to ensure our assets are sustainable for future generations. The criteria used to assess the priorities for highways resurfacing works also considers customer complaints and claims as well as bus routes and active travel schemes thereby contributing and delivering on the involvement agenda by addressing community and other stakeholder priorities to ensure that the Council can successfully continue to work towards the delivery of its identified wellbeing objectives.

3.3 Looking to the long term:

The proposals in this Report will enable the Council to continue to work towards the Well-being Outcome, An Environmentally Responsible and Prosperous Wales and contribute towards the Council's objective of promoting regeneration, economic growth and employment by identifying the effective use of resources to providing and maintain good transport links for commuters and business.

The Council's highway continually needs maintenance and repairing to protect the asset and to prevent accidents caused by damage or deterioration to the surface; newly surfaced or surface treated highways serve to prevent highway defects appearing and the highway surface further deteriorating. It also reduces the risk of successful third-party claims against the Council for vehicle damage or personal injury.

- 3.4** Taking an integrated approach:
The effective maintenance of the Council's local highway network contributes towards the prevention agenda by assisting in improving accessibility, road safety and road noise reduction thereby preventing or reducing risk of harm to residents in the local community and providing a wider beneficial impact to the environment. It also balances short-term needs to maintain good highway infrastructure whilst contributing to the longer term policy of promoting economic growth and reducing future impact on local communities by selecting road surfacing materials which reduce noise and pollution.

Highway users are advised in advance of the highways that are due to be repaired, hence integrating the work with the local community and all other highway users.

- 3.5** The proposals also seek to further the Council's Well-being Outcomes contained within the Corporate Plan. Good quality highways help to sustain economic growth, allowing both residents and visitors to better enjoy the experience of travelling within and through the Vale of Glamorgan area.

4. Climate Change and Nature Implications

- 4.1** Well maintained roads are essential to allow and promote people to cycle safely throughout the Vale of Glamorgan. Making journeys by bicycle can assist reducing the carbon impact of travel as well as encouraging people to be more active improving their health and wellbeing. Where routes are identified on the Council's Active Travel Network Map or are regularly used routes by cyclists and resurfacing is planned, Officers will ensure the surfacing is fit for both vehicles and bicycles.
- 4.2** Work is currently being undertaken to review the future assessment criteria to better consider the use of the Council's highway by cyclists.
- 4.3** Appointed contractors were advised through the tender stage they are to provide evidence as part of their quality submission on how each are contributing to their own carbon reduction through initiatives with all arisings from site being recycled where possible for reuse within the construction industry as the modern world continues to change.
- 4.4** Officers of highway maintenance and the project zero team has worked closely to ensure carbon reduction is captured within the contract documents with carbon calculators being shared with each contractor so that the Council's carbon footprint for highway maintenance works can be accurately recorded and captured far more efficiently than ever before.

5. Resources and Legal Considerations

Financial

- 5.1** The works for each contract will be financed from the relevant highway maintenance revenue and capital budget.
- 5.2** The highway maintenance repair budget for 2024/25 is £850K. Historically this has been a very difficult budget to manage due to the level of the resource available and influences such as the weather. Typically, the budget has had an outturn of between £1.3m to £1.5M and has needed to be supported by reserves or other funding identified in year. The reserve has been run down in recent years and given the Council's overall budget position for 2024/25 the availability of other funding sources is not likely. The monitoring of this Budget will be done as usual through the regular budget updates presented to Cabinet and Scrutiny but it going to be hugely challenging to manage demand within the given resources.
- 5.3** The road resurfacing budget for 2024/25 is anticipated to be £2.9m. This is allocated to carriageway resurfacing at £2.2m, surface dressing at £350k and micro asphalt at £350k.

Employment

- 5.4** Any specialist highway works will be undertaken by external contractors appointed by competitive tender in accordance with the Council's strict Financial and Contract Procedure Rules.
- 5.5** The project management of these contracts will be carried out in-house by existing staff within the Council's Neighbourhood Services Highway Maintenance team.

Legal (Including Equalities)

- 5.6** As the Highway Authority the Council has a duty to meet the requirements of the following legislation.
- 5.7** The Highways Act 1980. This places a duty upon Highway Authorities to maintain highways, adopted as maintainable at public expense, and to keep them safe for public use.
- 5.8** The Traffic Management Act 2004. This places a duty on Highway Authorities to ensure the expeditious movement of traffic on their road network and networks of surrounding authorities.
- 5.9** There are no Human Rights implications regarding this Report.

5.10 Any signage associated with these works will comply with the requirements contained within the Council's Welsh Language Scheme.

6. Background Papers

None.