

Report of	Meeting	Date
Director of Development and Growth (Introduced by the Executive Member for Economic Development and Public Service Reform.)	Exec Member Decision	13 th August 2019

CONTRACT AWARD FOR PHASE TWO WORKS AT YARROW MEADOWS

PURPOSE OF REPORT

1. This report sets out the procurement process and recommendations to award a contract for Phase 2 works at Yarrow Meadows.

RECOMMENDATION(S)

2. To award the contract for the Phase 2 Works to Conservation Contracts North West (CCNW).
3. To approve additional works to fully utilise the grant funding for Natural Flood Management outcomes awarded from Government and administered through the Environment Agency.

EXECUTIVE SUMMARY OF REPORT

4. A procurement exercise has been carried out for the supply and implementation of Yarrow Meadows Phase 2 Works. This includes river bank stabilisation, native planting to improve water quality, the creation of wetland scrapes, wildflower and tree planting, tree hinging into the river to slow the flow and habitat enhancement. In addition to these environmental works is the creation of new paths linking from Dob Brow through the edge of the fields to meet the existing surfaced path network. These works will create a surfaced path route right through the valley bottom improving the amenity land for recreation. The value of this procurement is £34,443.
5. A report to Exec Cabinet in February 2018 approved the masterplan, public and landowner engagement, proposed planned works, procurement approach and budget for delivery of the works. There is currently a budget of £65,000 remaining for Yarrow Meadows. This comprises a grant of £50,000 from Government for Natural Flood Management works and £15,000 of Council S106.
6. Upon evaluation of the tenders it became apparent that more grant funding was available to allow additional works to be undertaken. These works comprise enhancements to the ponds within the site, additional tree hinging and large woody debris to be placed in the channel to slow the flow and additional wildflower seeding. This will deliver further aspects of the masterplan. The additional works were requested by the Environment Agency owing to the value of the procurement and the grant funding available.
7. It is proposed to award the contract sum of £61,812 to CCNW and the remaining budget of £3,187 will be used by Chorley Council to purchase interpretation boards and carry out monitoring of the project in line with the grant funding requirements.
8. This report sets out the procurement process which has been followed, together with the evaluation method and scoring, and makes a recommendation to award the contract.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

9. The recommendations are based on a competitive procurement process. Six companies all with specialist knowledge of environmental works were invited to tender and given one month to quote. It was mandatory that contractors attended a site meeting to go through the tender specification with Environment Agency staff. Three companies attended this meeting on the 2nd July 2019. Two tender returns were received by the deadline of the 19th July. These tenders were evaluated with a team of 4, comprising Chorley Council Open Space Strategy Officer and Environment Agency staff from the project team. CCNW scored highest on the evaluation. CCNW have carried out numerous projects on behalf of Chorley Council to a very high standard including the awarded Phase 1 works on Yarrow Meadows. They have excellent experience of similar types of work. Appointing CCNW to carry out the additional works while already set up on site with the appropriate machinery and staff in place is most financially economical and time efficient.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10. On tender evaluation of the price and quality criteria, it was agreed by all of the evaluation team that CCNW scored highly on quality and cost and therefore, the work could be awarded.
11. It was considered to retender the additional works, but this was rejected owing to the procured works being fairly evaluated on a like for like comparison and the winning bidder having a significantly higher score. The nature of the works is also a niche area of expertise and must be carried out at optimum times to fit with hibernation, dormancy, spawning, planting times etc. Previous quotations for similar works justify the costs and the Environment Agency have confirmed in writing that this procedure complies with the grant funding terms and conditions.

CORPORATE PRIORITIES

12. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all	✓	A strong local economy	
Clean, safe and healthy homes and communities	✓	An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

13. An Invitation to Quote (ITQ) document for Yarrow Meadows Phase 2 Works was prepared and issued on the North West Procurement Chest to six selected companies on the 24th June 2019 for a period of four weeks. The tender contained a variety of specifications for various environmental enhancement works across the project area. This includes river bank stabilisation, native planting to improve water quality, the creation of wetland scrapes, wildflower and tree planting, tree hinging into the river to slow the flow and habitat enhancement. In addition to these environmental works is the creation of new paths linking from Dob Brow through the edge of the fields to meet the existing surfaced path network. These works will create a surfaced path route right through the valley bottom improving the amenity land for recreation.

14. A report to Exec Cabinet in February 2018 approved the budget for the Yarrow Meadows project. There is currently a budget of £65,000 remaining for Yarrow Meadows. This comprises a grant of £50,000 from Government and £15,000 of Council S106.
15. Two responses were received on time meeting the essential evaluation criteria and were carefully considered. The total cost quoted for the works was in the region of £20,000 with additional costs quoted per m for path works which have been quantified up to fit the budget available to a total contract award of £34,443.
16. The response was considered using the criteria of 80% Cost and 20% Quality. The quality criteria which the tender has been evaluated against are set out in Table 1. A score of 94 was awarded to the winning quotation submission. A score of 66 was awarded to the 2nd bidder.
17. The evaluation was carried out by a team of four consisting of Chorley Council Open Space Strategy Officer, Environment Agency Project Manager, Geomorphologist and Ecologist. This provided a range of knowledge backgrounds and skills in order to make an informed decision.
18. Based on the evaluation it is recommended that the contract is awarded to CCNW. CCNW will be carrying out specialist works using specialist machinery and skills.
19. The shortlisted contractor has also passed the Suitability Assessment Questionnaire and has successfully provided more detailed information such as Environmental Action plan, risk assessments, method statement, programme of works and insurance prior to Contract Award.
20. Upon evaluation of the tenders it became apparent that more grant funding was available to allow additional works to be undertaken. These works comprise enhancements to the ponds within the site, additional tree hinging and large woody debris to be placed in the channel to slow the flow and additional wildflower seeding. These works cost £27,369. This will deliver further aspects of the masterplan. The additional works were requested by the Environment Agency owing to the value of the procurement and the grant funding available.
21. It is proposed to extend the contract award at Yarrow Meadows Phase 2 to include the additional works rather than go out to test the market again. This is for the following reasons:-
 - CCNW scored highest on the evaluation on a like for like comparison and robust evaluation procedure.
 - CCNW have carried out numerous projects on behalf of Chorley Council to a very high standard including the awarded Phase 1 works on Yarrow Meadows. They have excellent experience of similar types of work.
 - Appointing CCNW to carry out the additional works while already set up on site with the appropriate machinery and staff in place is most financially economical and time efficient.
 - The nature of the works is a niche area of expertise and there are limited companies who specialise in this type of work who can tender.
 - The works must be carried out at optimum times to fit with hibernation, dormancy, spawning, planting times etc. Most of the works need to be complete by the end of September and other works by the end of November.
 - Previous quotations for similar works justify that the additional costs are fair.
 - The Environment Agency have confirmed in writing that this procedure complies with the grant funding terms and conditions.

Table 1

Criteria	Total Maximum Potential Score
COST (80%)	80
QUALITY (20%)	
(i) A broad description of the approach to this contract and the methodology to be employed, including level of personnel/plant resources required, proposals for mitigating identified risks and protecting the landscape and site users during the contract period and an Environmental Action Plan for Temporary Works.	10
(ii) Simple programme of works in Gantt Chart format for each phase in accordance with the Works Information. This is required to enable the Council to judge a tenderer's understanding and approach to the project and their ability to complete the works by no later than 30.9.19, using the methods and resources proposed.	5
iii) Examples of similar work (maximum of 3) demonstrating experience of the type of work, scale of project and work location/ environment and budget. Where relevant indicate the role undertaken with regard to the CDM Regulations.	5
TOTAL SCORE	100
Mandatory site visit attended on the 2nd July	Yes
Compliance with specification including suitability of any substitute products	Yes

22. It is proposed to award the contract sum of £61,812 to CCNW and the remaining budget of £3,187 will be used by Chorley Council to purchase interpretation boards to inform visitors about the importance of the river valley and carry out monitoring of the project in line with the grant funding requirements.

23. If this recommendation is approved, the contract would start on site at the end of August 2019 (subject to the call in period) and be complete by end of November 2019. During this period the contractor will provide regular reports to the client who will keep Ward Members updated.

IMPLICATIONS OF REPORT

24. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

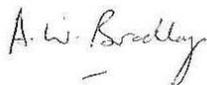
25. The contract award value reflects the budget agreed at Executive Cabinet in February 2018.

COMMENTS OF THE MONITORING OFFICER

26. It is proposed to award the contract in accordance with the scoring matrix. Whilst it is proposed to extend the scope of the works due to additional funding being available the tenders have been compared like for like and best value can be demonstrated. A valid open procurement exercise has been undertaken and the proposed extension to the contract works is appropriate and reasonable.

MARK LESTER
DIRECTOR OF REGENERATION AND GROWTH

Report Author	Ext	Date	Doc ID
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_____ Dated 13.08.19 _____

Councillor Alistair Bradley
Leader of the Council
Executive Member for Economic Development and Public Service Reform