REPORT NO 884/06

ANGUS COUNCIL

INFRASTRUCTURE SERVICES EXECUTIVE SUB-COMMITTEE

13 JULY 2006

BRECHIN FLOOD PREVENTION SCHEME
SUB-CONSULTANCY DESIGN AND ESTIMATING CONTRACT

REPORT BY THE DIRECTOR OF ROADS

ABSTRACT

This report recommends the award of a contract for design and estimating services for Brechin Flood Prevention Scheme on the basis of the best value tender submitted.

1 RECOMMENDATION

It is recommended that the Committee:

(i) approve the award of the contract for sub-consultancy design and estimating services for the Brechin Flood Prevention scheme to Mott MacDonald, Aberdeen on the basis of the best value quality/cost tender assessment in accordance with the Council’s Financial Regulations;

(ii) note that the award of the contract is subject to confirmation of satisfactory insurance requirements and the satisfactory conclusion of ongoing discussions regarding retail price index figures.

2 DESCRIPTION OF SERVICES

2.1 Report No. 531/06 to the Infrastructure Services Committee on 27 April 2006, confirmed the need for external consultants to supplement the in-house resources for the Brechin Flood Prevention Scheme preparation work being carried out by the Roads Department. The committee approved the procurement of external consultants for this purpose.

2.2 The services required are structural calculations, surveys, drawings and reports subordinate to and in support of the Roads Department design team responsible for the design and site supervision of the Brechin Flood Prevention Scheme. Additionally the consultant will provide quantity surveying and risk management services to assist in the preparation of a preliminary estimate and breakdown of costs for further reporting to Committee and the Scottish Executive. The risk management services involve liaison with third parties to identify, mitigate and cost all project risks in accordance with Scottish Executive’s requirements through the scheme’s design, development, statutory promotion and construction phases. Subsequently the initial design and estimating services may be extended to include final design and site estimation services; the costs of these possible additional services being determined as part of the tendering process. The tender prices include for these additional services and this should be taken into account when considering the tender sums.

2.3 The above services are required in order to make allowance for any variations in departmental workload whilst minimising impact upon the project programme, and
also maintaining a best value procurement approach to obtaining additional design and estimating consultancy services.

3 DETAILS

3.1 In response to advertisements which were placed in “The Dundee Courier and Advertiser”, “The Aberdeen Press & Journal”, “The Scotsman” and the “The Glasgow Herald” prior to 10 May 2006, expressions of interest were received from eleven engineering consultancy firms wishing to be included on the list of tenderers as follows:

- Royal Haskoning UK Ltd, Edinburgh
- WA Fairhurst & Partners, Glasgow
- Atkins Limited, Edinburgh
- URS Corporation Ltd, Edinburgh
- Waterman Civils, Dundee
- Mott MacDonald, Aberdeen
- Jacobs Babtie, Glasgow
- Mouchel Parkman, Liverpool
- Faber Maunsell, Edinburgh
- TA Millard Scotland Ltd, Dundee
- Halcrow Group Ltd, Glasgow

3.2 The above firms submitted information for consideration in terms of financial stability, health and safety competence, technical ability, and experience in providing similar services to local authorities. A preliminary quality assessment of the responses was made in light of the information provided and the following six consultants were short listed and invited to tender on 2 June 2006:

- Royal Haskoning UK Ltd, Edinburgh
- WA Fairhurst & Partners, Glasgow
- Mott MacDonald, Aberdeen
- Jacobs Babtie, Glasgow
- Faber Maunsell, Edinburgh
- Halcrow Group Ltd, Glasgow

3.3 For this contractual arrangement each of the above tenderers was required to submit a target cost and programme for the services specified, and also to complete a tender assessment questionnaire. The tender assessment questionnaire was used to allow a quality score to be allocated to each tenderer. A minimum quality score threshold was set to ensure that the required quality of service would be delivered.

3.4 Three tenders were returned timeously on Monday 3 July 2006 to the Director of Law and Administration and were subsequently opened on the same day in accordance with the Financial Regulations. These tenders were submitted by:-

- Faber Maunsell, Edinburgh
- Mott MacDonald, Aberdeen
- WA Fairhurst & Partners, Glasgow

Each tender was then assessed for quality and cost using the 30/70 quality/cost ratio recommended in the financial regulations.

3.5 All three tenderers passed the minimum quality score threshold.
3.6 The tenderers received the following tender quality scores (descending order (best first)):

- 26    Faber Maunsell, Edinburgh
- 21    Mott MacDonald, Aberdeen
- 16    WA Fairhurst & Partners, Glasgow

3.7 The tenderers submitted the following tender sums (ascending order):

- £198,661.00  Mott MacDonald, Aberdeen
- £240,942.48  Faber Maunsell, Edinburgh
- £390,615.00  WA Fairhurst & Partners, Glasgow

In the interests of best value, the above tender prices include for optional services which may or may not be required by Angus Council. The lowest tender amount excluding these optional services totals £126,628.00.

3.8 Applying the 30/70 quality/cost formula the overall best value tenders (descending order (best first)) were:-

<table>
<thead>
<tr>
<th>Tenderer</th>
<th>Quality/Cost Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mott MacDonald, Aberdeen</td>
<td>21/70</td>
</tr>
<tr>
<td>Faber Maunsell, Edinburgh</td>
<td>26/54</td>
</tr>
<tr>
<td>WA Fairhurst &amp; Partners, Glasgow</td>
<td>16/0</td>
</tr>
</tbody>
</table>

Council officers are currently in discussion with Mott MacDonald to confirm they have satisfactory insurance arrangements and to conclude arrangements regarding retail price index adjustments within the contract.

4   FINANCIAL IMPLICATIONS

4.1 Capital

4.1.1 Together with the financial risk allowance there is provision for part of this expenditure in the updated Provisional Capital Budget 2006/07 and Financial Plan 2005/09 (Report No 156/06). The Roads Department’s Financial Plan will be amended as part of the preparation of the 2006/07 Final Capital Budget Volume to reflect the updated cost and phasing of this project, which will necessitate compensating adjustments to other capital projects.

5   CONSULTATION

5.1 The Chief Executive, the Director of Law and Administration and the Acting Director of Finance have been consulted in the preparation of this report.

6   HUMAN RIGHTS IMPLICATIONS

6.1 There are no human rights implications arising from the proposals in this report.

7   CONCLUSION
7.1 On the basis of the analysis of the tenders received, it is proposed that the Executive Sub-Committee agree to approve the award of sub-consultancy design and estimating services for the Brechin Flood Prevention Scheme initially for the sum of £126,628.00 - with the option of increasing this amount to £198,661.00 - to Mott MacDonald, Aberdeen subject to confirmation of satisfactory insurance requirements and the satisfactory conclusion of ongoing discussions regarding retail price index figures.

R. W McNeil
DIRECTOR OF ROADS

NOTE
The following papers as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on in preparing the above Report.

Report No. 531/06 – 27 April 2006 – Angus Council Infrastructure Services Committee.

DD/JSG
23 June 2006
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