

## **Executive**

**19 January 2010**

Report to the Director of City Strategy

## **Access York Phase 1 Park & Ride Development – Procurement Of a Lead Design Consultant**

### **Summary**

1. This report provides a summary of the evaluation of the external consultants following the submission of tenders for Lead Design Consultant for the Access York Phase 1 Park & Ride Project. The report also includes a history of the procurement process and the subsequent recommendations regarding the above appointment.
2. Following an OJEU process utilising the restricted procedure, 29 initial expressions of interest were assessed and reduced to a short list of 6 consultants through a pre-qualification questionnaire (PQQ) exercise, to follow through to the main tender process. Of the 6 consultants, 2 declined to tender mid-way through the process due to commercial reasons. The 4 consultants that remained have been assessed both commercially and on a quality basis, split 40:60 respectively. After a full evaluation this report recommends that Halcrow be selected as preferred bidder for the provision of the service.
3. The final appointment of Halcrow is subject to the award of Programme Entry by the Department for Transport (DfT), a final ratification of funding arrangements by the Regional Transport Board and confirmation of the City of York Council (CYC) element of the funding. Programme Entry was originally anticipated in December 2009, however, this may slip to January / February 2010. No formal appointment will be entered into until this award and confirmation of the funding arrangements is confirmed.

### **Background**

4. Scheme progress is currently in the planning stages of this capital project to design, procure and construct 3 new Park and Ride facilities. The works will include car-parking facilities; terminal buildings and highways work incorporating new junctions, access roads and alterations to roundabouts.
5. DfT approval for funding is anticipated in early 2010. Planning application outcomes are currently programmed to be obtained by May 2010 for all sites, with the planning consent for Askham Bar P&R already in place.

6. The lead consultant will manage and co-ordinate the complete project from the planning stages, to completion and handover of the 3 Park & Ride facilities.
7. The lead consultant will enter into a direct contract with the Council for the services and will report to the Project Manager on a frequent basis within an agreed and acceptable reporting structure.
8. A summary of the services provided by the Lead Design Consultant to deliver the Park & Ride developments is as follows:
  - Civil engineering design
  - Highways Design
  - Architectural Design (Nominated to CYC architects)
  - Cost Management
  - Construction Supervisor – as defined within the NEC3 Contract
  - Contractor Procurement
  - Landscape Design
  - Drainage Design
  - Traffic Modelling
  - Traffic Management
  - Traffic Signals
  - Mechanical and Electrical Design
  - Lighting Design
  - Acoustician
  - Ground Remediation / Geotechnical
  - CDM Co-ordinator (Nominated to Halcrow)
  - Barrier Systems
  - CCTV
  - Stakeholder liaison
  - Project Administration
9. The consultant will be required to co-ordinate and manage the above services, and any other services required to achieve the project deliverables, within their multi-disciplinary team. This includes the nominated services of the Council's Architects and Halcrow CDM Co-ordinators.
10. The OJEU restricted procedure was used in selecting this consultant for the future delivery of the project. Previous reports to the Executive have detailed the process of evaluation. This process has been followed and a summary is as follows:
  - A total of 29 Pre Qualification Questionnaires were received from the original OJEU advertisement. These were assessed and evaluated.
  - From these the best 6 organisations were invited to tender.
  - One organisation withdrew from the process at an early stage, a second withdrew later on in the process, and the remaining 4 continued their interest and submitted tenders.
  - A detailed evaluation of these tenders has been carried out by four officers and a detailed scoring model has been completed in collaboration with our Procurement team.

- Through this process 2 consultants were further short listed and invited to present their proposals to the Council and be interviewed by the evaluation team and the procurement representative.
- Further questions were raised within this interview session and written responses were requested from the consultants. These written submissions have been assessed and scores for this section of the tender process have been adjusted where necessary.
- Scores allocated for both price and quality have been quantified and weighted through the CIPFA Standard Deviation Evaluation Model.
- The tender response has been weighted 60% Quality and 40% Cost and a Most Economically Advantageous Tender (MEAT) waiver has been sanctioned for this process.
- The Cost and Quality information is noted in more detail within confidential Annex 1.
- The scores allocated for each section have been used in the pre-determined evaluation model.

### Procurement Timetable

11.

Stage	Task	Date / Proposed Date
1	Issue of Advert	6 July 2009
1	Closing date for return of PQQ responses	17 August 2009
1	Evaluation of PQQ responses and Short-listing exercise	17 August – 11 September 2009
2	Issue ITT to short-listed suppliers	14 September 2009
2	Mid Tender consultant Q&A session	w/c 28 September 2009
2	Closing date for return of ITT responses	2 November 2009
3	Evaluation Commencement	3 November 2009
3	Presentation and Interviews	23 November 2009
3	Evaluation completion	27 November 2009
3	Report to the Executive	19 January 2010
4	Contract award (subject to DfT Programme Entry Award)	TBC.

## Consultation

12. Advice regarding this procurement process has been obtained both externally and from within the Council but no formal consultation process has been carried out.

## Tender Evaluation

13. Following the OJEU notification and the Pre-Qualification Process a total of six consultants were invited to tender. The original tender return date was 23 October 2009, this was extended to the 2 November 2009 due to two of the tenderers requesting an extension of time. Four tenders were received on the due date and were found to be complete and compliant.
14. Each tender return was individually assessed within the CYC scoring model and judged against the following quality headings, with each heading having the maximum weighted percentage score as shown.

Section	Quality Criteria Headings	Total Sections weighting
1.0	Organisation & Management of the Project	12%
2.0	Technical Proposals	10%
3.0	Project Risks and Opportunities	8%
4.0	Proposed team experience / past performance	8%
5.0	Cost Drivers & Benchmarking	5%
6.0	Value Engineering and Value Management	5%
7.0	Sustainability	5%
8.0	Innovation	5%
9.0	Health & Safety Considerations	2%

Total must equal the max % available for scoring quality (60%) >> 60%

Quality assessment = 60%  
Commercial Weighting = 40%

15. Assessment of the Quality section was further divided into three separate elements, based upon information requested within the submission and is as follows:

ITT Quality Response = 80%  
Presentation = 10%  
Interview = 10%

16. All four consultants returned a compliant and correct tender and these were assessed in detail by the evaluation team, who were able to assess the quality scores based on the tender returns and the quality criteria noted previously. Details of the evaluation are provided in confidential Annex 1, containing breakdowns of each scoring stage with commentary.
17. The process clearly showed that the scores for 2 tenderers were sufficiently ahead of the others for it to be statistically impossible for these other tenderers to make up the difference by attending a presentation and interview session.
18. The two organisations with the highest scores were invited to give a presentation to officers followed by a 1-hour interview. A team of four Council officers evaluated the presentation and interview sessions, with the Council's procurement officer also in attendance. The team was further able to assess the quality of the consultant's proposals and interrogate both teams under a rigorous interview session. Questions asked within the interview were of both a contractual and commercial nature and required further written confirmations from the consultants in some cases, together with verbal assurances within the interview. These further submissions were received satisfactorily.
19. This stage was scored by the team and entered into the Evaluation Model together with any adjustment to the tender price. It has been stressed to both consultants, within the tender document and the tender discussions, that this is a fixed price tender for the complete package of works and that any variation to this cost or programme would be subject to a Council or a site specific change notice or compensation event.
20. Within this final exercise the Evaluation Model demonstrates that Halcrow has been assessed as obtaining the highest (best) score within the appraisal. Officers are now satisfied, through this robust process of tender assessment and further dialogue, that Halcrow is not only the most cost effective consultant, but that it can deliver the project to the right standard.

## **Proposals**

21. A considerable amount of work and associated expenditure has been necessary to reach the point where there is confidence that a particular organisation can be recommended as the preferred bidder. The evaluation team has the confidence that Halcrow will be capable of working well with the Council over the period of this contract. It is proposed therefore that based on the officers thorough assessment of the tenders and the Council's CIPFA evaluation model, that Halcrow be nominated as preferred lead consultant.
22. No award of contract is guaranteed at this stage and as previously stated the contractual appointment of this service is still subject to the DfT award of Programme Entry and further confirmation of funding arrangements at both Regional and CYC levels. Should Members agree to this proposal and the recommendation in this report, the preferred bidder status will be confirmed and the consultant's tender proposal shall remain firm for a period of up to 180

days. In the meantime the project officers will continue discussions with the DfT in securing the position of Programme Entry.

## **Next stages**

23. For information the detailed post-tender clarification will concentrate on:
  - Agreeing and finalising Conditions of Contract – NEC Professional Services Contract, in terms of the Option Clauses and Z Clauses.
  - Allowing the preferred lead consultant to engage with staff at their own financial risk prior to funding agreement.
  - Agreeing targets and performance measurement
  - Clarifying and agreeing IT requirements i.e. linkages with CYC systems
  - Finalising the payment mechanisms to be used for the staged payment process.
  - Finalising the programme in line with DfT funding.
24. By agreeing and finalising the above actions at this stage this will provide a more pro-active start to the project once the funding arrangements have been agreed with the DfT.
25. The DfT decision on Programme Entry for the Major Scheme Bid was originally anticipated in December 2009, however, this is now slipping as DfT representatives are taking longer than expected to carry out the assessment. Council officers are being as active as possible in trying to engage with the DfT representatives to resolve any issues requiring clarification and this process appears to be almost complete. If the award of the work to the approved consultant can be made before the end of March 2010 then it may still be possible to complete the construction by the end of March 2012 but given the wider scale financial situation there has to be uncertainty about the timing of this.

## **Implications**

### **Financial**

26. The nomination of a preferred lead consultant is in line with the procurement process and at this stage has no financial implication.
27. Once the consultant is appointed the financial implications of awarding the works, once funding is approved, will be the stated fee of £741,470.41, this figure also has a contingency element of £44,310.00. The Major Scheme Bid budget for this service was circa £1,200,000, therefore this cost sits well within this initial estimate.
28. The Council and the Consultant will enter into an NEC Professional Services Contract as noted below, with the above cost as its overall price. If the project

is amended either by increasing or decreasing the scope of works this Contract has the facility to adjust the price of the service accordingly.

### **Human Resources (HR)**

29. There are no HR implications identified in this report. As much work as possible in the delivery of the project will be accommodated through the existing Project Team using the resources currently in place. There is a need for the Council to fulfil the role of the NEC Contract Project Manager and this will be sourced from within existing CYC staff resources if feasible or alternatively by external recruitment on a temporary basis.

### **Legal**

30. The nomination of a preferred bidder is in line with the procurement process and there are no legal implications at this stage.
31. Once the consultant is appointed a standard form NEC Professional Services Contract will be entered into directly with the Council. This Contract will be limited to this project only together with its stated programme and fixed fee. There are standard default and termination clauses contained within this Contract to protect both the Council and Consultant in case of dispute or early termination.

### **Crime and Disorder**

32. There are no crime and disorder issues.

### **Information Technology (IT)**

33. There are no IT implications other than clarifying linkages with consultant and CYC systems.

### **Property**

34. The construction of the new Park & Ride sites will increase the Council's properties assets. These issues have been dealt with and discussed in previous reports submitted to the Executive.

### **Other**

35. There are no other implications.

### **Risk Management**

36. There is a regular review of the risk register and the mitigation measures within the current project team and any severe risks have been identified and in some cases escalated to the Project Board. There is no further change in the risk profile of the project and risks are being mitigated as the project progresses.
37. In compliance with the Council's risk management strategy the main risks that have been identified in earlier reports are those which could lead to financial

loss, non-compliance with legislation, damage to the Council's image and reputation and failure to meet stakeholders' expectations. However, measured in terms of impact and likelihood, the score for all risks has been assessed at less than 16. This means that at this point the risks need only to be monitored as they do not provide a real threat to the achievement of the objectives of this report.

## Recommendation

38. Subject to the DfT decision on Programme Entry and subsequent funding agreements, the Executive is recommended to nominate Halcrow Group Ltd as the preferred bidder for the Lead Design Consultant for the Access York Phase 1 park & Ride Development.

Reason: To enable the Access York Phase 1 project to proceed as planned by following the procurement process in the nomination of a preferred bidder for the Lead Design Consultant.

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Report Approved  Date 07/01/10

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Wards Affected:

All

For further information please contact the author of the report

## Background Papers:

- (1) Result of Regional Transport Board Capital Bids and Application for Use of Contingency Funds – to the Executive on 22 April 2008
- (2) Access York Phase 1: Park & Ride Development - to the Executive on 12 February 2008
- (3) Access York Phase 1: Programme and Consultation Plan – to the Executive on 29 July 2008



- (4) Access York Phase 1 Park & Ride Development – Update and Outcome from the Clifton Moor Site Options Consultation – to the Executive on 28 April 2009

**Annex:**

Annex 1 – Tender Commentary and Stage Breakdown

PT/GE  
8 December 2009  
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