

Procurement Strategy

1 Procurement Strategy for the Highway Infrastructure Improvements in preparation for the Commonwealth Games and its Legacy

1.1 Background

It is recognised that the highway infrastructure at Perry Barr needs considerable improvement to support both the Commonwealth Games and the economic regeneration of the surrounding areas.

As part of the overall project a number of highway infrastructure improvement projects are planned for the area by other agencies including the Bus Interchange at the One Stop Shopping Centre to be reconfigured and a proposal to replace the existing local railway station with a new and substantially improved facility. While these projects are not directly managed by the City Council they may also result in additional works being necessary to support these third party projects.

The construction market is already suffering from severe capacity tensions in the region as large capital programmes including HS2, Highways England, Network Rail and the Utilities come to market. It is recognised that if the City Council wishes to deliver both the capital programme and Commonwealth Games and SPRINT Infrastructure, there will be a need to award contracts as early as possible for both professional services and works contractors to deliver the programme of works in most expedient and efficient way.

1.2 Scope and Specification

Although the full extent of the works required over the next 4 years is still being finalised the following key scope of works elements have already been identified:-

- Alterations to the Highway from the Birchfield Road roundabout to the A34 Flyover including the A453 gyratory
- Works include possible capping of the Birchfield Road roundabout or the possible infilling of the Birchfield Road underpass to provide an improved facility possibly including signalisation
- Changes to the Perry Barr Bus interchange – providing an improved new layout including changes to the highway

- Possible removal of the A34 Flyover including the associated gyratory improvements
- Improvement to cycling routes, in particular around the athletes village
- Inclusion of both the SPRINT and cycling measures along the length of the works

1.3 Procurement Route

1.3.1 Professional Services

To support the delivery of the above schemes there will be a requirement for professional services. The Council's approved route to procure the resource to provide these services will be using the Council's West Midlands Transportation Professional Services Framework Agreement.

Where it is found that this framework agreement does not cover the scope of services required or the organisations on the framework agreement do not have the capacity to deliver, alternative procurement routes will be considered including using other public sector framework agreements or carrying out a full procurement process. The selected route will be carried out in accordance with the Council's Standing Orders and Procurement Governance Arrangements and incorporate the requirements of the Birmingham Business Charter for Social Responsibility and the payment of the Birmingham Living Wage.

1.3.2 Delivery of the Works

1.3.2.1 In view of the complexity, variety and volume of works to be delivered within extremely tight timescales, a traditional approach to the procurement of the works is not deemed suitable on the grounds of cost, time and risk reduction. A view has been taken that a more innovative, flexible and participative approach to the procurement of these works should be taken. This would allow the designing and planning of the proposed project schemes with the contractor(s) as a partner thereby increasing the likelihood of the Council being able to meet the programme delivery dates, have sufficient time to produce robust designs, meet the expenditure profile but also increase transparency and therefore reduce risk, and limit the reasons for any future contractual disputes.

1.3.2.2 The Council's Highways and Infrastructure Works Framework Agreement is the Council's approved route for these types of works and is therefore the recommended procurement route. The framework agreement is

suitable to use Early Contractor Involvement (ECI) which will support the approach identified in paragraph 1.3.2.1.

1.3.2.3 The proposed procurement route for each scheme is to follow the process set out below:

- A pre-selection process would be undertaken with the eight “Lot 4” Framework Agreement Contractors to shortlist a maximum of two or three (as appropriate) contractors who demonstrate appropriate skills, capacity, and reliability to deliver such projects.
- An invitation to tender would be issued to the shortlisted contractors that will result in the evaluation of tenders with the recommendation to appoint Contractor(s) to undertake the lead in the detailed design development and construction planning (the ECI process) which would result in the agreement of target prices for packages of work.
- The ECI process will also allow the Council, where the contractor leading on the design development and construction planning is not offering a competitive target price, to take back the design and subject it to a competitive exercise using other Framework Contractors and for the successful contractor to be recommended to deliver the works.
- The final stage would be the formalised appointment of the contractors to undertake the construction and handover of the works.

1.4 Evaluation & Selection

The procurement process and contract award will comply with the process and award criteria set out by each individual tender exercise and will be monitored and approved with Corporate Procurement Services. The detailed evaluation criteria for each scheme will be reported in the PDD or FBC as appropriate. The social value criteria will be between 10% and 20% to be set dependent upon the value and complexity of each scheme to provide the opportunity to maximise social value for each scheme.

1.5 Contract Management

The contracts will be managed by individual Project Managers and will be monitored and reported to the Heads of Infrastructure Delivery who will have overall responsibility. The contractors’ performance in delivery of the works will be monitored through the use of Key Performance Indicators (KPIs) and the result may be used to determine whether a contractor is selected for future work.

2 Procurement Strategy for the Professional Services for the Acquisition of Various Properties within Perry Barr

2.1 Background

To deliver the Commonwealth Games Athletes' Village, the associated infrastructure and the legacy development to support a sustainable scheme, the Council is required to assemble land through acquisitions.

These acquisitions, which will be secured through Compulsory Purchase should the voluntary acquisition negotiations prove unsuccessful, include:

- 42 residential properties on Wellhead Lane
- Retail premises and adjacent land required to deliver the redeveloped station scheme
- Commercial premises and land required to facilitate the delivery of the Village and legacy housing schemes

The total number of titles to be acquired is in excess of 300. The Council does not have the capacity to conduct negotiations on this scale and to the necessary timeline, and as such there is a requirement to engage organisations to undertake the services required.

2.2 Scope and Specification

The following key scope of works has been identified: -

- Provide a valuation of all interest of land and premises
- Prepare a proposed strategy to include a timeline for individual acquisitions and compensation claims
- Negotiate the acquisition of all interest of the various premises and land and continue with negotiations should a CPO be made
- Negotiate any compensation payments due for the premises and land acquired
- Produce valuation reports in accordance with the RICS standards for approval prior to proceeding with the acquisition and/or compensation claims
- Prepare a statement of case/reason and present this at a public inquiry if a CPO is made and objections are received in respect of these premises.

2.3 Procurement Route

The Council's approved route to procure the resource to provide these services will be using the Crown Commercial Service Estate Professional Services Framework Agreement.

2.4 Evaluation & Selection

Tenders will be evaluated using the indicative quality / social value / price balance in accordance with a pre-determined evaluation model. The quality element will account for 55%, social value 10% and price 35%. This quality / social value / price balance has been established having due regard to the corporate document 'Evaluating Tenders' which considers the complexity of the services to be provided and the degree of detail contained within the contract specification.

Quality (55% Weighting)

Criteria	Overall Weighting	Sub-Weighting
Methodology and Competency	55%	20%
Management of the Programme		20%
Organisation & Resources		15%

Tenderers who score less than a score of 30 out of a maximum quality score of 55 will not proceed to the next stage of the evaluation.

Social Value (10% Weighting)

Criteria	Overall Weighting	Sub-weighting
Local Employment	10%	5%
Partners in Communities		5%

The evaluation criteria include two principles after consideration to the requirement and the agency market. These principles have been selected due to the short term nature of this commission to maximise the social value benefit.

Tenderers who score less than a score of 4 out of a maximum quality score of 10 will not proceed to the next stage of the evaluation.

Price (35% Weighting)

Tenderers will be required to price on the basis of both a percentage fee and hourly rate depending on the nature of the work being undertaken.

Overall Evaluation

The evaluation process will result in comparative quality, social value and price scores for each tenderer. The contract will be awarded to the first ranked tenderer with the highest overall score for quality, social value and price.

2.5 Contract Management

The contracts will be managed by the Business Centre Manager Birmingham Property Services.

3 Procurement Strategy for the Professional Services for the Ground Investigation and Remediation for the CWGV Sites

3.1 Background

3.1.1 The sites for the proposed CGV have been identified and provision of site assembly works is now required in order to successfully deliver the capital programme for the CGV. The Commonwealth Games delivery programme is progressing at speed, and much of the work entails major infrastructure, site assembly and enabling works. All sites will require site surveys and ground investigation works and specialist remediation work in order to bring them forward for development

3.1.2 The requirement is for a series of preliminary site surveys and ground investigation works and to prepare the necessary reports to inform the strategy for the specialist remediation works within the red line boundary in Appendix 2a. The recommended supplier is a specialist advisor on site surveys and ground investigation works and are well placed to provide the Council with the necessary expertise required to inform the remediation strategy for the proposed sites. Specialist remediation contractor/s will need to be appointed to undertake the remediation works.

The site surveys and ground investigation works and specialist remediation is urgently required in order to meet the pressured timescales for the Commonwealth Games capital programme.

3.2 Scope and Specification

3.2.1 Site surveys and ground investigations. These are required to be undertaken within the red line boundary outlined in Appendix 2a and include but are not limited to:-

- Geo – Environmental Desk Study
- Preliminary Ground Investigation
- Geo – environmental report
- Reclamation

- Ground Investigation
- Factual report outlining findings of the investigation
- Geo – Environmental Studies
 - Additional Ground Investigation
 - Controlled Waters and Human Health DQRA
 - Remediation Strategy
- Phase 1 Ecological Report
- Topographic Survey
- Phase 2 Ground Investigation
- Topographic Survey
- Tree Survey and Arboriculture Impact Assessment
- Planning Submission
- Archaeological desktop assessment
- Noise and Dust Assessment
- Flood Risk Assessment
- Heritage Impacts Assessment
- BRE Trial Pit Soakaways
- Head Permeability Tests

Given the size and nature of the scheme, the scope of works may vary and other surveys and activities may be required.

3.2.2 Demolition and remediation works will be required to unlock the brownfield land to be suitable for development. The scope of works for the remediation will be defined by the remediation strategy.

3.3 Procurement Route for Site Surveys and Ground Investigations

3.3.1 Market analysis identified that the most effective and timely route to procure the requirement was to use a collaborative framework agreement rather than carrying out a procurement exercise advertised on www.finditinbirmingham.com.

3.3.2 The details of the scope, rates and access arrangements of each framework agreement were evaluated, as a result of which ESPO Consultancy Services Framework Agreement was considered to be the most suitable to use on the basis that that the services are within the scope, the rates are considered to provide value for money and that access allows a timely engagement of the supplier that meets the project timescales. The protocol for using the framework agreement is either by direct award or carrying out a further competition exercise.

3.3.3 A supplier was identified that could undertake the services on the basis that they are familiar with the sites and have already undertaken commissions on behalf of the Council's partner Homes England in related and neighbouring programmes, and are

therefore ready to 'hit the ground running' with this work. On this basis and in accordance with the protocol of the framework agreement, a direct award to the supplier is the recommended route to market. Details of the confidential information related to the proposed contract are contained in the Private Report.

3.4 **Contract Management**

3.4.1 The contract will be managed by the Assistant Director, Planning.