

Part A Report

REPORT TO:	Cabinet Member for Economic Development Cabinet Member for Transport and Environment
AGENDA ITEM:	Not Applicable
SUBJECT:	Connected Croydon - East Croydon Interchange Public Realm Improvement Works
LEAD OFFICER:	Jo Negrini, Executive Director Development and Environment
CABINET MEMBER:	Cllr Toni Letts, Cabinet Member for Economic Development And: Cllr Kathy Bee, Cabinet Member for Transport and Environment And Cllr Simon Hall, Cabinet Member for Finance and Treasury
WARDS:	Fairfield & Addiscombe
<p>CORPORATE PRIORITY/POLICY CONTEXT/ OUTCOMES FOR RESIDENTS OF THE BOROUGH:</p> <p>The East Croydon Interchange Public Realm Improvements Project forms part of the overall Connected Croydon Programme. The projects within the programme have been approved individually as they have become ready for implementation.</p> <ul style="list-style-type: none"> • Connected Croydon is a £52m programme of coordinated Public Realm Projects (the Projects) and transport improvements that will transform Croydon Metropolitan Centre (CMC) into a more easily accessible and liveable place. 	
<p>FINANCIAL IMPACT</p> <p>Approval of the recommendation to award construction works services contract for Phase 1 of the East Croydon Interchange Public Realm Improvements.</p> <p>The East Croydon Interchange Public Realm Improvements project is externally funded with three separate funding streams as detailed below:</p> <p>£4.2m from Transport for London (TfL) Major Projects Local Implementation Plans (LIP's) funding. This funding has been secured and will be released by TfL subject to approval of an updated Business Case.</p> <p>£1.04m from Greater London Authority (GLA) Mayor's Regeneration Fund (MRF). This funding has been secured.</p> <p>£280k from Network Rail to incorporate the security works at East Croydon station.</p>	
<p>KEY DECISION REFERENCE NO.: 21/14/EC. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.</p>	

1. RECOMMENDATIONS

- 1.1. The Cabinet Member for Economic Development in consultation with the Cabinet Member for Finance and Treasury is recommended to approve the award of a construction contract for Phase 1 of the East Croydon Interchange Public Realm Improvements project to the contractor detailed in the associated Part B report
- 1.2. The Cabinet Member for Economic Development is asked to note that the name of the successful contractor and price will be released once the contract award is agreed and implemented.

2. EXECUTIVE SUMMARY

- 2.1 This report advises the Cabinet Members of the tenders received and the evaluation undertaken further to which a recommendation is made for award of the Phase 1 construction works of the East Croydon Interchange Public Realm Improvement Project (the Project).
- 2.2 The procurement strategy and content of this report have been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
30 October 2014	CCB0940/14-15

3. DETAIL

- 3.1 The Project forms part of the overall Croydon Council's Connected Croydon Programme.
- 3.2 The Project has the following objectives:
 - Provide an arrival space that Croydon can be proud of;
 - Reflect the progressive character of Croydon and its objectives of Connected and Creative City (Core Strategy 2012);
 - Improve the quality of surfacing in terms of levels, materials, accessibility and appearance;
 - Reduce street clutter and improve aesthetic compatibility of street furniture and surfaces;
 - Accommodate heavy pedestrian flows between the train station, tram stop and bus station;
 - Provide a safer and more direct crossing from College Road to East Croydon station;
 - Take into consideration short and long-term proposals for East Croydon station concourse and the Ruskin Square development to ensure coordination and avoid abortive work.
 - Improve the overall pedestrian experience, including safety measures.
 - Increase the quality of soft landscaping and trees;

- 3.3 The construction works, utilising a New Engineering Contract (NEC) 3, are scheduled to commence in January 2015 and be completed in November 2015

Procurement Approach

- 3.4 The procurement strategy to invite tenders using the Council approved list for construction companies (Constructionline) was agreed by the Contracts and Commissioning Board on the 22nd January 2014. Following an assessment of capabilities and confirmation of interest in the Project being received, six contractors were invited to tender against a detailed specification. Four tenders were received by the deadline of 12 noon on 27 August 2014.
- 3.5 The tenderers' proposals, including their responses to qualitative and commercial questions, comprised their Response Documents. These were assessed by the Project evaluation team to ensure compliance with all relevant standards and regulations and to assess which was the most economically advantageous tender.
- 3.6 The tender evaluation was based on a comprehensive evaluation matrix weighting quality at 40% and price at 60%.

Evaluation

A – Quality

This represented 40% of the overall marks. The qualitative aspect of the tender was evaluated using the tenderers response to four (4) qualitative questions (listed below).

Qualitative Question 1 (5%): Please identify the key risks to delivering these improvements on this busy part of the transport network and describe how your team will mitigate them. Demonstrate where you have encountered similar situations on previous projects and the actions taken by you. Maximum 500 words.

Qualitative Question 2 (15%):

Part 1 – Certain constraints have been imposed on the construction of this Project due to the location of the site (refer to tender documents for details). Please detail how you will construct the works whilst causing minimum disruption to the transport infrastructure, residents, businesses and visitors to Croydon. A phasing plan or outline programme may be included as an appendix.

Part 2 - The tram network is critical to Croydon and the surrounding area. Tramlink have agreed a shutdown of the tram network as detailed in Volume 8. Explain how you will ensure maximum benefit of this shutdown is obtained and how you will manage your works to minimize any further shutdown requirements. Maximum 1500 words

Qualitative Question 3 (10%): Please describe how you will overcome the challenges in achieving a high quality finish to the hard and soft landscaping that forms a key element of the scheme. Provide at least 3 examples of similar projects you have undertaken and describe how your experience from those projects will be used to ensure successful delivery of this project. Maximum 1000 words.

Qualitative Question 4 (10%): Please describe how you will identify and manage key stakeholders and gain their support for the works. Examples of how you have achieved this on previous projects would be beneficial. How will you contribute to Croydon Council’s aim of achieving an increasing level of Customer and Member satisfaction and net positive press coverage for the project. Maximum 1000 words.

Each question in the ITT Response Document identified the maximum percentage score for that question within the overall tender evaluation.

Question 1	5%
Question 2	15%
Question 3	10%
Question 4	10%
Total	40%

Each member of the evaluation panel individually scored every question from every tenderer as described above. These were then be added together and divided by the number of panel members to gain an average score for each question by each tenderer. As the maximum score for each question is 5, to gain the correct weighting of each question the following uplifts were then made:

Question 1	5%	evaluation score x 1
Question 2	15%	evaluation score x 3
Question 3	10%	evaluation score x 2
Question 4	10%	evaluation score x 2

The final scores were used as the total percentage gained by each tenderer for the quality section of their submission.

3.7 B - Price

Price represents 60% of the overall marks.

The lowest tender total (taken from the tenderers completed schedule of rates) was awarded 100 points. Other totals had one mark deducted for each percentage point by which their total exceeded that of the lowest. For example a total of 10% above the lowest would have received 90 points.

Evaluation result

3.8 The scores for quality and price were added together. The tenderer with the highest combined score is the contractor recommended for award of contract.

Contractor 1	42
Contractor 2	74
Contractor 3	89
Contractor 4	62

Contractor 3 is recommended to be awarded the contract

4. CONSULTATION

- 4.1 Various stakeholder groups have been consulted as part of the East Croydon Interchange Public Realm Improvements Project. Generally, all have been supportive of the proposals to improve the interchange between the public transport nodes and the public realm of one of the busiest parts of Croydon
- GLA and TfL have representatives at the Project Board meetings and on the evaluation panel.
 - Approval of proposals by GLA / TfL Mayors Design Advisory panel.
 - 6 week formal public consultation during July and August 2013, including drop in sessions on the proposals.
 - 2 Public “Open Evenings” in conjunction with Network Rail and Southern Rail at East Croydon Station in June 2013.
 - Project representation at the monthly Network Rail / Southern Rail East Croydon Monitoring Group meetings.
 - Stage sign-off by key transport stakeholders such as Tramlink, TfL Buses and TfL taxis.
 - Further stakeholder and public engagement will take place during the construction phase of the project.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 Budgetary provision for these works is detailed below:
- TfL Major Projects LIP funding
 - GLA MRF
 - Network Rail
- 5.2 **The effect of the decision:** Detailed in part B of this report.
- 5.3 **Risks:** Although the TfL Major Projects LIP funding has been secured, on the 01 September 2014 TfL advised the funding will not be released until TfL approve an updated Business Case. This has been drafted and issued to TfL for comments. Their comments have been received and an updated document will be issued to TfL on 24 October 2014. TfL anticipate final sign off of the Business Case will be early December 2014.
- 5.4 **Options:** No other options are being considered in the award of this contract
- 5.5 **Future savings/efficiencies:** No future savings or efficiencies have been identified associated with the undertaking of the works.

Approved by: Dianne Ellender, Head of Finance and Deputy Section 151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the procurement process as detailed in this report meets the requirements of the Council’s Tenders and Contracts Regulations and the statutory duty to demonstrate best value under the Local Government Act 1999.

Approved by: Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer

7. HUMAN RESOURCES IMPACT

7.1 There are no Human Resources considerations arising from this report.

Approved by: Adrian Prescod on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

8.1 The East Croydon Masterplan underwent a detailed Equality Impact Assessment (EQIA). Please refer to appendix 1 for details of the actions taken on this project.

9. ENVIRONMENTAL IMPACT

9.1 The proposals for the East Croydon Interchange Public Realm Improvement project have been carefully developed to ensure a positive environmental and design impact.

9.2 The main environmental impacts / benefits of the wider project include:

- Improved walking and cycling facilities for all people
 - Increased public transport use by improving interchange between the different public transport modes.
- Enhanced biodiversity through additional planting.

9.3 Specifically on the proposed contract it will promote:

- The sustainable management of construction waste re-use of materials on site.
- Promote use of sustainable / recycled material.
- Reduction of waste generated and reuse of materials.
- Planting will be low water demand to minimise irrigation costs.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no immediate Crime and Disorder consequences of this proposal.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 Following analysis of the commercial and qualitative aspects of the tenders received, it is recommended that the contract for the provision of works for East Croydon Interchange Public Realm Improvements Phase 1 contract be awarded to the company whose tender will be most advantageous to the Council taking account of quality and price.

11.2 The contract will allow a 15% contingency sum which would only be used if there were any unforeseen events during the construction works that would lead to an increase in price in accordance with the conditions of contract. Having a contingency sum on the original purchase order can minimise any delays in the contractor's response to mitigate these unforeseen events. Control of the contingency sum can be managed through the usual tier approval.

12. OPTIONS CONSIDERED AND REJECTED

12.1 No appropriate alternative delivery options were identified. Since the recommendation was compliant, reliably and professionally quantified, no further options were considered.

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BACKGROUND PAPERS

None

Appendix 1 – Equality Analysis for East Croydon Masterplan

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