

To: Finance, Resources and Customer Services Policy Board

On: 11 November 2020

Report by: The Chief Executive and the Director of Environment and Infrastructure

Heading: Braids Road Reconstruction Scheme

1. Summary

- 1.1 The purpose of this report is to notify the Finance, Resources and Customer Services Policy Board of a change to the scope of the works to the Contract for the Braids Road Reconstruction Scheme in Paisley and a subsequent increase in both cost and Contract duration as required under Standing Orders relating to Contracts 20.3.
- 1.2 Approval was given at the Finance, Resources and Customer Services Policy Board on the 8 November 2017 to award a multi supplier Framework Contract for Maintenance & Improvements of Carriageways and Footways ("the Framework") and any subsequent call-off ("package orders") contracts per specific Lot.
- 1.3 A direct award call off Contract, under Lot 3 – Environment Network Improvement of the Framework for the Braids Road Reconstruction Scheme was awarded to Mac Asphalt Limited on the 13 August 2020. The call off contract was awarded for a price of £176,408.20 excluding VAT with a start date of 17 August 2020 and a completion date of 25 September 2020.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board note that:

- 2.1.1 This report is made in accordance with Standing Order relating to Contracts 20.3 as the increased value of this call off Contract is in excess of the £100,000 or a further 25% of the awarded contract value.
 - 2.1.2 This report is also made in accordance with Standing Order relating to Contracts 34.3 as agreement to vary the contract has been reached between the Director of Environment & Infrastructure, the Head of Corporate Governance and the HOPAC.
 - 2.1.3 Due to the additional work involved, as well as the land being identified as contaminated, the intended completion date of 25th September 2020 has been amended to 6th December 2020.
 - 2.1.4 As a result of the changes noted above, the initial price of these works has risen from the original £176,408.20 excluding VAT to an estimated £430,000.00 excluding VAT.
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3. **Background**

- 3.1 Environment and Infrastructure is responsible for the management and maintenance of all roads, excluding trunk roads, within the Council's boundaries.
- 3.2 The Braids Road Reconstruction Scheme is part of this road infrastructure and a direct award contract was issued as a call off through Lot 3 – Environment Network Improvement of the Council's NEC3 Framework Contract for Maintenance and Improvements of Carriageways and Footways, reference RC/FA/152/17 to the current first ranked Contractor, Mac Asphalt Limited, following the price refresh in October 2019. The call off contract value was £176,408.20 excluding VAT.
- 3.3 The initial scope of this Call Off Contract required full removal of the existing natural stone sett surfacing and excavation of the existing road pavement. The carriageway would then be reinstated in a conventional bituminous road construction.
- 3.4 The works commenced on 17th August 2020. Although the Council consulted with the local residents group and local elected members, during the first week of construction, Environment and Infrastructure halted works due to concerns being raised with regard to the removal of the setts and the risk this would spoil the aesthetics of the street. A revision to the design was instructed by Environment and Infrastructure with bituminous running lanes for ride quality and grip, with a natural stone centre reserve and natural stone strips in each verge. The design also included transverse sections of setts at intervals along the running lanes to act as natural traffic calming.

- 3.5 As a result, this change of scope has had a significant effect on both the duration and the original price of the Contract. The contractor carrying out the works is now required to remove any residual mortar from each individual sett and lay them into the pattern of the new design rather than remove them off-site which has increased the time to complete the works and has resulted in additional costs for the works. In addition, there has been contamination identified in the area being redeveloped which has had a significant impact on the costs associated with the works. The cleaning up and incorporating sections of the natural stone setts, initially intended to be removed, into the final design of the reconstruction works has also resulted in increased costs.
- 3.6 In addition to the additional costs outlined above, the contractors initial price was based on taking ownership of the removed setts and benefitting from the sell on costs of the same. As the majority of the setts are now being incorporated into the new design, this has changed the pricing structure of the works.

Implications of the Report

1. **Financial**
The cost of this Contract will be met by the Capital – General Services budget.
2. **HR & Organisational Development**
Not applicable.
3. **Community/Council Planning –**
Reshaping our place, our economy and our future – the Contract proposed will support the delivery of this outcome.
4. **Legal**
The Works Contract was a direct call off contract made under an existing Council Framework and is subject to the Framework conditions for award and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets**
This Contract will improve the Council's roads infrastructure.
6. **Information Technology**
No Information Technology implications have been identified or are anticipated.
7. **Equality & Human Rights**
The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report

because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**

Mac Asphalt Limited's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

MacAsphalt Limited have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk.

11. **Privacy Impact**

No Privacy Impact implications have been identified or are anticipated.

12. **Cosla Policy Position**

No Cosla Policy implications have arisen or are anticipated.

13. **Climate Risk**

The level of impact associated with the provision of this work has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

Author: **Graeme Beattie, Strategic Commercial Category Manager**