

To: Finance, Resources and Customer Services Policy Board

On: 10 December 2021

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

Heading: Roads Capital Resurfacing – Overnight Working at Lincrive Interchange and Inchinnan Road

1. Summary

- 1.1 The purpose of this report is to seek the Board's approval for payment to be made to Finco Contracts Ltd to cover additional costs arising as a result of overnight working carried out at 1) North West Call Off 5 - A761 Lincrive Interchange and 2) North West Call Off 6 - Inchinnan Road.
 - 1.2 These increases in cost for each contract are reported in accordance with Standing Orders relating to Contracts 20.3.
 - 1.3 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")
 - 1.4 These contracts were call off contracts made under Lot 1 of this Framework; the Framework is still live and expires on 10 December 2021.
 - 1.5 Officers from Environment & Infrastructure Services have reviewed the claims for overnight working and are satisfied that the claims are genuine and represent clear and reasonable costs the contractor will have incurred
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2. Recommendations

- 2.1 The Finance, Resources and Customer Services Policy Board is asked to:

- 2.1.1 Note that this report is made in accordance with Standing Order relating to Contracts 20.3 due to the increased value of these call off Contracts each which is in excess of the £100,000 or a further 25% of their awarded contract value.
- 2.1.2 Note that Agreement to vary these two contracts has been reached between the Director of Environment & Infrastructure, the Head of Corporate Governance and the Head Of Policy And Commissioning in accordance with the standing orders relating to Contracts 34.3.
- 2.1.3 As a result of the changes to the scope of works, authorise an increase in the price of these works:-
- North West Call Off 5 - A761 Linclive Interchange which had an original value of £176,536.82 excluding VAT to a value of £302,536 excluding VAT.
 - North West Call Off 6 - Inchinnan Road which had an original value of £112,935.80 excluding VAT to a value of £231,935 excluding VAT.
- 2.1.4 Note that the Framework has an approved spend of up to £20,000,000 and therefore these increases in value are within the spend agreed for these requirements.
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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 These contracts are part of this road infrastructure and both contracts were let as direct awards through Lot 1 – Carriageway Resurfacing 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, Finco Contracts Limited, which became the first ranked Contractor following the price refresh in October 2020.
- 3.3 Due to the nature of the strategic routes involved and the traffic sensitivity of the roads, these works required to be performed overnight. The current roads framework does not provide rates for overnight working and as such the contractor has to submit a claim for additional expenditure incurred through this overnight working.
- 3.4 The service has reviewed the claim submitted for additional expenditure and is satisfied that this is a genuine reflection of the costs incurred for the overnight working.
- 3.4.1 The increase in the costs for these direct awards call off contracts made under Lot 1 – Carriageway Resurfacing of the Framework is noted below:

Linclive Interchange

- North West Call Off 5 - A761 Linclive Interchange was awarded to Finco Contracts Limited on the 11 June 2021. The call off contract was awarded for a price of £176,536.82 excluding VAT.
- The Council asked that these works be carried out overnight to minimise disruption.
- The contractor omitted to submit rates for the overnight element of the work.
- The claim for payment for the overnight working element is £85,994.64, in addition to 8 nights of specialist traffic management of £40,000, giving a total of £125,994.64 as a result of the work being carried out at a connection with the trunk road network.

Inchinnan Road, Paisley

- North West Call Off 6 - Inchinnan Road was awarded to Finco Contracts Limited on the 30 June 2021. The call off contract was awarded for a price of £112,935.80 excluding VAT.
- The contractor omitted to submit rates for the overnight element of the work.
- The claim for payment for the overnight working element is £118,242.63. There was no specialist traffic management associated with this work.

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**

Finco Contracts Limited 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**

Finco Contracts 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.

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