



Democratic and Member Support

Chief Executive's Department
Plymouth City Council

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#plymcabinet

Cabinet

Tuesday 13 September 2016

4.00 pm

Warspite Room, Council House

Members:

Councillor Bowyer, Chair

Councillor Nicholson, Vice Chair

Councillors Mrs Beer, Mrs Bowyer, Darcy, Downie, Jordan, Michael Leaves, Ricketts and Riley.

Members are invited to attend the above meeting to consider the items of business overleaf.

This agenda acts as notice that Cabinet will be considering business in private if items are included in Part II of the agenda.

This meeting will be broadcast live to the internet and will be capable of subsequent repeated viewing. By entering the Warspite Room and during the course of the meeting, Councillors are consenting to being filmed and to the use of those recordings for webcasting.

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Tracey Lee

Chief Executive

Cabinet

Agenda

Part I (Public Meeting)

1. Apologies

To receive apologies for absence submitted by Cabinet Members.

2. Declarations of Interest (Pages 1 - 2)

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda. A flowchart providing guidance on interests is attached to assist councillors.

3. Chair's Urgent Business

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

4. Highway Term Maintenance Contract 2017-2024 - Award of Contract (Pages 3 - 22)

The Leader will present the Highway Term Maintenance Contract 2017-2024, Award of Contract which seeks Cabinet approval to award the contract for the Council's new Highways Term Contract 1 April 2017 to 31 March 2024 with extension options to 2027 and to continue the collaborative work with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the mobilisation and management of the proposed new Term Maintenance Contract.

5. Exempt Business

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000. At the time this agenda is published no representations have been made that this part of the meeting should be in public.

(Members of the public to note that, if agreed, you will be asked to leave the meeting).

Part II (Private Meeting)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, members are entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

6. Highway Term Maintenance Contract 2017-2024 - Award of Contract (To Follow)

The Leader will present the Highway Term Maintenance Contract 2017-2024, Award of Contract which seeks Cabinet approval to award the contract for the Council's new Highways Term Contract 1 April 2017 to 31 March 2024 with extension options to 2027 and to continue the collaborative work with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the mobilisation and management of the proposed new Term Maintenance Contract.

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DECLARING INTERESTS – QUESTIONS TO ASK YOURSELF

What matters are being discussed?



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Does the business relate to or is it likely to affect a disclosable pecuniary interest (DPI)? This will include the interests of a spouse or civil partner (and co-habitees):

- any employment, office, trade, profession or vocation that they carry on for profit or gain
- any sponsorship that they receive including contributions to their expenses as a councillor or the councillor’s election expenses from a Trade Union
- any land licence or tenancy they have in Plymouth
- any current contracts leases or tenancies between the Council and them
- any current contracts leases or tenancies between the Council and any organisation with land in Plymouth in they are a partner, a paid Director, or have a relevant interest in its shares and securities
- any organisation which has land or a place of business in Plymouth and in which they have a relevant interest in its shares or its securities

No

Yes



Declare interest and leave (or obtain a dispensation)





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Does the business affect the well-being or financial position of (or relate to the approval, consent, licence or permission) for:



- a member of your family or
- any person with whom you have a close association; or
- any organisation of which you are a member or are involved in its management (whether or not appointed to that body by the council). This would include membership of a secret society and other similar organisations.

Yes No  You can speak and vote




Will it confer an advantage or disadvantage on your family, close associate or an organisation where you have a private interest more than it affects other people living or working in the ward?

Yes No

Declare the interest and speak and vote



Speak to Monitoring Officer in advance of the meeting to avoid risk of allegations of corruption or bias

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Cabinet members must declare and give brief details about any conflict of interest* relating to the matter to be decided and leave the room when the matter is being considered. Cabinet members may apply to the Monitoring Officer for a dispensation in respect of any conflict of interest.

*A conflict of interest is a situation in which a councillor’s responsibility to act and take decisions impartially, fairly and on merit without bias may conflict with his/her personal interest in the situation or where s/he may profit personally from the decisions that s/he is about to take.

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PLYMOUTH CITY COUNCIL

Subject:	Highway Term Maintenance Contract 2017-2024 - Award of Contract
Committee:	Cabinet
Date:	13 September 2016
Cabinet Member:	Councillor Ian Bowyer
CMT Member:	Anthony Payne (Strategic Director for Place)
Author:	Tony Davis Adrian Trim
Contact details	01752 304051 tony.davis@plymouth.gov.uk 01752 307729 adrian.trim@plymouth.gov.uk
Key Decision:	Yes
Part:	I

Purpose of the report

1. That Cabinet approval be given to the award of contract for the Council's new Highways Term Maintenance Contract I April 2017 to 31st March 2024 with extension options to 2027 in accordance with the recommendations set out in the Part II report and underpinned by the attached Business Case to that Part II report.
2. Furthermore, to seek Cabinet approval for the collaborative work to continue with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the mobilisation and management of the proposed new Term Maintenance Contract.

The Council Corporate Plan 2016/19

The proposed procurement meets the following objectives highlighted in the Plymouth City Council Plan:

Confident Plymouth

Assert Plymouth's status both as 'Britain's Ocean City' and a primary European waterfront destination by maintaining the highway network for citizens, visitors and businesses to work in and enjoy.

Growing Plymouth

Deliver a value for money contract and well maintained network bringing significant benefits to the City's economy, creating a range of job opportunities and assisting in making Plymouth an attractive place for investment.

Pioneering Plymouth

Plymouth Plan sets out a strategic vision of how the City will grow over the next 20 years. The highway's management and maintenance is a critical aspect of that growth. Having a well maintained network will support jobs, businesses and tourism, meaning the City's economy will grow.

Caring Plymouth

The investment made in highway maintenance ensures that the public is protected against defects for example, potholes and the network is fit for purpose. Good network movement and maintained assets support the local economy and the City's citizens and visitors.

Implications for Medium Term Financial Plan and Resource Implications, including finance, human, IT and land

The awarding of a contract to provide highways maintenance services should not incur any additional pressures providing the expected levels of Council and Government funding are maintained. Should funding be reduced the volume of work (service provision) put through the contract would diminish, ensuring that additional financial risk would not be placed on the authority.

At present there are no identified funding gaps other than any unforeseen claims following termination of the existing contract.

Other Implications e.g. Child Poverty, Community Safety, Health and Safety and Risk Management

- As a Highway Authority, the Council has a remit to reduce both the number and severity of road related injuries on the highway, for all road users.
- To fulfil the Council's statutory obligation and responsibility to maintain the City's highway network and ensure the safe movement of users.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action

1. That Cabinet approval be given to the award of contract for the Council's new Highways Term Maintenance Contract 1st April 2017 to 31st March 2024 with extension options to 2027 in accordance with the recommendations set out in the Part II report and underpinned by the attached Business Case to that Part II report.
2. Furthermore, to seek Cabinet approval for the collaborative work to continue with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the mobilisation and management of the proposed new Term Maintenance Contract.

These recommendations ensure continuity of a statutory service following the expiry of the existing contract and that all three councils continue to explore the opportunities for further collaboration.

The TMC is a very important contract for Plymouth and a decision on contract award is required now to enable it to continue to meet its statutory duty as a local Highway Authority. The performance of the contract significantly influences key service outcomes for highway network performance in the immediate and long term.

The form of contract has been derived from Highway Maintenance Efficiency Programme advice and reflects national industry good practice. The process that has been followed has been independently assured by various parties described in the body of this report and the recommendations provide the Authority with the best value outcome.

Alternative options considered and rejected

Options for the Future Delivery of Highway Maintenance November 2014 Cabinet Report

Published work / information

Options for the Future Delivery of Highway Maintenance November 2014

<http://modgov/documents/b13227/HIGHWAYS%20SERVICES%20AND%20CITY%20DEAL%20SOUTH%20YARD%20LAND%20TRANSFER%20Tuesday%2009-Dec-2014%2014.30%20Cabinet.pdf?T=9>

Background papers

EIA Appendix 2

Title	Part 1	Part 2	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

Fin	1617 102	Leg	AT2 6346 LT/2 6346 /2	Mon Off		HR		Assets		IT		Strat Proc	NA/ SPU/ 433/ CP/0 816
Originating SMT Member – Anthony Payne													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

1.0 Summary

1.1 The current Highways Managing Agent Contract (MAC) expires at the end of March 2017. Therefore, activity has been underway since May 2015 to find a successor provider of services. In November 2014 Plymouth City Council's Cabinet considered a number of options for the future delivery of Highways Maintenance Services. These options were subsequently developed as part of an Outline Business Case that provided a focus, direction and mandate to secure the future requirement for the council, in terms of the context and breadth of the Highway Maintenance Service delivery. It was considered that the Council would be best served by a transition from the existing MAC operation where the Contractor takes responsibility for managing the Highway on the Councils behalf, with responsibility for decision making and operational functionality to procuring a Term Maintenance Contract (TMC), where a Contractor is engaged to deliver physical, prescribed maintenance as directed by the Client (Council in this case). Therefore the prioritisation, management and accountability for programming is with the Council rather than the Contractor.

1.2 It was determined that this approach will provide the Council with greater control of the road network and assets, as decision making would be determined by Elected Members and Officers and management processes of the Council. It was also identified that the Council would benefit from a collaborative approach on the procurement as there are considerable synergies to affect this through authorities of The South West Highways Alliance (SWHA) . Plymouth City Council, Devon County Council and Somerset County Council Somerset, are all members of the SWHA and had similar timeframes to go to the market to re-procure their Highways TMC. Agreement was reached with these authorities to co-procure and reap the benefits of reduced costs, improved resilience and develop a 'partnership' approach to highway service delivery, a methodology that is currently promoted and endorsed by the Government and in particular, the Department for Transport (DfT).

1.3 A key change in moving to a TMC, is that the Council 'Client' will manage the TMC and work streams directly and this will significantly change and improve key service outcomes in terms of highway network performance, both in the immediate and longer term. The Council's required outcomes are predicated on the provision of safe, reliable and resilient journeys on our network for public and commercial users. Maintaining the highway and associated assets is one of the Council's biggest investments and the realisation of 'value for money' (VfM) in times of economic uncertainty with continued budget challenges is a priority of this procurement and subsequent service delivery.

1.4 Care has been taken to strictly follow current procurement regulations in selecting suitable tenderers, compiling the contract documents, negotiating with tenderers and tender evaluation. Independent assurance has been received to confirm that the procurement process is robust from Foot Anstey, who act as external legal advisors and our internal Commercial Legal Team.

1.5 This report sets out the decisions made relating to continued delivery of the service. It sets out the procurement process leading to the identification of the best overall tender.

Cabinet's approval is sought to the award of a Highways TMC for the period 1 April 2017 to 2024, with extension options to 2027 as detailed in the Part II report.

2. Introduction

2.1 In November 2014, Cabinet considered a number of options for the future delivery of highway maintenance services, following the expiry of the existing arrangements with Amey on the 31st March 2017. It concluded that the Council would best achieve its objectives if it worked in collaboration with other councils under the auspices of the SWHA, to explore options for joint procurement regarding future service delivery.

2.2 An agreement between Plymouth, Devon and Somerset was secured and a joint procurement initiated with the purpose of obtaining new highway maintenance service contracts for all three councils by 1st April 2017.

2.3 The agreed form of contract to be used was a TMC, given that three councils were collaborating and had considerable similarity regarding objectives and delivery. A key reason for a TMC in Plymouth was to re-establish internal control after a period of what will be eight years of operating a MAC. In practice, this meant that the Council will have greater direct control to discharge its highway responsibilities via the new service provider.

2.4 Changing circumstances during that period, with a new government, even greater financial challenges, increased customer expectations and fiscal constraints have led to a more demanding and competitive scenario in the highway maintenance world. The DfT, with support and buy in from the highway industry sector, developed, introduced and actively promoted a best practice efficiency initiative known as the Highway Maintenance Efficiency Programme (HMEP), aimed at ensuring good asset management for future highway maintenance intervention.

2.5 The Council has identified a need to reduce the amount of out-sourced highway services and re-establish control of the management of its network, through the establishment of an internal 'Intelligent Client'. This will enable the new service provider to focus on the physical maintenance work delivered on the ground. Consequently, a number of highway services including statutory functions, design, road and pavement inspections; inspection of utilities' street works, communications and customer services will be returned to be directly managed in-house.

2.6 This process has been communicated to Elected Members through a series of workshops, written updates and individual briefings. The workshops determined the following requirements by members

- Delivery of a performance driven contract geared to deliver Value for Money (VfM) with annual efficiency targets,

- A clear commitment from the successful bidder to engage and work with the community on the delivery of locally identified issues,
- Where legally practicable, seek to employ local people with defined targets for the number of apprentices employed,
- Where practicable, a requirement to use local small and medium enterprises and supply chain partners to support and help reinvestment in the local economy.
- “Loop closing” customer service, by which it ensures that when work is requested, we inform customers when it is physically complete and not using impersonal automated messages

The Council’s HM17 Programme Board which oversees the procurement is chaired by the Leader of the Council and has the Cabinet Members for Transport and Housing Delivery and Shadow Cabinet Member for Strategic Planning, Transport and Infrastructure.

3. Contract and Evaluation Process

3.1 The authorities chose to follow the procurement procedure referred to as Competitive Procedure with Negotiation. This procurement procedure enabled initial tenders to be received, at which point each Council had the option to either award their contract or continue with the procurement by entering into a process of negotiation, intended to address any misunderstandings or anomalies associated with the initial tender prior to then inviting submission of final tenders and then awarding following the evaluation of the final tenders. This process was chosen as it is well suited to meeting the needs of highway authorities in procuring complex, long term maintenance contracts. The process enables optimisation of tenders as ideas and initiatives can be explored in negotiations involving the client and tenderers, before making changes to the contract documents that will be used for the final bids. The negotiation process has enabled the Council to talk directly to each tenderer, which has proven beneficial in refining the final tenders and contract detail, itself.

3.2 In accordance with procurement regulations, the contract award criteria were advised to tenderers at the outset of the competitive process and were composed of three parts:

40%	Price
25%	Technical Quality
35%	Additionality

More details of the process and the evaluation methodology are contained at Appendix I, including what is meant by “Additionality”.

3.3 The process was co-designed with partner authorities and with the partnerships’ external legal advisors, Foot Anstey. Devon Audit Partnership has also been overseeing the evaluation process to add independent assurance as has the Council’s commercial legal team.

3.4 At all stages, care was taken to strictly follow current procurement regulations in selecting suitable tenderers, compiling the contract documents, negotiating with tenderers and tender evaluation. Independent legal assurance has been received to confirm that the procurement process is robust.

4. Final Award Process

4.1 Full details of the outcome of tender evaluation using the pre-defined contract award criteria are contained in the Part II report.

4.2 The tender evaluation process that has been followed was published in the tender documents. On completion of the Technical Quality evaluations including 'Additionality' and Finance evaluations, the resulting scores were added together to give a total score for each tender submission. As there is both a Quality and Price component (worth 60% and 40% respectively), the recommended tenderer will give the optimum Price / Quality balance. As such, the winning tender may not necessarily be the lowest priced submission, when price is viewed in isolation. However, the combination of price and quality ensures that the tender with the best overall score represents best overall value.

4.3 In considering multi-lot tenders, which is where tenderers bid for more than one Council contract, (as this provides the opportunity for increased value through an integrated contract delivery approach), the authorities agreed that no authority could be compelled to accept a multi-lot tender if that multi-lot tender would put the authority in a less favourable position than a higher scoring single-lot tender for that authority. In other words, this means that for a multi-lot tender to succeed, it must represent better value than all of the corresponding single lot tenders.

4.4 Somerset decided to exercise its right to award at Initial Tender stage. This meant that Somerset did not proceed to the negotiation and Final Tender stage. Therefore, the only multi-lot bids that could be submitted at Final Tender were for the two lots comprising the administrative areas of Plymouth and Devon.

4.5 Multi-lot submission for Plymouth and Devon can only be awarded if both authorities independently agree such an award. Members should note that Devon County Council's Cabinet will consider their contract award on 14th September and our announcement of the decision will be coordinated with Devon.

5. Assurance process

5.1 Many different service areas have been involved with the TMC procurement project, as indicated below:-

- Highway Services
- Procurement
- Corporate Property
- Corporate Risk
- Legal Services – Internal and Specialist External Support
- DELT Services
- Devon Audit Partnership

- Financial Services
- Human Resources

5.2 The documents for the TMC procurement have been co-designed with Devon and Somerset so the documents have been subject to a high degree of peer scrutiny and challenge.

5.3 Additionally, an external legal advisor, Foot Anstey has been jointly appointed by Devon, Somerset and PCC to assist and advise on the contract, the procurement process and the project in general. Foot Anstey has provided assurance of the procurement process and documents at key project milestones, such as at Invitation to Submit Final Tenders Stage, and now, at Contract Award.

5.4 Devon Audit Partnership has been involved in the design of the evaluation process, and has monitored performance during evaluation and moderation. They have also assisted in checking and assuring key documents and that the final outcome has been reached correctly by following the processes published in the tender documentation.

5.5 In May, 2016 Plymouth engaged 'Local Partnerships, an agency of government, to carry out a Gateway Review of the HMI7 programme. They are assessing and reviewing the programme in accordance with programme management best practice.

5.6 A Plymouth Programme Board has overall responsibility for the HMI7 Programme. It is member led with the Leader of the Council as Chair and attendance by the Highways Portfolio Holder and the Shadow Portfolio Holder. Also there is a Joint Strategic Project Board comprising Cabinet Members and senior officers from the three Councils which is providing oversight on the delivery of the procurement project.

6. Continual evolution including future collaborative working with Devon and Somerset

6.1 Collaborative work to date has primarily concentrated on the procurement of this contract, which has been done with future alignment possibilities in mind. It is acknowledged that there are likely to be advantages of continuing the collaborative working with Somerset and Devon. Collaborative work on the procurement of this contract has generated national interest within the highways sector.

6.2 Collaborative working is the core of what HMEP and the industry are seeking to achieve in looking for overall synergies and efficiencies. Collaborative working is one of the factors required to demonstrate that PCC is a high performing Highway Authority, which will enable it to maximise future capital funding provided by the Department for Transport, through its Incentive Fund.

6.3 One of the recommendations in this report is therefore to continue collaborating with Devon and Somerset in the evolution of the highway service being commissioned through the contract and also through exploiting wider joint working opportunities. The extent of the collaboration will be based on a business-like approach including an analysis of the benefits that have been derived to date from joint authority collaborative on the TMC

procurement. This analysis is yet to be carried out, however a post procurement project review will be undertaken.

6.4 Collaborative work with the other authorities in the south-west will also continue through the South West Highways Alliance, and this potentially will include procurement of some framework contracts that will enable the delivery of works not commissioned through the TMC, as well as benchmarking of services and co-design of policies.

7. Financial Considerations

7.1 The maintenance works within the new TMC will be funded from existing revenue budgets for Highways of £3,650,000.

There is a pre-committed cashable saving of £250,000 built into the Council's medium Term Financial Strategy, which can be attained through the in-sourcing of the highway management functions and a rationalisation of existing Council activities involving highway maintenance and network management .

The detailed financial considerations are covered in Part II of this report.

8. Equality Considerations

8.1 The Council is subject to the Public Sector Equality Duty ("PSED") under s.149 of the Equality Act 2010.

The Equality Act 2010 Public Sector Equality Duty requires decision makers to give due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

taking account of age, disability, race/ethnicity (including travellers), gender and gender identity, religion and belief, sexual orientation, pregnant women/ new and breastfeeding mothers, marriage/civil partnership status in coming to a decision, a decision maker may also consider other relevant factors such as caring responsibilities, rural isolation or socio-economic disadvantage.

The new contractor will be bound by standard equality clauses in the contract to ensure it does not discriminate against staff or service users, unlawfully.

9. Legal Considerations

9.1 The requirement to ensure compliance with the Public Contracts Regulations 2015 and associated legislation and case law has been taken into account in the preparation of this

report and the recommendations. Foot Anstey has provided legal support and assurance throughout this procurement in conjunction with Devon Audit Partnership and the whole programme is subject to external scrutiny from the Local Partnerships, a government sponsored agency, via a series of Gateway Review ensuring key milestones and critical paths across the procurement and programme of change are achieved.

10 Risk Management Considerations

10.1 A significant risk identified by the project team in relation to a contract of this scale lies in the attractiveness to the supply market of working with Plymouth City Council. Unsuccessful tenderers will have made a significant investment in the procurement exercise and will scrutinise the process including compliance with procurement regulations and the published process and other legal requirements. This introduces the risk of procurement challenge.

10.2 This risk has been mitigated by:

- Appointing specialist external legal advisors to support, advise and assure the procurement process,
- Ensuring that tenderers were informed of any changes to the evaluation process since the first stage of the competitive process, which began in November 2015, amended in the light of the communications with Tenderers on Friday 19th August 2016 regarding the Financial Model.
- Ensuring that all those involved in the evaluation and moderation stage have received training on the process.
- Engaging Devon Audit Partnership to oversee the development and operation of the evaluation process.
- Adopting sound project governance, including the Joint Highway Board and Plymouth City Council (HM17) Programme Board.

10.3 The final stage of contract award decision must comply with the published procurement process to be lawful and avoid procurement challenge risk elevation. Further information is provided in the associated Part II Report.

11. Options/Alternatives

11.1 Given Cabinet's previous decision on considering options for the future service delivery model and in establishing that collaboration was the best way forward, there are no legally compliant alternative options to procuring a TMC for maintaining continuity of service beyond 1 April 2017.

12. Reason for Recommendations

12.1 The TMC is a very important contract for Plymouth and a decision on contract award is required now to enable it to continue to meet its statutory duty as a local Highway Authority.

12.2 The performance of the contract significantly influences key service outcomes for highway network performance in the immediate, medium and long term.

12.3 The form of contract has been derived from HMEP advice and reflects national industry good practice.

12.4 The process that has been followed has been independently assured by various parties described in the body of this report and the recommendations provide the Authority with the best value outcome.

Tender Process

1. Procurement Route choice

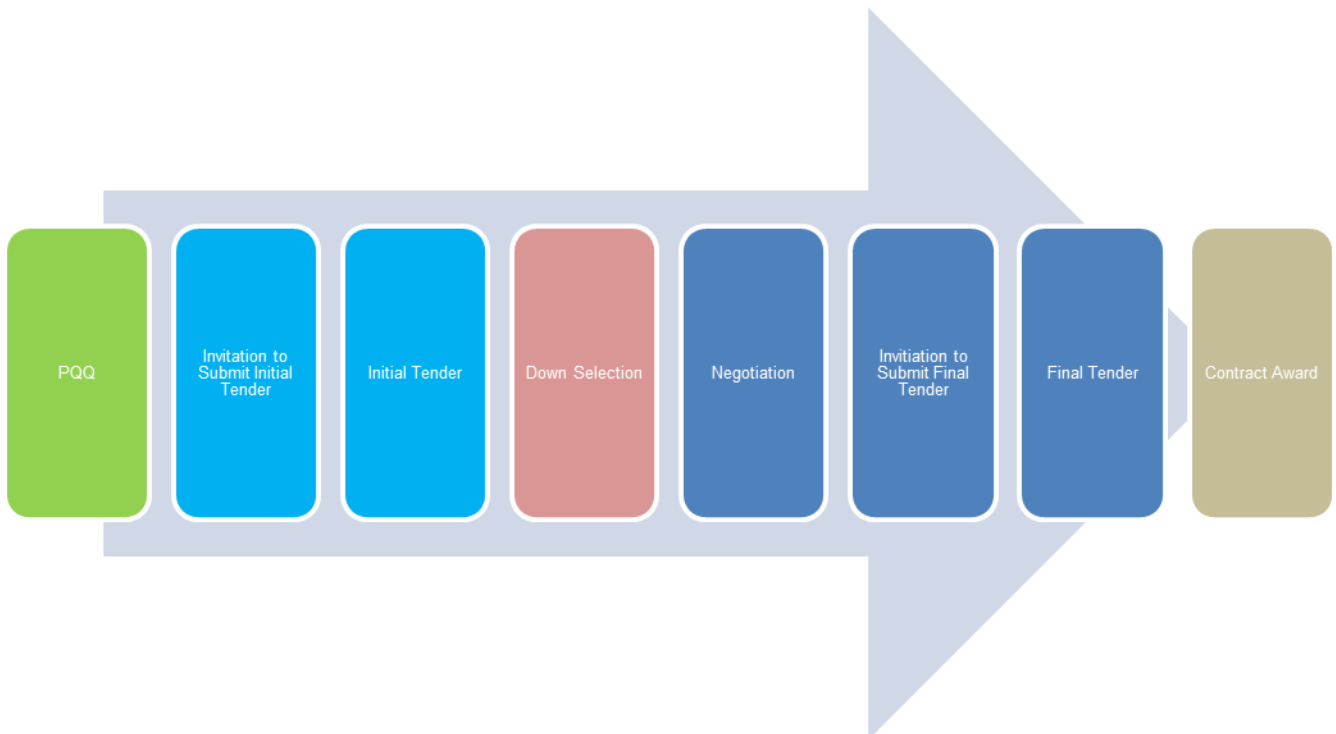
A new procedure was introduced in the 2015 Public Procurement Regulations called Competitive Procedure with Negotiation. A decision was taken that this route should be followed as

- 1 We are getting the market to move away from the traditional approach of bidding for one authority/contract to three, so there needs to be some tailoring of their normally readily available solution to do this.
- 2 We are asking the market to bring innovation to the procurement through looking at how they can best support the strategic aims and expected benefits of working within collaboration.
- 3 To bring together the knowledge of the industry to help co-design the contract.

The advantage of following this route is that the procedure offers all the benefits of a restricted procedure with additional flexibilities if required, including development of the documents through the process. The latter may also remove risk from the proposals as uncertainty can be removed and suppliers are not put off by the rigidity of alternative processes. Additionally suppliers can be “down-selected” or direct award can be made at Initial tender stage.

2. Procurement Process

This is summarised in the diagram below.



As can be seen above there are 8 main stages to the process, of which the last is Contract Award.

- PQQ was issued on 13th November 2015

- Invitation to Submit Initial Tender was issued on 25th January 2016
- Initial Tenders were received on 11th April 2016
- Following evaluation of Initial tenders all bidders were invited to Negotiate.
- Negotiation and rewriting of the contract documents took place between 17th May and 15th July 2016
- Invitation to submit Final Tenders were issued on 18th July 2016
- Final Tenders were submitted on 12th August 2016.

3. Evaluation process – Technical Quality 25%

Part of the evaluation of the tenders was on the basis of the tenderers submissions on 11 technical questions. The questions covered the following subjects

- Overall Service Delivery
- Mobilisation
- Operational Structure
- Sustainable Service
- Structural Maintenance, 2 questions
- Environment & sustainability
- Reactive Maintenance
 - Safety defects
 - Emergencies
 - Winter Service
- Cyclical Maintenance

An evaluation matrix was included in the tender documents so that the tenderers could understand how their responses would be evaluated. This matrix has been used consistently and has not been altered.

The tenderers' responses were evaluated by 25 evaluators. The staff involved were chosen for their professional and technical knowledge. All staff involved had to undergo training on how to evaluate the responses. All staff involved had to also sign confidentiality agreements. Only PCC staff evaluated the PCC submissions.

Each person had to evaluate their questions independently before the panels were formed and the scores moderated to come up with a consensus, not an average score for every question for each bidder. Moderation sessions were attended by Devon Audit Partnership to ensure the correct process was being followed.

4. Evaluation Process - Additionality 35%

Additionality was defined by the Authorities as

“The ongoing realisation of genuine benefits for the Authorities, beyond competent delivery of the Services (and which, as such, may also be fairly characterised as “value-added” components of the Tenderer’s offering).”

Additionality was measured through 8 Quality Performance Objectives (QPO's), based on three themes.

Cultural Alignment

- Partnership Principles
- Digital by Design
- Community Engagement and Social Value

Efficient Delivery

- Delivering integration and service deliveries
- Demand Management
- Supply Chain Management

Innovation and Agility

- Innovation
- Agility

The tenderers were asked to submit up to 5 Quality Undertakings for each of the 8 QPO's, as well as identifying how the undertakings were to be measured. These undertakings will form part of the contract and are also Key Performance Indicators. The QPOs were evaluated by staff as described above, although using a separate evaluation matrix, which had also been communicated to all tenderers at the start of the process and has not been altered.

To ensure that there was a golden thread on additionality, part of the technical questions were scored on the basis of the inclusion of additionality into the answers.

5. Evaluation process – Financial 40%

The overall evaluation process awards a larger proportion of the marks to the quality and additionality areas than it does to the financial submissions. In order to minimise the financial risk a sophisticated financial model was developed and used in the financial evaluation. The model capped the financial risk to PCC to ensure the solution was affordable whilst still seeking to obtain high quality.

This price evaluation process was set and communicated to all tenderers at OJEU stage and has not been altered throughout the procurement process.

The price lists that have been submitted by tenderers are based on our best estimate of the volume of quantities going through the contract in the first year. The rates submitted by tenderers have been checked to ensure that there are no obvious anomalies, that the tenders do not appear abnormally low (i.e. that the contract is not unsustainable), and individual orders have been considered to highlight any further anomalies. The formulas within the Price List have been assured by the Devon Audit Partnership. This work has been carried out in conjunction with Devon to identify any similar issues between the Authorities.

Appendix 2

Equality Impact Assessment

STAGE I: WHAT IS BEING ASSESSED AND BY WHOM?

<p>What is being assessed - including a brief description of aims and objectives?</p>	<p>Highways Term Maintenance Contract – Provision of Highways Services 01/04/17 to 01/04/24 (possible extension for 3 years).</p> <p>That Cabinet approval be given to the award of contract for the Council’s new Highways Term Maintenance Contract 1st April 2017 to 31st March 2024 in accordance with the recommendations set out in the Part II report and underpinned by the attached Business Case to that Part II report.</p> <p>2. Furthermore, to seek Cabinet approval for the collaborative work to continue with Devon County Council, Somerset County Council and the relevant contractor(s) with regard to the mobilisation and management of the proposed new Term Maintenance Contract.</p> <p>Objectives:</p> <p><u>Confident Plymouth</u></p> <p>Assert Plymouth’s status both as ‘Britain’s Ocean City’ and a primary European waterfront destination by maintaining the highway network for citizens, visitors and businesses to work in and enjoy.</p> <p><u>Growing Plymouth</u></p> <p>Deliver a value for money contract and well maintained network bringing significant benefits to the City’s economy, creating a range of job opportunities and assisting in making Plymouth an attractive place for investment.</p> <p><u>Pioneering Plymouth</u></p> <p>Plymouth Plan sets out a strategic vision of how the City will grow over the next 20 years. The highway’s management and maintenance is a critical aspect of that growth. Having a well maintained network will support jobs, businesses and the tourists, meaning the City’s economy will grow.</p>
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	<p><u>Caring Plymouth</u></p> <p>The investment made in highway maintenance ensures that the public is protected and the network is fit for purpose. Good network movement and maintained assets support the local economy and the City's citizens and visitors.</p>
Author	Adrian Trim, Head of Highways, Parking and Marine Services.
Department and service	Place, Street Services
Date of assessment	31 st August, 2016

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information (eg data and feedback)	Any adverse impact See guidance on how to make judgement	Actions	Timescale and who is responsible
Age	<p>Currently Plymouth has a population of approximately 260,000 people.</p> <p>Approximately 18% under 16, 65% aged 16-64 and 17% aged 65+ all of which place varying demands on the Highway Network.</p>	<p>During highway works network users may experience delays in traffic, carriageway and footway diversions or parking issues, affecting their ability to access services.</p>	<p>Affected households and residents of Plymouth will be notified of works through existing communication channels; public notices, temporary signage, letters, press releases and social media.</p> <p>Where required traffic management will be implemented.</p> <p>Members of the public can communicate directly with Highways, Parking and Marine Services to discuss and log Network issues.</p>	<p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services and the new provider</p>
Disability	<p>Of Plymouth's approximate 260,000 population, around 31,000 people declared themselves as having a long-term health problem or disability.</p>	<p>During highway works network users may experience delays in traffic, carriageway and footway diversions or parking issues, affecting their ability to access services.</p>	<p>Affected households and residents of Plymouth will be notified of works through existing communication channels; public notices, temporary signage, letters, press releases and social media.</p> <p>Where required</p>	<p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services and the new provider</p>

			<p>traffic management will be implemented.</p> <p>Members of the public can communicate directly in relation to queries and concerns with our Highways, Parking and Marine Services via the Councils new Customer Relations System, FIRMSTEP, which is accessible to all.</p>	
Faith/religion or belief	None Identified	No adverse impact is anticipated	N/A	N/A
Gender - including marriage, pregnancy and maternity	None Identified	No adverse impact is anticipated	N/A	N/A
Gender reassignment	None Identified	No adverse impact is anticipated	N/A	N/A
Race	None Identified	No adverse impact is anticipated	N/A	N/A
Sexual orientation -including civil partnership	None Identified	No adverse impact is anticipated	N/A	N/A

STAGE 3: ARE THERE ANY IMPLICATIONS FOR THE FOLLOWING? IF SO, PLEASE RECORD ACTIONS TO BE TAKEN

Local priorities	Implications	Timescale and who is responsible
Reduce the inequality gap, particularly in health between communities.	<p>This Service will improve highway condition for residents in many areas across the City, which in turn will:</p> <ul style="list-style-type: none"> • improve opportunities for the residents of neighbourhoods with poor health outcomes to enjoy healthier lifestyles, closing the health gap with more prosperous neighbourhoods • improve access to the to the employment market • improve access to further education 	<p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services and the new provider</p>
Good relations between different communities (community cohesion)	No adverse impact on community cohesion is anticipated. Transport links between communities will be improved.	<p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services</p>

<p>Human rights Please refer to guidance</p>	<p>This service recognises Article 14 of Human Rights Act – The right to receive Equal Treatment and prohibits discrimination including sex, race, religion and economic and social status in conjunction with the Equalities Act which includes age and disability.</p> <p>All staff and service users will be treated fairly and their human rights will be respected.</p> <p>No adverse impact on human rights has been identified.</p>	<p>and the new provider</p> <p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services + the new Highways Services Provider</p>
<p>Principles of fairness Please refer to guidance</p>	<p>The highway infrastructure is used daily by the majority of the travelling public for commuting, business, social and leisure activities and is fundamental to the economic, social and environmental wellbeing of local communities, and the City as a whole.</p> <p>The implementation of specific road treatments, tailored to the needs of specific locations, will provide a safer, more robust and resilient highway network which will support the sustainable growth of the City and aid access to opportunity for its residents.</p> <p>Objective and transparent evaluation criteria are embedded in the decision making for where in the City highway interventions are required.</p>	<p>2017/18 to 2023/24 (possible 3yr extension);</p> <p>Plymouth Highways, Parking & Marine Services and the new provider</p>

STAGE 4: PUBLICATION

Responsible Officer; Adrian Trim Head of Highways, Parking and Marine Services

Head of Service

Date 3

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