

CONTRACT AWARD FOR CONSTRUCTION OF THE COLESDOWN UNDERBRIDGE

Walking and Cycling Route



1. EXECUTIVE SUMMARY

- 1.1. We have been developing the design for an extension to the existing path which concluded at West of Colesdown Hill with steps. This extension will connect to the existing path, burrow underneath Colesdown Hill and reconnect at Elburton Road, and provide a fully accessible path.
- 1.2. The design for Construction has now been finalised and issued, and following the procurement sourcing strategy we intend to utilise the Highways Terms Maintenance Contract (TMC) through **South West Highways**. Their tender submission has been evaluated and negotiated, and we can now Award the Contract to them.
- 1.3. The contract sum for this project is **£3,874,172.15**.
- 1.4. The risk of cost increases through compensation events during construction remains and so following a quantified risk management workshop involving the client, contract manager and contractor, a risk contingency has been included on top of the construction budget. The scheme is externally funded by grant funding from Department for Transport's Active Travel Fund and Sherford major transport works Section 106.

2. BACKGROUND

This contract award relates to the continuation of the construction of the walking and cycling path, which will complete a fully accessible 3km length of high-quality walking and cycling route that stretches back to Laira Rail Bridge and beyond, whilst also provides a much needed crossing of Elburton Road.

This extension will connect to the existing path from West of Colesdown Hill, passing under Colesdown Hill, across the Holcim Aggregates site and then crossing Elburton Road.

3. PROCUREMENT PROCESS

The sourcing strategy we considered for this scheme was:

1. **Term Maintenance Contract (TMC)**, works delivered by South West Highways
2. **Utilisation of a pre-determined framework agreement** (eg SCAPE, Hampshire GEN 5; CCS; NHS; Pagabo; Procure Partnerships etc)
3. **PCC owned procurement exercise** – Invitation to Tender (advertised or non-advertised)

The recommended procurement route is to utilise the TMC contract with SWH for the reasons outlined in the Procurement Decision Record – Part II.

The alternative options to employing the TMC, as mentioned above, would add delay to any appointment, thereby impacting on the delivery timescale of the works. They also do not have all the benefits offered by use of the TMC.

4. FINANCIAL IMPLICATIONS AND RISK

The target sum for this project is **£3,874,172.15** (excl VAT).

This contract funding is met by the already approved capital budget of **£6,227,614.04**

This is made up from external grant funding and Section 106

We have introduced a construction contingency to cover any contract variations up to the maximum value, defined in the Procurement Decision Report – Part II.

5. RECOMMENDATIONS

- 5.1. To approve the award of the contract for the walking and cycling route to South West Highways for a total value of £3,874,172.15, and we will hold a contingency for any contract variations.
- 5.2. To approve any contract variations up to the maximum value of the contingency allowance set out within the Procurement Decision Report – Part II, provided the variations do not alter the overall nature of the contract.