PT4 - Committee Procurement Report

This document is to be used to identify the Procurement Strategy and Purchasing Routes associated with a project and only considers the option recommended on the associated Gateway report.

Introduction

City Procurement Project Reference:	TBC		
Project / Contract Title:	Tower Bridge – Trench Refurbishment		
Project Lead & Contract Manager:	**Mark Bailey**	**Lead Department:**	**DBE**
Category Manager:	**Hirdial Rai**	**Other Contact:**	**Paul Monaghan**
Total Contract Value (excluding VAT and inc. extension options):	**£375,000**	**Contract Duration (inc. extension options):**	**6 – 8 weeks including lead in time for materials**
Budget approved Capital/Revenue:	No Capital	**Capital Project reference (if applicable):**	**728000021**

Gateway Approval Process

- **Is this project subject to the Gateway process?** Yes

- **If so, what was the last Gateway report, and date of approval, and what is the next Gateway report and scheduled date for recommendation for approval?**

  Next Gate report is scheduled for committee approval on the 14/04/20

Opportunity for Inter-City Collaboration (is there another site/department that could benefit from this project)?
No

Procurement Strategy Recommendation

City Procurement team recommended option
Traditional approach

Route to Market Recommendation

City Procurement team recommended option
Term Maintenance Contract – Has provided competitive quotes for providing the lids and has the supply chain to carry out the works.

Specification and Evaluation Overview

Summary of the main requirements:

- The 320m length of service trench covers to the fixed spans of Tower Bridge have reached the end of their service life and are suffering from heavy corrosion.
- The existing covers are extremely heavy and difficult to lift manually and/or without damage.
- Temporary replacements to a number of covers have been necessary in recent years due to structural failure upon removal for isolated maintenance works
- Silt and detritus has accumulated within the service trenches over many years, due in part to the logistical challenges of lifting the covers for regular maintenance cleaning.
- The opportunity is being considered to replace the covers in low or zero-maintenance lightweight alternatives in composite materials, that will facilitate future maintenance and assist with compliance with modern manual handling regulations
- The opportunity will also be taken to remove accumulated silt, detritus and redundant services from the trenches, in the interests of future maintenance and resilience

Key measures of success:

1. Replacement of existing covers with lightweight alternatives that mitigate manual handling risks for maintenance operatives and facilitate regular future maintenance/cleaning of service trenches
2. Replacement of existing covers with low or zero maintenance alternatives which reduce future revenue life-cycle costs
3. Removal of redundant services and silt from service trenches to improve future servicing resilience

Technical and Pricing evaluation ratio

60% (Technical) / 40% (Price)	
Overview of the key Evaluation areas (if known at this stage): **n/a**	
Does contract delivery involve a higher than usual level of Health & Safety, Insurance, or Business risk to be allowed in the procurement strategy? • **No**	
Are there any accompanying documents with this report? *e.g. PTO/outlined project plan identifying roles and responsibilities as appropriate* **If yes, please include information in the appendices section below.**	**Yes ☐ No ☐**
Will this project require the winning supplier(s) to process personal data on our behalf?	**Yes ☐ No ☒**
If yes, please make sure you've defined roles and responsibilities within your project specification. For more information visit Designing Specifications under GDPR. You may include your Privacy Impact Assessment or other relevant report as an appendix to this PT form when submitting to category board (for information).	
Evaluation Panel – Please enter Names and Departments below (if known)	
n/a	

Procurement Strategy Options *This could include inter-departmental usage, external collaborative opportunities, existing contracts integrated once expired or adding it to an existing contract. Options for Make (In-house delivery) versus Buy (Outsource) decision to be considered; also indicate any discarded or radical options.*

Option 1: Traditional – Client Led (Single Stage)
Advantages to this Option: • **Cost certainty before commitment to build** • **Client responsible for the design development and maintain control over design** • **Contractor is wholly responsible for achieving the stated quality** • **Full design pre-tender**
Disadvantages to this Option: • **Contractor involvement in design development in this process is minimal. This was an issue in working out the method and effects of the bearing replacement works. This was resolved by including a bearing replacement contractor in the design team in a purely advisory role.** • **Procurement method is associated with greater proportion of risk carried by the client**
Please highlight any possible risks associated with this option:
Option 2: Design & Build (Single Stage)
Advantages to this Option: • **Useful method if you anticipate some design requirements which is allowed for in this contract** • **Single point of responsibility** • **Novation can benefit quality** • **Low risk to client**
Disadvantages to this Option: • **Design flexibility – request for changes will have cost/time implications** • **No flexibility for client once the contract has been signed without heavy penalties** • **Contractor can over evaluate the risk involved in a project with increased costs** • **The contractor may not have the relevant in-house experience to provide the design to the finished requirement**
Please highlight any possible risks associated with this option:

Route to Market Options: *Route to market is the way in which the City will invite suppliers to bid for the procurement.*

Option 1: Sub OJEU
Advantages to this Option: • **Advertise opportunity gain Interest from a greater pool of suppliers** • **Approaching the open market more likely to attract suitable specialist contractors** • **Increased probability that adequate competition will be realised**
Disadvantages to this Option: • **Possible large number of responses to evaluate** • **Higher level of resources required to deliver the procurement process**

Please highlight any possible risks associated with this option:
Option 2: Term Maintenance Contract (MTC)
Advantages to this Option: • **OJEU compliant contract** • **Single contractor who has a reliable supply chain** • **All costs can be predicted and standardised and easier to budget** • **One main contractor carrying out all the works under MTC this negates the need to go out to tender** • **Each job can begin much faster as you don't need to go through a tender process**
Disadvantages to this Option: • **May not be able to carry out the works** • **No option to go to another supplier if main supplier is unable to carry out the works** • **May not be a competitive quote**
Please highlight any possible risks associated with this option:

Option 3: Sole Supplier Waiver
Advantages to this Option: • **CoL have a long-term working relationship with the Term Contractor** • **Single contractor who has a reliable supply chain who can proved the bespoke lids to required specification** • **The trench lids are bespoke by replacing the lids is more cost effective than replacing the whole trench** • **All costs can be predicted and standardised and easier to budget using term rates** • **One main contractor carrying out all the works under MTC this negates the need to go out to tender** • **Each job can begin much faster as you don't need to go through a tender process**
Disadvantages to this Option: • **May not obtain competitive quotes**
Please highlight any possible risks associated with this option:

Outline of appendices

- Please list appendices here or mark 'Not applicable' if there is none.
- Items to consider appending:
  - PT0 (Project Plan with Roles and Responsibilities)
  - Data Protection Impact Assessment
  - **risk matrix here**

Report Sign-offs

Senior Category Manager Chamberlain's Department		**Date**	**Click here to enter a date.**
Departmental Stakeholder Department		**Date**	**Click here to enter a date.**