

REPORT TITLE:	B8 CONTRACT AWARD SURFACE DRESSING PREPARATION WORKS
REPORT OF:	HIGHWAY ASSET MANAGER

REPORT SUMMARY

This report recommends acceptance of a tender from Rhino Asphalt Solutions Ltd for the Surface Dressing preparation works for highways within Wirral.

The works provided under the proposed contract is to enable the Council to meet its statutory duties under Section 41 of the Highways Act 1980.

The Report supports the delivery of the Council Plan: Wirral Working Together 2023-27, specifically the themes: Safe Resilient and engaged communities, Protect our environment, people focussed regeneration and promoting independence and healthier lives.

Appendix 1 of this report is exempt from publication pursuant to paragraph 3 of the part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) because it contains or refers to information relating to the financial and business affairs of tenderers and the Council and the public interest in maintaining the exemption outweighs the public interest in disclosure.

This matter affects all Wards.

This matter is a Key Decision.

RECOMMENDATIONS

The Director of Neighbourhood Services is recommended to:

1. endorse the competitive tendering exercise that is outlined in paragraph 3 of this report; and
2. award the contract for Surface Dressing preparation works for highways within Wirral to Rhino Asphalt Solutions Ltd as the most economically advantageous tenderer for an estimated contract value of £1,300,000 for a term of 4 years with an option to extend for another year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION

- 1.1 The B8 Contract Award Surface Dressing Preparation Works will enable the Council to meet its statutory duties under Section 41 of the Highways Act 1980.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Conventional bituminous repairs could be employed, but this would be at least 50% more expensive and provide no carbon savings, as there would be more transport use, with excavating and removing spoil. Such conventional methods would also be slower, resulting in more traffic disruption.

3.0 BACKGROUND INFORMATION

- 3.1 In 2018 the Council brought highway service delivery back in-house using a small direct workforce supported by a number of tendered contracts. The continued delivery of the Council's highway service via an in-house plus top-up model, was approved by Environment, Climate Emergency and Transport Committee on 16 March 2021.
- 3.2 This is one of several contracts, which the Council needs to award in order to maintain the Council's highway service delivery provision. The contract has an indicative value of £1,300,000 based upon a hypothetical basket of works likely to be issued over the contract term of 4 years and the tendered rates. The annual contract value is estimated to be £325,000 and there is an option to extend the contract by 1 year.
- 3.3 An Open Tender was placed via the Due North Chest tendering portal. Two companies submitted a tender: Rhino Asphalt Solutions Ltd and another tenderer details of which are set out in the exempt Appendix 1. Both tenders were evaluated on price, quality and social value submissions and moderated with the Council's Procurement Team. Details of the tender evaluation are set out in the exempt Appendix 1.
- 3.4 Rhino Asphalt Solutions Ltd.'s tender represents the most economically advantageous tender received and is within the available and allocated budget provision. Previously, Rhino Asphalt Solutions Ltd has carried out similar works by direct award by way of exception and has performed well by delivering the works, on time, on budget and has met the relevant contractual performance requirements regarding quality and safety. Social Value Statements provided as part of the tender submission had realistic and achievable values.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Funding for works to be delivered under this contract comes from the Council's capital budget for highway maintenance from the annual transport settlement grant through the City Region Sustainable Transport Settlement.

- 4.2 Orders will be placed under this contract only when sufficient budget provision allows.
- 4.3 There are no additional financial implications arising from this decision.

5.0 LEGAL IMPLICATIONS

- 5.1 Section 41 of the Highways Act 1980 imposes a duty on the Council, as Highway Authority, to maintain highways at the public expense. The Council also has a devolved duty to maintain and improve Liverpool's City Region's Key Route Network in accordance with Section 6 of the Highways Act 1980.
- 5.2 The open procurement exercise for the commissioning of the contract for the Surface Dressing preparation works and the appointment of Rhino Asphalt Solutions Ltd to provide these works and services complies with the provisions of the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 5.3 A contract for the works and services will be prepared by the Director of Law and Governance to protect the Council's interests and ensure the deliverables under the contract are of satisfactory quality and standard.
- 5.4 Any future decision on whether or not to exercise the option to extend the contract for another year will need to be the subject of a separate future decision at the appropriate time.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 This proposed contract will enable the council to fulfil its statutory requirements as a highway authority. There are no additional staffing, ICT or assets implications.

7.0 RELEVANT RISKS

- 7.1 Failure to have sufficient contractor support to undertake a programme of planned highway maintenance works or reacting to defective highway conditions, as set out in the Council's Highway Infrastructure Asset Management Strategy and Policy, could result in the Council not meeting its statutory duties as set out in the Highways Act 1980.
- 7.2 Failure to award the contract would lead to a deterioration of the network condition, which could have an adverse effect not only on the number of claims against the Council, but the defensibility of those claims and potential cost implications.
- 7.3 Failure to have sufficient contractor support to undertake preparation works for maintenance and improvement works on the highway could result in reputational damage to the Council and potentially the Liverpool City Region Combined Authority and may affect future funding allocations. It would also result in a failure to support the delivery of the priorities of the Liverpool City Region Combined Authority Transport Plan. Consequently, this could result in the loss or clawback of already allocated grant funding.

7.4 Potential risks concerning performance, quality and costs will be managed and monitored over the lifespan of the contract during monthly contractor meetings.

8.0 ENGAGEMENT/CONSULTATION

8.1 The decision to proceed to contract award has no specific consultation implications.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 The Highways Structural Maintenance Programme 2024/25 Equality Impact Assessment, has been checked reviewed and is still valid and can be viewed here: –

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 Sustainable travel is at the heart of the Council's Climate Emergency declaration, and providing a safe and well-maintained highway is key to encouraging active travel, with cycling and walking. All relevant opportunities for innovation and efficiency to generate cost and carbon emission savings will be explored with the supplier during the term of the contract.

10.2 A resilient highways network is critical to the delivery of bus priority measures and high-quality walking and cycling route surfaces. As well as reducing noise and improving air quality promoting increased cycling and walking with better infrastructure will help combat climate change. By encouraging and enabling people to travel more on foot and by cycle instead of private car harmful emissions will be reduced. Promoting active travel can result in reduced emissions of Nitrogen Dioxide particulate matter and Carbon Dioxide helping to tackle climate change and improve air quality.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 Rhino Asphalt Solutions Ltd has provided a costed Social Value submission to deliver local community wealth benefits that will be monitored throughout the life of the contract.

11.2 It is considered that the B8 Surface Dressing Preparation Treatment Contract helps deliver Wirral's wider Community Wealth Building commitments to deliver a prosperous, inclusive economy that benefits residents and supports the principles of community wealth building.

11.3 The contract supports several key Community Wealth Building aims, including:
Local Employment – creation of local employment and training opportunities;
Maximising the Wirral Pound – buying supplies for schemes delivered through this

contract locally wherever possible to support business and employment. Green and Sustainable: protecting the environment, minimising waste and energy consumption and using other resources efficiently, within the contractor's supply chain.

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APPENDICES

Appendix 1- Confidential details of Tender Evaluation.

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BACKGROUND PAPERS

Highways Act 1980
Highway Infrastructure Asset Management Strategy
Highway Infrastructure Asset Management Policy

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Environment, Climate Emergency and Transport Committee	16 March 2021