

ECONOMY REGENERATION AND HOUSING COMMITTEE

26 JANUARY 2023

REPORT TITLE:	UTILISATION OF PROCURE PARTNERSHIPS FRAMEWORK – BIRKENHEAD WATERFRONT PROGRAMME, CONWAY STREET / EUROPA BOULEVARD AND GRANGE ROAD / CHARING CROSS / GRANGE ROAD WEST MOVEMENT PROJECTS
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks members' approval to delegate authorisation to the Director of Regeneration and Place to utilise the Procure Partnerships Framework to appoint a suitably qualified and experienced main contractor to develop the design and carry out the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme (at Appendix 1) and in Birkenhead Town Centre via the Conway Street / Europa Boulevard (at Appendix 2) and Grange Road / Charing Cross / Grange Road West (at Appendix 3) Movement Projects.

Town centre regeneration, transport improvements and the creation of high-quality places is a long-standing priority for the Council and is reflected in the Wirral Council Plan 2021-2026 and the Birkenhead 2040 Framework. The proposals contained in this report directly support the following key themes within the Wirral Plan:

- A thriving and inclusive economy, creating jobs and opportunities for all;
- A clean-energy, sustainable borough, leading the way in tackling the environment crisis;
- Safe and pleasant communities that our residents are proud of; and
- Healthy and active lives for all, with the right care, at the right time.

The project's aim to create an environment that is safe and attractive for both pedestrians and cyclists in order to support modal shift and address the environment and climate emergency. These infrastructure improvements will be a critical pump priming element to the ongoing regeneration plans for Birkenhead and will contribute significantly to creating a platform for further investment.

This matter affects the ward of Birkenhead and Tranmere.

This is a key decision given that its value is more than £500,000.

RECOMMENDATIONS

The Economy Regeneration and Housing Committee is recommended to authorise the Director of Regeneration and Place to:

- (1) commence a procurement exercise by way of a mini tendering process via the Procure Partnerships Framework for the appointment of a main contractor to develop the design and carry out the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme and in Birkenhead Town Centre via the Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West Movement Projects; and
- (2) approve the appointment of a main contractor under a pre-construction services agreement following completion of a tender submission

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Birkenhead Waterfront and Central Birkenhead (Town Centre) Programmes have been awarded significant funding from the Levelling Up Fund (LUF), Future High Streets Fund (FHSF), Active Travel Tranche 3 (ATF T3) and Town Deal (TD). All the Programmes are time limited. These time related pressures are exacerbated by the current inflation in construction costs and the availability of suitable contractors in a very competitive marketplace due to similar funding awards in many other authorities. Choice of the recommended procurement route and the use of a suitably qualified and experienced main contractor will bring significant benefits and efficiencies to the process, will greatly aid project certainty, ensuring that funding deadlines are met, and the Programmes are delivered as efficiently as possible.
- 1.2 The public realm and highway infrastructure projects contained in the Birkenhead Waterfront and Town Centre Programmes have been awarded significant funding from the LUF, FHSF, Active Travel ATF T3 and TD. They are key projects within the Birkenhead 2040 Framework Strategy. Birkenhead Waterfront is one of the 8 spatial priorities and the immediate Woodside location contained within this area is one of the specific catalyst projects identified.
- 1.3 Supporting the economy is a further priority and Birkenhead Town Centre plays a very important economic function as the home of the high street. The FHSF and ATF T3 projects directly support the revitalisation of the retail core alongside phase 1 of the new Business Commercial District (currently on site), as well as enabling planned high quality residential development locally and other investments.
- 1.4 Sustainable travel is at the heart of the Birkenhead 2040 Framework and emerging Local Plan. The funding streams in this report feed into a range of schemes in these Programme areas and alongside the movement focused projects are part of a wider regeneration Programme to deliver a prosperous, inclusive economy to benefit local residents.
- 1.5 The Council is already signed up to the Procure Partnerships Framework for utilisation under an existing access agreement. There are significant efficiencies in utilising the Procure Partnerships Framework to secure the appointment of a suitably qualified main contractor via a two-stage procurement process which will allow the Council to speed up the delivery of a number of individual regeneration projects across Birkenhead Waterfront and Town Centre Programme areas.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide to not to progress with the procurement exercise. This is not considered to be an appropriate option given that funding has been secured and supporting regeneration and active travel is in line with the Council's emerging Local Plan, Birkenhead 2040 and the commitments to addressing the climate and environment emergency, improving the health of Wirral's residents and encouraging alternative modes of transport to the private car.

- 2.2 The use of open tendering has been considered but discounted due to the additional time that this process would require. The utilisation of a fully compliant framework allows the Council to maintain an open and transparent procurement process whilst reducing the time taken to engage a suitable main contractor. This approach will enable delivery to be in line with that required by funding bodies whilst striving to recover lost time and maintain the required programme outcomes.
- 2.3 The Council could consider other tendering methods such as a traditional full tender using “Find A Tender” but that would risk delivery of time critical infrastructure projects to the possible detriment of Birkenhead Waterfront, Town Centre, and the Council’s emerging Local Plan. That process can be lengthy to accommodate advertisement of the scheme, assessment of interested parties, due diligence review, shortlisting and ultimate tendering; given the timeframes associated with this project it is not deemed feasible to utilise this route.
- 2.4 Furthermore there is considerable demand for main contractor services of this nature and these need to be secured without delay. All funding provided by the FHSF and ATF T3, is required to be spent by 31st March 2024 therefore it is imperative to avoid further delay and commence activity to develop and deliver the projects.

3.0 BACKGROUND INFORMATION

- 3.1 On 27 October 2021, the Council received notification of the outcome of its submission to the first round of the Department of Levelling Up, Housing and Communities (DLUHC) LUF. This announcement set out that the Council had received its full requested allocation of £19,648,873 for a package of projects at Waterfront.
- 3.2 The Liverpool City Region Combined Authority (LCRCA) has also been successful in its application to the LUF for £37,520,000, for a package of strategic transport infrastructure projects across the City Region, including projects as part of the Central Birkenhead Gateway. The Wirral allocation of the City Region LUF is £9,700,900. The Council has also been awarded £2,225,000 of funding from the LCRCA as part of the ATF T3 to support the delivery of the Conway Street / Europa Boulevard Movement Project.
- 3.3 On 26 December 2020, the Council received notification of the outcome of its FHSF submission to the then Ministry of Housing, Communities and Local Government. This set out that Birkenhead was one of only 15 areas nationally that had received its full requested allocation. This award of £25,581,011 will support the regeneration of Birkenhead Town Centre into a diversified, mixed-use centre with a new modern market, new homes and a series of highways, connectivity and public realm projects.
- 3.4 A successful TD bid of £3,031,380 will also fund elements of the Waterfront Programme and delivery will be designed to be seamless across this package of funding elements with the time critical appointment of a single main contractor appointment who will co-ordinate all of the interventions across this combined regeneration bid area.
- 3.5 A main contractor is required to utilise LUF, ATF T3, FHSF and TD funding and implement extensive public realm, active travel and highway infrastructure projects to bring significant regeneration benefits to the Birkenhead Waterfront and as part of

the Birkenhead Town Centre programme highway, active travel and public improvements at Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West. The main contractor would be the vehicle to bring together a wide range of technical and experienced professionals to complete the design of the various interventions to be consulted upon and delivered. Having one contractor support / deliver the Waterfront and Town Centre Birkenhead Programmes will enable significant benefits from a cost and efficiencies perspective as well as enabling improved network management and co-ordination which will minimise disruption as much as possible.

- 3.6 Given the scale and ambition of Wirral's regeneration programme and the importance of evidencing delivery capability for the project, it is vital that the wider project team includes individuals with significant expertise and relevant experience when part of the collective design and construction team, can think innovatively and creatively to meet the client brief. This is a once in a lifetime opportunity to act as the catalyst for change in Birkenhead. The appointed main contractor will be responsible for driving forward an ambitious and innovative approach to placemaking. The successful bidder will need to marry technical excellence with an inclusive approach to placemaking as the animation of the public realm space will be as important as the infrastructure works.
- 3.7 Officers have already tested the market and held early contractor engagement meetings which has established that the market remains buoyant and there is an appetite within the marketplace for the proposed developments.
- 3.8 It is considered that a main contractor should be selected via a competitive two stage tender process, procured via the Procure Partnerships North West Framework for projects in excess of £15m. The procurement of the main contractor should be broken down into delivery interventions in line with the anticipated programme of works required to align with the funding partner requirements. This framework presents three main contractors who have the necessary skills, knowledge and experience to carry out the works, all of whom have expressed a wish to be invited to submit a competitive tender. The three framework contractors are:
 - Galliford Try Limited;
 - John Graham Construction Limited; and
 - John Sisk and Son Limited.
- 3.9 All three contractors will be invited to submit a Bona Fide Tender on the following basis:
 1. Initial works for Conway Street and Grange Road Schemes currently at RIBA Stage 3. A fully priced submission is required;
 2. The Birkenhead Waterfront Development Programme, currently at RIBA Stage 1, will require
 - Pre-construction Services Agreement fee;
 - On-site Preliminary works; and
 - Fixed Overheads & Profit.
- 3.10 The appointed main contractor will be expected to deliver tasks as identified in the RIBA 3 and 4 stages of work for the Waterfront Programme. In relation to the Town

Centre schemes the main contractor will be expected to deliver tasks as identified in RIBA 4 only, as the existing design work on these is further advanced.

- 3.11 In order to seek to reduce the anticipated programme length the key tasks within the scheduled work programme have been scrutinised to ensure that the Council would be compliant in respect to both delivery / spend deadlines. In consideration of this there is a need to keep the procurement timescale to the absolute minimum in order to adhere with grant funding agreements.
- 3.12 All of the above equates to a sound case for utilising the selected framework that will bring considerable speed and efficiency to delivery of this time critical project. Any slippage, given the timing constraints, will risk reputational and financial damage to the Council and hinder the success of future funding bids for regeneration projects which must be mitigated by the action as proposed. Table 1 below sets out the high-level budget allocations, funding streams and timescales for the various schemes.

Table 1

Programme	Scheme Name	Funding Stream	Funding allocation	Forecast detailed design (RIBA 4) completion	Forecast scheme opening	Final spend deadline
Town Centre Birkenhead	Conway St / Europa Boulevard / Claughton Rd	FHSF / ATF T3 / Private Sector Contribution	FHSF – £3,904,059 Active Travel – £2,225,000 Private Sector – £1,170,000 Total - £7,299,059	APR-23	MAR-24	NOV-24
	Grange Rd / Charing Cross / Grange Rd West	FHSF	£2,969,245	APR-23	MAR-24	MAR-24
Waterfront	Argyle Street	LCRCA LUF	£9,700,900	MAR-24	MAR-25	MAR-25
	Woodside Area	Wirral Council LUF	LUF - £8,805,350 WMBC Local Contribution - £1,119,407 Total - £9,924,757	MAR-24	MAR-25	MAR-25
	Hamilton Square / Hamilton	TD	£3,031,380	MAR-24	MAR-25	MAR-25

	Station Plaza					
	TOTAL		£32,925,341			

4.0 FINANCIAL IMPLICATIONS

- 4.1 The Council has been successful in securing external funding from FHSF, LUF, ATF T3, and TD to support the delivery of the Birkenhead 2040 Framework. The total funding in relation to this package of projects is detailed in Table 1 and exceeds £32.9million. The FHSF and ATF T3 element must be incurred by March 2024, LUF by March 2025 (by exception) and TD by March 2026.
- 4.2 The appointment of the main contractor for the Birkenhead Waterfront and Town Centre Programmes are subject to negotiation / finalisation as part of the contract award process, however these costs will not exceed the budget allocation in place for this specific contract, which forms a component of the overall programme budget. Expenditure will be incurred in line with the requirements of the funding streams available, which will cover the costs in full.
- 4.3 Future revenue maintenance costs will be met from the Highway Maintenance Revenue Budget. Highways maintenance colleagues are part of the project team to ensure that work is undertaken and designed in line with the council's highway asset management principles to ensure value for money. Capital investment as part of these projects will result in reduced revenue maintenance liabilities and the value of this will be calculated going forward as part of life cycle planning as the design work and costings are developed further in 2023 in conjunction with the relevant design teams.

5.0 LEGAL IMPLICATIONS

- 5.1 The Public Contracts Regulations 2015 ("the 2015 Regulations") provide at paragraph 33 (8) that a framework agreement shall be performed in the following way:
- (c) where not all the terms governing the provision of the works, services, and supplies concerned are laid down in the framework agreement, through reopening competition amongst the economic operators which are party to the framework agreement" (i.e. a mini / further competition).
- 5.2 Carrying out a mini completion would ensure compliance with the 2015 Regulations.
- 5.3 The Council has statutory duties as defined by the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Act and the Traffic Management Act 2004. All highway schemes will require technical approval by the Director of Neighbourhoods to ensure these statutory duties are complied with.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The programmes will be managed respectively by existing staff from within the Council's Regeneration and Place Directorate and Neighbourhoods Services Directorate, supported by the Regeneration Programme Management Office.

- 6.2 Existing staff resources will be used for the project development, detailed investigation, design and supervision of these schemes, supplemented by the external specialist support which is the subject of this report.
- 6.3 The Council has established working groups to support the Waterfront Programme delivery including a range of local stakeholders and officers from the Liverpool City Region Combined Authority, to ensure that any project dependencies or resourcing issues are addressed at the earliest opportunity. Various project teams are also set up to support the delivery of the projects in Birkenhead Town Centre and there is commonality across the teams in terms of key Council staff coordinating this combined package of works.
- 6.4 Future maintenance and cleansing of the completed schemes will be undertaken by the arrangements in place through Neighbourhood Services. No new highway will be created by the proposals, but carriageway space will be re-allocated for footways and cycle tracks.

7.0 RELEVANT RISKS

- 7.1 The Council recognises that risk management is essential in good decision making and is a critical element of good governance. The Council continually develops its risk management processes to proactively and effectively manage risk.
- 7.2 The Council has recently established a Project Management Office (PMO) dedicated to the Regeneration and Place directorate. The PMO has oversight of all Waterfront and Town Centre projects and will ensure that they align with the Council's corporate policy to managing risk.
- 7.3 A programme Risk Register has been developed, informed by individual Risk Registers for each project. These will be updated throughout the programme lifecycle through the Council's Regeneration Programme Management Office, in order to assist the Council in identifying, controlling and managing risk.
- 7.4 The major immediate risk is the delay in appointing a main contractor for the identified projects and the subsequent delay in delivery and external funding spend. The most time critical of the funding streams is the FHSF and ATF T3 which must all be spent by 31 March 2024. LUF must be spent by March 2025. The recommendations within this report are framed with a view to mitigating this risk.
- 7.5 The current macro-economic picture is dictating significant increases in inflation and cost of materials which may impact the total cost of works. If cost increases do materialise, the scope of the projects will decrease to ensure that the total cost does not exceed the value of the grant received.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultations will be undertaken in accordance with the following guiding principles:
- It should be at a time when proposals are at a formative stage;
 - Must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;

- Those consulted should be made aware of the factors that are of decisive relevance to the decision;
- Any consultation will be as accessible as possible;
- Adequate time should be given for consideration and response; and
- The product of the consultation should be conscientiously considered by the decision makers in finalising their statutory proposals/ when the ultimate decision is taken.

- 8.2 Wirral Council has a statutory consultation process that is required for the undertaking of work on the adopted highway which will require public consultation, objections to which would be considered under the Scheme of Delegation in the Council's Constitution.
- 8.3 The Have your Say consultation portal will be used to seek views from residents and stakeholders. This will be promoted via Wirral View, social media and press releases. Consultation will also be undertaken directly by email with wider stakeholders including the Emergency Services, Freight Transport Association, Road Haulage Association, Merseytravel and Wirral's Active Travel Forum. Letters / plans will be delivered to residents living within the vicinity of the schemes, informing them of the proposals and giving them the opportunity to provide comments / support / concerns / objections at the appropriate stages as the ongoing design work evolves.
- 8.4 The Wirral Active Travel Forum is a formally constituted group which meets quarterly with interested public and private organisations and individuals, to support active travel as a simple, low cost and effective way for people to access life opportunities whilst increasing levels of physical activity in their day-to-day life. Membership of this group is open to all and the forum will continue to be engaged as these programmes develop.
- 8.5 An 8-week consultation period commenced in March 2021 for the Birkenhead 2040 Framework. Over 70 per cent of respondents strongly agreed or agreed that works to the Woodside Gyratory are important for Birkenhead and a number of respondents highlighted the value of the Woodside waterfront and ferry service. Feedback received throughout the public consultation has been used to inform the Levelling Up Fund proposals.
- 8.6 As projects within the programme are developed, these proposals will also go through engagement and consultation as part of initial design and the statutory approval and planning process as appropriate to each project. Early initial engagement on the Waterfront schemes was undertaken in Q4 2022.
- 8.7 Consultation is underway for the Grange Road / Charing Cross scheme and due to commence in January 2023 for the Conway Street / Europa Boulevard Scheme. Further consultation will also be undertaken via a statutory consultation process that is required for the undertaking of work on the adopted highway.

9.0 EQUALITY IMPLICATIONS

- 9.1 The 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 (EIA) 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 potential impact of the Levelling Up Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy and no material amendments have been made. Equality implementations are also embedded into the Council's procurement policies and procedures.
- 9.3. Whilst there are no equality implications arising from this report, the associated actions arising from the delivery may need to assess any equality issues and mitigate any negative impact that may emerge. Any associated EIA will be done at the earliest possible stage.
- 9.4 A copy of the EIA for Wirral's Economic Strategy can be viewed at:
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021-0#overlay-context=communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The content and recommendations contained within this report are expected to reduce the emissions of greenhouse gases. This will include, as appropriate, infrastructure improvements to reduce car dominance and create a safer environment for road users and pedestrians, and environmental and climate considerations within the Council's Social Value strategy to be used within the procurement of future contractors.
- 10.2 Gear Change Cycling Strategy produced by Government in Summer 2020 identifies that mode shift to active transport is one of the most cost-effective ways of reducing transport emissions and that meeting the targets to double cycling and increasing walking would lead to savings of £567million annually from air quality alone and prevent 8,300 premature deaths each year in England and provide opportunity to improve green spaces and biodiversity.
- 10.3 The Procure Partnerships Framework sets out clear sustainability, environmental and innovation targets that contractors must achieve in the short term as part of carrying out works packages. Contractors on the framework have signed up to these under the framework agreement and are monitored robustly on their performance through formal monthly KPI reporting.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building reorganises local economies to be fairer and stops wealth flowing out of communities. Striving for a prosperous and inclusive economy where local people can get good jobs and achieve their aspirations, the Council aims to create an economy that benefits all of our residents and one which keeps money within Wirral. The Council's Community Wealth Building Strategy is a key part of how this is achieved and makes a major contribution to improving the economic, social and health outcomes of the borough.
- 11.2 The projects developed by the design leads will revitalise Birkenhead ensuring that more wealth is invested and stays within our Borough. The involvement of local Community Interest Companies will help build a more resilient local community and

support community organisations. Future procurement exercises will build the wealth of our local communities where we will strive to maximise social value activity through creation of local employment/ training opportunities and local labour/spend to maximise the Wirral pound. The request for quotation evaluation criteria has a 10% built in award weighting for social value.

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APPENDICES

Appendix 1 – Waterfront Programme Combined Scheme Boundary
Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary
Appendix 3 – Grange Road / Charing Cross / Grange Road West Scheme Boundary

The appendix files may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact David Marsh (davidmarsh@wirral.gov.uk) if you require documents in an accessible format.

BACKGROUND PAPERS

Wirral Plan 2021-2026
[Wirral Plan 2021-2026 - Wirral Intelligence Service](#)

Birkenhead 2040 Framework
[Birkenhead 2040 Framework | www.wirral.gov.uk](http://www.wirral.gov.uk)

Wirral Council – Levelling Up Bid
Wirral Council – Future High Street Bid
Wirral Council – Town Fund Bid
Wirral Council – Active Travel Tranche 3 Fund Bid

Terms of Reference

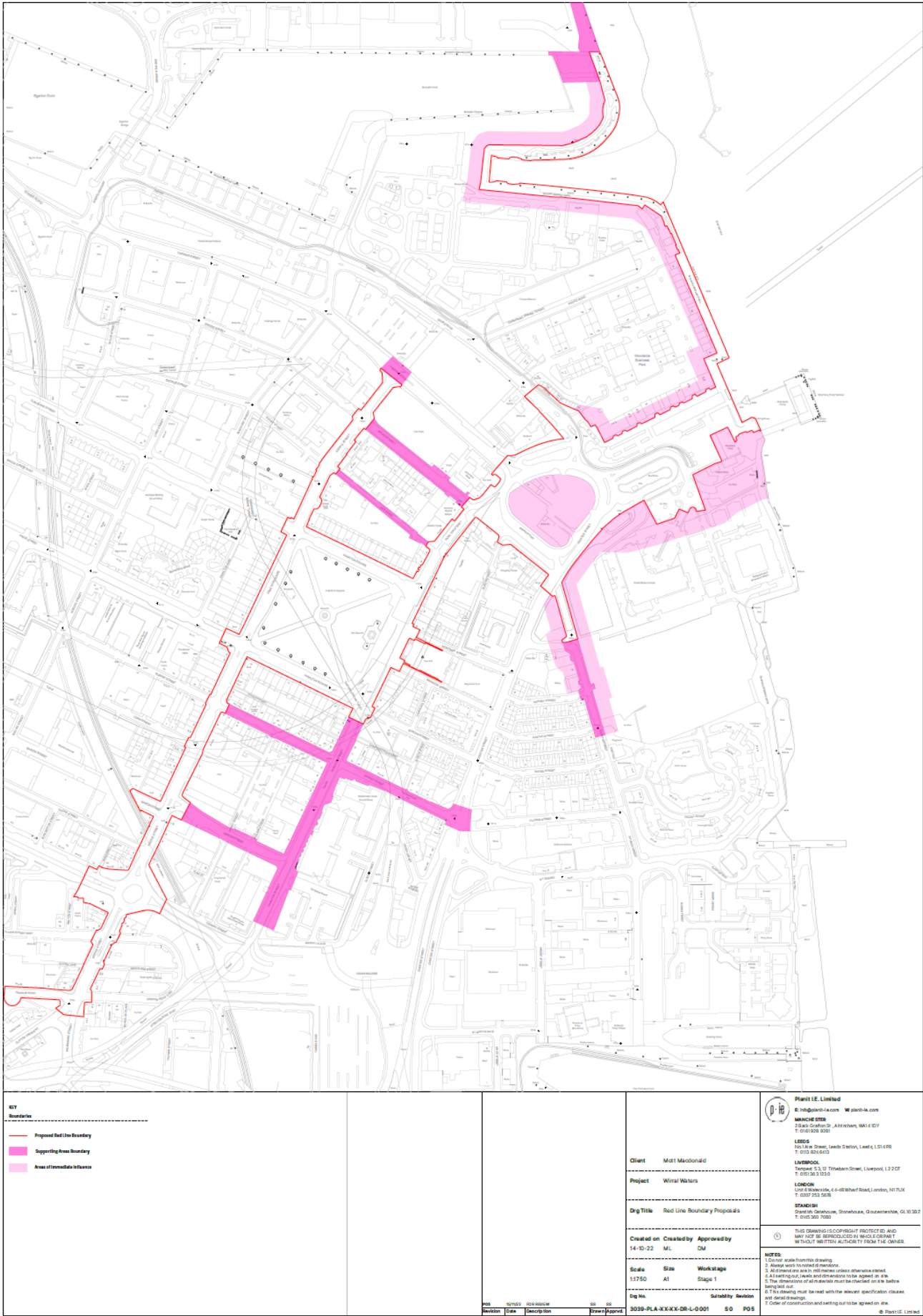
The report is being considered by the Economy, Regeneration and Housing Committee in accordance with section 4.2(a) and (g) of its Terms of Reference:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;

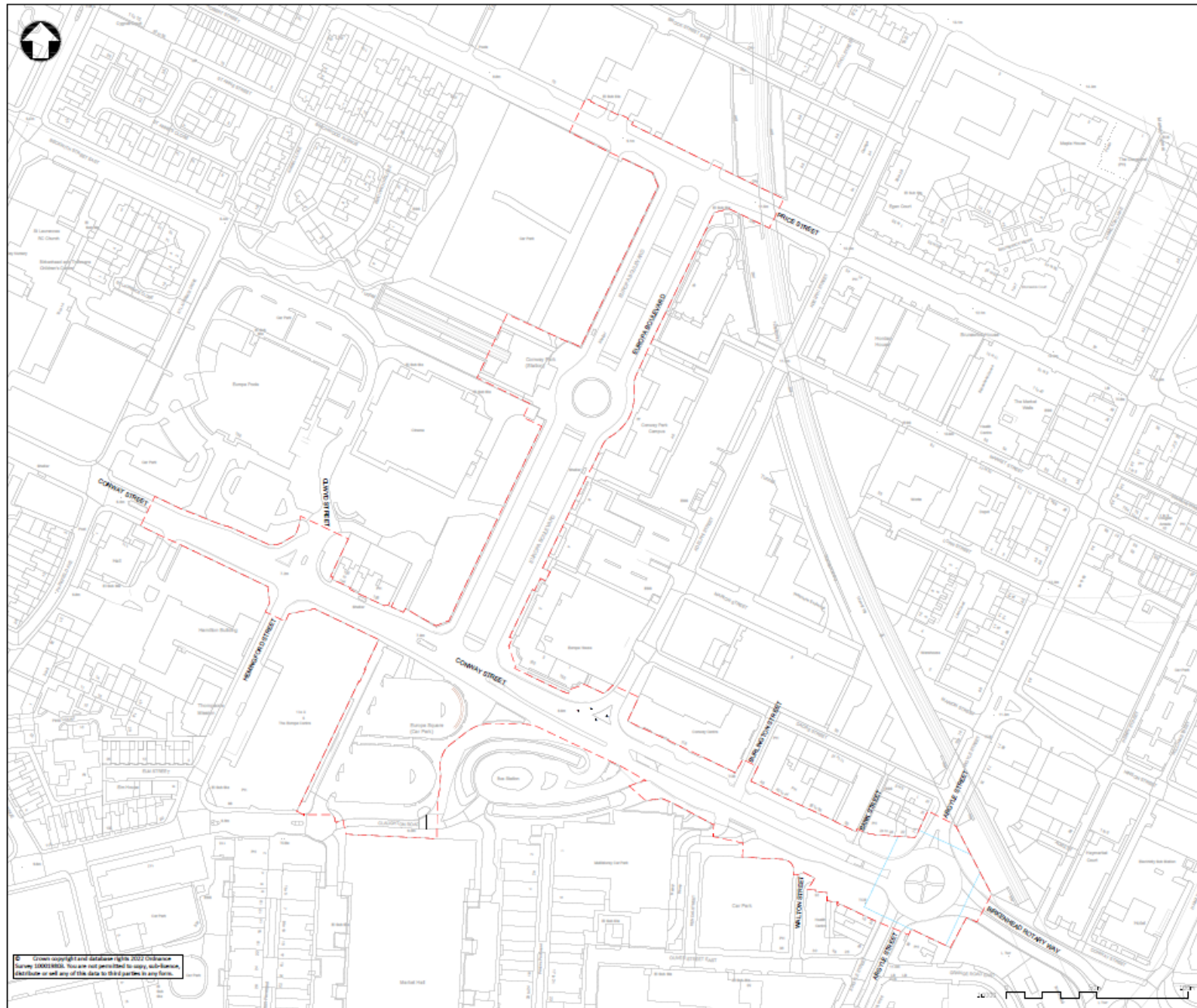
SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Town / High Street Funds: Future High Street Fund - Regeneration & Development Committee	4 March 2021
Town / High Street Funds: Future High Street Fund - Policy & Resources Committee	17 March 2021
Levelling Up Fund - Officer Decision Notice	15 February 2022
Active Travel Tranche 3 – ERH	19 October 2022
FHSF Movement Projects – ERH	19 October 2022
FHSF Movement Projects – ECET	20 October 2022

Appendix 1 – Waterfront Programme Combined Scheme Boundary & Associated Study Areas (Shaded)



Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary



Appendix 3 - Grange Road / Charing Cross / Grange Road West Scheme Boundary

