

Agenda Item No. 6(j)

DERBYSHIRE COUNTY COUNCIL

CABINET

16 November 2017

Report of the Strategic Director – Economy, Transport and Environment

**A61 WHITTINGTON MOOR ROUNDABOUT IMPROVEMENTS –  
ENGAGEMENT OF BALFOUR BEATTY THROUGH SCAPE NATIONAL  
FRAMEWORK (HIGHWAYS, TRANSPORT AND INFRASTRUCTURE)**

(1) **Purpose of Report** To seek Cabinet approval, under Protocol 2 of the Council's Financial Regulations, to use the Scape national procurement framework for the delivery of improvements to the A61 Whittington Moor roundabout.

(2) **Information and Analysis**

**Background**

The County Council is a shareholder and a founder member of Scape, which offers local authorities and other public bodies across the UK access to six different procurement Frameworks for the built environment.

This has proved to be a flexible, yet cost-effective way of procuring urgent and/or specialist services that allow for the early involvement of a contractor to plan and develop project proposals. Scape has also helped to add to the resources of the County Council's in-house contractor where appropriate. At its meeting on 13 December 2016, Cabinet agreed to the award of works to Balfour Beatty, under the Scape Civil Engineering and Infrastructure Framework, for retaining wall repairs, surface dressing and specialist highway repairs at various locations across the County (Minute No. 390/16 refers). The business case for using Scape was prepared as part of that report and was approved by the Director of Finance and the Director of Legal Services. Should further projects be considered suitable for the Framework, it was agreed that a report would be brought to Cabinet for approval.

Plans for improvements to Whittington Moor roundabout have been in preparation for a while. The roundabout sits on the A61 north of Chesterfield town centre and its operation is of prime importance to the highway network in and around the town, as well as a diversion route whenever there are problems on the nearby M1 motorway.

The existing roundabout is a large, six arm junction with three lanes on the circulatory carriageway. Because of its size and the number of often conflicting traffic movements, the roundabout suffers from a high accident rate. Plans to reduce both accident levels and frequent delays have considered many different ideas including signalisation of some or all of the arms and a prohibitively expensive north-south flyover.

Funding for the project is mostly from the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Enterprise Partnership which is contributing £3.24M towards the estimated £4.86M total project cost. The balance of the funding will be found from local contributions from the County Council's capital resources.

Consultants AECOM are in the process of drawing up options before agreeing the solution with the County Council before preparing detailed plans to allow construction of the works. Traditionally, it was the case that, only once the design documents were complete that a contractor would be appointed. However, there are a number of advantages in Balfour Beatty being confirmed as the main works contractor at this early stage, through the Scape Framework, for the following reasons:

- Early appointment of the contractor will influence the detail of the design of the new roundabout. This is essential to maximise buildability and to reduce delays during the construction period.
- Traffic management during the works will make up a significant proportion of the overall project costs, so involvement of the contractor in developing the proposals will help to minimise the overall costs.
- Greater confidence in the overall project cost can be had from early contractor involvement. As the D2N2 contribution is fixed, this will minimise the risk of the final costs exceeding budget estimates and necessitating the addition of extra County Council funding to the project.
- Balfour Beatty has an excellent track record for planning and managing health and safety risks both nationally and for its Derbyshire highways projects over the past couple of years.
- Early engagement will help to ensure that an early start is made in the New Year to meet funding deadlines and that the works will be completed as soon as possible to minimise delay to users of the highway network.

Scape Framework principles are centred around an open book approach, meaning that the Council can scrutinise all tenders, prices and other information associated with the project. Value for money is achieved through competitive tendering with a minimum of three suppliers or subcontractors, with the supply chain being agreed with the Council. Performance indicators help to ensure that as much spend as possible is made locally.

Balfour Beatty will manage and deliver the work for the County Council, charging overhead and management fees of 2.5% and 9% of the works costs respectively. A further 0.25% fee will be paid to Scape to cover Framework management costs, which includes a half price discount because of the County Council's position as a stakeholder. For a contract valued at £4.86M in total, these fees would be calculated at approximately £500,000. These rates, which were tendered via OJEU for the Scape Framework, cover the planning and management of the separate sub-contracts and, on a complex and sensitive part of the highways network, are considered to offer value for money. All fees are included in the £4.86M budget.

It is therefore recommended that, in the interests of ensuring an effective proposal that minimises disruption and ensures greater confidence in outturn costs, Balfour Beatty is appointed through Scape to engage early with AECOM and to carry out the works at Whittington Moor roundabout.

**(3) Financial Considerations** The Scape Framework is compliant with EU procurement legislation. The Civil Engineering and Infrastructure Framework was awarded in compliance with the EU Public Procurement Regulations, following publication of a Contract Notice in the Official Journal of the European Union.

The expenditure via the use of the Framework is expected to be up to £4.86M, including Framework fees and allowing for design costs and supervision fees.

Expenditure for this contract will be met from the D2N2 Local Enterprise Partnership and from the County Council's Local Transport Plan budget. The business case for using the Scape framework has previously been approved by the Director of Finance and ICT and the Director of Legal Services.

**(4) Legal Considerations** To enable the County Council to utilise this Framework, the Council will have to enter into an Access Agreement with Scape. Call-offs under the Framework will be dealt with by way of a mini-competition.

The use of a non-Derbyshire County Council Framework, under Protocol 2 of the County Council's Financial Regulations, is a two stage process; approval is required from Cabinet firstly to use the Framework and secondly to make an award of contract under the framework. It is, however, considered appropriate in the circumstance referred to in the report of 13 December 2016 (Minute No. 390/16 refers) for the award of contracts relating to Jet Patching and Surface Dressing to be delegated to the Strategic Director – Economy, Transport and Environment, in consultation with the Cabinet Member – Highways, Transport and Infrastructure.

(5) **Social Value Considerations** Scape's Frameworks are committed to extensive use of local suppliers, ensuring that a significant proportion of project spend finds its way back into the local economy. The Frameworks incentivise local investment, offer upskilling and training support, fair and prompt payment and the use of small and medium enterprises. In addition, the framework actively promotes social benefits from the expenditure and has a track record of providing local employment and apprenticeship opportunities.

### **Other Considerations**

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(6) **Key Decision** Yes.

(7) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(8) **Background Papers** Held on file within the Economy, Transport and Environment Department. Officer contact details – Geoff Pickford, extension 38194.

(9) **OFFICER'S RECOMMENDATIONS** That Cabinet approves, under Protocol 2 of the Council's Financial Regulations, the use of Balfour Beatty through the Scape Civil Engineering and Infrastructure Framework for the delivery of improvements to the A61 Whittington Moor Roundabout.

**Mike Ashworth**  
**Strategic Director – Economy, Transport and Environment**