

CABINET

23 January 2024

Title: Procurement of Culvert Repair Works at Choats Road, Barking	
Report of the Cabinet Member for Public Realm and Climate Change	
Open Report	For Decision
Wards Affected: Barking Riverside and Thames View	Key Decision: No
Report Authors: Nick Davies Specialist Services Manager, My Place Richard Rollison - Senior Construction Manager, Be First	Contact Details: Tel: 07773 090029 E-mail: Nick.davies@lbbd.gov.uk E-mail: richard.rollison@befirst.london
Accountable Director: Rebecca Johnson, Director of Public Realm	
Accountable Executive Team Director: Leona Menville, Strategic Director, My Place	
Summary: Choats Road is in the south of the Borough and is a crucial gateway to the Barking Riverside / Thames View area as well as being a key logistics route to the Dagenham Dock area. The road itself is carried over the Gores water by a twin bore corrugated steel Armco type culvert bridge, located just west of Reef Street. The internal corrugated structure of the culvert bridge was identified on a routine inspection as deforming, potentially leading to voids forming above it which, over time, affect the stability of the road above and may ultimately require its complete closure if remedial steps are not taken. This report sets out proposals to procure a contractor to carry out the necessary repair / strengthening works to the culvert bridge and the funding requirements for the works.	
Recommendation(s) The Cabinet is recommended to: (i) Agree that the Council proceeds with the procurement of a contract for repair / strengthening works to the culvert bridge at Choats Road, Barking, in accordance with the strategy set out in the report; and (ii) Delegate authority to the Director of Public Realm, in consultation with the Cabinet Member for Public Realm and Climate Change, the Strategic Director of Resources and the Head of Legal, to award and enter into the contract and all other necessary or ancillary agreements to fully implement and effect the	

proposals, subject to the necessary budget provision being in place to meet the full cost of the project.

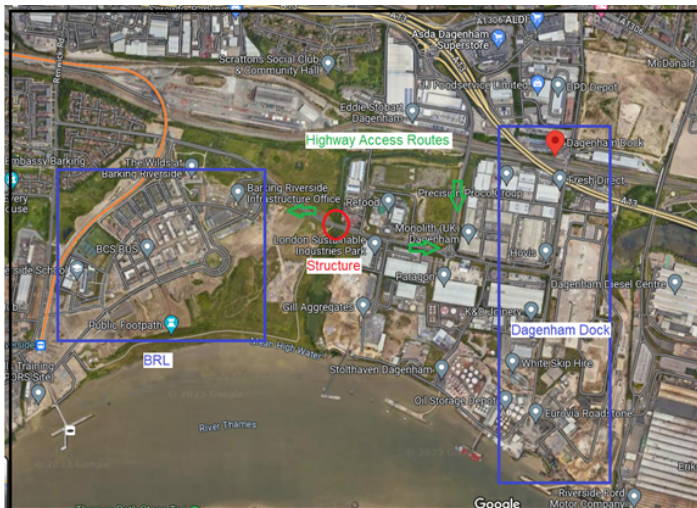
Reason(s)

To accord with the Council's Contract Rules for contracts with a value exceeding £500,000.

1. Introduction and Background

- 1.1 Choats Rd in the south of the borough is a major road artery into Barking and is also on a bus route. The road is carried over the Gores Brook by a twin bore corrugated steel Armco type culvert, located just west of the Reef Street. Unfortunately, a recent inspection by the borough's consulting civil engineers (Arcadis) has identified that voids are forming under the concrete culvert slab which supports the road in both its east and west spans. These voids will continue to grow as more material escapes from under the slab, with the rate of material loss being unpredictable, but significantly higher during storm water and events. Whilst a minimal number of defects are currently visible in the carriageway above at present. Eventually it will reach the point where the concrete slab will be unable to support the weight of the road above and fail. The culvert cannot therefore in the long term be safely relied upon to provide adequate support to Choats Rd. Initially localised carriageway failures are likely to occur, however ultimately the complete failure of culvert and collapse of the road above will occur.

Location (Google):



- 1.2 Choats Rd and the culvert that supports it, provides a crucial gateway into the Barking Riverside Developments 25,000 new homes, 5,000 new business opportunities and new transport hub, alongside being an essential gateway and logistics route to Dagenham Dock, the agreed 3 major market relocations and Dagenham Free Port aspirations.
- 1.3 The value of these opportunities and investments to the Borough are significant in both prestige and the associated economic activity they bring, forming a crucial part

of our Borough Regeneration and Transformation. Therefore, the repair of the damaged structure restoration back to its full loading capacity is a priority.

- 1.4 In addition to the disruption to traffic, public transport and the knock on affects to both residents and local businesses. Any defect in the road itself and a sudden failure itself could have potential safety consequences. Furthermore, such a sudden unplanned and unmanaged failure of the road could attract significant adverse publicity.
- 1.5 To mitigate against the risk of such an unplanned and unforeseen failure, whilst we looked at long-term options and solutions. A regular weekly monitoring programme has been established to assess any changes to the condition of the road. Through this and following our engineer's advice, we have removed the HGV's and BRL logistic route vehicles which used the bridge deck on a daily basis so as to extend the lifespan. Whilst maintaining the essential wider needs of our Emergency Services and Public transport necessities. These restrictions will remain in place while we procure the works.
- 1.6 Arcadis were commissioned to produce a feasibility and options appraisal examining options to repair and replace the culvert. The feasibility and options appraisal considered three options, as briefly described below.

Do Nothing – The option of doing nothing was considered but rejected as whilst the remaining life of the culvert cannot be accurately predicted, it is nonetheless known that complete failure will occur at some point in the near future. Such failure would result in the complete unplanned closure of the road, which is a major traffic route into the borough as well as significantly adversely impacting local bus services.

Repair/Strengthen existing culvert – This option comprises lining the existing culvert with a GRP lining. The estimated cost of this work is £850,000.00, the works would take approximately 12 weeks to complete and could be carried out whilst keeping Choats Rd open in both directions. The repair solution would have a design life of 120 years.

Replacement of existing culvert – This option involves demolishing the existing culvert and building a new concrete culvert using the cut and cover technique. The estimated cost of this work is £7.2million and would take 12 months weeks to execute on site. However, the work in relation to this option could not be undertaken whilst Choats Rd remains open to traffic, it would therefore be highly disruptive. Again, this solution would have a 120-year design life.

- 1.7 Based on this feasibility and options appraisal the option to repair and strengthen the culvert through GRP lining is being progressed.
- 1.8 To implement the above option it will be necessary for the borough to procure the services of a specialist civil engineering contractor to undertake the works. The strategy and detailed proposals for this are set out further within the report.
- 1.9 The award of the engineering works contract would usually be a Cabinet Decision as it exceeds £500,000. Tenders for these works are anticipated to be issued and

returned in January 2024, for works to commence on site in Spring 2024. It is hoped to get the works complete before the middle of next year, so as to complete the works ahead of the next Autumn and Winter periods. However, based on this timescale there may be insufficient time to award the contract in the usual way. Therefore, Cabinet is asked to delegate the decision to award the contract down to the Director of Public Realm, in consultation with the Cabinet Member for Public Realm and Climate Change and the Strategic Director of My Place, authorising them to enter in contract for the works provided it is within budget.

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured

2.1.1 Delivery of the repair and strengthening works will require the procurement of a specialist contractor to complete the detailed design and execution of the GRP lining works. The building works will be procured via a design and build contract, with works being specified within the Invitation to Tender via a performance specification.

2.2 Estimated Contract Value, including the value of any uplift or extension period

2.2.1 The costs of the engineering works contract is estimated to be £850,000.00.

2.3 Duration of the contract, including any options for extension

2.3.1 The duration of the works contract is anticipated to be approximately 12 weeks with a 12 months defects liability period as per standard practice within the construction industry.

2.4 Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?

2.4.1 No

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 It is recommended that the works are procured via open tender process on the basis of a design and build contract, with the tenders being managed via the Council's "Bravo" e-procurement portal. Using a complete set of tender documents inclusive drawings and performance specifications.

2.5.2 The repair of culverts using the technique of GRP lining is very specialist, and the detailed design skills and knowledge required is only available within companies who install such linings. Consequently, there are no suitable frameworks or other such arrangements for the procurement of these works. Initially it was thought that only one contractor existed who was able to undertake both, the detailed design and execute the GRP lining work on site. However, upon testing this via a Prior Information Notice (PIN), a number of contractors expressed an interest in the contract. Whilst it is felt that the majority of these are simply general contractors

who would seek to sub-contract the work to a specialist and as such are unlikely to submit a competitive or indeed any tender at all. One further potential tenderer was identified through the PIN, and this forms the basis of the recommendation for open tendering. In addition to the Council's web site, it is also proposed to advertise the contract on the Government's Find a Tender service web site, on a voluntary basis as this is a below threshold contract.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 The building works will be let on a design and build basis with the proposed form of contract being the NEC4 Engineering and Construction Short Form Contract, incorporating standard LBBB contract amendments.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract

2.7.1 As a consequence of awarding this contract the potential risk of the sudden failure of the culvert supporting the road will be removed. Thus, maintaining a crucial gateway into the Barking Riverside Development with its 25,000 new homes, 5,000 new business opportunities and new transport hub, alongside retaining an important logistics route to Dagenham Dock, the agreed 3 major market relocations and Dagenham Free port aspirations.

The value of these opportunities and investments to the Borough are significant both in prestige and associated economic activity, forming a crucial part of our Borough's Regeneration and Transformation. Therefore, the damaged structure and the road above are of strategic importance must be restored to full loading capacity as a priority.

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded

2.8.1 The engineering works tenders will be assessed on the basis of both price and quality, on the basis of 60% cost, 10% social value and 30% Quality. With quality being assessed in relation to each bidders' experience and qualifications of site team and response to specific project related questions.

2.9 How the procurement will address and implement the Council's Social Value policies

2.9.1 The evaluation process will take note of the Council's legal obligation to consider Social Value under the Public Services (Social Value) Act 2012. Therefore 10% of the potential marks awarded in the proposed evaluation criteria in relation to the work contract will consider the social value benefits being offered by the preferred contractor.

2.10 Contract Management methodology to be adopted

2.10.1 Be First will be responsible for overall contract management and will work with the Council's corporate procurement department in relation to the procurement of the works and services. Whilst works are on site, monthly meetings will be held with the contractor to monitor progress. Regular site visits to inspect the quality of works

being undertaken will also be undertaken by Be First alongside the appointed engineers on the project. Payment for works will be through monthly valuations of work executed on site by the project engineers and these will be reviewed and processed by Be First.

3. Options Appraisal

3.1 **Do nothing** - The option of doing nothing was considered but rejected as whilst the remaining life of the culvert cannot be accurately predicted, it is nonetheless known that complete failure will occur at some point in the near future. Such failure would result in the complete unplanned closure of the road, which is a major traffic route into the borough and significantly adversely impacting local bus services.

3.2 **Alternative Contractual Arrangements** - Alternative construction contract arrangements have been considered. Construction Management and Management Contracting were both rejected. The nature of the works themselves do not suit this route. And the factors that would usually influence an employer to select these routes namely speed and the need for flexibility do not apply in this instance, sufficiently to outweigh the lack of cost certainty associated with both these routes. The traditional procurement route was considered but rejected because the detailed design skills to design the GRP lining for the culvert are not available outside the contractors who install such linings.

Various standard form contracts are published in relation to building and civil engineering works. The predominant standard forms used in the UK are those published by the Joint Contracts Tribunal (JCT) and Thomas Telford Ltd the commercial arm of the Institute of Civil Engineers. JCT contracts are primarily intended for building works contracts, whilst the NEC4 suite of contracts are more flexible and focused on engineering contracts more specifically. Consequently, whilst both bodies produce a range of contracts for use depending on the size, complexity and risk of a project, because the NEC4 contracts are more flexible and engineering focused the use of a JCT contract has been rejected and the NEC4 short form proposed.

3.3 **Alternative Procurement Route** - A negotiated procurement route in relation to these works and services was considered but rejected as the circumstances that would justify negotiation were not felt to apply in this instance.

The use of a framework was considered, however whilst frameworks covering civil and highways works exist, no framework that specifically covered this type of work was identified.

4. Waiver

4.1 Not applicable.

5. Consultation

5.1 The proposals in this report were considered and endorsed by the Procurement Board on 20 November 2023.

6. Corporate Procurement

Implications completed by: Richard Barrett Category Manager

- 6.1 A Prior Information Notice and Investigation of the supply market has been conducted which indicated that there is a very limited number of suppliers capable in the market, but significantly more than one capable supplier.
- 6.2 Based on the conclusion indicated above the Procurement route to market, an Open Tender has been selected and is suitable for the requirements.
- 6.3 The weightings indicated seem suitable for the requirements with the inclusion of a social value element.
- 6.4 If approval is granted, Corporate Procurement will continue to provide specialist advice and support to the Project Group throughout the tender issue, evaluation, and completion of the project.

7. Financial Implications

Implications completed by: Alison Gebbett, Capital Accountant

- 7.1 The capital project code for these works is C04064. There is currently a budget in 23/24 of £826k, of which £41k has already been spent and there are purchase order commitments of £207k. This means that there is only £578k of uncommitted budget available on this code, leaving a shortfall from current year budgets of approximately £272k if this contract is £850k. It is expected that this contract will be in place and spend will occur in 24/25.
- 7.2 However, future year capital budgets are yet to be put in place, and there is an allocation of £450k per year for total MRP for all new capital scheme bids. All highways and infrastructure schemes would be charged over 20 years in line with the depreciation policy. This overspend of an estimated £272k would only require annual MRP of around £13k per year of the newly available funding. New capital funding will need to be allocated to the highways programme (including structures), though the bidding process has not yet taken place.
- 7.3 As long as there is sufficient allocation for the highways programme in the new capital bidding round to cover the overspend for these essential capital works, the project will be fully funded.

8. Legal Implications

Implications completed by: Lauren van Arendonk, Interim Principal Contracts & Procurement Lawyer

- 8.1 This report seeks to approve the procurement strategy for the procurement of construction works to urgently repair or replace the Choats Rd culvert. The building works will be contracted through a design and build process, with the proposed form of contract being the NEC4 Engineering and Construction Short Form Contract, incorporating standard LBBB contract amendments.

- 8.2 It is proposed that an open tender shall be run to procure the works. Rule 31.3(a) of the Contract Rules permits the use of the open procedure to procure goods and services.
- 8.3 The Council has flexibility to determine what type of procedure it uses but any such procedure must comply with the principles of equal treatment and transparency and provide reasonable and proportionate timescales (reg 18 of the Public Contract Regulations 2015). As the contract value is over £250,000, in accordance with r 59.2(a) of the Contract Rules, legal will be onside to assist with the sealing of the contract.

9. Other Implications

- 9.1 **Risk and Risk Management** - This project will be project managed by 'Be First'. The procurement strategy is designed to ensure that the project is successfully delivered within budget. A detailed risk and issues strategy will be developed by the project team as works progress.
- 9.2 **Corporate Policy and Equality Impact** - There are no significant specific equalities impacts arising from the contract for residents and local business. However, Choats Road provides the crucial gateway to Barking Riverside Development 25,000 new homes, 5,000 new business opportunities and new transport hub, alongside being an essential gateway and logistics route to Dagenham Dock, the agreed 3 major market relocations and Dagenham Free port aspirations.

The value of these opportunities and investments to the Borough are significant in prestige and associated monetary forming a crucial part of our Borough Regeneration and Transformation. Therefore, the damaged structure and its strategic importance must be restored to full loading capacity as soon as a priority to mitigate any risks to these realisations.

The detrimental impact on the whole Borough financially and reputationally would be significant if these regeneration projects were delayed or hindered in operation due to restrictive logistic access. Communities of Thames View, Barking Riverside and River Ward would be directly hindered through restricted access should the structure fail and road closures implemented, potentially resulting in communities becoming gridlocked with stationary traffic, negative air quality implications, road safety concerns and quality of life hindered.

Bus Services would be significantly reduced, journey times decimated and service functionality unreliable. Business communities and ongoing developments would be hindered with maintaining operations, leading to financial impacts at a time of cost-of-living implications potentially with terminal decline results, and the reputation of Barking Riverside, Thames view, and Dagenham Dock as a place of growth damaged significantly.

Public Background Papers Used in the Preparation of the Report: None

List of appendices: None