

## Proposed Decision to be taken by the Portfolio Holder for Finance, Improvement and IT on or after 25th January 2013

### Rail Projects Adviser Team – Framework Contract

#### Recommendations

1. That the Portfolio Holder approves proceeding with a procurement exercise for a Framework Contract for a 'Rail Projects Adviser Team' and that the Strategic Director for the Communities Group be authorised to award the contract on terms acceptable to the Strategic Director for the Communities Group and the Strategic Director for the Resources Group.

#### 1. Introduction

- 1.1 The overall trend in the numbers of rail passengers in Warwickshire is one of sustained growth with rail travel becoming increasingly important. Commuting and business travel to the West Midlands Conurbation and Coventry form a substantial element of rail travel in the County for people from a wide range of socio-economic groups. There is also significant use of rail for commuting and business travel to London and the South East. Rail journeys for retail, leisure and social activities are also growing.
- 1.2 The County Council has made substantial investment in providing improved rail facilities and enjoys a good reputation and some success in respect of its efforts to develop new rail services, stations and associated infrastructure in order to meet its transport objectives. In recent years the County Council has played an active role in promoting, developing and delivering several rail schemes, specifically:
  - Warwick Parkway station which opened in 2000;
  - Coleshill Parkway station which opened in 2007;
  - An expansion to Hatton rail station car park which was completed in early 2012;
  - Stratford Parkway station which is currently under construction and due to be complete in 2013;
  - NUCKLE 1 (new stations at Coventry Arena and Bermuda Park) which is currently in development and is due to be complete in late 2014; and
  - NUCKLE 2 (Kenilworth Station) which will be submitted for 'New Station Funding' in a bid in early 2013.

1.3 The 'Rail Project Adviser' role has become an important and essential part of the County Council's successful development and delivery of these schemes by enabling the County Council to navigate the highly regulated, complex and fragmented environment of the rail industry. The 'Rail Projects Adviser' role is provided by a team of advisers that have experience and understanding of the rail industry and who are able to provide required advice, guidance and assistance to the County Council in order to progress a scheme to completion. In particular, the Rail Project Adviser Team brings experience in:

- Project Management within a railway environment;
- Commercial and financial experience and knowledge of the rail industry;
- Railway design, change and approval processes; and
- Construction management in a railway environment.

1.4 It is anticipated that there are a number of rail schemes that will be developed or delivered in the next four years that would meet the County Council's 'Going for Growth' and Local Transport Plan (LTP) 3 targets. For example:

- A bid for New Station Funding is due to be submitted in early 2013 for Kenilworth station. If successful, further development will be required with delivery of the scheme programmed for completion in summer 2015; and
- Delivery of a DDA compliant accessible pedestrian footbridge at Stratford upon Avon station to improve access. The County Council has secured funding for this from the Department for Transport (DfT). The scheme is required to be completed by 31<sup>st</sup> March 2014.

1.5 Establishing a Framework Contract for a Rail Projects Adviser Team would have several benefits for the County Council. It would:

- Avoid the need to undertake individual tendering exercises for rail schemes and thereby eliminate the costs of repeat bidding;
- Reduce the time between identifying a rail project requirement and starting work on it. This could be a considerable benefit particularly if EU procurement rules and regulations apply;
- Enable the County Council to buy-in at short notice specialist rail industry expertise as and when it is required without needing to take on direct employees; and
- Bring price stability to Rail Projects Adviser Team for the duration of the contract by fixing the hourly rates for the roles required at the beginning of Framework contract.

## **2. Framework Contract**

- 2.1 The proposed Framework Contract terms are for a contract length of 2 years with an option to extend for a further two years depending on the performance of the winning tenderer. It is proposed that it will be a single supplier Framework Contract as a close and consistent working relationship will be required between the County Council's in-house Transport Planning team and the Rail Projects Adviser Team. A close and consistent working relationship will be required as the Rail Projects Adviser Team will be supporting the County Council's in-house Transport Planning team by leading and advising on the 'railway' elements in the development and delivery of rail schemes. It is also expected that the Transport Planning team will benefit from this close working relationship by acquiring new skills and knowledge from the Rail Project Adviser Team during the life of the contract.
- 2.2 The total value of the contract is estimated to be under £3m over the contract length of four years. The contract value is above the European Union (EU) threshold for goods and services and therefore EU procurement rules and regulations will apply to the procurement process. Other Local Authorities will also be able to use the Framework contract.
- 2.3 The proposed next step is to advertise for expressions of interest and invite the submission of Pre-Qualification Questionnaires (PQQs). The provisional timetable for establishing the Framework Contract is set out below:
- Publish "Contract Notice" in OJEU – early February 2013
  - Closing date for receipt of PQQ – early March 2013
  - Invitation to Tender (ITT) issues to Tenderers – mid March 2013
  - Evaluation of tenders complete – late April 2013
  - Framework contract awarded – mid May 2013

## **3. Financial Implications**

- 3.1 There is no direct budget implication as there is no commitment to spend as a result of establishing a Framework contract. The approval to spend money on the Framework Contract will either form part of the separate approval process for adding a capital scheme to the capital programme, with payments to the Rail Projects Adviser Team funded from the capital project. Alternatively, payments would be made from within existing Transport and Highways revenue budgets.

## **4. Proposed Next Steps**

- 4.1 That the Portfolio Holder approves proceeding with a procurement exercise for a Framework Contract for a 'Rail Projects Adviser Team' and that the Strategic Director for the Communities Group be authorised to award the contract on terms acceptable to the Strategic Director for the Communities Group and the Strategic Director for the Resources Group

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