

Portfolio Holder Decision – S278 Highway Improvement Scheme at B4100 Banbury Road, Lighthorne Heath

Portfolio Holder	Portfolio Holder for Finance and Property
Date of decision	23 October 2020
	Signed

Decision taken
<p>The Portfolio Holder for Finance and Property gives approval to:</p> <ol style="list-style-type: none"> 1) increase the capital programme provision for the S278 highway improvement scheme at B4100 Banbury Road (Village Centre Access), Lighthorne Heath, to £1.7m 2) increase the capital programme provision for the S278 highway improvement at B4100 Banbury Road (Southern Roundabout), Lighthorne Heath, to £1.3m 3) the award of the combined contract for the S278 highway improvement scheme at B4100 Banbury Road, Lighthorne Heath, to the supplier who has submitted the most economically advantageous price subject to the applicable S278 Agreement with the Developers having been signed.

Reasons for decisions
<p>On 13 September 2019 the Deputy Leader (Finance and Property) gave approval to include two (Highways Act 1980) Section 278 highway improvement schemes on B4100 Banbury Road, Lighthorne Heath, to the 2018/2019 capital programme. The two schemes are connected to the same development – one at the new village centre access and one at the southern roundabout access. The estimated costs, including works and fees, was £1.2m and £1.1m respectively.</p> <p>The S278 works are required as part of the planning consent given by Stratford-on-Avon District Council on 14 December 2017 (ref: 15/00976/OUT). The Developer, Taylor Wimpey Homes, will be providing 100% of the funding for the scheme via the (Highways Act 1980) Section 278 Agreement which will be signed before the construction contract is awarded.</p> <p>It was originally expected that the works would be delivered as two separate contracts. However, at the request of the developer the two schemes have been tendered as a single package of works. It is intended to combine both capital programme entries into a single entry as soon as possible to be consistent with the contract.</p>

The procurement of the works is through a Package Order Call Off Contract (POCOC) under Warwickshire County Council's Framework Contract for the Provision of Construction Works 2019. The Framework Contract was established in January 2019 following an EU procurement process. The Framework contract comprises four Framework Lots (identified by financial value and / or nature of work). Successful applicants were awarded a place as a supplier within a Framework Lot following evaluation of Lot-specific ITT questionnaire responses provided by each of the tendering applicants. A Lot-specific POCOC for a particular Work Package is awarded following further competition between suppliers for the Lot to which the Work Package relates. Further competition is on the basis of price alone with the contract being awarded to the supplier who submitted the most economically advantageous price.

The five named suppliers in the appropriate lot of the Framework were invited to submit quotations for these works on 02 September 2020, with a tender return date of 05 October 2020. Two suppliers returned quotations, the lowest of which is more than 10% above the combined value of the capital programme entries. Warwickshire County Council's Contract Standing Orders (April 2019) Section 2.3 states that authority to award a Major Contract between £1.0m and £3.0m requires a report back to the relevant Portfolio Holder where the bids exceed the original estimate by 10% or more.

If the recommendation is approved, the contract will be awarded to the supplier who has provided the most economically advantageous price at the earliest possible date and highway works will commence as soon as the supplier is able to mobilise their resources.

Background information

Approval is requested to increase the capital programme provision as follows:

- 1) B4100 Banbury Road (Village Centre Access), Lighthorne Heath, from £1.2m to £1.7m
- 2) B4100 Banbury Road (Southern Roundabout), Lighthorne Heath, from £1.1m to £1.3m

These amounts are to cover the cost of the works and fees, and an allowance for contingencies.

Approval is requested to award the contract to the supplier who has provided the most economically advantageous price for a combined contract for both schemes following assessment of the tenders.

If the recommendations are not approved, it will be necessary to re-tender the highway works. The tenders can only be sent to the same suppliers as before and the responses may be similar. Furthermore, delaying the highway works to complete a new tender exercise will affect the ability of the Developer to meet its planning obligations in time for the programmed occupation dates of the homes on this development.

Financial implications

There is no financial risk to Warwickshire County Council as S278 schemes are fully funded by the contributions from the Developers which are ring-fenced for the works specified. For Developer funded schemes, there are no alternative uses for the contribution and it does not affect the overall level of available capital resources.

Environmental implications

The environmental impacts of developer-funded highway schemes are considered through the planning approval process to ensure that the developments are consistent with the principles of sustainability.

The contractors on the Council's Framework Contract for the Provision of Engineering and Construction Works (WCC 6012) have all demonstrated that they hold a certificate of compliance with BS EN ISO 140001 (or equivalent) or have otherwise satisfactorily demonstrated their policies and arrangements for the management of construction-related environmental issues.

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Assistant Director	Scott Tompkins Assistant Director (Environment Services)
Lead Director	Strategic Director for Communities
Lead Member	Portfolio Holder for Finance and Property

Urgent matter?	No
Confidential or exempt?	No
Is the decision contrary to the budget and policy framework?	No

List of background papers

None

Members and officers consulted and informed

Portfolio Holder – Councillor Peter Butlin

Corporate Board – Mark Ryder, Strategic Director for Communities

Legal – Ian Marriott

Finance – Virginia Rennie

Equality –

Democratic Services – Isabelle Moorhouse

Councillors –

Local Member(s):
Cllr Chris Williams – Kineton and Red Horse
Cllr Andy Crump – Feldon