

**HAMPSHIRE COUNTY COUNCIL****Decision Report**

<b>Decision Maker:</b>	Executive Member for Environment and Transport
<b>Date:</b>	15 September 2016
<b>Title:</b>	Procurement Approval: Geotechnical and Geoenvironmental Framework 2017-2021
<b>Reference:</b>	7717
<b>Report From:</b>	Director of Economy, Transport and Environment

**Contact name:** Keith Gale

**Tel:** 01962 847271      **Email:** keith.gale@hants.gov.uk

## **1. Executive Summary**

- 1.1. The purpose of this paper is to seek approval to procure a Geotechnical & Geoenvironmental framework agreement in order to replace the current framework which expires on 31 May 2017.
- 1.2. The Geotechnical and Geoenvironmental Framework is used to deliver specialist ground investigation services to all County Council Departments, including Economy, Transport, and Environment, Culture, Communities, and Business Services, Property Services, Assets and Development, Countryside Services and a range of non County Council clients through the Engineering Consultancy Geotechnics Group.
- 1.3. The paper describes and sets out the proposed arrangements for this framework.

## **2. Contextual information**

- 2.1. The County Council has a duty to maintain and improve highway infrastructure within Hampshire in a safe and effective manner. In addition, the Council encourages growth to the region through infrastructure improvements with development in conjunction with other partners. In fulfilment of part of this aspiration the Council seeks to improve and maintain its diverse assets through reliable construction methods. This requires engagement of specialist ground investigation Geotechnical and Geoenvironmental contractors in order to investigate sub-surface soil, water and chemical properties to assist in the design of such projects.
- 2.2. The current delivery model comprises engagement of multiple contractors through the Geotechnical and Geoenvironmental Framework 2013-2017 which expires on 31 May 2017. The current arrangements have operated extremely well by obtaining experienced contractors that can quickly mobilise whilst providing competitive prices for ground investigation works. To

encourage performance throughout the life of the framework, a key performance indicator system is used in the selection process.

- 2.3. It is proposed therefore that successful features used for the existing framework are developed and enhanced for incorporation into the proposed frameworks.

### **3. Overview of procurement item**

- 3.1. The proposed start date of the framework is 1 June 2017 with duration being four years in accordance with Public Contracts Regulations.
- 3.2. The estimated maximum overall County Council spend over the four year duration is £3m.

### **4. Finance**

- 4.1. Although the estimated spend identified in paragraph 3.2 is required due to Public Contracts Regulations and OJEU Contract Notices, inclusion of a supplier within a framework does not commit the Authority to any expenditure. Each commission will be authorised through normal County Council approvals and these are often linked to specific projects.
- 4.2. The framework will be between suppliers and the County Council with commissions being undertaken for projects and services required by the County Council. There will be an opportunity for other authorities to engage with framework suppliers as appropriate but this will form part of co-operative arrangements with the respective authority.
- 4.3. In order to pay for setting up and running of the Geotechnical framework, a service management fee payable by the supplier will be charged on each Work Package called off under this arrangement. This aligns with similar financial models used by other ETE Department frameworks.

### **5. Commercial considerations and Performance**

- 5.1. Performance is placed at the fore with selection of suppliers onto the frameworks by taking into account the balance between price and quality. Comparison with different selection methods has determined an optimum balance which is proposed for this framework. Small value frameworks often use a 'pre-priced' schedule of rates which are supplemented by site specific items. As the majority of rates are for standard items, it is commercially sound to expect a bias towards price.
- 5.2. It is therefore proposed that this Geotechnical and Geoenvironmental framework applies a price/quality ratio of 70/30 at framework assessment stage.
- 5.3. Successful performance of suppliers within the framework is a core consideration to delivery of the service. A defined set of Key Performance Indicators (KPI) will be used to measure performance of the suppliers on each Work Package with the ability to be awarded additional work through good performance.

## **6. Other key issues**

- 6.1. The frameworks will seek to build a strong and resilient supply chain, subject to commitment from funding bodies, with emphasis following objectives set out by the HM Government Industrial Strategy: government and industry in partnership Construction 2025.

## **7. Recommendations**

- 7.1. That approval is given to procure a four year framework agreement commencing in 2017 to engage with specialist suppliers and provide ground investigation services, at an estimated maximum spend over the duration of the framework of £3M.
- 7.2. That a ratio of 70% for price and 30% for quality be used in the assessment of suppliers to gain a place on the framework.
- 7.3. That the Director of Economy, Transport and Environment be given delegated authority to agree any variations to the items approved, in consultation with the Executive Member for Environment and Transport.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	yes
By ensuring construction projects are designed to the appropriate technical standards.	
<b>Maximising well-being:</b>	yes
Construction using the correct design calculations provides resilient projects that can enhance the built environment	
<b>Enhancing our quality of place:</b>	yes
Providing resilient designs and construction methods arising from ground investigation surveys assist with the life cycle and longevity of the build environment	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u> NONE	<u>Reference</u>	<u>Date</u>
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u> HM Government Industrial Strategy: government and industry in partnership Construction 2025.		<u>Date</u> July 2013

<b>Section 100 D - Local Government Act 1972 - background documents</b>	
The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)	
<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- (a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- (b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- (c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### **1.2 Equalities Impact Assessment:**

Equality Statement number EIA826388 has been completed. This decision has no impact on groups with protected characteristics because all contract documentation will include clauses for the Council's equalities policies, procedures and standards. Suppliers will have to comply with these at all times – and all competition packages will also include these clauses. Individual schemes delivered through the frameworks will be subject to their own equality impact assessments.

### **2. Impact on Crime and Disorder:**

2.1. Investigations undertaken through the frameworks will be to approved departmental and national standards for highways, infrastructure and civil engineering works.

### **3. Climate Change:**

3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

Effective and efficient engagement of suitable contractors and suppliers helps minimise waste, remedial work and mistakes due to understanding and relationships between employers and constructors.

3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Incorporation of resilient materials and best practice construction methods ensures high standards are maintained making finished projects more durable and long lasting.