

Executive Decision Making by an Officer with Delegated Powers

Decision to be taken by: Jason Humm, Director of Transport and Highways

Pursuant to the following power delegated to the Director of Transport and Highways under the Scheme of Delegation set out in Gloucestershire County Council's Constitution:

Decision Category Number	Function, duty or power to be delegated	Appropriate Officer	Consultation under paragraph 5.4
GEN1	To enter into any contract for works and the supply of goods and services.	Chief Executive, Executive Director, Director, Assistant Director or Heads of Service or equivalent in relation to their service areas.	Relevant Cabinet Member for decisions with financial implications in excess of £250,000

Report title: Gloucester South West Bypass – Llanthony Road Widening Improvements – Contract Award

The decision	<p>Following the conclusion of a procurement process in respect of a contract for the supply of highway works in connection with the delivery of the Gloucester South West Bypass – Llanthony Road Widening Improvements (the “Scheme”) and having consulted with the Cabinet Member for Highways and Flood, in accordance with the individual cabinet member decision paper dated 28th January 2022 and the overall powers set out in Gloucestershire County Council's Constitution under the Council's Scheme of Delegation:</p> <p><u>DECISION</u></p> <p>To award such contract to the preferred tenderer, namely Montel Civil Engineering</p>
Background documents	Cabinet Member Decision (28/01/2022): Gloucester South West Bypass (GSWB) Llanthony Road Improvements – Contract Procurement
Reasons for the decision	GCC have conducted a compliant and competitive procurement for the award of this contract. GCC published the opportunity via ProContract and issued the tender documents for the Gloucester

	<p>South-West Bypass Llanthony Road Widening Improvements Scheme 1st April 2022. In total, 3 tenders were received on or by the final tender submission date, 17th May2022. Tenders were assessed on the basis of eligibility, quality and their financial submission. All tenders passed the eligibility criteria, requiring the quality assessment panel to review all submissions.</p> <p>On the proviso that tenderers passed the quality threshold, the contract is to be awarded to the tenderer submitting the most economically advantageous offer. All tenderers passed the thresholds, set at 60% for quality and 70% for health and safety. Following the financial assessment, Montel Civil Engineering submitted the lowest contract price of £3,876,000.00 offering the Council best value for money for delivery the project.</p> <p>Awarding this contract will enable the council to deliver the GSWB Llanthony Road Widening Improvements Scheme and achieve best value, whilst ensuring the contractor meets the GCC requirements on health and safety, programme, carbon and social value aspirations.</p> <p>The decision will enable the council to pursue the contract award for the highways and civils works which will provide the best opportunity to satisfy the requirements of the DfT Levelling Up Funding.</p>
<p>Resource implications</p>	<p>The Gloucester South-West Bypass Llanthony Road Widening Improvements Scheme is currently estimated to cost in the region of £11,562,848 which will be funded from the following funding sources:</p> <ul style="list-style-type: none"> • The GFirst LEP Growth Deal - £2,000,000 • Section 106 Contributions - £128,172 • DFT Levelling Up Fund - £9,122,000 • DFT Block Grant - £312,676 <p>The Llanthony Road Widening Improvements scheme required the purchase of third-party land and buildings to enable the widening to take place. The land in question is now in ownership of GCC.</p> <p>As stated in the County Council’s Constitution, ‘Directors are responsible for ensuring that variations in capital project estimates that occur during the course of a contract are contained within the resources allocated to that service’. The scheme’s costs will be monitored and managed accordingly.</p>
<p>Who has been consulted?</p>	<p>Cllr Morris, Cabinet Member for Highways and Flood</p> <p>Internal support services:</p> <ul style="list-style-type: none"> ▪ Legal Services ▪ Finance

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| | <ul style="list-style-type: none">▪ Strategic Procurement▪ Communications |
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What were their comments?

Feedback reviewed and recommendations included in the final report.

The Cabinet Member for Highways and Flood has reviewed the report and is happy with the content and is supportive of the Director of Transport and Highways making the decision under the powers delegated to him under the Scheme of Delegation due to the Head of Highways absence.

Background/Context

1. The Llanthony Road section of the A430 Gloucester South West Bypass (GSWB) is the only section of the bypass yet to be improved. The road is a single carriageway which creates a bottleneck between Castlemeads Bridge and St Anne Way. The scheme should relieve the traffic congestion that often builds up at peak periods which affects the journeys of motorists using this strategic route and the businesses operating in the area.
2. To reduce congestion, the council is proposing to widen the road and add extra lanes in both directions, converting the road from single to dual carriageway. It will also be installing traffic signals with segregated cycle/pedestrian crossing facilities, at the Sudmeadow Road junction. Other improvements include segregated cycleway/pedestrian facilities in compliance with LTN 1/20, linking in with existing cycling infrastructure.
3. The scheme is included in the County Council's adopted Local Transport Plan 3 (2015-2031).
4. The scheme has involved the acquisition of third-party land to enable the improvements to take place. The land in question is now in the ownership of GCC, with the land take requiring the demolition of a number of commercial buildings which are now vacant. The land acquisition was progressed via a negotiated settlement route in parallel to a compulsory purchase order (CPO) (a CPO was confirmed by the Secretary of State for Transport on 26 March 2021 following a virtual public inquiry). The purpose of this approach was to allow the flexibility of a mutually agreed settlement package for the businesses/property owners, but with the assurance of the CPO route in the event that Officers are unable to resolve the acquisition via the negotiated route.
5. In February 2017, Cabinet approved the recommendation for the County Council to underwrite the risk of the County Council not receiving all of the committed Growth Deal funding scheduled for 2018/19 thereby allowing the land acquisition to be brought forward from 2018/19 to 2017/18. Cabinet also approved the recommendation to commence land acquisition via Compulsory Purchase Order (CPO) in addition to negotiated settlement route allowing the land acquisition to commence in financial year 2017/18.
6. Since the original scheme was approved by Cabinet on 1st February 2017 Officers have engaged with land owners and businesses which has enabled the development of more accurate estimates of the value of the land and impact on businesses.

7. Structural surveys of the buildings required to be demolished have revealed that we would be required to demolish more than 50% of the original building. This combined with the assessment undertaken by AMPS regarding the cost options for demolition have confirmed that it is more cost effective to purchase the entire building plot, demolish the entire building and then sell the residual land. The council's preferred route for land acquisition was negotiated settlement with affected landowners. The council has obtained a confirmed CPO which authorises the compulsory purchase of all land and rights necessary to complete the scheme. Despite the increase in costs the Business case we have prepared to release the LEP funding still shows a Benefit Cost Ratio (BCR) of 12, which demonstrates the scheme delivers excellent value for money.

Alternative options considered and why they were rejected

Following a compliant tender process, Montel Civil Engineering Limited has been evaluated as offering the council best value for money and meeting the quality criteria for delivery of the services and are therefore the preferred provider.

The alternative option to not award the contract to Montel Civil Engineering and would therefore not be in the best interests of the council and would risk the council's ability to deliver the Scheme in line with both GCC and funding providers timescales.

Risk Analysis

An up to date risk register for the scheme exists and has been regularly updated in line with the GCC Risk Management process, in order to investigate, manage and mitigate key risks. The key risks can be summarised as follows:

- a. Non-compliance with Cycle Infrastructure Design local transport note 1/20 (LTN 1/20); review of proposed cycleway provisions to ensure compliance with LTN 1/20, and to link proposed cycleway facilities with existing cycling infrastructure improvements between Llanthony and Elmbridge incorporating Gloucester's Local Cycling and Walking Infrastructure Plan (LCWIP). Requested Atkins undertake internal audit of design in accordance with LTN 1/20.
- b. DfT Pinch Point Funding has been disbanded, making way for the DfT Levelling Up Fund (LUF). It brings together the Department for Transport, the Ministry for Housing, Communities and Local Government, and the Treasury to invest £4.8 billion in local infrastructure. It enables focus on high priority local projects which may have been out of the scope of more narrowly defined pots of funding. GCC have secured funding from the DfT Levelling Up Fund, this will enable GCC to meet the objectives of the project and the Local Transport Plan.
- c. Overall, the risks are well understood and are being eliminated or mitigated as the project moves forward. There are, however, a number of risks open that could have an impact on the design and cost of the project. Securing the required land is the next critical step in managing the project's risk profile down. Risks will continue to be actively monitored and any significant changes affecting the scope of the project will be reported to the Lead Cabinet Member.

Equalities considerations

The EIA (Appendix A) will be reviewed and updated on completion of work packages (i.e. on completion of design, procurement, on completion of construction, after opening, etc.) to ensure a continuing duty of regard for equality impacts on groups with protected characteristics. The strengthening actions identified in the Due Regard Statement include:

- Monitoring scheme to ensure protected groups are well served. Monitoring of service users once in operation to identify if groups with protected characteristics are being discriminated against or if this scheme is advancing opportunities for these groups. This could be done through user surveys.
- Prevent scheme construction from impacting the movement protected groups. Appropriate traffic management plan and information provision during construction stage to consider severance and obstruction issues for those with protected characteristics.
- Providing access to relevant information to all protected groups. Supply of equality and diversity policy details from external contractors involved in the provision of construction and operation services.

The EIA demonstrates that 'due regard' has been shown to the three aims of the public sector equality duty (section 149 of the Equality Act 2010) during the development of the 'policy'.

The Cabinet Member should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

Has an Equality Impact Assessment been completed? Yes – [available here](#)

Has any conflict of interest been declared by any Cabinet Member consulted on the decision?

The council's Monitoring Officer should be consulted, in the first instance, if any conflict of interest is declared by a Cabinet Member.

If any conflict of interest declared, was a dispensation granted by the Audit and Governance Committee of the Council?

Yes/No

Date of dispensation: N/A

<p>Does this decision report form or any supporting papers provided contain confidential or exempt information? (Refer to Democratic Services Unit for advice if necessary)</p>	<p>Yes/No <i>If Yes, please provide details of document(s) that are confidential or exempt</i></p>
<p>Does this decision need to be published on the GCC website? (Refer to guidance on “Executive Decisions taken by Officers”).</p>	<p>Yes</p>
<p>In coming to this decision I have given due and full regard to the requirements of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010 (“the Act”) by reference to the law itself and also the relevant Equality Impact Assessment, which was prepared in accordance with the requirements of the Act.</p> <p>Having fully considered all available information, I have decided to reject any alternative options and take the recommended decision(s), for the reasons set out in this report.</p> <p>Signed Jason Humm, Director of Transport and Highways</p> 	
<p>Date 01.06.2022</p>	
<p>Contact details for further information: Officer: Richard Lane Tel: 01452 328978 Email: richard.lane@gloucestershire.gov.uk</p>	