

Report for: Cabinet Meeting 12/11/2019

Title: North Hill Retaining Wall Improvement Works – Contract Award

Report authorised by: Stephen McDonnell - Director of Environment & Neighbourhoods

Lead Officer: Dana Rasheed, Project Manager - Environment and Neighbourhoods

Ward(s) affected: Highgate

Report for Key/

Non Key Decision: Key Decision

1 Describe the issue under consideration

- 1.1 The proposals are to build a new retaining wall to replace the existing retaining wall that has passed its design life (built in late 1800's) and failed a structural assessment.
- 1.2 The existing mass concrete retaining wall runs along the west side of North Hill in Highgate N6, between View Road and Storey Road, and retains a narrow service road, which is public highway, providing access to private residential properties. North Hill (B519) which sits at the bottom of the retaining wall, is a two-way wide carriageway linking the A1 and Highgate. The wall is approximately 152m long and varies in height from a minimum of 0.3m to a maximum of 1.9m.
- 1.3 The retaining wall structure has passed its design life and as part of the inspection regime the North Hill retaining wall was identified as a priority for improvements following structural assessments carried out in October 2014 which highlighted the risk of collapse. As such the Council decided in 2015 to progress with the replacement of the retaining wall as a long-term solution.
- 1.4 The proposals would ensure the new retaining wall structure is compliant with the latest design standards. This includes erecting vehicle restraints on the elevated service road, refurbishing and reusing existing railings that are of historic interest, improving the width of the service road, resurfacing the service road and the main North Hill road, and adding a new brick façade to the retaining wall. All the above measures would ensure Haringey's assets are up to date and would minimise maintenance.
- 1.5 The Council's Capital Strategy and 10-year Capital Programme, which went to Cabinet in June 2016, included an allocation in relation to the repair of the North Hill retaining wall. This allocation was approved.
- 1.6 The scheme was also included in the Sustainable Transport Works Plan (STWP) 2019/20 approved at the Cabinet meeting on 18th June 2019.

- 1.7 Other funding for the North Hill Retaining Wall Improvement Works is: £20,000 from Transport for London (TfL) and £25,000 contribution from Haringey Maintenance budget for the resurfacing works.
- 1.8 This report seeks approval, under Contracting Standing Order (CSO) 9.07.01(d), for the award of the North Hill Retaining Wall Improvement Works contract, following an open tendering exercise, to Bidder 1 for a total value of £897,536.53.
- 1.9 The construction costs sum proposed to be awarded to the winning bidder does not include any scheme risk and contingency allowance. A risk and contingency budget is required to cater for unforeseen circumstances during construction, for example when working underground on unseen assets and when the works programme is impacted by issues that are out of the Council's control, like highways network incidents. The proposed risk and contingency allowance provision is stated in the exempt report at paragraph 2.
- 1.10 The above spend is within the pre-tender estimate for the works provided by Stace LLP (the appointed Cost Consultant for the project), and contained within the Highways Structure Capital Programme, with any remaining funding being utilised on other projects within the programme. The pre-tender estimate for the works is stated in the exempt report at paragraph 1.5.

2 Cabinet Member Introduction

- 2.1 Transport plays a pivotal role in our daily lives. Haringey is one of London's best-connected boroughs, and the transport network is used by our residents, businesses and by people from across the City and beyond either passing through or interchanging at a station or bus stop.
- 2.2 Our aim is to ensure that Haringey has a high quality, resilient highway network and a reliable public transport system that everyone can access. This year in line with our Borough Plan priorities, we are investing over £1 million into the North Hill Retaining Wall replacement project. This will ensure that the new structure will have a design life of a minimum of 120 years before it will need replacing. This will go towards improving the overall quality of our road network and encouraging walking and cycling.
- 2.3 The retaining wall structure is located adjacent to Highgate Primary School and the elevated road supported by the retaining wall is one of the main walking routes to the school.

3 Recommendations

- 3.1 It is recommended that the Cabinet:
 - I. Approves, in accordance with Contracting Standing Order 9.07.01(d), the award of a contract for the North Hill Retaining Wall Improvement Works to Bidder 1 in the sum of £897,536.53 + VAT with provision to increase this sum, as necessary, by an amount not exceeding the risk and contingency allowance set out in the exempt report at paragraph 2.
 - II. Authorises the issue of a letter of intent (LOI) for the amount of £89,753.65 + VAT (being 10% of the total contract price), as permitted under CSO 9.07.3.

4 Reasons for decision

- 4.1 Officers have undertaken a competitive tendering exercise to secure a contractor to deliver the North Hill retaining Wall Works. Through this process Bidder 1 have scored the highest and have demonstrated that they should be awarded the contract.
- 4.2 By awarding the contract to Bidder 1, the Council is securing the delivery of the North Hill retaining Wall Improvement Works. It is the Council's intention for the works to be conducted between January 2020 and October 2020.
- 4.3 The scheme is funded by Haringey Council's Capital expenditure -Highways Structures Budget. This includes all the staff costs, design and statutory undertakers' investigations which have been carried out ahead of the main works to minimise the risks. Other funding is: £20,000 from TfL LIP programme and a £25,000 contribution from Haringey's Maintenance budget for the resurfacing works.
- 4.4 The works delivered by the scheme are essential to replace the existing retaining wall structure that has passed its design life and failed a structural assessment. The works will also result in minimising maintenance costs in the long term.
- 4.5 As part of the scheme delivery, the following works will be carried out:
- 4.5.1 erecting vehicle restraints on the elevated service road,
 - 4.5.2 refurbishing and reusing existing railings that are of historic interest,
 - 4.5.3 improving the width of the service road, replacing kerbs and resurfacing the service road,
 - 4.5.4 carriageway resurfacing of the main North Hill road for the full width along the retaining wall;
 - 4.5.5 adding a new brick façade to the retaining wall, and
 - 4.5.6 improving the layout, signing and road marking of the junction of Storey Road/North Hill Road. All of the above measures would ensure Haringey's assets are up to date and would minimise maintenance.
- 4.6 The new structure will also create a better environment for walking by widening the existing service road and will ensure vehicles using it will not overrun the footways.

5 Alternative options considered

- 5.1 Option 1- Do Nothing: Pursuing this option would fail to address the critical issue that the wall has failed the structural assessment. It would also fail to provide the improvements to this area of Haringey, especially for walking within close proximity of a primary school. This option is not recommended.
- 5.2 Option 2 - Direct Award to Term Maintenance Contractor: this option was discounted as it was the intention to stop issuing works to the current term Contract at the end of October 2019 and it was considered more cost effective to test the market by undertaking a competitive procurement process to secure the most economically advantageous tender to the Council.

6 Background information

- 6.1 The existing mass concrete retaining wall runs along the west side of North Hill, between View Road and Storey Road, and retains a service road to private residential properties.
- 6.2 North Hill lies at the bottom of the retaining wall and is a two-way carriageway with residents parking bay on the opposite side. The wall is approximately 152m long and varies in height from a minimum of 0.3m to a maximum of 1.9m.
- 6.3 A metal handrail runs along the top of the wall with 54 railing panels. The handrails are of historic interest but not listed.
- 6.4 The top service road is one-way with entrance from the south end which is the high point. There are three large trees at the back of the footpath at the south end of the side road. There is residential parking at the south end of the service road.
- 6.5 There are no records available for when the retaining wall was built except for some historic pictures from early 1900's showing the wall standing in the background.
- 6.6 In October 2014, a report was produced by Frankham Consultancy Group titled "Structural Investigation and Stability Analysis at North Hill Retaining Wall". This found that the wall had failed the structural assessment. The possible failure modes are Overturning, Failure of the Foundation Soil and Slip Failure of the surrounding Soil.
- 6.7 The highway has a zebra crossing 15m north of the retaining wall, with the maximum permitted traffic speed set at 20mph; the speed restrictions were implemented as part of a borough wide policy to reduce the speed limit on its road network. Highgate Primary School is located to the north of the existing wall on Storey Road.
- 6.8 One high-frequency bus route and a school bus route operate on this section of North Hill. The proposals to repair the retaining wall would ensure minimum disruptions to buses over the long term.
- 6.9 The Council decided in 2015 to progress the replacement of the existing retaining wall structure as a long-term solution. Project Centre Ltd was reappointed as the designer in 2015 to progress the detailed design and Stace LLP was appointed as Quantity Surveyor and cost consultant for the scheme.
- 6.10 A number of design options were examined and following extensive site investigation the current design was finalised in early 2019.
- 6.11 The scope of the proposals include:
- Construction of a reinforced concrete retaining wall to replace an existing retaining wall structure;
 - Associated drainage, brick façade, kerbing, footway works, lighting & signing and surfacing works;
 - Removal, refurbishment and replacement of existing iron railings; and
 - Upgrade and improvement of the junction layout of Storey Road/North Hill.

Public Engagement

- 6.12 A public engagement meeting took place following this one evening in January 2019 at a nearby school. Several residents attended and the scheme was explained. A few concerns were raised, predominantly the lack of vehicular access during the works, bin collections and the safety of the Storey Road junction.
- 6.13 The concerns raised in the public engagement meeting were reviewed following the meeting and a number of measures were put in place to address them including, issuing a dispensation permit for houses with driveways during construction, keeping the bin collections unchanged and accommodating them within the works and undertaking a review of the Storey Road junction.
- 6.14 Pedestrian and emergency access to the properties will be retained at all times, however, the lack of vehicular access to the service road during construction is still a concern for a number of residents. Further public engagement meeting is planned to further explain the restraints and reason behind the council decision to stop vehicular access during construction.
- 6.15 Prior to the public meeting, a parking survey in the immediate surrounding area was undertaken to assess the parking levels. It was established that there is sufficient free parking to accommodate parking displacement during construction.

The procurement process

- 6.16 These works were procured through an EU Open Tender process using Haringey's e-Sourcing Portal, HPCS (Haringey Procurement and Contract System). The procurement process was managed by Haringey's Procurement team.
- 6.17 The Council opted for an open tender route to maximise market interest. This procedure is a transparent procurement process which allows an unlimited number of Suppliers to tender for the requirement.
- 6.18 Post tender negotiations are not admissible and as such have not been undertaken.
- 6.19 The Opportunity was advertised on the Government website, Contract Finder. At the same time the tender documents were issued by the Council on 14th August 2019 with a return requested on 30th September 2019. Haringey received tender queries and minor amendments to the contract documents were made in response to this during the tender process.
- 6.20 The agreed tender award criteria, as set out in the Instructions for Tendering document, were based on a scoring Quality/Pricing ratio of 50/50%.
- 6.21 Seven contractors submitted their Form of Tender and associated tender return documentation by the allotted time and the Most Economic Advantageous Tender was selected to be awarded the contract.
- 6.22 Following evaluation, the combined scores (price and quality) were added to provide an overall total weighted score for the tenders. Table 1 below provides a breakdown of the scores.

A summary of the scoring is below (Table 1)

Tenderer	Quality (out of 50%)	Pricing (out of 50%)	Total (100%)
Bidder 1	38.00%	50.00%	88.00%
Bidder 2	41.00%	44.06%	85.06%
Bidder 3	26.00%	36.58%	62.58%
Bidder 4	24.00%	48.52%	72.52%
Bidder 5	21.50%	45.80%	67.30%
Bidder 6	17.50%	45.34%	62.84%
Bidder 7	10.00%	35.59%	45.59%

7 Contribution to strategic outcomes

7.1 The scheme supports the delivery of the Borough Plan 2019-2023 Place priority. Helping to create a place with strong, resilient & connected communities where people can lead active and healthy lives in an environment that is safe, clean and green.

8 Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

8.1 The Highways Structure scheme had a 2019/20 budget of £1.574m at the beginning of the financial year. At its meeting of the 10th September Cabinet agreed to re-profile this budget due to the need to undertake the works at a time that minimised disruption to the road network. The revised 2019/20 budget is £0.774m with £0.8m re-profiled into 2020/21.

8.2 To date the scheme has incurred £0.029m of expenditure. If the tender is accepted it is estimated that £0.2m of the contract sum will be spent this financial year along with other costs of £0.024m. This revised spend profile will be reflected in the capital programme.

8.3 In addition to the contract sum of £0.898m which is being recommended for acceptance, there will be additional project costs of £0.073m. A risk and contingency allowance, in the amount set out in the exempt report.

	2019/20 (£000's)	2021/22 (£000's)	Total (£000's)
Expenditure to date	29		29
Tender Sum	200	698	898
Project Management	20	40	60
Quantity Surveyor	2	6	8
Design Adviser	2	3	5
Total	253	747	1,000
Risk and Contingency allowance as set out in para. 2 of the exempt report			

Strategic Procurement dc201218

- 8.4 Strategic Procurement (SP) confirms that the procurement of the works were undertaken using a below OJEU "Open Competitive Tender" exercise.
- 8.5 Strategic Procurement approves the appointment of the award of a contract for the "North Hill Retaining Wall Improvement Works" to Bidder 1 in the sum of £897,536.53 + VAT as permitted under Contracting Standing Order (CSO) 9.07.01(d). The Strategic Procurement Team also confirms this is a fully compliant tender and represents the best value for money offer for Haringey Council.

Legal

- 8.6 Comments of the Assistant Director of Corporate Governance
- 8.6.1 The Assistant Director of Corporate Governance notes the content of this report.
- 8.6.2 The report is recommending the award of a road improvement works contract. A non-EU open tender process was carried out for the award of the contract and the most economically advantageous tender was selected as the preferred tender. This is a permitted procurement procedure under Contract Standing Orders (CSO) 9.01.1 and 9.01.2 for a contract of this value.
- 8.6.3 Pursuant to the CSO 9.07.1(d), Cabinet may approve the award of a contract if the value of the contract is £500,000 or more as is the case with the contract for award in this report.
- 8.6.4 Pursuant to CSO 9.07.3, approval may be granted for the issuance of a letter of intent for a sum not exceeding £100,000 or 10% of the total contract price pending the execution of a formal contract if it is in the best interest of the Council to do so. Although under CSOs the approval may be done by a Director, Cabinet also has power to approve the issuance of a letter of intent.
- 8.6.5 The Assistant Director of Corporate Governance sees no legal reasons preventing Cabinet from approving the recommendations in the report.

Equality

- 8.7 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 8.8 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and

sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

- 8.9 The proposal is to award a contract to build a new retaining wall to replace the existing North Hill retaining wall. The objective of these works will be to keep Haringey's assets up to date and minimise ongoing maintenance. It is noted that the works will lead to more space for pedestrians, which may have a positive impact on children and young people, individuals with disabilities who use wheelchairs, and mothers of young children who use pushchairs. No negative impact is expected on any individual or group who share the protected characteristics. The Council and the contractor will have a duty to monitor any impact and take mitigating action where necessary.

9 Use of Appendices

- 9.1 None

10 Local Government (Access to Information) Act 1985

- 10.1 No supporting documents are required to support this award.

- 10.2 This report contains exempt and non-exempt information. The exempt information is not for publication as it contains information classified as exempt under the following categories (identified in the amended Schedule 12A of the Local Government Act 1972):

(3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).