



# CITY DEAL

Preston, South Ribble & Lancashire

## **CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD**

**Private and Confidential: No**

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**Procurement: Tom Benson Way Cycling Improvements**

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### **Executive Summary**

To determine the preferred delivery/procurement model in respect of the Tom Benson Way Cycling Scheme.

**Estimated cost:** £450,000 (Developer Contributions)

**Construction:** Start Q4 16/17    Complete Q1 17/18

### **Recommendation**

Given the extensive experience of the LCC City Deal Highways team of successfully delivering cycling improvement projects, and the potential risks on cost and delivery schedule of a tendered contract, the City Deal Executive and Stewardship Board is recommended to approve that this scheme be delivered through the Lancashire County Council (LCC) City Deal Highways Team.

### **Background and Advice**

A decision was made by the City Deal Executive and Stewardship Board (E&SB) on 30<sup>th</sup> September 2016 that future decisions regarding the delivery/procurement model for specific schemes will be considered by the Board.

To date there has been a mixed economy in the delivery of schemes utilising Lancashire County Council Highway Service, South Ribble Borough Council, Preston City Council and tendered works with external contractors.

The LCC Highways service has developed a specific City Deal Highways team to lead on the construction of City Deal projects, providing control, co-ordination and flexibility in the overall programme management of the Infrastructure Delivery Plan. Where there have been pressures on capacity, timescales or specialisms, or where it has been more appropriate due to the scale of the project, alternative delivery mechanisms have been developed and implemented.



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The adoption of a mixed economy of delivery mechanisms has allowed greater flexibility in resource utilisation between the partners and the private sector.

## **The Tom Benson Way Cycling Improvement Scheme:**

The design for this cycling improvement project is due to be completed in Q3 and works are scheduled to start on site in Q4 16/17. The scheme will deliver a new cycleway through from Cottam to the City Centre along Tom Benson Way. The anticipated delivery model for the construction of this scheme had been through the LCC City Deal Highways team, with project management provided through the City Deal Design team. This project is currently scheduled for delivery on this basis and can be delivered within the estimate.

There is an established successful working relationship between the City Deal Design team and the City Deal Highways team and there is no supervision requirement or contract management requirement on the design team once the project has moved to the construction phase. All supervision for projects delivered by the City Deal Highways team is provided directly by them, and all costs are actual costs.

An alternative delivery model is available through a formal tendering process to procure a construction contractor to deliver the scheme, with project management, supervision and contract management provided through the City Deal Design team. This would create additional resource implications for the team. It is anticipated that a procurement exercise for this value of works will take approximately four weeks and will require the full design specification to have been developed ahead of this. Procurement would not start until the design process was complete. This would require the rescheduling of the start of the scheme

There will be costs associated with the implementation of a procurement process, which for the scale of the project could be considered to be disproportionately high compared to the potential to receive tender prices below the current estimate. There is also a risk that the scheme receives tenders that are greater than the current cost estimate.

This is a relatively modest scheme and is of a nature and specification that the City Deal Highways team has extensive experience in delivering successfully. It is very similar in specification to the other cycling improvement schemes already delivered in and around Preston and South Ribble by the team, including the Guild Wheel.