

Coastal Zone Term Maintenance Contract

Cabinet	21 September 2023
Report Author	Luke Glover
Portfolio Holder	Cllr Steve Albon - Cabinet Member for Cleansing and Coastal Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An Executive Decision that involves incurring expenditure anticipated to be £250,000 or above
Ward:	All wards

Executive Summary:

The council is responsible for the maintenance of structures along 16 miles of the authority's 19 mile coastline. Maintenance works are undertaken by a civil engineering contractor via a term contract. The current contract will expire in January 2024. It is proposed that a competitive procurement exercise takes place for a new 3 year term contract with an option to extend to 5 years.

Recommendation(s):

This report seeks the approval of Cabinet to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024.

Corporate Implications

Financial and Value for Money

Coastal zone maintenance is funded purely from general fund revenue budgets. Separate budgets exist for upper promenades, lower promenades, tidal pools and coastal structures such as retaining walls. The combined value of these recurring budgets is currently £244k. Other civil engineering maintenance work at or away from the coastline is sometimes delivered via this contract arrangement (where the work content is a good fit with the contract schedule) and therefore the annual contract value will be indicated as £300k per year in the proposed tender document. For the maximum 5 year duration of the contract the value could therefore be up to £1.5m.

Legal

The project will be competitively procured in accordance with the council's contract standing orders. The council's legal team will undertake the contract award. The council has had similar term contracts in place for coastal zone maintenance works for in excess of 20 years and this type of maintenance contract offers relatively low legal and corporate risk.

Risk Management

This is a relatively high value revenue funded contract but the delivery risk is considered low due to the nature of contract delivery. The work programme is informed by planned and ad hoc inspections by the Technical Services team. Between 100-200 Individual works orders are raised each year for coastal zone maintenance works. The value of the vast majority of works orders is between circa £100 and £8,000. The maximum works order value under the contract is £50,000. Works are supervised and inspected by a member of the Technical Services team and then paid for based on monthly valuations. The contractor is required to undertake risk assessments and plan all works to the satisfaction of the contract administrator.

Corporate

The coastline and coastal access is important to the local economy and particularly to seasonal trade. This contract is vital to the continued maintenance of assets in the coastal zone. Sea walls and coastal protection assets provide important public amenity in the form of a coastal promenade with multiple access points to the foreshore for the benefit of beach users. Sea walls prevent flooding or erosion of land by wave action. These assets are an important part of the local environment that are maintained by the council in accordance with its corporate priorities.

Equality Act 2010 & Public Sector Equality Duty

The proposal has limited relevance to the duty in respect of the protected characteristics. It is the officer's assessment that the duty is not engaged by this proposal.

There is a possibility of short term impacts on pedestrian access whilst maintenance works are undertaken but this will support the long term accessibility of the coastal estate.

Corporate Priorities

This report relates to the following corporate priorities: -

- Environment
- Communities

1.0 Introduction and Background

1.1 The council is responsible for the maintenance of structures along 16 miles of the authority's 19 mile coastline including approximately 11 miles of sea walls. The

coastal zone is a harsh environment and these flood defence and coastal erosion risk management assets which have a present day value of circa £100m, require constant maintenance.

- 1.2 Maintenance works are undertaken by a civil engineering contractor via a term contract. The current contract will expire in January 2024. It is proposed that a competitive procurement exercise takes place for a new 3 year term contract with an option to extend to 5 years.

2.0 Current Situation and Proposed Works

- 2.1 The civil engineering works are primarily associated with the maintenance of coastal defence structures; the works may take the form of responsive repairs, general maintenance, or emergency works for which a 24 hour call out service will be required within a 2 hour response time.
- 2.2 Typical work orders include concrete repairs, handrail repairs, fencing, bituminous surfacing, steel works or drainage works, larger works such as the replacement of promenade berm slabs can sometimes be undertaken via the contract. The majority of the works are undertaken in the vicinity of the lower and upper promenade areas. Some of the works will also be undertaken within the tidal zone and some works may be ordered in locations away from the coastline, for example in car parks and open spaces although the primary purpose of the contract is for coastal works.
- 2.3 The duration of the contract is 3 years. Subject to the right of the council as contract administrator and at its sole discretion, the contract may be extended by up to 2 years. The maximum length of the contract will therefore be 5 years.
- 2.4 The procurement process will be undertaken on the basis of an open tender. All tenders will be accepted subject to the tenderer providing suitable responses to grounds for Mandatory and Discretionary Rejection. Evaluation will be on the basis of price and quality criteria.

3.0 Options

- 3.1 Option 1 - to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024. All expenditure shall be in accordance with allocated budgets.
- 3.2 Option 2 - do not approve expenditure on this project. Note, this would effectively mean that assets maintenance could not be achieved in a manner compliant with the council's contract standing orders and the closure of parts of the coastal zone including promenades would be more likely when defects are observed which cannot be repaired in a timely manner.

5.0 Recommendation

5.1 That Cabinet approves Option 1 - to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024.

Contact Officer: Luke Glover - Deputy Technical Services Manager
Reporting to: Mike Humber - Director of Environment

Annex List

None

Corporate Consultation

Finance: Matthew Sanham (Head of Finance, Procurement and Risk)

Legal: Sameera Khan (*Interim Head of Legal & Monitoring Officer*)