1. Introduction

1.1 I am writing to seek your approval to award the Albert Bridge major strengthening and repairs contract, to Interserve Project Services.

2. Background

2.1 Albert Bridge is one of the historic landmark structures which crosses the River Thames, constructed circa 1870 and carries the A3031. This Grade II listed structure is a hybrid suspension bridge which has been modified in recent years in an attempt to improve its load carrying capacity, this included in 1973 the construction of a new central pier. The bridge has a 2.5 tonne weight restriction, enforced by the use of width restrictions on the approaches, the footways are also protected by red and white plastic barriers to deter vehicle encroachment.

2.2 In September 2007 Key Decision report 02717, provided background information and identified options for the structural repairs and strengthening of Albert Bridge. The decision approved the expenditure to carry out detailed design in respect of strengthening the bridge to 7.5 Tonnes. The work was to be carried out by Hyder Consulting (UK) Limited, the Council’s term bridge consultants, funded by Transport for London.
2.3 The letter of 20 November 2008 from Transport for London’s (TfL) Director of Borough Partnerships to the Chief Executive indicated their intention to fund the full allocation requested for TfL’s contribution to the scheme.

2.4 The project is being funded by TfL and the Royal Borough. TfL are funding the strengthening and bridge deck works, the Borough is funding the refurbishment, painting and lighting works to the superstructure. The proportion is a 75 percent TfL, 25 percent the Royal Borough split in costs.

2.5 It is important that an experienced competent contractor with good financial standing and experience of this type of specialist work is selected for this high profile project. Section 4 details the process involved in selection of the contractor.

3. **Need**

3.1 The Royal Borough is the highway authority for all the roads in Kensington and Chelsea apart from the Greater London Authority’s Transport for London Road Network (TLRN). We have a statutory duty to maintain these roads and structures. For the past 3 years temporary measures have been employed to protect the structural integrity of Albert Bridge, the strengthening and refurbishment works will ensure the bridges longevity is maintained and the temporary plastic barriers can be removed.

4. **Tenders**

4.1 A Tender Appraisal Panel (TAP) with officers from Highways, Legal Service and the Finance Department was set up to oversee the procurement process.

4.2 We started the tendering exercise under the European Union restricted procedure in November 2008, following approval to proceed to competition by the Executive Director in consultation with the Cabinet Member for Planning Policy, Housing Policy and Transportation. We placed a notice in the Official Journal of the European Union (OJEU) and required companies that expressed an interest in the contracts to complete a pre-qualification questionnaire (PQQ). We received ten completed questionnaires.

4.3 We assessed the PQQs in accordance with the criteria described in the OJEU notice, which included experience of similar work, the necessary health and safety accreditation, appropriate financial appraisals and appropriate quality assurance and
environmental certification. We judged that the four companies listed below scored sufficiently highly to be invited to tender.

1. Balfour Beatty Civil Engineering  
2. Barhale Construction PLC  
3. Interserve Project Services  
4. J Murphy & Sons Limited

All shortlisted companies submitted compliant bids with a fully priced bill of quantities.

5. **Tender Assessment**

5.1 Tenderers were required to submit the priced bill of quantities and supporting information for the quality assessment of the tender. We used a quality: price ratio of 60:40.

5.2 We assessed tenders for quality and price as follows:

i) **quality** – assessment based on specific criteria about programme, proposed staff, health and safety and quality control processes.

ii) **price** – the tenders were assessed by applying a pre-determined set of quantities, items in the bill of quantities based on work carried out by our consultants Hyder’s Quantity Surveyors. The contractors were asked to price two options:

- Maintenance Painting Alternative A
- Maintenance Painting Alternative B

Alternative A includes the full removal of the existing paint system by blast cleaning; Alternative B includes removing loose material by mechanical means such as wire brush and mechanical abrasives.

Using Alternative B will not provide a standard painting system and as such no manufacturers guarantee, selecting Alternative A will provide a standard paint finish and a lower risk of future maintenance issues.

Although Alternative A is slightly higher in price, this methodology is being recommended as it provides the best long term longevity for the paint system.

5.3 During the tendering period, a tender clinic took place in September 2009 this gave the contractors individually the opportunity to discuss the project, and officers the opportunity
to assess the quality of the contractors understanding and strength of the representatives put forward.

5.4 The methodology of scoring regime was given in detail as part of the contract documentation which gave maximum scores for quality and price with an overall quality: price ratio of 60:40 applied.

5.5 The quality and finance were assessed separately by two independent teams of three members. The scores were then brought together and the results are as follows:

<table>
<thead>
<tr>
<th>Tenderer</th>
<th>Overall Score</th>
<th>Combined score rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interserve Project Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option A</td>
<td>68.91</td>
<td>1</td>
</tr>
<tr>
<td>Option B</td>
<td>68.92</td>
<td></td>
</tr>
<tr>
<td>Company B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option A</td>
<td>67.19</td>
<td>2</td>
</tr>
<tr>
<td>Option B</td>
<td>67.41</td>
<td></td>
</tr>
<tr>
<td>Company C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option A</td>
<td>60.71</td>
<td>3</td>
</tr>
<tr>
<td>Option B</td>
<td>60.94</td>
<td></td>
</tr>
<tr>
<td>Company D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option A</td>
<td>58.66</td>
<td>4</td>
</tr>
<tr>
<td>Option B</td>
<td>58.21</td>
<td></td>
</tr>
</tbody>
</table>

5.5 A full breakdown of the tender prices and assessment process is identified in Appendix B

6. Options

Option 1 Do Nothing – the bridge will continue to deteriorate and get worse unless major repairs are undertaken. This is not recommended

Option 2 Continue with temporary restrictions and defer refurbishment and strengthening work – the bridge will continue to deteriorate, TfL are providing the majority of the funding, this may not be available in future years if we do not carry out the work now. This is not recommended

Option 3 Appoint the tenderer with the highest combined price quality score using the assessment criteria set out in the contract. This is recommended
7. Financial, Legal, Sustainability, Personnel and/or Equalities Implications

7.1 The total cost of the project is split between Transport for London who are contributing to the strengthening and deck works and the Royal Borough who will be paying for the superstructure refurbishment and lighting. Initially, a TfL allocation of £5.99 million was made towards the costs of the works. Further examination of the specifications, actual tenders and re-measurement of the bill of quantities have resulted in TfL revising their offer to 75% of a total scheme cost of £7 million resulting in a £5.25 million contribution to cover strengthening and deck works.

7.2 The Group Finance Manager comments that the total cost of this scheme is £7,040,000, including fees and supervision of £600,000 and a 10% contingency. The following table summarises the financial position.

<table>
<thead>
<tr>
<th>£ Million</th>
<th>Current Approved Budget</th>
<th>Required Budget</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme Cost</td>
<td>7.41</td>
<td>7.04</td>
<td>-0.37</td>
</tr>
<tr>
<td>Funding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TfL</td>
<td>5.99</td>
<td>5.25</td>
<td>-0.74</td>
</tr>
<tr>
<td>RBKC – General Resources</td>
<td>1.42</td>
<td>1.75</td>
<td>0.33</td>
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<tr>
<td>RBKC Direct Revenue Funding</td>
<td>0.04</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>Total Funding</td>
<td>7.41</td>
<td>7.04</td>
<td>-0.37</td>
</tr>
</tbody>
</table>

7.3 As the available TfL contribution has reduced to £5.25 million, a Royal Borough contribution of £1.79 million is now required. The approved capital budget contains expenditure provision of £7.41 million, which is in excess of requirement; however, it assumes a TfL contribution of £5.99 million with £1.42 million being met by the Royal Borough. Therefore the approved council funding is £370,000 below budget provision.

7.4 The draft capital budget currently being considered in the budget setting process requests a £1.75 million council contribution, an increase of £330,000. Though not related to this project, TfL have changed the method of grant allocation for other highways projects and as result the Royal Borough is likely to attract grant towards projects well in excess of the TfL funding reduction for Albert Bridge. This is reflected in the draft budget. In particular the streetscape annual rolling programme previously entirely...
funded by the Council will receive grant funding. The remaining £40,000 can be met by a transfer from the revenue budget for extra TfL contributions towards time spent by existing Council staff on the project that might otherwise have to be bought in from a consultancy.

7.5 The report shows that the contract has been procured in accordance with the Councils Contract Regulations and EU procurement rules. Your award decision is subject to a statutory contract standstill period of 10 days to allow for debriefing of unsuccessful bidders.

7.6 Environmental and sustainability issues were considered in the overall assessment of the submissions, tenderers were required to submit their company’s quality control processes. The scheme will require a Site Waste Management Plan to be developed and updated as the contract progresses.

7.7 There are no equalities or personnel implications arising from this report.

8. Traffic Implications

8.1 The proposals in this report meet the requirements of the Network Management Duty as set out in Part 2 of the Traffic Management Act 2004, which came into force on 4 January 2005.

8.2 An early notice was submitted to Transport for London’s Network Assurance Team regarding the scheme. A formal notice has now been submitted.

8.3 It will be necessary to close the bridge to vehicular traffic for a period of 18 months. The diversion route for the closure will be signed via Chelsea Bridge and Battersea Bridge; this is the usual division routes for the closure of the bridge when maintenance works are carried out. It is anticipated that the work will commence in February 2010 through to August 2011. Access will be maintained via a walkway for pedestrians and dismounted cyclists. The bridge closure will be carried out under Paragraph 6 of the ‘Thames and Other Bridges’ bye-law which allow the local authority responsible for the bridge to close it where it deems it expedient for reasons of safety in order to carry out repairs.

8.4 When the works are completed, the Council has no intention of increasing the size of the vehicles which could use the bridge and the existing 2.5 tonne weight limit will remain. Heavy goods vehicles and buses will not be permitted to use the bridge.
works we propose to carry out will improve the resilience of Albert Bridge and hence increase the interval before any further works may be required on the bridge in years to come.

9. Recommendations

9.1 I recommend that the contract recently tendered to undertake major strengthening and refurbishment work to Albert Bridge is awarded to Interserve Project Services selecting Maintenance Painting Alternative A. This being the most commercially advantageous tender in respect of price, quality and future maintenance liabilities.

9.2 That the capital budget for the project be amended to £7.04 million with a TfL grant of £5.25 million and a Council contribution of £1.79 million and that spending approval is given for the whole sum.

Graeme Swinburne
Director of Transportation and Highways

Tot Brill
Executive Director of Transport, Environment and Leisure Services

FOR COMPLETION BY AUTHOR OF REPORT:

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Background papers: September 2007 Key Decision 02717 ALBERT BRIDGE – Major Structural Repairs and Strengthening.

Contact officer: Gary Noble
Tel: 020 7341 5255
E-mail: gary.noble@rbkc.gov.uk

FOR COMPLETION BY GOVERNANCE SERVICES:

Report published on: 17 December 2009

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