

## Officer Non Key Executive Decision

<b>Relevant Chief Officer (Decision Maker):</b>	John Blackledge, Director of Community and Environmental Services Directorate
<b>Relevant Cabinet Member (for consultation purposes):</b>	Councillor Jim Hobson, Cabinet Member for Environment and Climate Change
<b>Report Author (Officer name and title):</b>	Trish Rimmer, Senior Corporate Procurement and Projects Officer
<b>Implementation Date of Decision:</b>	2 November 2020

### TRAMWAY MAINTENANCE (SUB-ARC WELDING) – FEBRUARY 2021

#### 1.0 Purpose of the report:

- 1.1 To confirm the appointment of a sub-arc welding contractor for Tramway Maintenance Services for Permanent Way assets on Blackpool Promenade.

Blackpool Council wishes to appoint 1 Contractors:

- Lot 1 (Sub-Arc): Keltbray

This is in addition to another Lot (Lot 3 – Rail Replacement subject to a previous ONK decision dated 1 October 2020) which was also won by Keltbray.

#### 2.0 Recommendation(s):

- 2.1 To approve the appointment of Keltbray for the above works.

#### 3.0 Reasons for recommendation(s):

- 3.1 A formal tendering exercise was undertaken between July 2020 through to August 2020 in order to select suitably qualified and experienced Contractors to undertake the works.

The Council conducted an open tender exercise via our electronic tendering portal, The Chest.

No on-time tender submissions were received from any Contractor for the sub-arc welding elements of the scheme.

One contractor after the deadline, Keltbray, located a sub-contractor for this work and submitted a late bid which was initially considered too expensive (circa £800,000) and would not be achievable without extended tram closures which would be unacceptable.

There has been on-going dialogue with various contractors, scoping work and additional quotations sought. Keltbray has been very proactive in this area and by careful consideration of the scheme through a number of revised options appraisals have managed to significantly improve both the schedule and the costs to a manageable and acceptable level and can undertake the works in conjunction with their rail replacement work for economies of scale. They have also managed to secure and evidence a close working relationship with the only sub-arc welding company in the UK, In-line welding.

The track services department have pursued quotations from other firms but none have been forthcoming. The service are still aiming to do a trial with Voestalpine to trial different welding techniques to ensure that options are available for future work.

Keltbray provided the most economically viable and achievable offer and it is therefore, the intention to enter into a formal agreement with them.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

n.a. This work cannot be undertaken in-house.

Sub-Arc welding has been reviewed and a number of other options have been considered to reduce the cost and scope of the works. This offer is considered to be the most currently viable option.

#### **4.0 Council Priority:**

4.1 The relevant Council Priority is: "The economy: Maximising growth and opportunity across Blackpool".

## **5.0 Background Information**

5.1 The Blackpool and Fleetwood Tramway is the only remaining first generation tramway in the United Kingdom, having remained in constant operation since it first opened in 1885. The current network extends for 18.2Km along the Fylde coastline from Starr Gate terminus at the southern end of the alignment to Fleetwood Ferry in the north.

Blackpool and Fleetwood Tramway is owned by Blackpool Council (BC) and operated under licence by Blackpool Transport Services (BTS).

These maintenance repair works are to be carried out in 2021 over a total working period of 45 days.

## **6.0 Legal considerations:**

6.1 The process was undertaken in line with Public Contract Regulations 2015 and is in line with the Council's Contract Procedure Rules. Authority has been sought from the Head of Procurement. The Council will enter into a contract with the above named Contractors.

## **7.0 Human Resources considerations:**

7.1 n.a.

## **8.0 Equalities considerations:**

8.1 n.a.

## **9.0 Financial considerations:**

9.1 Sub-Arc Welding Cost: £ 172,410

Contingency would need be needed in addition to this for lost shifts due to poor weather which is likely to happen in February. The initial budget estimate for this work was in the region of £200,000 so this is considered within tolerance.

Credit checks have been carried out on the successful contractor.

**10.0 Risk management considerations:**

10.1 The project will be managed by Blackpool Council and the suppliers are RISQS accredited.

**11.0 Ethical considerations:**

11.1 Social Value was included at 20%.

**12.0 Internal/ External Consultation undertaken:**

12.1 Lancashire County Council will be informed of the works once the project is awarded.

**13.0 Decision of Chief Officer**

13.1 To approve the appointment of Keltbray for the above works.

**14.0 Reasons for the Decision of the Chief Officer**

14.1 Keltbray provided the most economically viable and achievable offer and it is therefore, the intention to enter into a formal agreement with them.