



ADUR & WORTHING  
COUNCILS

Executive Members for Regeneration  
18 February 2019

Decision to be taken on or after  
26 February 2019

Key Decision [Yes/No]

Ward(s) Affected:N/A

## **Pier and Lido Sub-structure Maintenance Contract**

### **Report by the Director for Digital & Resources**

#### **Executive Summary**

##### **1. Purpose**

1.1 To authorise acceptance of a tender, in relation to a term service contract for the inspection and repair of the Pier and Lido sub-structures, submitted 21st December 2018 by South Coast Inc.

1.2 To further authorise the awarding of the term service contract to the above-named for said reactive maintenance works, the value of which exceeds £100k per annum.

##### **2. Recommendations**

2.1 Executive Member authorise the acceptance of submitted tender and award of the term service contract to South Coast Inc.

##### **3. Background**

3.1 The Pier and Lido substructures are located in a harsh tidal environment continuously eroded by wave and shingle action and damaged by floxum and jetsam. The reactive maintenance is essential in ensuring both structures remain in a suitable and viable condition.

- 3.2 The maintenance of the Pier substructure and landing stage has been carried out under a number of different forms of term contract since 1993. In 2002 the Lido substructure was included in the contract as the sub-structure is of a similar construction to the Pier.
- 3.3 The term contract consists of regular inspections and subsequent reactive repairs to maintain the condition of the substructures. Condition observation made during the inspections also allows for planning for future larger scale maintenance works through the Capital budget process, if required.
- 3.4 The previous contract commenced in 2012 for a minimum period of five years and was awarded to KD Engineering (UK) Ltd. Unfortunately, KD Engineering (UK) Ltd went into receivership in December 2015.
- 3.5 Following the notification from KD Engineering (UK), local companies have been employed to undertake the maintenance works whilst a new contract was written.
- 3.6 The opportunity was taken to update the contract documentation to a more current form of contract and the tender process was open nationally to attract a greater response due to the specialised area of works.

#### **4. Proposal**

- 4.1 The proposal is to award the contract to South Coast Inc for an initial period of 2 years, extendable yearly up to a further 3 years based on satisfactory performance.
- 4.2 The tender exercise and evaluation was undertaken which demonstrated that this option provided the best value for the Council taking into account both the price and quality assessment.

#### **5. Engagement and Communication**

- 5.1 The Procurement Team have confirmed the tendering procedure meets the Joint Council's Contract Standing Orders and provides best value.

## **6. Financial Implications**

- 6.1 The existing revenue budgets for the structures are currently set at £170,440 for the Pier substructure and landing stage and £10,290 for the Lido substructure.
- 6.2 A recent tendering exercise has led to the recommendation of Technical Services Officers in the awarding of a contract. There is no set value to the contract as works are ordered on a 'call off' needs only basis, although historically the majority of the budget has been utilised annually for maintenance works.
- 6.3 The contract evaluation assessed that prices secured under the contract for a period of 5 years are in line with current costs to those paid to local contractors.

## **7. Legal Implications**

- 7.1 s1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 7.2 Section 19 Local Government (Miscellaneous Provisions) Act 1976 allow the Council to provide recreational facilities as it thinks fit and that includes the power to provide buildings, facilities, equipment, supplies and assistance of any kind, either without charge or on such payment as the authority thinks fit.
- 7.3 s1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available of assets or services for the purposes of, or in connection with, the discharge of the function by the local authority
- 7.4 Under the Public Contract Regulations 2015 where a Public Authority is to enter into a contract for the supply of goods & services, and the value of those goods and services exceeds a financial limit of £181,302 (or for works contracts £4,551,413) any procurement exercise to contract for those goods and services must be conducted in accordance with the Public Contract Regulations.
- 7.5 The Council must also comply with its own contract standing orders in spending the approved funds.

## **Background Papers**

- Technical Services – Tender documentation

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## **Sustainability & Risk Assessment**

### **1. Economic**

- The Pier and Lido provide valuable destination and entertainment venues on the structures and act as an attraction to the town centre area.

### **2. Social**

#### **2.1 Social Value**

- The upkeep of the Pier and Lido maintains a valuable resource for the community, both for leisure in accessing the beach environment and entertainment venues on the structures.

#### **2.2 Equality Issues**

- Matter considered and no issues identified.

#### **2.3 Community Safety Issues (Section 17)**

- Matter considered and no issues identified.

#### **2.4 Human Rights Issues**

- Matter considered and no issues identified.

### **3. Environmental**

- The term service contract requires the contractor to prevent any adverse effects on the natural environment in the delivery of the service.

### **4. Governance**

- Closure of the Pier or Lido due to poor structural maintenance would negatively affect the Council's reputation.