

By: Nick Chard, Cabinet Member for Environment Highways & Waste

To: EH&W Policy Overview & Scrutiny Committee

Date of Meeting: 18th January 2011

Subject: Future Highways Procurement – Update

Summary: Provides Members of EH&W POSC with an update on the timetable and progress of the procurement of the new term maintenance contract.

1. Introduction:

This report gives an update on how the Council is transforming the delivery of highway services, by reprocurring the term maintenance contract, to drive improvement in highway condition, improve customer perception across Kent and deliver increased value for money.

The procurement process to replace the existing Highway Maintenance Contract is a key workstream within the Future Highways Programme, one of five transformation workstreams designed to support the procurement activities and deliver Kent Highways' vision. In replacing the existing contract, the Council has the opportunity to modernise the whole of the service by adopting a fresh delivery model and enable a strong client approach.

2. Background:

Members will recall that on the 21st April 2010, the Cabinet Member for Environment, Highways and Waste informed all county members that a decision had been made to procure a new highways maintenance contract. Subsequent verbal reports have been made to give a progress update on the procurement process.

Members have been involved in various stages of the process, in particular decision making at Strategic Procurement Board and the Competitive Dialogue meetings held with the bidders.

3. Progress and Next Steps:

The Invitation to Submit Detailed Solutions (ISDS) was issued to the short listed contractors in November: Colas, Enterprise and May Gurney.

The bidders submitted their Draft Detailed Solutions on the 14th December 2010

During the period between 14th and the 23rd December the Detailed Solutions were evaluated by a number of KHS officers.

On the 17th and 21st December a Competitive Dialogue Event was undertaken to discuss these submissions with the bidders. The objective being to further shape

the proposals to ensure that bidders fully understand and are aligned to KHS' service delivery requirements.

On the 23rd December a refined document was sent out to the bidders, giving them until the 20th January to submit their detailed solutions.

Reference Site Visits have been arranged for the week of the 7th February. It is intended that a number of key Kent Highway Services staff will visit depots at East Sussex County Council, Portsmouth City Council, Staffordshire Highways, Leeds Highways and Liverpool Highways to discuss the bidder's performance, general conduct and maintenance management.

From the bidder's submissions in January, KHS will extract the best solutions and compile the Final Tender Documents, which will be sent out on the 17th February.

The intention to award the contract is due to take place 2nd June 2011 with the contract due to commence on the 1st September 2011.

Recommendations:

Members are asked to:

- Note the report

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Future Highways Procurement Timeline

PROGRAMME OVERVIEW	
KEY MILESTONE	DATE
SMT to sign off revised ISDS requirements	23 Dec
Bidders Submit detailed Solutions	20 Jan
Reference Site Visits	7- 9 Feb
5th Competitive Dialogue Session	14-15 Feb
Prepare Final Tender Documents	21/1-17/2
Issue Final Tender Documents	17 Feb
Bidders Submit Final Tenders	24 March
Scoring, Financial Assessments etc.	25 March – 21 April
Strategic Procurement Board	25 April
Cabinet Briefing	9 May
Cabinet Approval	23 May
Intention to Award Contract	2 June
Project Scrutiny Member sign off	16 June
Contract Sign	1 July
Service Commencement	1 September

Please note: some of the above dates may be subject to change if circumstances dictate.