

From: Matthew Balfour, Cabinet Member – Environment & Transport
Barbara Cooper, Corporate Director – Growth, Environment and Transport

To: Environment & Transport Cabinet Committee – 16 September

Decision No: 15/00073

Subject: **Tender and Award of a Contract for the Maintenance of Traffic Signals**

Key decision – Affects the whole of Kent, with expenditure greater than £1m

Classification: **Unrestricted**

Past Pathway of Paper: Procurement Board 31st March 2015

Future Pathway of Paper: For Cabinet Member decision

Electoral Division: All

Summary:

As the current Traffic Signals maintenance contract is to expire in March 2016, this report seeks approval to procure and award a new contract to maintain traffic systems commencing 1 April 2016.

The service operates and maintains a wide variety of equipment, primarily traffic signals. The existing contract includes: traffic lights, vehicle detection systems, speed and hazard warning signs, roadside message signs, over-height vehicle detection and rising bollard equipment.

Recommendation(s):

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Environment & Transport on the proposed decision to agree the award and issue of the Traffic Signals Maintenance contract for an initial period of five years and, subject to performance and demonstration of value for money, delegate authority to officers to issue a five-year extension.

1. Introduction

1.1 The contract is required in order to provide maintenance for the Traffic Systems asset on the Kent Highway Network. The Authority has to ensure informed, reliable journeys for Kent citizens by managing traffic flows, looking after transport systems and providing real-time traffic and travel updates which is derived from the following Statutory Obligations:

- Highways Act 1980 (Section 41)
- Traffic Management Act 2004 Part 2 (Section 16)
- TD 24/97 Inspection and maintenance of traffic signals and associated equipment
- Electricity at Work Regulations 1989

1.2 Through the commissioning process it was decided to proceed with a term maintenance contract for Traffic Systems Asset Maintenance adopting:

- a lump sum for routine work and rates for non-routine works (NEC Option A);
- availability based to measure contract performance to ensure the asset remains operational and faults are fixed first time; and
- the contract to be an initial five year term with a maximum extension of a further five years, in increments of not less than two years.

2. Financial Implications

2.1 Financial implications are contained within the exempt report at E1.

3. Policy Framework

3.1 As the traffic systems and associated assets create an efficient transport network, which is essential to support sustainable housing and employment growth, the decision supports objectives within “Increasing Opportunities, Improving Outcomes” for Kent communities to feel the benefits of economic growth.

3.2 The decision also supports priorities to:

- improve commissioning of services;
- shape skills provision around the needs of the Kent economy;
- deliver the Kent Environment strategy; and
- deliver “Growth without Gridlock”.

3.3 The contract is specifically referred to in the Highways Transport & Waste Business Plan and the Medium Term Financial Plan.

4. Detail

- 4.1 The existing Traffic Signals Maintenance contract was extended up to its maximum permitted term with Telent and expires on 31st March 2016.
- 4.2 Due to the specialist nature of Intelligent Traffic Systems works, there are only a limited number of providers delivering this type of work. Following engagement with a number of local authorities and service providers, it has been established that the best approach is to create a contract that deals with routine and non-routine works.
- 4.3 The Intelligent Traffic Systems asset comprises the following:
- 690 traffic signal sites (junctions and pedestrian crossings);
 - 340 interactive warning signs;
 - 90 roadside message signs; and
 - access control systems (rising bollard and over-height vehicle detection).
- 4.4 Tender submissions will be assessed on the basis of most economically advantageous tender. 75% of marks will be awarded for price and 25% for quality.

5. Equality and Legal Implications

- 5.1 There are no equality implications; the contract will operate under similar terms and conditions as the current arrangements. All traffic systems assets are designed to improve road safety for all users and specifically provide features to help the young, the elderly and those with sight and mobility impairments.
- 5.2 Legal have been consulted regarding any TUPE issues and have provided appropriate clauses for the contract documentation. It is expected that TUPE applies, although no staff are, or have been, employed in Local Government.

6. Conclusions

- 6.1 This contract award enables KCC to continue to fulfil its statutory obligations of the Highways Act 1980.
- 6.2 Evaluation of the tenders will take place in October, The Award Report will be signed off during December, and the contract awarded January. Contract mobilisation will begin February to enable the contract to start on 1st April 2016.
- 6.3 It is the intention for authority to be delegated to officers to issue the 5 year extension based upon performance and demonstration of value for money.

6. Recommendation(s):

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Environment & Transport on the proposed decision to agree the award and issue of the Traffic Signals Maintenance contract for an initial period of five years and subject to performance and

demonstration of value for money, delegate authority to officers to issue a five-year extension.

7. Appendices

7.1 Equality Impact Assessment (EqIA) Screening – Appendix A

7.2 Proposed Record of Decision – Appendix B

8. Contact details

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