

**Report to the Chief Officer (Highways and Transportation)**

**Date: 14 March, 2014**

**Subject: Tender of Road Markings Contract 2014 - 2018**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

- 1 This report seeks the approval of the Chief Officer (Highways and Transportation) to tender the Road Markings Maintenance Contract 2014/18.
- 2 The Contract period being from April, 2014 to 31 March, 2016 with an option to extend to 31 March, 2018, in accordance with Contract Procedure Rule 9 – High Value Procurement.

**Recommendations**

- 3 The Chief Officer (Highway and Transportation) is requested to approve the tender of the Road Markings Maintenance Contract 2014/18.

**1 Purpose of this report**

- 1.1 The purpose of this report is to inform the Chief Officer (Highways and Transportation) of the requirement to tender the Road Markings Maintenance Contract 2014/18.

**2 Background information**

- 2.1 The current Road Markings Maintenance Contract expires on 31st March 2014. There is no provision within the contract to extend it for a further period of time.

### **3 Main issues**

- 3.1 The Highway Maintenance Section use this contract for the application of road markings, anti- skid surfacing and road studs to road surfaces for schemes carried out through both the traffic and maintenance works programmes.
- 3.2 This will be a two year schedule of rates contract with an option to extend for a further two years, which will be awarded to all compliant tenders on a no guarantee of works basis, with individual works orders placed with the most competitive and available first.
- 3.3 The average annual expenditure is £ 500,000 issued on over 1,000 call-off orders.

### **4 Corporate Considerations**

#### **4.1 Consultation and Engagement**

- 4.1.1 A collaboration contract with other West Yorkshire Authorities was considered by the West Yorkshire Contracts Group, a decision was taken that potential cost savings if any would be minimal. The group have prioritised other areas where potential savings are much greater so a West Yorkshire Road Marking Contract is not an option at this stage.
- 4.1.2 Consultation has taken place with the Finance Section who confirmed that the works would be funded from both the capital and revenue budgets as and when the works are required.
- 4.1.3 The Procurement Section has also looked into the appropriateness or otherwise of the proposed two year Contract and concluded that it could provide contractors with the opportunity to offer more competitive rates than otherwise.

#### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 Due consideration to equality will take place as part of the Corporate Procurement Process and it is currently not applicable for an Equality, Diversity, Cohesion and Integration screening / impact assessment to be undertaken at this time. However, equality screenings will be carried out on the individual schemes as appropriate once the contract is awarded.

#### **4.3 Council policies and City Priorities**

- 4.3.1 The proposed tender of this contract will provide an efficient method of procuring road markings, anti-skid surfacing and road studs.
- 4.3.2 The decision to tender this contract falls within the parameter of Administrative Decisions in that :
  - a) The work to be carried out under this contract will be funded by approved budgets

- b) There is no conflict with the Budget and Policy Framework or other policies approved by the Council: and
- c) It does not raise new issues on policy.

#### **4.4 Resources and value for money**

- 4.4.1 The tender of this Contract is an efficient use of council resources and is judged to be value for money in comparison to preparing tenders for each individual scheme.
- 4.4.2 The Contract will be awarded to all contractors submitting a compliant tender. The Contractors will be offered, subject to satisfactory performance, the opportunity to revise their rates annually. The maximum revision acceptable will be the percentage increase of the CPR value current at that time, published by the Office of National Statistics. It is possible that contractors who have received little or no work through the contract in the previous year will offer a percentage decrease of their rates.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 There are no specific legal implications arising from this report. All activities relating to the proposed extension have been executed strictly in accordance with the Council's Contract Procedures Rules. In accordance with the CPR's for new contracts that may be used for expenditure of more than £250,000 the decision is subject to Call In.

#### **4.6 Risk Management**

- 4.6.1 This Contract is necessary to maintain continuity on the ability to procure this work.

### **5 Conclusions**

- 5.1 The tender of this Contract is an efficient use of council resources and is judged to be value for money in comparison to tendering individual schemes.

### **6 Recommendations**

- 6.1 The Chief Officer (Highway and Transportation) is requested to approve the tender of the Road Markings Maintenance Contract 2014/18.

### **7 Background documents<sup>1</sup>**

- 7.1 None

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<sup>1</sup> The background documents listed in this section are available from the Council's website, unless they contain exempt or confidential information. The list of background documents does not include published works.