

Report to the Chief Officer (Highways and Transportation)

Date: 28 October 2014

Subject: Supply and Installation of Traffic Signal Equipment – Extension of Contract

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 Chief Officer's approval to extend the contract for the Supply and Installation of Traffic Signal equipment for a period of 12 months, in accordance with Contract Procedure Rule 21.1 and utilising Clause 32.1 incorporated within the Contract.

Recommendations

- 2 The Chief Officer (Highways and Transportation) is requested to approve the extension of the contract for the Supply and Installation of Traffic Signal Equipment 2012/13 for a further 12 months in accordance with its terms and conditions

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 extend the Supply and Installation of Traffic Signal Equipment 2012/13 Contract and seek an Administrative Decision as defined by the Constitution of the Council to extend the contract with the three incumbent contractors, who have all confirmed their agreement to extend.

2 Background information

- 2.1 The Supply and Installation of Traffic Signal Equipment contract is a call-off contract used by UTMIC to meet the routine procurement needs of the department with respect to the purchasing of equipment for new traffic signal projects together

with their installation. The Contract expires on the 9 January 2015 and is extendable for one further year.

3 Main issues

- 3.1 The Supply and Installation of Traffic Signal Equipment Contract was awarded to three contractors in January 2013 for an initial period of 12 months with the option to extend the contract for two further periods of 12 months. The contract has been extended once and the Contractors have now been approached regarding extending the contract for a final period of 12 months. The three incumbent contractors have agreed to extend the contract for a further 12 months and have all agreed to maintain their rates at their current value.
- 3.2 The total value of orders placed over the last 12 months amounts to £800,000, with the majority of orders being placed with two contractors.
- 3.3 The contract entitles the Contractors to claim a rate rise in line with the Retail Price Index (approximately 2.3%) and therefore their agreement to hold rates for a further twelve months is seen as a saving to the Council and is considered best value.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The UTMC team are satisfied with the services provided by all three contractors.
- 4.1.2 Consultation has taken place with the Finance Team who confirmed that funding is available through the UTMC budget, and capital scheme funding is endorsed through the Chief Officer Approval process.
- 4.1.3 The Procurement Section has also looked into the appropriateness or otherwise of the proposed extension and concluded that it is justifiable

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Due consideration to equality has already taken place as part of the Corporate Procurement Process before this contract was originally awarded. It is currently not applicable to carry out an EDCI screening or impact assessment at this time.

4.3 Council policies and City Priorities

- 4.3.1 This contract is utilised as a means of instructing a contractor to carry out works involved with the supply and installation of traffic signal equipment. Each order will be subject to the necessary approvals in accordance with the Council's rules.
- 4.3.2 The proposed extension to this contract will maintain an efficient method of procuring these essential works.
- 4.3.3 In accordance with the policy of collaborative working with neighbouring authorities, the merits of a West Yorkshire contract are currently being reviewed.

4.4 Resources and value for money

- 4.4.1 The proposed extension to this contract will maintain an efficient method of procuring these essential works.
- 4.4.2 The three Contractors agreement to waive their entitlement to a price increase is seen to represent value for money for the Council.

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 Procedure Rules.

4.6 Risk Management

- 4.6.1 The three Contractors have already submitted competitive rates through the original tender process, and their agreement to waive their right to a rise in line with the Retail Price Index represents a saving to the City Council. A new tender exercise is not expected to bring any further savings and would incur costs associated with a new tender exercise.

5 Conclusions

- 5.1 The extension of this Contract is an efficient use of Council resources.

6 Recommendations

- 6.1 The Chief Officer (Highways and Transportation) is requested to approve the extension of the contract for the Supply and Installation of Traffic Signal Equipment 2012/13 for a further 12 months in accordance with its terms and conditions

7 Background documents¹

- 7.1 None

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