

Report to the Chief Officer (Highways and Transportation)

Date: 24 May 2016

Subject: Extension of Contract – Road Markings Contract 2014-16

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. The Road Markings Contract is used by the Highway Maintenance Section 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.
2. This report seeks the Chief Officer's approval to extend the Road Markings Contract for a period of 12 months, in accordance with Contract Procedure Rule 21.1 and utilising Clause Z17 incorporated within the Contract.

Recommendations

3. The Chief Officer (Highways and Transportation) is requested to approve the extension of the Road Markings Maintenance Contract for a further 12 months to 30 June 2017 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 Road Markings Contract and seek a Key Decision as defined by the Constitution of the Council to extend the contract to four incumbent providers who have confirmed their agreement to extend in accordance with Contract Procedure Rule 9 – High Value Procurement.

2 Background information

- 2.1 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 traffic and maintenance works programmes.
- 2.2 The Road Markings budget for the year 2016/17 is £350,000.
- 2.3 At the time of procurement the West Yorkshire Districts were consulted but declined to collaborate on this contract so therefore this was procured for Leeds City Council.

3 Main issues

- 3.1 The Road Markings Contract was awarded to four contractors in July 2014 for an initial period of 24 months with a facility to be able to extend the contract by one year extensions until the 30th June 2018 with Contractors able to submit revised rates.
- 3.2 The current contract expires on the 30th June 2016 and can be extended twice more up to 30th June 2018.
- 3.3 The four incumbent contractors have agreed to extend the contract. All four contractors have confirmed that they will maintain their current rates for a further year.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Highway Maintenance Team is satisfied with the performance of the companies and is agreeable to the contract being extended.
- 4.1.2 Consultation has taken place with the Finance Team who confirmed that funding is available through the Highway Maintenance budget.
- 4.1.3 The Procurement Team have 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 road markings works as and when required. 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 this essential service.

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 services and offers very good value for money with the existing contractors offering to retain the same rates as last year.

4.4.2 Legal Implications, Access to Information and Call In

4.4.1 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.

4.5 Risk Management

4.5.1 The incumbent contractors have already submitted competitive rates and a new tender exercise is not expected to bring any further savings and would incur costs associated with a new tender process.

5 Conclusions

5.1 The extension of this Contract is an efficient use of Council resources and offers best value for money whilst ensuring the maintenance and provision of road markings can continue to be delivered.

6 Recommendations

6.1 The Chief Officer (Highways and Transportation) is requested to approve the extension of the Road Markings Maintenance Contract for a further 12 months to 30 June 2017 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.