

Report to the Chief Officer (Highways and Transportation)

Date: 17th October 2017

Subject: Waiver Report to seek a waiver of CPRs 8.1 and 8.2 in order to Procure additional work to calibrate and validate the 2015 version of the Leeds Transport Model without seeking competition.

Revenue Budget Numbers : 32081 / 214 / 00, 16747 / 214 / 00, 32083 / 214 / 00

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 type="checkbox"/> Yes	<input checked="" 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 Leeds Transport Model (LTM) has recently been updated by external Consultants commissioned by West Yorkshire Combined Authority (WYCA) to a new 2015 base year. This work was procured by WYCA under the WYCA framework. The updated LTM will be used in support of business development for major transport schemes in the LCC area funded by the West Yorkshire Transport Fund (WYPTF). These include the East Leeds Orbital Road (ELOR), A65 to A658 Airport Link Road and the City Centre Package.
2. The updated LTM has been subject to a review by Leeds City Council (LCC) officers and representatives from delivery partners for the WYPTF schemes. This has flagged up a number of additional tasks that (when completed) will make the model fit for purpose. These tasks are listed in detail in Appendix A.
3. The WYCA framework can no longer be used to procure this additional work. Therefore this report requests the approval for the direct procurement of this additional work to further calibrate and validate the model to be undertaken by Consultants AECOM.
4. The further work has been requested by partners involved in the development of business cases for the 3 major scheme business cases listed in point 1. Funding for this work will be provided equally from these 3 major schemes.

Recommendations

1. The Chief Officer (Highways and Transportation) is requested to:
 - i) approve the waiver of Contract Procurement Rule *No 8.1 and 8.2 – Intermediate value procurements* to allow Leeds City Council to procure work directly from consultants AECOM at a cost of £28,480.00.; and
 - ii) approve the expenditure on the procurement of work by consultants listed in i)

1. Purpose of this report

- 1.1. To approve the waiver of Contract Procurement Rule No 8.1 and 8.2 – Intermediate value procurements to allow LCC to procure work from Consultants AECOM without request for quotes from competitors, and approve the supply of these at a cost of £28,480.00.

2. Background information

- 2.1. The Transport Policy Modelling team maintains the multi-modal LTM for use in supporting the development of major transport schemes across the City and to assess the potential impact of major developments on traffic and road users across Leeds. The term LTM has been used to encompass all the software used to model transport, which are linked together by an external “frontend” that allows the processes to be coordinated by a series of batch files.
- 2.2. The LTM was first procured in 2008, at which time WYCA undertook a tendering exercise and a range of software options were considered to model the various modes of transport to be included in the “model”.
- 2.3. The current version of the Highway model has been updated and funded by WYCA to a 2015 base year using the same software platform used in the 2008 model on the grounds that timescales were limited to enable NGT and the WYPTF schemes to be progressed. The work was previously procured by WYCA under the WYCA framework, but this can no longer be used to undertake any additional work. LCC are required to procure this work separately.

3. Main issues

3.1. Background

- 3.1.1. The updated LTM has been subject to a review by LCC officers and representatives from delivery partners for the WYPTF schemes. This has flagged up a number of additional tasks that when complete will make the model fit for purpose. These tasks are listed in Appendix A.
- 3.1.2. This report requests the approval to the direct procurement of this additional work by LCC to further calibrate and validate the model to be undertaken by consultants AECOM.
- 3.1.3. The work requested involves changes to model coding, recalibration of delays in the network to match observed data, and small amendments to link lengths and zone loading points.
- 3.1.4. The work also requires the recalibration of the parking model and associated realism testing.
- 3.1.5. Future year forecast matrices need to be recreated for 2021, 2026 and 2036.
- 3.1.6. Associated supporting documentation also needs to be updated in the form of a revised Local Model Validation Report (LMVR), and Forecasting Report.
- 3.1.7. All the listed tasks require an extensive in depth working knowledge of the LTM and recent work to update it. On this basis it is proposed to use the existing consultants to complete the work.

3.2. Reason for Contracts Procedure Rules Waiver

- 3.2.1. Given that the update to the LTM model has been started by a single consultant, the only option for the additional work to complete the update to the model is to procure it from the same consultant AECOM who undertook the rest of the update work. As a result, the waiver of Contract Procurement Rule No 8.1 and 8.2 – Intermediate value procurements is required.

3.3. Consequences if the proposed action is not approved

- 3.3.1. Work to complete the update of the model is essential to allow the model to be used to assess the impacts and benefits of the 3 proposed WYPTF schemes.
- 3.3.2. Without an acceptable version of the LTM there is a significant risk that modelling delays will impact on the wider project delivery programmes for the WYPTF schemes , resulting in additional costs and delays to the delivery of schemes.
- 3.3.3. In addition, not addressing these identified issues with the model will increase the risk of challenge at public inquiry and leave the projects vulnerable to the business cases being undermined by a lack of confidence in the modelling.

3.4. Advertising

- 3.4.1. Not appropriate, as noted previously the consultants AECOM have already completed the majority of the work to update the model. There is no option to change to alternative consultants at this time.

4. Corporate Considerations

4.1. Consultation and Engagement

- 4.1.1. Internal Consultation. Not appropriate.

4.2. Equality and Diversity / Cohesion and Integration

- 4.2.1. The ordering of software has no impact on these issues.

4.3. Council Policies and best Council plan

- 4.3.1. The model provides information on traffic flows, traffic speeds and so on that will be used to build the economic case for the Councils' 3 major transport schemes funded by the WYPTF. The proposals are therefore supportive of and consistent with the Local Transport plan and the emerging transport strategy.
- 4.3.2. Best City Best Council Plan for 2015 -2020 (2016/17 update) 2016/17 Priorities. The delivery of the 3 WYTF schemes is consistent with the following 3 priorities from the 20 priorities listed:
- 4.3.3. (15) "Improving air quality", (16) "Helping deliver a well-connected transport system" and (17) "Providing an inclusive, accessible range of transport options".
- 4.3.4. The model is also being used in the development of a strategy to improve air quality.
- 4.3.5. The proposal is supportive of the delivery of one of the Council's breakthrough projects "More Jobs and Better Jobs" as it aids the delivery of major infrastructure intended to reduce congestion and improve access to major development sites.

4.4. Resources and Value for Money

- 4.4.1. The total cost of the additional work is £28,480.00.
- 4.4.2. The cost will be shared equally between the three WYPTF major schemes listed previously.

- 4.4.3. AECOM will undertake this additional work at the same rates that were competitively tendered for the original commission.

4.5. Legal Implications, Access to Information and Call In

- 4.5.1. The report is not subject to Call In and there are no grounds for treating the contents of this report as confidential with the Council's Access to Information Rules. The decision is a Significant Operational Decision which will be published.
- 4.5.2. Awarding the contract directly to AECOM in this way could leave the Council open to a potential claim from other suppliers to whom this contract could be of interest that it has not been wholly transparent. In terms of transparency, it should be noted that case law suggests that the Council should always consider whether contracts of this value could be of interest to contractors on other EU member states and, if it could, the opportunity should be subjected to a degree of advertising. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance
- 4.5.3. The Chief Officer (Highways and Transportation) has considered this and due to the fact that the consultants AECOM have inherent knowledge of the work already completed is of the view that the scope and nature of the services is such that it would not be of interest to providers in other EU member states, and it is considered that the risk of challenge identified at paragraph 7.12 above is extremely low.
- 4.5.4. Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2 the above comments should be noted. In making the final decision, the Chief Officer (Highways and Transportation) should be satisfied that the course of action chosen represents best value for money.

4.6. Risk Management

- 4.6.1. LCC will be required to provide new traffic forecasts in support of the ELOR public inquiry that is scheduled for summer 2017. In addition the business case for an A65 to A658 Airport Link road will require traffic flows from the LTM early in 2018. The City Centre Package also needs to be modelled using the new model during 2017. These timescales mean that additional copies of the software are required as soon as possible.
- 4.6.2. There remains a risk that a complaint could be raised that the council has not followed reasonable procedures, resulting in a loss of opportunity, which could potentially give rise to an Ombudsman Investigation, however it considered that this risk is low.

5. Conclusions

- 5.1. The proposed additional work will ensure that the model is fit for purpose. It will also ensure that the supporting documentation is completed meaning that the model will be defensible should any public inquiries be required in future. It is anticipated that this will allow runs to be completed in support of the three major schemes promoted as part of WYPTF.
- 5.2. The use of consultants AECOM is the only practical way of completing the model in line with the specification, and timetable for this project, and the major schemes dependent on the model outputs.

6. Recommendations

6.1. The Chief Officer (Highways and Transportation) is requested to approve:

- i) the waiver of Contract Procurement Rule No 8.1 and 8.2 – Intermediate value procurements to allow Leeds City Council to procure the required work directly from consultants AECOM at a cost of £28,480.00; and
- ii) the expenditure on consultants listed in recommendation i).

7. Background documents 1

7.1. Summary of Key tasks as Appendix A.

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

Appendix A

Summary of key tasks

Tasks Required

To permit Leeds City Council and delivery partners to carry out all work required to model traffic across the city in support of major scheme business case. Additional work has been requested by LCC as a result of requests from development partners and LCC officers.

This work will require the following tasks to be completed:-

- Incorporate additional journey time data into the calibration / validation of the model.
- Implement coding changes and assess the impact.
- Re-calibrate the LTM model.
- Produce an updated model network file.
- Produce an updated LMVR report.
- Incorporate the Highway model into the demand model.
- Recalibrate the Parking Model.
- Re-run the realism tests and report on them.
- Recreate the Forecast Do minimum models.
- Run forecasts for 2021,2026 and 2036.
- Update the Forecasting Report.

Costs

The total fee for this work is £28,480.00 (excluding VAT and expenses).

Timescales

It is intended that AECOM will be commissioned to start work immediately upon approval of this waiver report.

The work is expected to be completed in early November 2017.

Invoicing

The invoice will be raised following the successful completion of the work, upon receipt of the model and associated reports (LMVR, report of realism testing and Updated Forecasting Report).