

**Report of Highways Procurement Team/UTMC Manager**

**Report to Chief Officer Highways and Transportation**

**Date: 27 January 2021**

**Subject: Approval to enter a Funding Agreement with WYCA and to award the West Yorkshire Hosted UTMC Contract**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open 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**

**1. Main issues**

- This report seeks approval to award the West Yorkshire Hosted UTMC Contract to the preferred bidder following a tender exercise.
- The report also seeks approval to enter into a Funding Agreement with West Yorkshire Combined Authority.

**2. Best Council Plan implications** (see the [latest version of the Best Council Plan](#))

- The West Yorkshire Urban Traffic Management Control contract will enable the separate local authority systems to be joined into a single hosted system. This system will incorporate operational enhancements that will help deliver the Best Council Plan Sustainable Infrastructure aspiration.

**3. Resource implications**

- WYCA agreed to the funding of this contract at the Appraisal Team (PAT) meeting on the 25th November 2020 and then was subject to two weeks scrutiny. The scrutiny period elapsed and LCC was advised by WYCA on the 21st December 2020 that Element B2 had been through the final approval stage and the Funding Agreement could be submitted for approval and signing.

## **Recommendations**

- a) The Chief Officer Highways and Transportation is requested to approve entering a Funding Agreement, for Element B2 of the WY UTMC project, with West Yorkshire Combined Authority for the sum of £917,000.
- b) In order to deliver the main component of Element B2 of the WY UTMC project, the Chief Officer Highways and Transportation is requested to approve the award of the West Yorkshire Hosted UTMC contract to Dynniq UK Ltd in the sum of £551,662.18, for an initial period of 4 years and with the facility to extend the contract up to a further four years.
- c) The Chief Officer (Highways & Transportation) is requested to give authority to inject £917,000 into the Highways Capital programme funded by pre-approved WYCA (West Yorkshire Combined Authority) grant funding.
- d) The Chief Officer (Highways & Transportation) is requested to give authority to spend the funding of £917,000 on the approved West Yorkshire UTMC system and associated items of Element B2 of the WY UTMC project, funded by WYCA.

### **1. Purpose of this report**

- 1.1 This report seeks approval to award a contract that will enable the implementation of the Hosted West Yorkshire UTMC system. It also seeks approval to enter into a Funding Agreement with West Yorkshire Combined Authority.

### **2. Background information**

- 2.1 A project is underway to more closely integrate the various West Yorkshire Urban Traffic Management and Control (UTMC) sections. This project is split into three elements. Element B is the integration of UTMC systems to provide single, hosted, shared systems for the various functions. A contract for a Hosted, shared, UTC system has already been awarded (Element B1) and is currently being implemented and this report is to recommend the award of a contract for the second part (Element B2), the shared common database system through the West Yorkshire hosted UTMC Contract.
- 2.2 A single hosted UTMC system will allow better cross-boundary management of traffic and will also facilitate improvements to the current systems that will increase the effectiveness of the UTMC service. It also provides better value for money.
- 2.3 In addition to the UTMC contract, Element B2 of the WY UTMC project also includes other areas of system development and integration, including work to integrate into the CCTV and other Control Room systems as well as Monitoring and Evaluation up to the approved Full Business Case value of £917,000.
- 2.4 A Key Decision was taken on 20/12/2018 that gave approval to tender the contract for the UTMC system.

### **3. Main issues**

- 3.1 Approval to tender the West Yorkshire Hosted UTMC Contract was given on the 20<sup>th</sup> November 2018 by the Chief Officer Highways and Transportation.

- 3.2 A tender was published on Yortender on the 23<sup>rd</sup> June 2020 using the Open EU tender process and an appropriate notice was placed in the Official Journal of the European Union.
- 3.3 Four tender returns were received on the 19<sup>th</sup> August 2020.
- 3.4 The four tenderers quality submissions were assessed on a consensus basis by a panel of officers from the UTMC Services of Leeds, Kirklees and Bradford Councils and this was chaired by an officer from the LCC Highways and Transportation Procurement Team.
- 3.5 A waiver had been approved to allow a quality/price ratio of 70/30 to reflect the desire for a high quality system. The Instructions for Tendering also set minimum score thresholds for individual quality questions and a minimum overall score threshold of 490. One of the tenderers failed to achieve the necessary minimum score for individual quality questions and one tenderer failed to meet the minimum overall quality score threshold of 490 out of a possible 700.
- 3.6 Two tenderers passed the quality evaluation and therefore their financial submissions were evaluated.
- 3.7 The quality and financial scores of the two tenderers were inserted into a model and the most economically advantageous bidder with the highest overall score is Dynniq UK Ltd with a weighted score of 657 for quality and 300 price, making a combined total of 957 from a maximum of 1000.
- 3.8 Officers from the West Yorkshire UTMC Services have scrutinised the tender submission and are confident the tenderer will have the ability to deliver what is required and the pricing schedule was broadly in line with what they expected from market testing and a Meet the Buyer exercise.
- 3.9 The price of the successful bid was £551,662.18 which is within the previously approved Key Decision.
- 3.10 This report requests approval for £917,000 to be injected into the Capital Programme. This value takes into account the additional items of Element B2 that support the delivery of the UTMC system contract as well as further system development/integration with CCTV and other Control Room systems.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 The West Yorkshire UTMC Teams have confirmed the need for this contract to be available to deliver their service.
- 4.1.2 Funding for the UTMC contract is being provided by the West Yorkshire Combined Authority and a Full Business Case was submitted to them after tenders had been received. Approval to this was given at the appraisal team meeting on the 25th November 2020 this was then subject to a period of scrutiny and confirmation that the funding had been granted was given by WYCA on the 21 December 2020.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 Due consideration to equality has already taken place as part of the procurement process.

### 4.3 Council policies and the Best Council Plan

4.3.1 The award of this contract will contribute to policies in the Best Council Plan as follows:

#### 4.3.2 Sustainable Infrastructure

Improving transport connections, safety, reliability and affordability.

#### Climate Emergency

4.3.3 The implementation of a West Yorkshire UTMC System will improve vehicle journey times through busy key route networks and as a consequence will reduce the effects on pollution levels on the network caused with slow and queuing traffic.

### 4.4 Resources, procurement and value for money

4.4.1 A Full Business Case was submitted to WYCA on 25<sup>th</sup> November 2020 and approval for funding of £917,000 was finally confirmed on the 21<sup>st</sup> December 2020.

4.4.2 Additional rates for optional items in the UTMC contract pricing Schedule will be ordered as and when required and subject to funding being available within the WYCA agreed sum.

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2018 £000's	FORECAST			
			2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
LAND (1)	0.0					
CONSTRUCTION (3)	0.0					
FURN & EQPT (5)	0.0					
DESIGN FEES (6)	0.0					
OTHER COSTS (7)	0.0					
<b>TOTALS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2018 £000's	FORECAST			
			2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
LAND (1)	0.0					
CONSTRUCTION (3)	0.0					
FURN & EQPT (5)	0.0					
DESIGN FEES (6)	0.0					
OTHER COSTS (7)	917.0				50.0	867.0
<b>TOTALS</b>	<b>917.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>50.0</b>	<b>867.0</b>
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2018 £000's	FORECAST			
			2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Government Grant - WY+TF	917.0				50.0	867.0
<b>Total Funding</b>	<b>917.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>50.0</b>	<b>867.0</b>
<b>Balance / Shortfall =</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### 4.5 Legal implications, access to information, and call-in

4.5.1 This procurement was placed on the List of Forthcoming Key Decisions on the 23<sup>rd</sup> August 2018 and the report seeking authority to tender was subject to call-in. All activities in relation to the award of this contract are being executed in accordance with the Corporate Procurement Rules.

### 4.6 Risk management

4.6.1 Failure to award this contract will impact on elements of the West Yorkshire UTMC Project.

## **5. Conclusions**

5.1 Approval is sought to award the West Yorkshire Hosted UTMC Contract to Dynniq UK Ltd following a tender process which will ensure that the West Yorkshire UTMC Service can function effectively and improve network journey times.

5.2 Approval is also sought to enter into a Funding Agreement with West Yorkshire Combined Authority.

## **6. Recommendations**

6.1 The Chief Officer Highways and Transportation is requested to approve entering a Funding Agreement, for Element B2 of the WY UTMC project, with West Yorkshire Combined Authority for the sum of £917,000.

6.2 In order to deliver the main component of Element B2 of the WY UTMC project, the Chief Officer Highways and Transportation is requested to approve the award of the West Yorkshire Hosted UTMC contract to Dynniq UK Ltd in the sum of £551,662.18, for an initial period of 4 years and with the facility to extend the contract up to a further four years.

6.3 The Chief Officer (Highways & Transportation) is requested to give authority to inject £917,000 into the Highways Capital programme funded by pre-approved WYCA (West Yorkshire Combined Authority) grant funding.

6.4 The Chief Officer (Highways & Transportation) is requested to give authority to spend the funding of £917,000 on the approved West Yorkshire UTMC system and associated items of Element B2 of the WY UTMC project, funded by WYCA.

## **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 to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.