

Approval to Extend Watercourse Maintenance Contract 2021-22

Date: 13 July 2021

Report to: The Chief Officer (Highways & Transportation)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report seeks approval from the Chief Officer (Highways & Transportation) to extend the Watercourse Maintenance Contract 2019 for a further 12 months to 2022. This includes an Annual Price Change Mechanism, as per the contract, the appointed contractor has the opportunity to review their rates and any increase shall not exceed the percentage offered: 2.12% which the contractor accepted.
- The contract was originally awarded in 2019 for a 2 year period. Under Clause 81 which was included in the contract, we have the option to extend the contract for a further 12 months under the same terms and conditions.
- This is the first of 2 possible 12 month extensions in the contract. The second extension would take the contract to 2023 and take the total contract period to 4 years.
- The contract extension will start from 1st September 2021 for a one year period until the 31st August 2022 with the incumbent contractor Peter Duffy Ltd who have agreed to the extension.
- The extension will allow us to keep using the compliant contractor we procured at the first time of tendering under the same terms and conditions. Retendering is not expected to bring any further savings as the incumbent contractor provided the lowest price during the original tender. We would be unable to retender in time to have an emergency call-out facility in place, leaving the Council at risk of flooding and would incur staff costs for the months of work associated with a new tender process
- The proposed extension of this contract will provide an efficient method of procuring this essential service and the approach is consistent with the aims contained within the Council's Spending Money Wisely Policy.

Recommendations

- a) The Chief Officer (Highways & Transportation) is asked to approve the recommendation to extend the Watercourse Maintenance Contract 2019 for an additional 12 months to 31 August 2022 with Peter Duffy Ltd. The estimated costs of the contract extension is £600,000.00

Why is the proposal being put forward?

- 1 The Flood Risk Management team use the contract to clear debris and blockages from watercourses which the council are responsible for. These include becks, streams, rivers, ditches, general culverts, highway culverts and the routine scheduled maintenance of inlet/outlet grids to culverted watercourses and flood alleviation schemes etc.
- 2 The contract is necessary to ensure Leeds City Council's ability to maintain this essential service. It also includes the provision of standby and emergency call-out facilities (24 hours per day, 7 days per week) to deal with watercourse flooding and other drainage related emergencies. Without a contract in place, we will not be procuring this essential service in compliance with the Public Contracts Regulations 2015 thereby leaving the Council open to potential challenge.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 3 The proposals requested in this report have no direct impact on any of the equality characteristics as it is purely an administrative function and therefore it is not applicable to carry out an equality, diversity, cohesion and integration screening at this time.
- 4 During the original tender of this contract it was also considered not applicable for an equality, diversity, cohesion and integration screening assessment to be undertaken.

What consultation and engagement has taken place?

- 5 Consultation has taken place with Flood Risk Management who are satisfied with the performance of the incumbent contractor.
- 6 Flood Risk Management have confirmed their need for this contract to be able to deliver the service.

What are the resource implications?

- 7 The proposal to extend the contract is judged to be value for money and is an effective use of council resources.
- 8 The estimated annual spend is approx. £600,000.00.
- 9 It has been considered and confirmed that appropriate funding provision is available from both Flood Risk Managements capital and revenue budgets as and when the service is required.

What are the legal implications?

- 10 There are no specific legal implications arising from this report. All activities relating to the proposed contract extension have been executed strictly in accordance with the Council's Contract Procedure Rules.
- 11 Extending the contract is a direct consequence of the initial authority to procure and should be treated as a signification operational decision, as such it is not eligible for call in.

What are the key risks and how are they being managed?

- 12 This contract is necessary to maintain continuity on the ability to purchase these services, it is essential that this contract is extended before the existing arrangement expires.
- 13 By extending the contract, we will continue to manage the risk of flooding within Leeds.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 14 The contract ensures our watercourses are maintained, protecting other infrastructure assets, preventing and reducing the risk of flooding from climate change across Leeds through routine scheduled maintenance and reactive work.

Options, timescales and measuring success

a) What other options were considered?

- 15 The extension of this contract is an efficient use of council resources and is judged to be value for money in comparison to tendering individual orders or contracts.
- 16 The extension will allow us to keep using the compliant contractor we procured at the first time of tendering on the same terms and conditions and retendering is unlikely to result in any additional savings.

b) How will success be measured?

- 17 The incumbent contractor has proven over the first 2 years of the contract to be a reliable and trustworthy supplier, able to react quickly and resolve any issues. We would anticipate this successful relationship will continue.

c) What is the timetable for implementation?

- 18 The contract extension needs to be in place before the contract expires on the 31st August 2021.

Appendices

19 N/A

Background papers

20 N/A