

Cabinet

13 September 2018

Maintenance and Inspection Services of Traffic Signal Equipment and Intelligent Transport Systems, and the Supply and Installation of Traffic Signal Equipment, and Other Works

Recommendations

- 1) That Cabinet approves proceeding with an appropriate procurement process for the Supply, Installation, Inspection and Maintenance of Traffic Signal Equipment and Intelligent Transport Systems.
- 2) That Cabinet authorises the Joint Managing Director (Communities) to enter into the relevant contract for the Supply, Installation, Inspection and Maintenance of Traffic Signal Equipment and Intelligent Transport Systems on terms and conditions acceptable to the Joint Managing Director (Resources).

1.0 Key Issues

- 1.1 Traffic signal controlled junctions and pedestrian crossings must be maintained and inspected at regular time intervals. We have a duty as the responsible authority to ensure that the equipment used for the safe management of traffic is reliable and continues to operate as intended.
- 1.2 The scope of this contract will include goods, works and services associated with the: -
 1. maintenance and inspection of traffic signal controlled junctions, pedestrian crossings, cycle crossings and wig-wag signals;
 2. maintenance and inspection of various Intelligent Transport Systems equipment including car park variable message signs, free text variable message signs, etc;
 3. installation of new traffic signal controlled junctions, pedestrian crossings, cycle crossings and wig-wag signals;
 4. upgrade of existing installations; and
 5. minor civil engineering works associated with the upgrade of existing installations and the installation of new schemes.
- 1.3 The current contract for maintenance, inspection, supply and installation was tendered collaboratively (led by Warwickshire County Council (WCC)). The outcome of this exercise was that WCC, Coventry City Council, Solihull

Metropolitan Borough Council (SMBC) and Nottingham City Council all awarded their contracts to Siemens Rail Automation Holdings Limited.

- 1.4 The County Council's current expenditure on the existing contract is approximately £490,000 per annum.
- 1.5 The County Council's current maintenance contract with Siemens Rail Automation Holdings Limited will expire at the end of June 2019. A new contract is required to commence operation on 1 July 2019.

2.0 Options Appraisal

- 2.1 The Council has a duty to ensure traffic is managed safely and efficiently which requires us to inspect, maintain and install equipment to a professional standard. WCC does not have sufficient resources internally to achieve this.
- 2.2 Re-procurement – Following a competitive process, solely or as part of a collaborative effort, to source new provision, with the aim of sourcing appropriately scalable provision which demonstrates value for money.
- 2.3 The current contract was one of the contracts reviewed as part of the Council's contract management review and the feedback from this review will be incorporated into the new procurement process and future contract management arrangements.
- 2.4 The collaboration with other authorities is based upon previous experience in letting the highways maintenance services contract for scalability and value for money. However, at the "Suppliers Day" we will engage with the Market to understand how the required goods, works and services can be provided and the benefits available to the Authorities involved, in order to specify the service level agreement within the contract.

3.0 Proposal

- 3.1 To undertake a procurement exercise to source a provision for an initial period of five years, thereafter renewable by agreement for further period(s) up to a maximum of 24 further months subject to satisfactory performance by the contractor. The timescale of the contract may vary following the "Suppliers Day" event which is proposed to take place on 1 October, 2018. This proposed duration period may go up or down subject to the outcome of the feedback from the proposed "Suppliers Day". However, the maximum contract period will not be more than ten years.
- 3.2 To collaborate in procurement and contracting with Coventry City Council and Nottingham City Council. It should be noted that Solihull Metropolitan Borough Council (SMBC) have decided not to participate on this occasion; SMBC have decided not to participate due to the following reasons: –
 - 1. they are intending to award the contract for a longer time period for at least a minimum period of 10 years but possibly much longer.

2. the contract for additional services i.e. variable message signs, communication equipment, etc. – they already have contracts in place for these services.
 3. able to tailor their own specifications without compromising with other authorities' requirements.
- 3.3 Additional services have been included within the new contract, it is estimated that the contract value over the proposed seven years will be approximately £25,000,000 for the various authorities participating, of which Warwickshire accounts for £7,750,000.
- 3.4 The estimated expenditure of £7,750,000 on the new contract includes for the following new service provisions: -
1. supply and/or installation of traffic signal equipment for the upgrade of existing sites with no limits (currently set at £50,000);
 2. supply and/or installation of traffic signal equipment for new sites;
 3. consultancy service – feasibility, design, commissioning and validation;
 4. connected and autonomous vehicle equipment; and
 5. switching off/on traffic signal installation for roadworks.
- 3.5 These additional services will increase the expenditure on the new contract; the figure quoted is based upon the expenditure of the last five years on capital and revenue budgets. However, there is no commitment to this expenditure within the new contract and all costs will be met from approved capital and revenue budgets.
- 3.6 Warwickshire will lead the procurement exercise and will be the Lead Authority on the final contract with the successful Supplier. Collaborating Councils will be able to access the goods, works and services provision via a back to back agreement with WCC or if possible each authorities will have a separate contract with the successful Supplier.
- 3.7 The basis upon which the contract is let will be reviewed so that it is consistent with the Council's IT and Digital Strategy.

4.0 Timescales associated with the decision/Next steps

- 4.1 The procurement process is planned to commence in late September, 2018. The new maintenance and inspection services of traffic signal equipment and Intelligent Transport Systems and the supply and installation of traffic signal equipment and other works is required to commence on 1st July, 2019.

Background Papers

None

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This report was circulated to the following members prior to publication:

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