

**INTELLIGENT TRANSPORT SYSTEMS: FRAMEWORK AGREEMENT FOR
MAINTENANCE AND SUPPLY OF EQUIPMENT**

To: **Highways and Community Infrastructure Committee**

Meeting Date: **14th June 2016**

From: **Executive Director: Economy, Transport and Environment
Services**

Electoral division(s): **All**

Forward Plan ref: **2016/027** *Key decision:* **Yes**

Purpose: **To inform Committee of the results of the procurement of
the Intelligent Transport Systems: Framework Agreement
for Maintenance and Supply of Equipment**

Recommendation: **a) To approve the award of the framework contract
b) To approve the award of the call-off contract**

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1. BACKGROUND

- 1.1 Cambridgeshire County Council and Peterborough City Council currently maintain their Intelligent Transport Systems (ITS) using a jointly appointed single contractor. Key benefits of working collaboratively were the reduced procurement costs in appointing the contractor and ongoing efficiencies in service delivery. The current contract expires on 3rd September 2016.
- 1.2 This report provides a summary of the recent ITS procurement exercise to deliver a new maintenance and supply framework agreement. As before we have worked jointly with Peterborough City Council but on this occasion have additionally procured with Luton Borough Council, Bedford Borough Council and Central Bedfordshire Council.
- 1.3 The majority of the ITS equipment in each area is the stock of traffic signal control equipment including pedestrian crossings. Additional items include controller monitoring equipment and vehicle activated speed signs.

2 MAIN ISSUES

- 2.1 The new framework agreement is designed to deliver both the maintenance and supply of ITS Equipment for the 5 authorities listed initially. The framework will build on the existing relationship with Peterborough City Council, which expires on 3rd September 2016. The current arrangement was jointly procured in 2007 with a single supplier in contract separately with each authority. The contractor currently delivers only a maintenance service with a small chargeable works element. Cambridgeshire's is the larger of the two contracts, maintaining around 3 times more equipment than Peterborough.
- 2.2 The estimated contract value for the 5 authority framework agreement is estimated to be £10.5m over 8 years if the 3 year contract extension is awarded by all authorities. By working collaboratively with the other authorities and combining the maintenance and supply delivery together this will secure the best available rates from suppliers and deliver significant benefits.
- 2.3 Cambridgeshire has acted as the lead authority on behalf of the other 5 authorities and LGSS Law and LGSS Procurement have supported this through the drafting of the contract and managing the procurement process. A considerable amount of support has been received from the partner authorities in the production of the specification, contract documents and evaluation of the submissions from bidders.
- 2.4 The framework agreement contract provides a single supplier for the maintenance and supply of ITS equipment. For each authority to deliver the service they then enter into their own 'call-off' contract under the framework with the single supplier. It is intended that all authorities will start their call-off contracts on the same day as Cambridgeshire, 4th September 2016.
- 2.5 Due to the specialist nature of the service the framework is a single Lot across the whole framework area. A supplier Industry Day was held in 2015 and it was concluded that combining the maintenance and supply across all areas would deliver benefits over an arrangement of having many separate contracts with different suppliers. The supplier is also required within the

contract to appoint an apprentice to work within the framework area, providing social value.

- 2.6 The open Invitation to Tender (ITT) received 4 submissions and all passed the initial validation process. The 4 bids were then assessed with separate teams undertaking the evaluation of the price and quality elements. The tender evaluation was made against a quality and price ratio of 60:40. One of the bidders did not meet the minimum quality threshold set out in the tender documents and was therefore ruled out.
- 2.7 Of the remaining 3 contractors it is recommended that the highest scoring is awarded the framework agreement contract to become the single supplier for all authorities.
- 2.8 With a framework agreement in place it is recommended to award the Cambridgeshire call-off contract to the same single supplier.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The following bullet points set out details of implications identified by officers:

- The Framework Agreement establishes an efficient and effective route to deliver the maintenance of ITS and the delivery of new equipment, supporting existing investment programmes.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The following bullet points set out details of significant implications identified by officers:

- All Framework authorities are working collaboratively together to deliver efficiencies in service delivery across the five areas.

4.2 Statutory, Risk and Legal Implications

The following bullet points set out details of significant implications identified by officers:

- A separate operating agreement is established with all other Framework authorities enabling them to utilise the framework whilst the risks of each individual contract let by each commissioning authority will remain with them and not Cambridgeshire County Council.
- Section 41 of The Highways Act 1980 imposes a duty on the Highway Authority to maintain highways at public expense. Failure to maintain

our traffic signal asset will be in breach of the act and put at great risk the safety of the travelling public, including cyclists and pedestrians.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

There are no significant implications within this category.

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

There are no significant implications within this category.