

Finance and Resources Committee

10.00am, Thursday, 15 August 2019

Traffic Signal Equipment Maintenance and Ancillary Support Services – Award of Contract

Executive/routine Wards Council Commitments	Executive All 7 , 16 , 17 , 27
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1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves the award of contract for Traffic Signal Equipment Maintenance and Ancillary Support Services to Siemens Mobility Limited for a period of four years, with the option to extend up to a further two years, at the estimated value of £4.5m. The new contract is expected to commence on 1 September 2019.

Paul Lawrence

Executive Director of Place

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Finance and Resources Committee

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2. Executive Summary

- 2.1 The contract provides maintenance and repair services for the city's traffic signals infrastructure and includes options for maintenance of related traffic control and or information equipment across the city, thus reducing any disruption to pedestrians, cyclists, public transport users and general traffic that may be caused by faulty traffic control equipment.
- 2.2 The Council's existing term maintenance and repair contract for all traffic signal and related equipment within the city is set to expire and thus a subsequent support contract is required.
- 2.3 This report seeks approval to award the Traffic Signals Equipment Maintenance and Ancillary Support Services contract to Siemens Mobility Limited. This will replace the existing contract and is expected to commence on 1 September 2019.

3. Background

- 3.1 The current contract for maintenance and repairs of traffic signals was approved on 30 September 2014, for a period of four years. This was subsequently extended via a waiver to allow time to complete the tender process and is set to expire.
- 3.3 A full review of previous delivery model was undertaken to identify what elements of the scope worked well, which didn't and those which were no longer required.

4. Main report

- 4.1 The scope of this contract includes:
 - 4.1.1 maintenance, inspection and repair of all traffic signal installations and associated communications equipment;
 - 4.1.2 renewal/replacement of traffic signal infrastructure as a result of deterioration/decay;

- 4.1.3 installation of new traffic signal infrastructure resulting from damage by third parties; and
- 4.2 Market engagement was undertaken, with the small market of suppliers to support the development of the specification requirements.
- 4.3 The tendering process was carried out in accordance with the Public Contracts (Scotland) Regulations 2015 and Council Standing Orders. The tender opportunity was published on the Public Contracts Scotland (PCS) portal on 15 May 2019. A total of six companies expressed an interest, with one tender submission being received by the deadline date of 18 June 2019. A summary of the evaluation process is provided in Appendix 1. Feedback was sought from those who had shown interest but did not bid.
- 4.4 The tender evaluation process was undertaken using a cost/quality ratio of 60% cost and 40% quality. The balance on quality increased on previous tender with greater emphasis on health and safety, fair work practices and the low market capacity.
- 4.5 It is recommended that the Traffic Signals Equipment Maintenance and Ancillary Support Services contract be awarded to Siemens Mobility Limited for a period of four years, with the option to extend up to a further two years.
- 4.6 Key Performance Indicators (KPIs) are included to manage the delivery and include: time for completion for urgent and non-urgent repairs, inspection completed on programme, fault clearance notification time, carbon footprint reduction and reported incidents/accidents and observation notices per annum.

5. Next Steps

- 5.1 The contract will be managed by the service area to ensure delivery meets the performance requirements.

6. Financial impact

- 6.1 The cost of this service for maintenance to infrastructure is fixed for the first two years of the contract thereafter prices will be reviewed and agreed annually with the Council, however, work volumes and therefore costs, can vary slightly on a month to month basis dependent on the level of activity and volume of any road traffic incidents.
- 6.2 The estimated maximum value of this contract is £4.5m (circa £0.750m per annum). This will be contained within the Street Lighting and Traffic Signals Infrastructure revenue budget.
- 6.3 The costs associated with procuring this contract incorporating legal fees are estimated to be between £20,001 - £35,000.

7. Stakeholder/Community Impact

- 7.1 The Council has a statutory obligation to maintain the roads infrastructure under the Roads (Scotland) Act 1984, thus ensuring that the infrastructure for which it is responsible is, so far as is practicable, maintained to the required standard. The appointment of this contractor will ensure the Council meets its statutory obligations.
- 7.2 Failure to put in place a new contract could lead to the breakdown of maintenance activities on the city's traffic signals infrastructure, resulting in potential accidents and/or delays on the Council controlled road network, thus leading to reputational damage for the Council. .
- 7.3 Community benefits have been imposed on the contract and include the recruitment of a modern apprentice, school support via STEM programme, volunteering by Siemens staff with overall value package of £0.2m over the contract term.
- 7.4 The contractor and sub-contractors pay the Living Wage rate and do not use zero-hour contracts.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix1 - Summary of Tendering and Tender Evaluation Processes.

Appendix 1 – Summary of Tendering and Tender Evaluation Processes

Contract	CT2450: Traffic Signal Equipment Maintenance and Ancillary Support Services.	
Contract Period	1 September 2019 to 31 August 2025.	
Estimated Total Contract Value (including extensions)	£4.5m	
Procurement Route Chosen	Official Journal of the European Union (OJEU) Open Procedure (Works).	
Tenders Returned	1	
Bidder	Siemens Mobility Limited	
Price/Quality Split	Price 60	Quality 40
	Criteria	Weighting (%)
Evaluation Criterion and Weightings	Quantity, Competency and Experience of Personnel	10%
	Arrangements for Plant, Equipment and Spares	15%
	Delivering the requirement, including technical ability	10%
	Quality Environmental, Business Continuity	10%
	Previous Experience and capability-maintenance	20%
	Previous Experience and capability-ancillary support services	20%
	Traffic Equipment Standards	5%
	Fair Work Practices	5%
	Community Benefits	5%
Evaluation Team	Officers from Traffic Signals Services, and Transport Services.	