

EAST RENFREWSHIRE COUNCIL

CABINET

27 March 2014

Report by Director of Environment

TRAFFIC SIGNALS TERM CONTRACT – VARIATION of CONTRACT VALUE

PURPOSE OF REPORT

1. To seek approval in accordance with Financial Regulation 8.3 from Cabinet to allow the contract value for the traffic signals maintenance contract to be increased from £450k to £590k to allow additional externally funded works to be undertaken.
2. This will allow essential traffic signal installation and refurbishment works to be carried out utilising the existing contract. It should be noted that the additional expenditure is externally funded and that there are no budget implications for the Council.

RECOMMENDATIONS

3. It is recommended that Cabinet approves the variation in the contract increasing its value by £140k.

BACKGROUND

3. The Roads Service currently has a contract in place for the maintenance and installation of traffic signals.
4. The contract with Imtech is in year 4 of a 5 year contract with an anticipated spend of £450k. This was based on £90k per annum over a 5 year period and covers the maintenance of traffic signal equipment and the installation of new traffic signal junctions and controlled crossings.

REPORT

5. The maintenance contract has been working efficiently and effectively for nearly 4 years with very good performance levels providing a valued service to the Council. To date the majority of the contract expenditure has related to the maintenance of existing equipment with the remainder being utilised for new installations or the refurbishment of existing equipment.

6. This year (2013/14) and next year (2014/15) there has been an increase in the number of traffic signal junctions being commissioned. This additional installation work has been secured through successful bids to the Strathclyde Partnership for Transport (SPT) and Sustrans for external funding and is work that meets national policy objectives in promoting cycling and sustainable travel. The junctions are:

- Rouken Glen Road/Rowallan Road (Traffic signals) – funding secured (SPT £51k)
- Fenwick Road / Berryhill Road (Pelican to Toucan upgrade) – funded secured (Sustrans £9k)
- Fenwick Road / Church Road (Traffic signals) – funding secured (Sustrans £60k)
- Ayr Road / Broom Shops (New Controlled Crossing) funding application to Sustrans (£20k) Funds still to be approved.

7. As a result of the above, plus the remaining final year of future maintenance, the proposed contract spend is now projected to exceed the original contract value of £450k by £140k.

8. In addition to the above works the Cabinet will wish to note that there is also a programme of pedestrian crossing refurbishments planned for the next three years. In 2014/15 six sites (controlled crossings are being upgraded from Pelican to Puffin, as per central government guidance) at a cost of approx. £72k per year. This is due to be funded by SPT and will be procured separately through a mini competition basis on the Government Procurement Service contract.

FINANCE AND EFFICIENCY

9. The value of the contract over the 5 year terms is proposed to increase up to but not exceeding £590k. This represents an increase of £140k (31%) on to the original.

10. A breakdown of spend is as follows;

- | | |
|------------------------------------|---------|
| • Existing Contract (5 yrs @ £90k) | - £450k |
| • Rouken Glen / Rowallan - | - £51k |
| • Fenwick Road / Berryhill Road | - £9k |
| • Fenwick Road / Church Road | - £60k |
| • Ayr Road / Broom shops | - £20k |

11. This results in a revised contract value of £590k to cover all proposed works.

12. The Roads Service will see a benefit in respect of Asset Management, particularly with regard to the upgraded crossings that are being funded by SPT. This will allow new crossing facilities to be installed at no cost to the Council, will improve road safety and will also reduce energy consumption due to new technology being used.

CONSULTATION

13. The report has been prepared following consultation with the Corporate Procurement Officer.

PARTNERSHIP WORKING

14. The Roads Service have worked in partnership with both SPT and Sustrans who have made the additional funding available.

IMPLICATIONS OF THE PROPOSAL

15. There are no financial implications for this proposal. All additional money is external money (grant funding – SPT and Sustrans) and therefore no burden is anticipated in respect of existing budgets. There are no staffing, property, legal, IT, equalities or sustainability issues at this point in time.

CONCLUSIONS

16. In summary, this request is to ensure that;

- Council financial regulations are adhered to
- there is a mechanism in place to procure the services
- external funding is used to improve Council Assets
- asset management principles are met.

RECOMMENDATIONS

17. It is recommended that Cabinet approves the variation in Contract thus increasing its value by £140k.

Director of Environment

For further information contact Ralston Mackenzie, Roads & Transportation Controller (Traffic), Tel; 0141 577 3432, ralston.mackenzie@eastrenfrewshire.gov.uk

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KEY WORDS

Traffic signals, Pedestrian Crossings, Term maintenance, Contracts