

ANGUS COUNCIL

ROADS COMMITTEE

9 MARCH 2000

TRAFFIC SIGNAL MAINTENANCE CONTRACT

REPORT BY THE DIRECTOR OF ROADS

ABSTRACT

This report informs the Committee with regard the current arrangements for the maintenance of Traffic Signal Equipment and recommends new joint contract procurement arrangements with two neighbouring councils with a view to these coming into effect on 1 October 2000.

1 RECOMMENDATIONS

It is recommended that the Committee agree:-

- i) that the Director of Roads be authorised to pursue new contractual arrangements in conjunction with Dundee City Council and Perth and Kinross Council for the procurement of traffic signal maintenance services.
- ii) that a tender document be prepared by the three councils to allow a new contract to be let for traffic signal maintenance effective from 1 October 2000.

2 INTRODUCTION

Prior to local government re-organisation Tayside Regional Council entered into separate five year maintenance agreements with the three traffic signal companies (Peek, Siemens and Microsense) such that each maintained their own equipment. These contracts expire on 30 September 2000. The agreements established a mechanism for each new unitary authority to manage their own signal installations with the relevant contractor through the common agreements. It is proposed that this day-to-day management arrangement should continue, but under a single new contract.

3 DETAILS

Due to standardisation of equipment and components it is now possible for traffic signal companies to maintain other manufacturers' equipment, therefore competitive tendering for this service is now common practice.

It is therefore proposed to take advantage of the opportunity which this affords for competitive tendering between the Signal companies while still continuing to enjoy the economies of scale and improved levels of service currently provided through Tayside-wide based contractual arrangements.

A model contract document was developed by members of the Scottish Traffic Signal User Group (led by Aberdeen, Glasgow, Edinburgh and Dundee City Councils), which was proposed to form the basis of a standard Traffic Signal Maintenance Contract for use throughout Scotland. This contract is now also used by many English authorities. It is intended that this model document will be used as the basis for a tender document to be issued to all three traffic signal companies for a contract to maintain all traffic signal equipment in the former Tayside Regional Council area.

The tendering process (advertising, return and opening of tenders, apportionment of contractual commitments and risks between the three Councils, acceptance of tender, etc) would be the subject of further reports to Committee.

4 FINANCIAL IMPLICATIONS

Capital

There are no capital implications.

Revenue

There are no immediate financial implications arising directly out of the recommendations in this report.

On the assumption that inflationary increases will be offset by better value for money under competitive tendering procurement procedures it is anticipated that the cost to Angus Council of the new maintenance contract will be similar to the combined value of the existing maintenance agreements at a total of £36,000 per annum. Provision exists within the anticipated Roads Revenue Budget for 2000/01 for these costs. This revenue commitment would increase with the installation of any new additional traffic signal sites, however, these would be the subject of separate reports to future committees, and would require to be contained for in future years' revenue budgets.

At this stage, only approval in principle is sought for the proposed joint contractual arrangements to allow the Director of Roads to proceed towards the tendering stage in partnership with his counterparts in Dundee City Council and Perth and Kinross Council.

6 CONSULTATION

The Chief Executive, the Director of Law and Administration and the Director of Finance have been consulted in the preparation of this Report.

It will also be necessary for Dundee City Council and Perth and Kinross Council to approve this partnership approach before proceeding with the tendering process.

7 CONCLUSION

The existing traffic signal maintenance contracts expire on 30 September 2000. It is therefore proposed that Angus Council participate in a joint procurement arrangement in partnership with Dundee City Council and Perth and Kinross Council for a single contract for the maintenance of traffic signals in the Tayside area in order to continue to benefit from the existing economies of scale. It is proposed that tendering arrangements be put in hand on the basis of the new Scottish Traffic Signal Maintenance model contract document with a view to one contractor maintaining all traffic signal installations on behalf of the three councils.

Dr Bob McLellan
DIRECTOR OF ROADS

NOTE

No background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above Report (list papers concerned):-

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