

The Vale of Glamorgan Council

Cabinet Meeting: 19 March, 2018

Report of the Cabinet Member for Neighbourhood Services and Transport

Highway Emergency and Permanent Repairs Contract

Purpose of the Report

1. To agree a temporary extension of the current Highway Emergency and Permanent Repairs contract and to seek the appropriate delegations to determine and progress a new contract for this service.

Recommendations

1. That the current contract with Centregreat Limited for Highway Emergency and Permanent Repairs be extended at the current rates for a period up to 30 June, 2018.
2. THAT a waiver in accordance with Contract Procedure Rules 17.4.5 be authorised to extend the existing contract for a further term of three months to 30 June, 2018.
3. That the Urgent Decision Procedure under section 14.14 of the Council's Constitution be authorised in respect of recommendations 1 and 2.
4. That delegated authority is granted to the Director of Environment and Housing Services in consultation with the Cabinet Member for Neighbourhood Services and Transport and the Head of Finance, to accept the most economically advantageous tender for the 2018/19 contract for Highway Emergency and Temporary Repairs, on a one year plus one year plus one year basis (3 years in total).
5. That delegated authority is granted to the Head of Legal Service to draft and execute the contract in line with recommendations 1 and 4.

Reasons for the Recommendations

1. To provide authority for the contract extension ensuring continuity of service.
- 2&3. To ensure that the service is able to continue after the 31 March, 2018 for a short period until the new contract commences.
4. To agree a new contract in the most timely manner.
5. To ensure that the necessary legal documentation is in place for the contract and interim extension of existing contract.

Background

2. The Council's Highways and Engineering Section administers a number of contracts relating to repairs and improvements of the public highway network.
3. At its meeting of 11 May, 2015 Cabinet agreed an award of contract for Highway Emergency Repairs to Centregreat Ltd. The contract was initially for one year up until 31 March, 2016, with an option to extend for a further one year plus a further year. Cabinet Minute No. (C2777) refers.
4. At its meeting of 11 April, 2016 Cabinet agreed to one year extension of this contract. Cabinet Minute No. (C3143) refers.
5. Cabinet at its meeting of 20 March, 2017 agreed a final extension of this contract up to the 2 year maximum period, thereby extending this contract up to 31 March, 2018. Cabinet Minute No. (C3510) refers.

Relevant Issues and Options

6. It has recently become apparent that insufficient work has been undertaken to ensure that this contract is re-tendered prior to the 31 March current contract end date. Whilst this work is ongoing, due to the regulatory timescales for a contract of this type and value, it is unlikely that a new contract will be able to be put in place before 1 May, 2018.
7. It would not be prudent financially or reputationally to have no arrangements for undertaking highway repairs in place for up to a 2 month period, particularly after the recent period of cold weather which has caused increased deterioration of the highway network.
8. Our defence of highway related third party claims is directly linked to our performance in undertaking timely repairs of the highway and any gap in service provision would increase the risk of third party property damage and personal injury and would detrimentally affect our ability to defend claims for loss or damages in this regard.
9. This contract also supports the Council's Big Fill programme, which is very popular with our residents. The timing of this 'contract gap' is in the spring when the Big Fill Programme is active hence if work was to temporarily cease this programme would be adversely affected.
10. To ensure continuity of service, whilst the contract for this work is being re-tendered, it is suggested that the current contract with 'Centregreat' be extended for up to 3 months from 31 March, 2018 at the current rates. To permit this and ensure no breaks in service, use of the urgency procedure is requested.
11. Tenders for the new contract will be let on the same basis as the current contract, that is one year with extensions of one year plus one year, a maximum of 3 years. This ensures that the service can be re-tendered promptly if there are changes in the market, repair technology or other factors that could reduce costs or improve service quality.
12. Delegated authority is requested for the acceptance of tenders for the new contract and for the execution of the said contract to save time in implementing the new contract arrangements.

Resource Implications (Financial and Employment)

13. Any work authorised under either the extended temporary contract arrangement or the new contract will be contained within existing revenue and capital budgets.

Sustainability and Climate Change Implications

14. Highway Maintenance and refurbishments improves the road network which in turn can increase the economic viability of the Vale of Glamorgan as a location.

Legal Implications (to Include Human Rights Implications)

15. The Council has a duty to maintain the Highway pursuant to the Highways Act 1980. It will be necessary to enter into a document formally extending the existing contract with Centregreat Limited.

Crime and Disorder Implications

16. There are no Crime and Disorder Implications.

Equal Opportunities Implications (to include Welsh Language issues)

17. There are no Equal Opportunities Implications.

Corporate/Service Objectives

18. Environment - Outcome: Current and future generations of Vale residents and visitors enjoy the built and natural environment of the Vale of Glamorgan and actively protect and maintain them.

Policy Framework and Budget

19. This is a matter for Executive decision by Cabinet.

Consultation (including Ward Member Consultation)

20. There is no consultation proposed as this is a Vale wide matter.

Relevant Scrutiny Committee

21. Environment and Regeneration.

Background Papers

None

Contact Officer

Mike Clogg - Operational Manager Engineering

Officers Consulted

Committee Reports - Legal

Visible Services and Building - Accountant

Responsible Officer:

Miles Punter - Director of Environment and Housing Services