

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Anthony Clarke, Cabinet Member for Transport	
MEETING/ DECISION DATE:	On or after 10 th February 2017	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2937
TITLE:	Highway Maintenance & Improvement Works Contract Extension to 31 st March 2019	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: N/A		

1 THE ISSUE

- 1.1 The extension of the existing Highway Maintenance & Improvement Works Term Contract by one year beyond its contracted term with Skanska Infrastructure Services.

2 RECOMMENDATION

The Cabinet Member is asked to;

- 2.1 Agree the Contract Extension from the 1st April 2018 to the 31st March 2019.
- 2.2 Agree the issuing of a Voluntary Ex Ante Transparency Notice ("VEAT") in the Official Journal of the European Union.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 Negotiations with Skanska Infrastructure Services have not identified any significant resource implications beyond the annual Contract Clause 77 - Adjustment of Contract Rates and Prices applied on the 1st April each year.
- 3.2 The contract and works agreed will be managed within the available budget envelope, inclusive of relevant savings targets around highways maintenance.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 European procurement legislation will be addressed through the issuing of the VEAT Notification to the Industry.

5 THE REPORT

- 5.1 The current Highway Maintenance & Improvements Works Contract with Skanska Infrastructure Services was originally awarded to Atkins Highway Services following competitive tender with a commencement date of 1st October 2008. In September 2013 Skanska secured the Atkins Highway Operations holding and the contract was transferred.
- 5.2 The Original Contract term was set at five and a half years with up to four years extensions option. Following negotiation the contract was extended to its full term of nine and a half years for completion on 31st March 2018.
- 5.3 Bath & North East Somerset Council are currently working jointly with North Somerset Council in procurement of future Highway Service Contracts.
- 5.4 Bath & North East Somerset Council are entering a Devolution arrangement with neighbouring West of England Authorities, Bristol City Council and South Gloucestershire Council.
- 5.5 Due to changing arrangements of Devolution, Bath & North East Somerset will be taking the opportunity to consider future procurements options for highway services so will look to delay the commencement of its new Highway Maintenance & Improvement Works Contract by one year to 1st April 2019.
- 5.6 In order to ensure transparency, given the close working to date with North Somerset Council in procurement of future Highway Service Contracts and in combination with upcoming changes around Highways as a result of Devolution this decision is being brought forward as a member decision.

6 RATIONALE

- 6.1 The VEAT Notice will allow other interested Highway Service operators to lodge any valid objections to the proposed one year contract extension within a set time period. Outside of this period no further objections will be considered.
- 6.2 Independent legal advice has been sought from external Solicitors who confirm the approach being taken through this decision is reasonable given the changes facing the Council as a result of Devolution.

7 OTHER OPTIONS CONSIDERED

- 7.1 Members considered procuring a new contract when the current contract expires but felt that extending the contract by one year allowed the Council more time to consider the implications arising from Devolution.

8 CONSULTATION

- 8.1 The Cabinet Member and Section 151 Finance Officer have reviewed and input into this report.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	N/A
Please contact the report author if you need to access this report in an alternative format	