

	<h2>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</h2>
Title	Award of four Winter Maintenance Contracts
Report of	Interim Executive Director for Environment
Wards	All
Status	Public
Enclosures	None
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Summary

The report seeks Chief Officer authorisation to award the following four winter maintenance contracts:

- a) The Salt Supply Contract to Compass Minerals
- b) The Weather Forecasting Contract to MeteoGroup
- c) The Weather Station Maintenance and Bureau Service to Vaisala
- d) The replacement of the end of life Weather Stations to Vaisala

Decisions

That the Interim Executive Director for Environment approve the following contract award:

- a) The Salt Supply Contract, to Compass Minerals through the newly procured ESPO

Framework 220 De Icing Salt and Associated Products / Services, this framework being accessible to 1 April 2024 at a rate of £45.43 per tonne for the first year if purchased before 30 September 2020.

- b) The Weather Forecasting Contract to MeteoGroup for a 2 year and 6 month period, including a one year route based forecast trial conducted in 2020/21, for the rate of £9,962.50 in 2020/21, reducing to £7834.00 in subsequent years.
- c) The Weather Station's Maintenance and Bureau Service to Vaisala for a 2 year and 6 month period, for the sum of £18,125 in 2020/21, reducing to £14,500 in the remaining years, through a Single Tender Action.
- d) The replacement of the 2 end of life Weather Stations and associated road sensors, for a one-off fee of £57,907.88 through Vaisala, through a Single Tender Action.

1. WHY THIS REPORT IS NEEDED

1.1 This report is needed to provide the appropriate Council authorisation to procure and proceed with awarding the following four contracts, necessary to enable the winter maintenance service to be provided:

- a) The Salt Supply Contract to Compass Minerals through the newly procured ESPO Framework.
- b) The Weather Forecasting Contract to MeteoGroup for a 2 year 6 month period, including a one year route based forecast trial conducted in 2020/21.
- c) The Weather Stations Maintenance and Bureau Service to Vaisala to 30 September 2023 for a 2 year 6 month year period, through a Single Tender Action.
- d) Weather Station replacement to address end of life of the Councils 2 Weather Stations through Vaisala, through a Single Tender Action.

1.2 This report notes that contracts not on the annual procurement forward plan 2020-21 will seek retrospective authorisation to procure and proceed to award of contracts

1.3 Further details of the four contracts and justification for recommending the awards are given in Section 5 of this report.

2. REASONS FOR RECOMMENDATIONS

2.1 The decision is required to establish contracts for four services set out in Section 1.1. of this report on the basis that all four contracts are required to enable the Winter Maintenance Service for the forthcoming Winter 2020/21 to be provided.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 The following alternative options have been considered and rejected:

- a) The seeking of competitive tenders for the supply of gritting salt. This option was rejected on the basis that this would create procurement and other costs to the Council without any additional value for money as competitive tendering has been obtained as part of the ESPO Framework Contract.
- b) The seeking of competitive tenders for the provision of the Vaisala Service of Weather Station Maintenance and Bureau Service. This option was rejected on the basis that this would create procurement and other costs to the Council without creating any additional value for money because, due to technical integration with weather station systems currently used, suppliers lack interest in this procurement. Officers continue to monitor and compare Vaisala's price with previous year's prices and benchmarking with the prices charged to other London Boroughs. The value for the Weather Station Maintenance and Bureau Service for the last three years has totalled £42,750 and is thus well below the £189,00 procurement threshold.
- c) The Weather Stations and road monitors are bespoke to Vaisala and as such the seeking of competitive tenders was rejected as it would create procurement and other costs to the Council without creating any additional value for money due to the technical integration required with Council's bureau services. It should be noted that there has been no spend on the maintenance of these weather stations since installation, circa 24 years, with the units now being at end of life.

4. POST DECISION IMPLEMENTATION

- 4.1 Once the decision has been approved, HB Public Law will be instructed to conclude the award of the four contracts to the four suppliers so that the winter maintenance service can be provided.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Corporate Priority of Keeping the borough moving, including improvements to roads and pavements is delivered through improving the condition of our roads and pavements. The award of these four contracts will ensure a fully compliant winter maintenance service is in place for the Winter Season 2020/21.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The Salt Supply Contract, the previous contract for the supply of salt was procured through the Eastern Shires Purchasing Organisation (ESPO) with Compass Minerals Limited. ESPO have let a new framework contract which extends to the 1 April 2024. London Borough of Barnet were identified in ESPO's tender exercise for potential call off. The tender exercise confirmed prices that have been secured through the framework from Compass Minerals Ltd on the following basis:

Summer Orders (1/5/20 to 30/9/20) at £45.43 per tonne
Winter Orders (1/10/20 to 30/4/21) at £48.43 per tonne

5.2.2 The Weather Forecasting Contract has been the subject of formal quotes, with two suppliers providing quotes to the Council. On the basis of the quotes provided and associated price and quality evaluation, the proposal is to award the Weather Forecasting Contract to MeteoGroup for the price of £7,834.00 per annum for the next 2 years and 6 months, this includes for enhanced reporting through the Viasala system. In addition the proposal is to take up a first year trial of the MeteoGroup route-based forecasting to support the fundamental review of routes scheduled to be conducted during 2021, the one off cost of this activity is an additional £2,128.50 (this is 50% of the normal annual cost for this activity), this approach negates the need for thermal mapping which can cost circa £30,000 for each occasion that it is run.

5.2.3 The Weather Stations Maintenance and Bureau Service is currently provided by Vaisala. Vaisala systems are installed in the weather stations situated within London Borough of Barnet. Vaisala are the incumbent supplier of Weather Station Maintenance and Bureau Service to the Council. The cost of the service provided during the last winter season was £14,090, this figure is a discounted fixed annual fee which has been provided to the Council for the last four years saving the Council £3,475 against annual RPI increases.

Vaisala have offered the following prices for a 2 year 6 month period, to be invoiced in December each season:

December 2020 - £18,125 (15 months pro-rata including 2020 preseason works)

December 2021 - £14,500

December 2022 - £14,500 (service ending 30 September 2023)

Vaisala Ltd has been providing this service to the Council for over 24 years. The service includes the maintenance of the two Barnet owned weather stations and the provision of a Bureau service. This is a specialist service reliant on the maintenance of the weather stations that utilise Vaisala equipment. Due to technical integration with weather station systems currently used previous exercises for alternative quotations have resulted in suppliers not interested in the opportunity. Officers have sought confirmation of the current market position and have found that for Vaisala installations this lack of quotation interest has continued and has been experienced by TfL and other London Boroughs in recent exercises they have undertaken. The recommendation is therefore to award a Single Tender Action Contract to Vaisala Ltd for a period of 2 years and 6 months which will be subject to review dependent on update to weather station provision and systems used by Barnet.

5.2.5 The two Weather Stations on the A411 Barnet Gate and A504 East End Road, as well as the embedded road surface and depth sensors are at the end of their functional life, having been installed in the early 2000's. Technology has moved on considerably since that date and in order to ensure an effective winter maintenance service these units and associated road sensors need to be replaced otherwise there is a significant risk of failure during the coming winter season.

The cost to replace the two units including the associated road sensors is a one-off fee of £57,907.88.

5.2.6 It is critical that the service is constantly available and providing accurate and timely data,

therefore the replacement of life expired equipment and associated weather monitoring and salt provision is business critical, therefore the additional expenditure is necessary to meet statutory requirements.

5.2.7 The procurement of highways services, including related supplies and works, must be done in accordance with the Council's Contract Procedure Rules, and the Public Contracts Regulations 2015 (PCR) to ensure compliancy.

5.2.8 There are no Staffing, IT, Property or Sustainability Issues

5.3 Social Value

5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Social value will be considered when looking at the options. Our current contracts have considered social value.

5.4 Legal and Constitutional References

5.4.1 The legal position relating to the winter service was modified on 31 October 2003 with the introduction of the Railways and Transport Safety Act 2003. This legislation added the following additional sub-clause 41(1A) of the Highways Act 1980:

“(1A) In particular, a highway authority are under a duty to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice.”

5.4.2 This amendment means that the Highway Authority has a duty, subject to the limitation of “so far as is reasonably practicable”, to remove snow and ice that accumulates on the highway. The definition of “highway” includes carriageways, footways and cycle ways within the highway boundary.

5.4.3 The Traffic Management Act 2004 places obligations on highway authorities such as the Council to ensure the expeditious movement of traffic on their road network. Authorities are required to make arrangements as they consider appropriate for planning and carrying out the action to be taken in performing the duty.

5.4.4 Legal notes the processes undertaken by officers in tendering for the Salt Supply Contract via an ESPO Framework Agreement. As long as the Framework Agreement was tendered in accordance with the Public Contracts Regulations 2015 (PCR) and lists the Council as one of the authority that could access this Framework Agreement, the Council can call-off from the Framework Agreement following the process as set out in the Framework Agreement.

5.4.5 Article 10 of the Council's Constitution, Table B requires quotation to be sought for contracts with a value of £10,000 - £50,000. Legal notes that officers sought quotes for the Weather Forecasting Contract, therefore has acted in compliance with the Constitution and can award the contract to MeteoGroup. The total value of this contract is below the threshold for services under the PCR, therefore this contract is not subject to a full tender exercise.

5.4.6 Although Article 10 of the Council's Constitution, Table B requires two quotations to be sought for contracts with a value of £10,000 - £50,000, the Council's Constitution – Article 17 Contract Procedure Rules, Clause 6.1 also allows for a (Single Tender Action) to be made, in exceptional circumstances. Legal notes with the incumbent suppliers, therefore subject to the approval of the Commercial & ICT Services Director, the contract can be awarded to the incumbent supplier. The total value of this contract is below the threshold for services under the PCR, therefore this contract is not subject to a full tender exercise.

5.4.7 The authorisation to award the contracts is in accordance with the Council's Contract Procedure Rules.

5.5 Risk Management

5.5.1 It is not considered that the issues involved are likely to raise significant levels of public concern or give rise to policy considerations as the risks involved in awarding the contract to carry out bridge inspections have been mitigated by ensuring the consultant has qualified and trained staff and the appropriate level of public liability insurance is in place.

5.6 Equalities and Diversity

5.6.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

5.6.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy, and maternity; race; religion or belief; sex and sexual orientation.

5.6.3 To assist in meeting the duty the council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet's diverse communities by engaging with them.

5.6.4 The broad purpose of this duty is to integrate considerations of equality into day to day business and keep them under review in decision making, the design of policies and delivery of services.

5.6.5 Good roads and pavements benefit all sectors of the community by removing impediments and assisting quick, efficient, and safe movement to access school, work and leisure facilities. This is particularly important for the elderly, people caring for children and those with mobility difficulties and sight impairments. The condition of roads and pavements is regularly at the top of concerns expressed by residents and the Council is listening and responding to those concerns by committing funding and

resources to its planned highway maintenance programmes across the borough on a prioritised basis.

5.6.6 The provision of winter maintenance service aims to make the highway network equally accessible to all the residents and visitors to the borough.

5.7 **Corporate Parenting**

5.7.1 In line with the Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

5.8 **Consultation and Engagement**

5.8.1 This section does not apply to this report.

5.9 **Insight**

5.9.1 This section does not apply to this report.

6 **BACKGROUND PAPERS**

6.3 None

7. **DECISION TAKER'S STATEMENT**

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

Chief Officer: Interim Executive Director for Environment

Signed: Geoff Mee

Dated: 7th September 2020