

CABINET

30 NOVEMBER 2010

GATEWAY 3 CONTRACT AWARD: PUBLIC LIGHTING MAINTENANCE WORKS

Portfolio Holder: Councillor Phil Filmer, Front Line Services

Report from: Phil Moore, Head of Highways and Parking Services

Author: Ian Hardy, Engineer Street Lighting

Summary

This report recommends the award of the tender for routine maintenance works in connection with public lighting and traffic signs for the period 1 April 2011 to 31 March 2016 including provision for a 24 month extension.

1. BUDGET AND POLICY FRAMEWORK

- 1.1 This report recommends the continuation of the process of tender acceptance and contract award. This contract has been categorised as Medium risk and, as the contract value exceeds officer delegated authority, is a matter for Cabinet.
- 1.2 The Public Lighting Maintenance Contract is to enable the Council to meet its duty of care obligations in respect of public lighting and facilitates the installation of new lighting and the maintenance and upgrading of existing stock. The contract will also enable effective response to customer requests for service and complaints.

2. BACKGROUND

- 2.1 The contract covers all aspects of highway electrical work including the repair of faults, lamp changing, electrical testing and lighting replacement works, both individual and new lighting schemes. It includes works to all electrical highway and car park equipment including traffic bollards, signs and streetlights, the installation of festive lighting and the maintenance of tunnel lighting in Medway tunnel. This contract does not include traffic signals or ticket machines. The contract includes both planned and reactive maintenance and the provision of an emergency response service. An authorised officer places work orders.
- 2.2 To ensure business continuity from expiry of existing contract (31st March 2011) tender documents have been issued for a contract period of 5 years plus extension, subject to performance and market suitability, for a period of another 2 years.

3. PREPARATION OF CONTRACT

3.1	Who is the contract (service) manager responsible for day-to-day relationships?	Phil Moore (Head of Highways and Parking Services) Bob Tedman (Principal Engineer, Responsive Maintenance) Ian Hardy (Engineer Street lighting) Russell Taylor (Assistant Engineer Street Lighting) Mike Dickinson (Technical Assistant Street Lighting)
3.2	Do sufficient resources exist to manage the contract through implementation and throughout its contract term?	Yes, the tender is based on the existing contract, which is currently staffed at the correct level.
3.3	When does the contract start?	The contract will commence on 1 April 2011.
3.4	What is the duration of the contract and is there any extension	The contract duration is 5 years plus an option to extend the contract for a further 24 months. The extension will be at the council's discretion and shall be subject to the Contractor agreeing any extension.
3.5	What scoring system applied to the ITTs	A tender weighting and scoring system applied on at the ratio of Quality (20%) and Price (80%).
3.6	Were variants to the tender requested?	No, the ITT did not permit variant tenders. No tenderers submitted a variant tender.
3.7	Were interview requested from the tenderers	No, it was considered unnecessary to hold interviews or presentations as part of the ITT evaluation.
3.8	What is the planned evaluation process?	The planned evaluation process of tenders was published in the ITT – Most Economically Advantageous Tender.
3.9	How many ITTs were sent and how many were returned?	Five ITT's were issued and all five were returned.
3.10	Does TUPE apply?	Yes, TUPE does apply. There are no TUPE transfers involving current officers of the Council. The contract does make provision for the contractor to comply with any TUPE requirements arising out of the award of the new contract. All the necessary information was supplied to all tenderers.
3.11	Has a bond or parent company guarantee been sought?	Medway Council will either seek a Bond or a Parent Company Guarantee. If the contractor has a Parent Company then we may opt to obtain a Parent Company Guarantee

3.12	Were the tender documents approved by Procurement at Gateway 2?	Yes, all documents we produced with the assistance of the procurement team and were approved at Gateway 2.
3.13	Are there any government or council KPIs applicable to this service?	No, there are currently no government or council KPIs applicable to this service.
3.14	Are there any IT issues or concerns.	The existing "Confirm" software system networked to the successful contractors administrative base will be retained for the new contract. There are no additional IT implications over the existing contract.
3.15	When is the contract due for its first formal review at Gateway 4?	April 2012.

4. PRE-QUALIFICATION QUESTIONNAIRE (PQQ) AND TENDER PREPARATION (ITT)

4.1 Summary of PQQ Process

4.1.1 The procurement of the tender follows the EU restricted procurement procedure.

4.1.2 An OJEU advert was placed on 20 May 2010.

4.1.3 A PQQ was issued along with the evaluation criteria with a return date of 25 June 2010.

4.2 PQQ Evaluation

4.2.1 With the assistance of the procurement team PQQs were produced specifically for this contract. 15 companies expressed an interest that either downloaded the documents from the council web site or requested the documents from the lighting team. Applicants were short listed from the PQQs using clear criteria including:

	Number of Questions	Maximum Score per Question	Weighting	Maximum Total Score Available
General Details and Financial Information	Pass or Fail	N/A	N/A	N/A
Technical Information, Past Performance	3	4	20	240
Equal Opportunities	2	4	10	80
Health and Safety	1	4	10	80
Environmental Management	1	4	10	80
Case Study	1	4	30	120
Max Possible Score				600

4.2.2 Twelve PQQs were returned and evaluated using the published scoring matrix and weightings. The evaluation team consisted of:

- Bob Tedman (Principal Engineer Highways Responsive Maintenance)
- Ian Hardy (Engineer Street Lighting)
- Russell Taylor (Assistant Engineer Street Lighting)
- Rajinder Singh (Senior Research and Review Officer Diversity and Cohesion)

4.2.3 The PQQ was scored at the following level

Marking Scores	
Score 0	Complete failure to grasp/reflect the core issue(s)
Score 1	Reflects limited understanding, misses some aspects
Score 2	Reflects adequate understanding of all issues and aspects
Score 3	Good understanding and interpretation of requirements
Score 4	Excellent understanding and interpretation; innovative and proactive with sound strategy

4.2.4 The scores were then multiplied by the relevant weightings giving a total score and placing.

4.3 PQQ Assessment Scores

CONTRACTOR	TECHNICAL INFORMATION, PAST PERFORMANCE Weighting 20				EQUAL OPPORTUNITIES Weighting 10			HEALTH AND SAFETY Weighting 10		ENVIRONMENT Weighting 10		CASE STUDY Weighting 30		GRAND TOTAL	PLACING
	Total				Total			Total		Total		Total			
A	4	4	2	200	3	3	60	4	40	3	30	4	120	450	1
B	3	4	4	220	3	3	60	3	30	2	20	3	90	420	2
C	3	4	1	160	4	3	70	4	40	2	20	4	120	410	3
D	3	4	0	140	4	2	60	3	30	2	20	3	90	340	4
E	2	2	2	120	4	3	70	3	30	2	20	3	90	330	5
F	3	2	0	100	3	2	50	3	30	2	20	3	90	290	6
G	1	1	4	120	3	2	50	1	10	2	20	2	60	260	7
H	2	2	0	80	3	2	50	2	20	2	20	2	60	230	8
I	2	2	0	80	3	3	60	2	20	2	20	1	30	210	9
J	2	2	2	120	2	2	40	2	20	3	30	0	0	210	9
K	2	0	0	40	4	2	60	2	20	1	10	1	30	160	11
L	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12

See Exempt Appendix for list of contractors

4.3.1 Contractor L did not pass the financial checks and were therefore not evaluated

4.3.2 As advertised in the OJEU notice the top five contractors with the highest scores were selected to go on to the ITT stage. Tender documentation, in line with the procurement process, were issued to the five contractors with the highest scores. Tender documents were returned on 8 September 2010.

5. SUMMARY OF ITT PROCESS

5.1 Standard service requirements

5.1.1 All five bidders submitted bids to meet the specification. The service broadly consists of the following elements:

- Street lighting maintenance
- Traffic signs and bollards maintenance
- Tunnel lighting maintenance
- Night scouting
- Emergency call out service
- Electrical testing
- Erection and maintenance of festive lighting
- Replacement of lighting equipment (single)
- Replacement of lighting equipment (schemes)

5.2 ITT Evaluation

5.2.1 Five ITTs were returned and evaluated by the evaluation team in accordance with the published scoring matrix and weightings. The ITTs were checked for compliance by procurement and all tenders passed the compliance checks.

5.2.2 The evaluation team consisted of:

- Bob Tedman (Principal Engineer Highways Responsive Maintenance)
- Ian Hardy (Engineer Street Lighting)
- Russell Taylor (Assistant Engineer Street Lighting)

5.2.3 The evaluation team assessed the responses to the quality method statements from each tenderer and awarded a score to each. The points available to each response to the method statements is set out in the evaluation matrix. The scores were then multiplied by the weighting awarded to each method statement to give a weighted quality score for each tenderer.

5.2.4 The quality score (up to a maximum of 600) (20%) was awarded on the basis of to the highest quality assessment score.

5.2.5 The maximum tender price score (2400) (80%) was awarded to the lowest acceptable bid with other tender values being scored in proportion.

5.2.6 The six quality method statements headings and weightings applied are shown below:

Quality Criteria	Maximum Score Available	Weighting
Method Statement 1 - Continuous Improvement	5	30
Method Statement 2 - Innovation	5	20
Method Statement 3 - Service Delivery	5	30
Method Statement 4 - Health & Safety / Quality Management	5	20
Method Statement 5 - Transfer of Staff	5	10
Method Statement 6 - Customer Complaints and Technology	5	10

5.2.7 Method statements were scored at the following level:

Standard	Delivery level	Marks awarded
Very high standard	Demonstrates exceptional understanding of specification and includes comprehensive information on all requirements	5
Good standard	Demonstrates a full understanding of contract requirements with few omissions in proposals evident	4
Acceptable standard	Demonstrates adequate if a little vague understanding of contract requirements with some understanding of outcomes	3
Poor Standard	Demonstrated below average understanding of contract requirement but some proposals are met	2
Not acceptable	Demonstrates no understanding of contract requirements, does not address the relevant outcomes or missing information	0

5.3 ITT Evaluation and Scoring

ITT Evaluation					
Contractor	A	B	C	D	E
Quality Score (Q)	590	600	570	590	460
Tender Value	£8,156,531	£9,004,622	£9,039,689	£9,043,092	£9,407,082
Tender Value Score (V)	2400	2174	2166	2165	2081
Quality score (Q)	590	600	570	590	460
Value score (V)	2400	2174	2166	2165	2081
Total Score (Q+V)	2990	2774	2736	2755	2541
Overall Placing	1st	2nd	3rd	4th	5th

See Exempt Report for list of contractors

6. WHOLE LIFE COSTING/BUDGETS

6.1 Expenditure

6.1.1 The average annual expenditure under the existing contract is £800,000pa. This is aggregated from maintenance (revenue) and various capital budget heads. As with the existing contract the new contract is a mix of core maintenance work and call-off type work procured on request/instruction when there is budget provision for them.

- Core maintenance work
Core maintenance work includes, response to routine faults, night scouting, bulk lamp changing, servicing and cleaning.
- Optional call-off work
Optional call-off work includes electrical testing, painting, structural testing, emergency call outs, repairing third party damage and schemes.

6.1.2 Based on the lowest tender value, core maintenance work will account for approximately 25% of the total tender value at £294k per annum. The remaining 75% of the tender being optional call-off work procured by request or instruction when there is budget provision for them. The contract does not commit the Council to this spend. In each year of the contract term this spend will be dependant upon finance being available in each year's budget.

6.1.3 Tender quantities were based on the current lighting stock and based on previous experience as shown below:

Quantities - Fixed costs Schedule 1 is for the repair of faulty equipment. The quantities are based on the total number of units in Medway. The quantities are adjusted each year to reflect changes in the lighting stock. Schedule 2 is for the bulk replacement of lamps and servicing. The quantities are an estimate of the number of lamps to be replaced each year. These two schedules are fixed costs to the council and equate to approximately 25% of the tender total.

Quantities – Call-off works Schedule 3 includes labour-only rates for works outside the repair of faults. Schedule 3 also includes provisional sums for the supply of materials. Schedule 4 includes rates for labour and materials including reinstatements, renumbering and realigning posts. The quantities in these schedules are estimates based on previous experience. These schedules are call-off works and will be optional extras to be used only when there is budget provision for them and equate to approximately 75% of the tender total.

6.2 Funding

6.2.1 Funding under the contract will fall into two main areas, programmed work and additional/un-programmed work:

Programmed Work		Un-programmed Work	
Maintenance (Revenue)	£500,000.00	LTP	£80,000.00
Xmas (Revenue)	£35,000.00	Schemes (Capital)	£200,000.00
Tunnel Lighting	£40,000.00	Non-rechargeable (Damage)	£150,000.00
Minor Works (Revenue)	£25,000.00		
Car Parks	£30,000.00		
Total	£630,000.00	Total	£430,000.00

6.3 Financial Evaluation

6.3.1 See Exempt report

6.3.2 The tender process has been very competitive, thus ensuring that value for money can be demonstrated.

6.3.3 The tender has been let under similar terms and conditions to the existing contract. The specification has been changed to allow for changes in accordance with government legislation and Council requirements. The following shows the major changes that have been included in this tender:

1. **Materials** A provisional sum has been allocated for materials to be used under Schedule 3 of the contract. This allows for the specification of materials to be flexible and adapt to changes such as advances in energy-saving technology, LED lanterns, LED sign lights and passive safety equipment to be used on traffic islands. These items tend to be more expensive than standard equipment and the provisional sum reflects this.
2. **Fixed price for the term of the contract** As agreed at Gateway 1, the rates in the contract are fixed for the term of the contract: five years plus 24-month extension. The rates provided include the contractors' assessments of inflation fluctuations throughout the contract term.
3. **NRSWA and Traffic Management** The new contract includes noticing of works in accordance with the New Roads and Street Works Act, which was a requirement after 2008. Rates provided included for all noticing of works and traffic management. In comparison the current contract did not include this work, the new contract rates are likely to reflect the work involved in issuing notices
4. **Vehicle Emissions** The tender requires vehicles to be Euro 5 compliant, in line with European emission standards which define the acceptable limits for exhaust emissions of new vehicles sold in EU member states.
5. **Environment and Recycling** The contractor is now required to recycle electrical components and lamps in accordance with the WEEE directive and government legislation.

7. BUSINESS CASE

7.1 Business Case Summary

7.1.1 The contract fulfils Medway Council's statutory duty of care in relation to highway electrical equipment: to maintain its lighting stock in a safe condition, facilitate the completion of work, and to deal with legitimate customer requests for service and complaints in line with Medway Council's Highway Maintenance Plan.

7.2 Strategic Context

7.2.1 In addition the contract will address some of the strategic objectives of the following council initiatives, plans, strategies and policies:

- Core Value – “Putting the customer at the heart of everything we do”
- Core Value – “Giving value for money”
- Strategic Priority - “A clean and green environment”
- Strategic Priority – “People travelling easily and safely in Medway”
- Energy-saving Strategy – (currently being written)

7.2.2 The contract is designed to be adaptable to new technologies such as LED lanterns and CMS (central management systems) that are designed to assist in the reduction of energy costs and CO2 emissions.

8. MARKET TESTING

8.1 Lessons Learnt

8.1.1 There is an existing market for street lighting maintenance services. This has been tested through previous renewals of the contract. Informal benchmarking through CSS (County Surveyors Society) and TAG (Technical Advisors Group) shows that most authorities procure this work as stand-alone contracts due to the specialist nature of the works.

8.1.2 Lighting fault repair times are one of the most customer sensitive issues that Highways deals with on a day-to-day basis. Although the average of other authorities is slightly lower we are not looking to change the existing specified fault response time of 5 days. This target is seen as reasonable and achievable for the successful contractor and fits in well with the night scouting intervals of 2 weeks in winter and 3 weeks in summer. Reducing the required response times will undoubtedly increase costs as additional labour would be required and such a measure would increase vehicle mileage and our carbon footprint. Alternatively extending the fault response time is unlikely to result in an on going cost reduction as labour and replacement material will remain almost unaltered, but the contractor would be able to programme works more easily.

8.2 Stakeholders Consultation

8.2.1 The key internal stakeholder is Highways and Parking Services and the public. Initial contact has been made with potential stakeholders to assess the demand for buy-in of the service provided under the contract. A favourable response has been received from Greenspaces for the maintenance of their public lighting stock, which is being pursued and may be added to the contract in the future. Liaison with the public takes place daily during routine contact with the public. Also during major lighting works where questionnaires are delivered to residents requesting feedback on all aspects of the scheme and general issues such as repair times, part night lighting and contact with the street lighting team. The results of the contact with the public have been feed back into the tender documents.

8.3 Legal

8.3.1 The tender has been procured to ensure legislative compliance in EU Procurement terms. The contract is primarily a services contract for the purposes of the EU Regulations. The estimated value of the contract was above the current EU procurement threshold of £156,441. The procurement route selected was the Restricted procedure and it was decided that contract award would be on the basis of the most economically advantageous tender. As soon as possible after any decisions are made to award the contracts to the most economically advantageous tender, EU Procurement rules require the Council to inform all those bidders who were involved in the procurement process of its decision in relation to the award of the contract. The Council must allow a period of at least 10 clear days between the date on which the bidders are informed of the decision and the date on which the Council enters into the contract.

9. RISK MANAGEMENT

9.1.1 The risks detailed in the table below were identified at the beginning of the procurement process and are included here for completeness.

	Risk	Probability (P) (score 1-4)	Impact (I) (score 1-4)	Overall Score (P*I)	Action to Avoid or Mitigate Risk
1.	Incumbent contractor not carrying out their obligations to 31 March 2011	4	3	12	Once the contract is let to the winning contractor discussions will take place to determine the new contractor's ability to undertake some or all the duties from the incumbent contractor if the incumbent contractor fails to provide the service to the end of the tender period. See exempt report.
2.	Insufficient resources to deliver the project.	3	1	3	Works only to be ordered within budget availability.
3.	Changes in government regulations.	1	1	1	Incorporated into the contract flexibility to adapt to changes.
4.	Tendered prices unacceptable to council.	3	3	9	The tender reflects industry standards to reduce risk to the contractors. Ensure the council is only committed to carry out works were funds are available to meet budget constraints.

5.	Awarding a contract with limited notice period to start of contracts can lead to poor service delivery initially.	1	3	3	Ensure tenders are well placed in the industry to source vehicles at short notice. Ensure that the mobilisation period is as long as possible so that the Tenderer is able to plan ahead.
6.	Receiving a challenge to a contract award decision.	2	3	6	Comply with contract regulations. Be fair, open, and transparent in procedures
7.	Default by contractor needing emergency action.	1	2	2	Contractor to provide and/or pay for alternative action.
8.	Volume of work less than or greater than anticipated.	2	2	4	Tenderers are made aware that the work can fluctuate up and down. Ensure the successful contractor has the recourses to increase or decreases quantities of staff and plant.
9.	Failure to meet performance targets.	2	2	2	System in place for financial compensation. Regular meetings and monitoring of KPIs.
10.	Failure of contractor to meet contract standards for service delivery to the council.	2	3	6	Adequate contract monitoring and enforcement in relation to operations, in appropriate cases by including provision in the contract for deductions where these standards are not met.
11.	Interruption of availability of some services.	2-3	2-3	4-9 depende nt on extent and duration of event	Adequate contract monitoring and enforcement in relation to maintenance, security, health and safety, and staff training, contractual provision of backup equipment and facilities, fire insurance, in appropriate cases by including provisions in the contract for deductions where such interruptions occur.
12.	Overpayment to contractor.	1	2	2	Robust contract procedures for checking contracts, validating invoices, and recovering any overpayments. Staff training. Internal audit.

13.	Contractor or employee fraud or corruption.	1	1-2	1-2 dependent on the nature of the fraud	Robust contract provisions for controlling payments and assets. Adequate supervision and transparency for contract management and negotiations. Staff training. Internal audit.
14.	Budgeted net expenditure exceeded.	2	4	8	Prudent budgeting. Robust arrangements to management within budget. Prompt and accurate assessment of unbudgeted proposals and developments.

10. PROCUREMENT IMPACT ASSESSMENT (PRIMAS)

- 10.1.1 The proposed procurement is not considered to have any negative impact in relation to equalities (i.e. age, disability, ethnicity, sexual orientation, gender and religion/belief) or local community.
- 10.1.2 There are no issues identified in relation to environmental or health & safety since these issues will be addressed in relation to existing legislative requirements as part of the ITT.

11. PREPARATION OF THE NEXT STAGE OF PROCUREMENT

11.1 Resources and Project Management

- 11.1.1 The Street Lighting team within Highways with the assistance of the procurement team will manage the procurement process arising out of the Council's decision to award the contract to the contractor that submitted the most economically advantageous tender. This will include mobilisation and contract monitoring.
- 11.1.2 When let the Contract will be managed by the Street Lighting team within Highways The Street Lighting team consists of, Ian Hardy (Engineer Street lighting) Russell Taylor (Assistant Engineer Street Lighting) Mike Dickinson (Technical Assistant Street Lighting)
- 11.1.3 A project-working group led by the Head of Highways & Parking Services will be established to manage delivery of the new Public Lighting Contract in line with the procurement stages.

11.2 Contract monitoring

- 11.2.1 Contract monitoring will take place on a quarterly basis and include an annual contract review. Key performance indicators regarding service utilisation and delivery, for which provision is made in the contract, will be set up by agreement with the contractor and the council and will be collected and monitored on a quarterly basis.
- 11.2.2 The contract will be managed through a combination of performance checks, joint site visits and formal contract review meetings. Performance will also be monitored through targets within the contract; performance meetings are scheduled on a monthly and quarterly cycle.

- 11.2.3 In relation to deliverables and impacts these will be addressed through existing monitoring procedures. A lighting policy for Medway is being written and this contract intends to fulfil the requirements of the policy.
- 11.2.4 Performance management will be undertaken through Covalent as part of the Highways & Parking Services Service Plan.
- 11.2.5 The main risk identified at Gateway 1 stage is in relation to tender value exceeding budget allocation. As detailed in item 6.1 approximately 75% of the total contract value is carried out only when funds are available on a call-off basis. Approximately 25% of the contract value is core work and is a fixed cost to the revenue budget and is covered within the existing budget.

12. COMMENTS OF THE PORTFOLIO HOLDER FOR FRONT LINE SERVICES

- 12.1 This report recommends the award of the tender for routine maintenance works in connection with public lighting and traffic signs for the period 1 April 2011 to 31 March 2016 including provision for a 24 month extension. I support this report and the process that it represents.

13. PROCUREMENT BOARD

- 13.1 On 10 November 2010 the Procurement Board considered and recommended this report to Cabinet.

14. FINANCIAL, PROCUREMENT AND LEGAL COMMENTS

14.1 Comments from Chief Finance Officer

- 14.1.1 The cost of the contract will be met from future highways budgets, both capital and revenue, and the tendering process has ensured value for money for the Council. The tender is a composite of a number of components and whilst some elements have shown increased costs from those currently experienced, other parts have shown savings. The mix of work undertaken will determine the net overall impact but costs will need to be managed to the budget available.

14.2 Comments from Head of Procurement

- 14.2.1 Strategic Procurement has provided quality assurance throughout the process including a comprehensive review of procurement documentation at Gateway to ensure compliance in respects to evaluation criteria weightings and EU procurement threshold timescales. In accordance with the EU procurement regulations, this contract was tendered on the basis of Most Economically Advantageous Tender (MEAT) and as such the proposed contract award within this report is reflective of this. Strategic Procurement is satisfied that a robust and compliant procurement process has been conducted which should deliver best value. The client department is advised that the EU procurement regulations require a 10 day mandatory standstill period to be observed which will take effect post completion of internal processes (Cabinet plus call in) and from the date of issuing successful and unsuccessful

letters. The client department must liaise with Strategic Procurement for further guidance in respects to compliant successful/unsuccessful letters and the 10 day standstill period to ensure that effective debriefing requirements are adhered to in line with the Remedies Directive. Once the 10 day standstill period has been observed successfully, the client department will need to formally award the contract by liaising with Legal Services to resolve issues of bonds/parent company guarantees and sealing. The client department should also commence the mobilisation strategy post contract award to ensure a seamless transition from the incumbent contractor to the new contractor. There are some clear capacity and delivery issues associated with the incumbent which should be closely monitored to ensure contract continuation for the remainder of the term at the same qualitative levels as currently provided and expected within the terms of the contract. The client department is advised to liaise with the incumbent and ensure robust mechanisms are in place to manage the risks outlined within this report.

14.3 Comments from Deputy Monitoring Officer

14.3.1 The estimated value of the contract was above the EU procurement threshold of £156,442 for services contracts. This procurement was undertaken by inviting contractors on a select list to submit tenders where the contractors on the select list were chosen following the evaluation of the responses to a pre-qualification questionnaire. The procurement has been undertaken under the Restricted procedure in the Public Contracts Regulations 2006 (as amended) and the award is to be on the basis of the most economically advantageous tender. The procurement process has been open, fair and transparent and the evaluation of tenders has been on the basis of the evaluation criteria published with the invitation to tender. The procurement process should therefore result in the award of a contract providing value for money to the Council.

15. RECOMMENDATIONS

15.1 That Cabinet, based upon the outcome of the evaluation in accordance with the published evaluation criteria, award the Routine Maintenance Works in connection with public lighting and traffic signs for the period 1 April 2011 to 31 March 2016 contract to contractor A on the basis that they submitted the most economically advantageous tender.

16. SUGGESTED REASONS FOR DECISION(S)

16.1 After the evaluation of all tenders received in accordance with the Council's published evaluation criteria, the tender submitted by the contractor named in the exempt appendix was considered to be the most economically advantageous. The award of the contract to contractor A will ensure that service continuity can be adequately planned and financial award decisions made through the 2011 budget setting process.

17. LEAD OFFICER CONTACT

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Report Originating Officer	Phil Moore	☎ 01643 331146
Chief Finance Officer or Deputy	Mick Hayward	☎ 01643 332220
Monitoring Officer or Deputy	Julien Browne	☎ 01643 332154
Head of Procurement or Deputy	Gurpreet Anand	☎ 01643 332450

18. BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

Description of document	Location	Date
Gateway 1 report	Highway Street Lighting Team	April 2010
PQQ questionnaire and evaluation matrix	Highway Street Lighting Team	May 2010
ITT questionnaire and evaluation matrix	Highway Street Lighting Team	September 2010

Lighting Maintenance Contract Procurement Timetable

Stage	Task	Description	Timescale
Gateway 3		Prepare Reports	13 October 2010
		Approval to proceed form Procurement Board/OSP/DMT PB 10 November 2010: Deadline for Submission 3.11.10	10 November 2010 10 am
		Approval to proceed Cabinet 30.11.10: Client to confirm submission date with Cabinet	30 November 2010
		Award/Reject	2 December 2010
		Stand Still period 10 days (electronic notification) 15 days (postal notification)	17 December 2010
	Mobilisation Live contract	Prepare mobilisation strategy for new contract to ensure effective and efficient transition, and to establish productive working relationship with new contractor, including pre start meetings.	January 2011
		New contractor takes possession and new arrangements become effective.	1 April 2011