

|                      |   |
|----------------------|---|
| <b>REPORT TITLE:</b> | <b>INCREASE IN CONTRACT VALUE – DN625242 TRANSPORT CONSULTANCY (HIGHWAYS)</b> |
| <b>REPORT OF:</b>    | <b>ASSISTANT DIRECTOR, HIGHWAYS &amp; INFRASTRUCTURE</b>                      |

## **REPORT SUMMARY**

This report provides details and seeks authorisation to increase the value of contract DN625242 entitled “Transport Consultancy Professional Services Network Management Support” between the Council and Amey OW Limited by 50% in value from £799,000 to £1,198,500.

The report provides the background to this existing contract and outlines the reasons for the change in contract value. The existing transport consultancy services contract is predominately used to provide additional support for the Council’s City Region Sustainable Transport Settlement (CRSTS) Combined Authority Transport Plan (CATP) programme that is grant funded.

The increase in contract value will allow the appointed consultants to continue to deliver several on-going highway engineering schemes that aligns with the Council Plan 2023-2027, in particular: theme 5: working together to protect our environment, and theme 6: working together to create safe, resilient, and engaged communities.

This matter is a Key Decision as the total increase in contract value exceeds £0.5m.

## **RECOMMENDATIONS**

The Director of Neighbourhood Services is recommended to approve an increase in contract value from £799,000 to £1,198,500 for the existing Transport Consultancy Professional Services contract with Amey OW Limited at a registered address of Chancery Exchange, 10 Furnival Street, London, EC4A 1AB in accordance with the Council’s Constitution, Contract Procedure Rules, and National Procurement Regulations.

## **SUPPORTING INFORMATION**

### **1.0 REASON FOR RECOMMENDATION**

- 1.1 The proposals within this report will ensure that on-going highway engineering schemes included within the CRSTS CATP programme for 2024/25 continue to be worked upon that will allow the effective delivery of the capital grant funded schemes. The contract scope has not varied, the 50% increase is required because the contract has delivered more than initially anticipated.
- 1.2 The proposals within this report will allow purchase orders to be raised for the appointed consultancy to be able to continue to work on capital grant funded schemes.
- 1.3 The delivery of the Council's CRSTS CATP programme contributes to the following strategic objectives of the Liverpool City Region Road Safety Strategy:
- A reduction in the number and severity of road traffic collisions working to a target of no avoidable collisions by 2040.
  - Creating the conditions for more people to make safer journeys on foot or by bicycle and enabling more children to walk and cycle to school; and
  - Contributing to improved air quality and reducing climate changing CO<sub>2</sub> emissions.
- 1.4 Failure to agree to this increase in contract value will result in stopping all associated works with Amey Consultants and the need to undertake a re-procurement exercise that will ultimately delay the delivery of ongoing schemes that Amey are working on. Furthermore, if it is necessary to re-tender a new contract and should Amey not be successful then this will only further exacerbate the process as any new successful bidder is likely to go back to the beginning of the detailed design stage.
- 1.5 A strict management and monitoring regime will be in place to ensure that any further orders of work against this contract will be not exceed the 50% increase in contact value.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Another option is for the Council to undertake a re-procurement tendering exercise for a new contract with a bigger contract value to allow the highway engineering schemes to be designed and delivered. Whilst this is not practical now due to the impending work involved to deliver the highway engineering schemes within the scheduled programme, it is considered a viable option to procure a new contract for the medium to long term which is being worked upon through procurement.
- 2.2 Within the Council's Highways and Infrastructure service, there is currently no staffing resource with the appropriate level of experience and skills set to undertake this work in-house should a re-procurement tendering exercise be undertaken, and it is felt that increasing the contract value to allow ongoing works to continue is the best option.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The Council through its Highways and Infrastructure Service has entered a contract with Amey OW Limited for the provision of general transport consultancy services, supporting the Council's in-house resources on a secondment basis. In outline the services that are provided within the contract cover Road Safety, Highways Development Control and Network Traffic Management. In addition, the scope of the works includes the support required for the design and delivery of capital grant funded highway related engineering schemes.
- 3.2 The existing contract with Amey Consultants covers the period of 21 January 2023 to 21 January 2026 with an option to extend for a further two years to 21 January 2028. The contract value for this contract was set at £799,000 for the three-year period with an annual budget allocation of £233,000. The current actual budget spent and committed purchase orders against this contract to date is just short of the contract value threshold, at £782,399 with £16,601 remaining.
- 3.3 Amey Consultants is currently working on several highway engineering schemes that form part of the CRSTS CATP programme for 2024/25. All schemes within the CRSTS programme are grant funded with a total budget allocation for 2024/25 of approximately £4.5m (including slippage from the previous year).
- 3.4 Within the contract procedure and procurement rules a financial increase up to 10% of the contract value is permitted through the completion of the Council's Smart Form and is subject to approval by Head of Service, Finance, and the Head of Procurement. However, a maximum of 50% has been requested to allow purchase orders to be raised to enable work to be carried out under this contract and to provide the support needed to complete and deliver on-going works that Amey Consultants already have.

### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 There are no financial implications directly impacting on the Council associated with this request to increase the contract value by 50% as the on-going work undertaken by Amey OW Limited is capital grant funded through the CRSTS CATP on a rolling 5-year programme up to the period of 2026/27.

### **5.0 LEGAL IMPLICATIONS**

- 5.1 Advice from the Procurement teams has been sought throughout the process and their agreement was based on no variation to the existing contract scope and the work already undertaken to procure a new longer-term contract.
- 5.2 The Council has statutory duties as defined by the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Acts, and the Traffic Management Act 2004. A reduction in the number and severity of road traffic collisions is a key priority of the Council, in respect of its duty under Section 39 of the Road Traffic Act 1988 to take actions to both reduce and prevent road traffic collisions.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

6.1 Existing staff resources will be used for all associated work undertaken through the Council's contract and procurement rules to enable the increase of contract value by 50%. There are no other staffing resource implications.

## **7.0 RELEVANT RISKS**

7.1 Failure to agree to this increase in contract value will result in stopping all associated works with Amey Consultants and the need to undertake a re-procurement exercise that will ultimately delay the delivery of ongoing highway schemes that Amey Consultants are working on. Furthermore, if it is necessary to re-tender a new contract and should Amey consultants not be the successful bidder then this will only further exacerbate the process as any new successful bidder is likely to revisit all design stages.

7.2 The delay and failure to deliver identified highway engineering schemes within the CATP programme may result in the loss or clawback of funding that is likely to lead to reputational damage to the Council. In addition, several highway engineering schemes that are being worked upon by Amey consultants are of a sensitive and political nature and any further delay will only exacerbate matters.

7.3 It is important to highlight that the on-going highway engineering schemes are being delivered as local safety schemes aimed at reducing the number and severity of road traffic casualties and to provide facilities for vulnerable road users such as pedestrians and cyclists. Therefore, the increase in contract value will allow the continuation of these schemes to be delivered at a quicker pace than having to go through a re-tendering process.

7.4 A strict management and monitoring regime will be in place to ensure that any further orders of work against this contract will be not exceed the 50% increase in contract value should it be approved.

## **8.0 ENGAGEMENT/CONSULTATION**

8.1 Consultation with the Council's Procurement team has been undertaken with regards to the increase in contract value who agree in principle, subject to the completion and submission of a Smart Procurement Form detailing the reasons for the increase in contract value and approval from the Director of Neighbourhood Services.

8.2 No external consultation or engagement with ward Members, members of the public and/or other stakeholders is required for a decision on whether to approve this ODN.

## **9.0 EQUALITY IMPLICATIONS**

9.1 This report has no direct impact for equalities; therefore, no assessment has taken place.

9.2 An equality Impact Assessment will not be required as there is already an existing contract in place and the request is to vary the existing contract by increasing its value.

**10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 Individual design commissions will address environmental and climate emergency implications accordingly,
- 10.2 As a supplier, Amey OW Limited have a carbon reduction plan and are committed to achieving net zero carbon emissions by 2040.

**11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11.1 There are no significant community wealth implications arising from this report.

**REPORT AUTHOR: Jim Gibbins**  
Senior Network Manager – Highways & Infrastructure  
Telephone: 0151 606 2329  
Email: jamesgibbins@Wirral.gov.uk

**BACKGROUND PAPERS**

Wirral Council Transport Consultancy Professional Services Framework – 2023/28, contract reference: DN625242

**SUBJECT HISTORY (last 3 years)**

| <b>Council Meeting</b> | <b>Date</b> |
|------------------------|-------------|
| None                   | N/A         |