

# Cabinet Member Report

<b>Decision Maker:</b>	Cabinet Member for City Management and Air Quality
<b>Date:</b>	9 November 2022
<b>Classification:</b>	General Release with the exemption of Appendix C. That this report be confidential pursuant to paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of particular persons (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972 which is the subject of this report.
<b>Title:</b>	Highways Contract Arrangements - Traffic Management Order (TMO) Service
<b>Wards Affected:</b>	All
<b>Policy Context:</b>	Supports delivery of Fairer Westminster Manifesto priorities including Air Quality, Active Travel and Local Shopping Streets.
<b>Key Decision:</b>	Yes due to impact to all wards.
<b>Financial Summary:</b>	The value of the proposed contract over the seven (7) year period is estimated at circa £4.2m depending on the number of TMOs raised annually.
<b>Report of:</b>	Amy Jones Director of Environment

## **1. Executive Summary**

This report sets out the procurement process conducted in preparation for the award of the City Council's 'Traffic Management Order' (TMO) contract.

It provides background on the contract, and on the evaluation and rationale for recommending the successful tenderer.

It recommends the Cabinet Member approves the award of contract for the delivery of TMO contract to the successful tenderer, under the terms set out in this report.

The existing contract is due to expire 31<sup>st</sup> March 2023. The newly awarded contract is proposed to commence April 1<sup>st</sup> 2023.

The contract value is circa £4.2m, over a maximum of 7 years.

The form of Contract is the NEC4 Term Service Contract (June 2017). NEC4 is the latest iteration of the NEC suite of contracts, and the Term Service Contract is intended to be used for the appointment of a supplier for a period of time to manage and provide a service.

## **2. Recommendations**

It is recommended that the Cabinet Member for City Management and Air Quality, to approve the award of an up to 7-year contract to WSP UK Limited (Company No. 01383511) for the provision of TMO Services to WCC, to support the delivery of Highways and Parking projects.

## **3. Reasons for Decision**

The City Council's existing TMO contract is due to expire 31<sup>st</sup> March 2023.

Contract Award Approval for contracts of £1.5m or more, is required from the appropriate Cabinet Member following endorsement to approve from the appropriate Executive Leadership Team member and the City Council's Commercial Gateway Review Board (CGRB).

The successful tenders response was robust, innovative, and provided officers with confidence that the requirements of the contract were clearly understood and could be delivered. The successful bidder was able to provide strong responses with evidence to support their explanations, reassuring officers that the service would be delivered to a high standard.

Having an external party manage, in full, the TMO contract allows for service provider specialists to advise, manage consultations, and carry out works. It also allows Officers to oversee the process at a high level and remain engaged throughout. The City Council sought a high quality and value for money tenderer to be the new successful service provider and followed the above actions in order to achieve this.

Alternative providers and collaboration have been considered, with the model proposed expected to maximise the benefit received by the City Council.

#### **4. Background, including Policy Context**

##### **Traffic Management Orders (TMOs)**

A TMO is a statutory legal document used to support enforceable traffic or highway measures. It covers the main types of traffic and parking orders.

##### **TMO Contract**

The TMO contract is part of a suite of contracts that the City Council (WCC) operate for the repair, maintenance, cleaning, renewal and improvement of the City Council's Highways Infrastructure Assets and the Public Realm. It supports the delivery of public realm, safety and developer schemes amongst others covering changes to Carriageways, Footways, Lighting, Drainage, Bridges and other Structures.

The work under this Contract comprises the provision of an integrated service:

- Professional advice on traffic management regulations, signs and compliance
- Order Amendments for parking designations
- Traffic Orders for Projects carried by third parties e.g. developers, landowners
- Maintenance of the currently utilised "Parkmap" System and Supply of Traffic Survey Data, and any replacement /additional IT systems.
- Provide services to other contracts

WSP UK limited are the incumbent in contract with WCC to provide TMO services. Circa 200-250 TMO's are issued each year.

##### **New Contract Procurement**

Westminster City Council invited tenders to bid to become the new successful service provider of the TMO contract in May 2022, following the City Council's Procurement Code. The new TMO contract is planned to commence on the 1<sup>st</sup> of April 2023 for a period of up to 7 years in total.

Options for this process were fully considered, including the option of undertaking the TMO work in-house.

The City Council is required by law to use an electronic tendering system (currently capitalE sourcing) and to make its requirements visible and accessible to the market.

For all procurements with an estimated total contract value of £100,000 or more, or where the activity is deemed to be high risk, the following will apply. No procurement activity can commence until prior approval of the procurement strategy is obtained and no contracts can be executed until prior approval of the contract award.

Following the endorsement of the Procurement Strategy at CGRB, and approval from the Executive Director of Environment and City on 19th May 2022, the

recommendation, based on a specific service with little competition was to undertake an open procurement process.

A Prior Information Notice (PIN) was published 03/03/2022, this was advertised as per the Public Contracts Regulations (PCR) for an open tender on Find a Tender (FTS) and Contract finders. The PIN was not published as a call for competition but merely to alert the market of the opportunity.

A contract notice was published on 25/05/2022 (TMO - Contracts Finder). The contract notice included a description of the services under the Contract and a link to Capital E sourcing, bidders were able to download all tendering documents and submit a response.

The ITT was published on the 25th of May 2022 with a submission date of 05th July 2022.

Following the tender response deadline, 2 bids were received from the following tenderers:

- WSP UK Limited (incumbent)
- Project Centre Limited

Their tenders were compliant and met the specification requirements, including submission of all documents requested within the allocated word limits.

An open procurement exercise was undertaken, following procurement guidance, to enable a transparent and competitive tender process.

A team of Westminster City Council officers were selected from the Highways service who have experience in a procurement exercise, who's role is impacted by the Contract or who's role operates within the contract, to carry out the procurement exercise and assess tenders.

The procurement exercise was overseen by the City Council's CGRB, the assurance body for procurement activities. CGRB reviewed and endorsed the procurement activity through the City Council's stage/gate process. Initial steps were to draft the specification, contract, and invitation to tender documents, the afore mentioned were approved internally before sending out to market. The criteria for this contract were stringent allowing for only experienced and larger corporate companies to respond within a period of 30 days. Following internal compliance checks undertaken by Procurement Representative, 2 tenderers were shortlisted for evaluation.

The tenderers responses comprised of 10 quality and technical answers, officers within the group were assigned a specific focus area to review, the more specialist members of the group reviewed both the technical and the quality responses.

Following a 4-week independent evaluation period the working group reconvened to moderate their scorings.<sup>1</sup> During the moderation meeting officers were invited to

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<sup>1</sup> Scores were numbered: 0 (unacceptable - fail), 1 (poor - fail), 2 (fair), 3 (satisfactory), 4 (good), 5 (excellent).

share their scorings, most notably why a scoring was above the group average or below the group average in order to agree an overall score.

## **7. Carbon Impact**

It is expected there will be less carbon impact than the previous contract, WSP aim to halve their carbon footprint on the schemes they work on by 2030 and will agree, monitor, and report carbon metrics via a Framework Carbon Dashboard.

They pledge to minimise the amount of business travel undertaken by careful programming and alignment of site visits and increased use of remote technology for communication, inspection, monitoring and review. Officers continue to reduce their carbon output by splitting their time between their base office, client offices and working from home. Any vehicles used for business travel must be electric or low carbon.

## **8. Equalities Impact**

No implications.

## **9. Consultation**

The Cabinet Member has been kept informed on the procurement process since project inception. Given the support and function of the contract wider consultation was not considered appropriate.

**If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:**

Megan Glew, Highways Officer (schemes)  
[mglew@westminster.gov.uk](mailto:mglew@westminster.gov.uk)

## **BACKGROUND PAPERS**

- **Technical Questions Posed to Tenderers**

## **APPENDICES**

**Appendix A: Other Implications**

**Appendix B: Indicative Contract Award Programme**

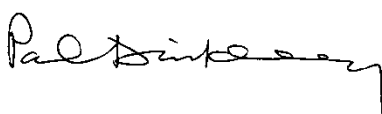
**Appendix C: (Exempt from Publication)** Confidential Finance, Legal and Procurement Information

*NB: For individual Cabinet Member reports only*

For completion by the **Councillor Paul Dimoldenberg, Cabinet Member for City Management and Air Quality.**

**Declaration of Interest**

I have <no interest to declare / to declare an interest> in respect of this report

Signed:  Date: 09/11/2022  
NAME: **Councillor Paul Dimoldenberg**

State nature of interest if any:

*(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)*

For the reasons set out above, I agree the recommendation(s) in the report entitled Contract Award of the Traffic Management Order Contract and reject any alternative options which are referred to but not recommended.

Signed: 

Cabinet Member for City Management and Air Quality.

09/11/2022

Date: \_\_\_\_\_

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.