

 Executive 17th April 2013		Agenda Item No. 8
Title:	Rural Footway Maintenance Programme and exceptions to the Code of Procurement Practice	
For further information about this report please contact	Andrew Jones – Tel. 01926 456830 Monica Brown – Tel. 01926 456328	
Wards of the District directly affected	All Wards	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number		
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	Yes/No (If No state why below)

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive	19.03.13	Chris Elliott
Deputy Chief Executive and Monitoring Officer	19.03.13	Andrew Jones
Head of Service	19.03.13	Jameel Malik
Section 151 Officer	19.03.13	Mike Snow
Procurement	19.03.13	Melanie Gillman
Portfolio Holder(s)	27.03.13	Norman Vincett
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1. The Rural Footway Lighting maintenance programme expenditure (with a total budget of £45,900) has exceeded the required procurement threshold, triggering Executive approval as an exception to the Code of Procurement Practice.

2. RECOMMENDATIONS

- 2.1. The Executive agree an exception to the Code of Procurement Practice for the maintenance and repair of rural footway lighting for the period up to September 2013.
- 2.2. Executive notes that the current expenditure of the Rural Footway Lighting budget has exceeded the agreed Code of Procurement Practice threshold and the service will be re-procured by September 2013.

3. REASONS FOR THE RECOMMENDATION

- 3.1. Maintenance work relating to rural footway lighting maintenance is currently carried out by the contractor, "Hi-Lite", who responds to emergencies and maintenance. The contractor undertakes this work in accordance with the schedule of rates (in part) that was agreed through the "Replacement of Rural Footway Lighting Columns and Lanterns" tender procured in 2011/12 (for one year only).
- 3.2. The annual maintenance of some 1,054 rural footway street lighting columns including pole-mounted lights had been expected to be less than £5,000 per annum. However due to some unforeseen circumstances such as cable thefts, damage to luminaires (lanterns), inclement weather conditions, "dead" service supplies (maintained by Western Power), this expenditure has proved optimistic.
- 3.3. The forecast annual outturn is expected to be close £10,000 and therefore in accordance with the Code of Procurement Practice any contract value between £5,001 and £19,999 is required to have at least three written quotations.
- 3.4. Following discussions with the Procurement Manager it has been agreed to competitively tender the aforementioned works. This is largely due to the repetitive nature of the works.
- 3.5. The Procurement Manager is confident that the exercise could be covered for 3 years by open tender, with annual break clauses, to protect the Council from unnecessary financial commitment. This tender could also incorporate the annual improvement programme as this is also currently not covered by a contract.

4. POLICY FRAMEWORK

- 4.1. **Policy Framework**–The Code of Procurement requires a minimum of 3 tender quotes for work over the value of £5,001 p.a. and under £19,999 p.a.

5. BUDGETARY FRAMEWORK

- 5.1. The ongoing maintenance of between £5,000 and £10,000 is part of the £45,900 Rural Footway Lighting Maintenance & Improvement Budget.

6. ALTERNATIVE OPTION(S) CONSIDERED

- 6.1. The Council could agree not to incur any further expenditure on unforeseen occurrences of fault and damage. However this would result in poor customer satisfaction and increase risk of unsafe installations.
- 6.2. Carry on employing the same contractor, noting that this is not in compliance with the Code of Procurement Practice.