

# Procurement for the provision of MAINTENANCE OF TRAFFIC SIGNALS AND OTHER INTELLIGENT TRAFFIC SYSTEMS EQUIPMENT WITHIN THE BERKSHIRE AREA

## PRE-MARKET ENGAGEMENT INFORMATION DOCUMENT

Reference:

Date: April 2022

Reading Borough Council

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## 1. INTRODUCTION

Reading Borough Council ('the Council') is seeking to re-procure the contract for Maintenance of Traffic Signals and Other ITS Equipment Within the Berkshire Area ('the Contract'), on behalf of the following participant authorities; Bracknell Forest Borough Council, Reading Borough Council, Slough Borough Council, West Berkshire Borough Council, Wokingham Borough Council. Thank you for taking the time to engage with us in respect of this forthcoming opportunity. We welcome your participation in this pre-market engagement exercise.

## 2. THE OPPORTUNITY

At present, the supply, installation, commissioning, inspection, and maintenance of intelligent traffic systems are delivered through our existing Traffic Control Systems Contract, which has been in place for over 10 years. Given the length of time since the contract has had a significant review, we recognise that there is an opportunity to build upon the service delivery provided to date and take steps to maximise the opportunities available to both the Council and the appointed supplier.

In terms of what the future may look like, the general objectives of the requirement are as follows:

To support the Authority in operating, maintaining, inspecting, and refurbishing our intelligent transport systems.

The five Berkshire Authorities operate and maintain approximately 525 intelligent transport assets, comprising of signal-controlled junctions, signal-controlled crossings, Fire Station Wig-wags, car park equipment, variable message signs, rising bollards and C.C.T.V. cameras.

The Council operates a whole life asset management programme and is currently expecting to spend approximately £2,500,000.00 per annum on refurbishment of its intelligent transport systems.

We recognise that in order to maximise the success of this contract, the Council will need to put in place a contract which provides the appointed supplier with further opportunities to deliver innovative services which may change the way in which the contract is delivered in the future. We therefore plan to encourage the successful bidder to work together with the Council and its partner organisations to innovate and enable the results to be implemented.

For example, the Council are currently considering how greater use of technology may improve service delivery, how other services can be delivered in an innovative way via the appointed supplier and putting in place a mechanism which encourages the supplier to approach the Council with new ideas which can actually be implemented. We are keen to hear your views on this.

## 3. OUR AMBITIONS

We recognise the challenges involved in delivering highways services and appreciate that there are many approaches to this as well as a significant number of "lessons learned" which we are keen to take into account in developing our own strategy and aiming to maximise the success of the next iteration of this contract. In summary, our ambition is to achieve the following:

### **Ambition 1 – Encourage and facilitate innovation**

We aim to work with a supplier who is innovative in terms of how our core and continuing requirements are realised, in addition to discussing new ideas and ways of maximising the relationship. We recognise that for this to be possible, the contract must have the flexibility for a supplier to bring forward new projects which could lead to mutual benefits, both financial and social/environmental.

### **Ambition 2 – Partnership**

We aim to establish a partnership approach with the appointed supplier, which embodies trust in service delivery, pricing and facilitates innovation as discussed above, which would potentially take the relationship to a different level. We want to understand how we can do things better to facilitate this, including how we involve other parts of our supply chain to achieve success for all.

### **Ambition 3 – Addressing Climate Change**

As with a number of authorities across the country, the participating Authorities have declared a climate emergency and will want to ensure we can appropriately support required changes through our new contract, both cover the way in which the contractor operates, i.e., vehicles, offsetting etc but also that the service delivered will support our joint climate change ambitions by reducing congestion, improving air quality and promoting sustainable travel options.

### **Ambition 4 – Social return**

We understand that there is greater pressure to demonstrate the wider social benefits which can be realised from significant public contracts. We fully support this and have achieved a number of successes in previous iterations of this contract with our incumbent supplier. However, we also recognise that our ambitions in respect of the social returns from this contract should be aligned with our appointed supplier. This means jointly agreeing how this will work and how this can be realistically achieved without adding excessive cost. This element of the contract should not be a mere "box ticking" exercise and we would hope to secure a positive and strong set of social outcomes as a result of this contract, resulting in success stories and leaving a lasting legacy.

### **Ambition 5 – A sensible and fair procurement process**

As a local authority, we are obliged to comply with the public procurement regime. While we hope that this offers assurance that a fair and transparent process will be undertaken, our ambition is to also undertake a procurement which is not overly burdensome and arrives at the right decision.

## **4. THE PROCUREMENT PROCESS**

In order to ensure that this forthcoming contract is as successful as we would all hope, for both the Council and the appointed supplier, we believe it is important to design a procurement process which facilitates the best possible result supported by a contract model which enables innovation, flexibility and encourages true partnership. We welcome your participation in this pre-market engagement exercise.

The Council's proposed route to market is to utilise an Open process in accordance with the Public Contracts Regulations 2015.

Key procurement milestones will be confirmed following the outcome of this pre-market engagement; however, it is envisaged that a contract will be awarded in mid-2022 with a view to mobilisation for an October 2022 contract start date.

## **5. PROPOSED CONTRACT TERM**

Historically the contract has been delivered over a 5-year term, although the Council is currently assessing the merits of a longer or shorter contract duration. We would be very interested in any feedback from suppliers and would be keen to know the potential bidders' preferred contract duration.

## **6. FORM OF CONTRACT**

The Council are planning to utilise the New Engineering Contract ('NEC4') Term Services Contract ('TSC') amended to reflect our intended approach.

Our ambition is to propose a form of contract which we would hope is broadly acceptable to suppliers and therefore requires minimal discussion/amendment.

## **7. WHAT WE ASK OF YOU....**

We are conscious that identifying the right supplier to deliver the above contract will be critical to the successful delivery of essential Council services and will maximise the opportunity to turn this into an exciting project. As such, the Council is undertaking a pre-market engagement exercise to engage with potential suppliers.

The purpose of the pre-market engagement is to assist the Council with refining our understanding of market experience/capability. An overview of the pre-market engagement exercise is set out below.

### **Activity 1 – Publication of pre-market engagement documentation**

This stage of the pre-market engagement exercise was initiated by publication of this document, which sets out further background to the procurement and includes a short questionnaire for completion.

### **Activity 2 – Questionnaire responses**

We are very keen to hear the views of interested parties on a number of further issues which are referenced in the questionnaire set out in the Annex to this document. The views of interested parties on these questions will help us to finalise our approach to the subsequent procurement process.

We would ask that, if you are able and interested in completing the questionnaire, then your response should be returned no later than **12:00 (midday) on Tuesday 3<sup>rd</sup> May 2022**. Please submit your response through the Proactis Supplier Network.

### **Activity 3 – Respondent engagement**

It is possible that the Council may wish to contact respondents to discuss or clarify particular elements of responses. If so, the Council will contact you via the Proactis Supplier Network in order to arrange an appropriate date and time for a meeting. Due to the Coronavirus (COVID-19) outbreak these meetings will be conducted via Microsoft Teams.

## **8. ENQUIRIES**

If you have any questions or require any additional information relating to this pre-market engagement document, please submit these through the Proactis Supplier Network using the dialogue function.

## ANNEX 1 – QUESTIONNAIRE

We would be grateful if you could complete the following brief questionnaire and return it to us.

Please submit your response through the Proactis Supplier Network no later than **12:00 (midday) on Tuesday 3<sup>rd</sup> May 2022**. Responses received after this date may not be considered as we finalise our procurement approach and documentation.

Organisation details	
Question	Response
Name:	
Organisation:	
Organisation postal address:	
Contact email address:	
Contact telephone number:	

Q1	Social, Economic and Environmental Benefits
<p>The Council is ambitious for its Contracts to deliver meaningful Social, Economic and Environmental ('SE&amp;E') benefits for the people and place of Berkshire, through the way in which contracts are delivered and through additional activities and resource commitments on the part of the Bidder.</p> <p>The Invitation to Tender will include a specific SE&amp;E benefits question, but prospective bidders should be aware that many quality questions will contain elements of SE&amp;E deliverables, and bidders who can demonstrate a tangible commitment to the delivery of SE&amp;E will likely score higher for these questions.</p> <p>We would welcome your initial thoughts and comments on our proposed approach, as well as your opinion on what you believe would be a proportionate SE&amp;E commitment for a contract of this type and scope.</p>	
Response	

Q2	Pricing Models
<p>Please let us know of any pricing models you feel have restricted your ability to work efficiently in previous contracts, in order that we can account for this in our approach to the forthcoming procurement.</p>	

Pre-market engagement information document

<b>Response</b>

<b>Q3</b>	<b>Contract Duration</b>
What would be your preferred contract duration?	
Please provide context and your rationale for your preference so that the Council may make an informed decision.	
<b>Response</b>	

<b>Q4</b>	<b>Innovation</b>
What do you see as the areas most likely to be subject to innovation over the life of the upcoming contract?	
<b>Response</b>	

<b>Q5</b>	<b>Contract Price Adjustment for Inflation</b>
We intend to use the BCIS Price Adjustment Formulae Indices as our chosen method of price adjustment for inflation throughout the term of this contract. We would welcome your thoughts and comments on our chosen methodology of indexation.	
<b>Response</b>	

<b>Q6</b>	<b>Halogen Bulb Obsolescence</b>
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We are aware of the potential for future halogen bulb obsolescence and are interested in your suggestions on how impacts arising from this could be mitigated during the life of the proposed contract.

**Response**

**Q7**

**Works Management System**

We will have our own asset management / works ordering system front-end to then connect to the contractor's Works Management System through API connections. How will this impact on your appetite to tender for this contract?

**Response**

**Q8**

**Engineer Repairs**

The council in most cases will expect your engineers to attend and repair, if a first-time fix is not possible then to diagnose and manage the fault of, non-core item equipment possibly installed and configured by a third party; how will you manage this situation to ensure the fix will not adversely affect the SLA?

**Response**

**Q9**

**Contract Management**

Given the proposed use of the NEC4 contract and therefore the approach to contract management that the model requires, it is intended that Reading Borough Council act as the lead authority for all contract management matters. The other Berkshire Authorities will be keen to ensure that they still maintain an appropriate direct relationship with the supplier. We would welcome your thoughts and comments on the best way to achieve this without reverting to individual contract management for each Authority.

**Response**

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<b>Q10</b>	<b>Contract Scope</b>
<p>The Berkshire Authorities currently have some contracts separate to the main Traffic Control Systems contract, namely CCTV and private wires. The Authorities are interested in understanding if there is merit in adding such requirements to the contract scope, which may be a variation taken up over the initial contract term pending end date of the relevant local arrangement. We would like to understand if this addition to contract scope would change your interest in the contract or intent to bid and/or any other comments you would make on the benefits or otherwise of extending the contract scope in this way.</p>	
<b>Response</b>	

<b>Q11</b>	<b>Contract attractiveness</b>
<p>Would your organisation be likely to bid for this contract?</p> <p>If not, please indicate why you would be unlikely to bid for this opportunity.</p>	
<b>Response</b>	

<b>Q12</b>	<b>Mobilisation</b>
<p>Please provide an indication of the amount of time you would anticipate will be required for contract mobilisation. Please include critical factors and a high-level timeline in your response.</p>	
<b>Response</b>	

<b>Q13</b>	<b>General comments</b>
	We would be pleased to hear any further comments you have in relation to our proposed procurement approach, proposed contract scope and/or any other observations in respect of this opportunity.
	<b>Response</b>

Pre-market engagement information document

**Disclaimer**

The Council is conducting this pre-market engagement exercise in accordance with the principles of equal treatment, non-discrimination and transparency as required under Public Contracts Regulations 2015. To that end, it is important to stress that the specification for the appointed supplier will not be designed to give direct or indirect advantage to any potential supplier, and all information concerning the procurement will be disseminated to all interested parties - it is the intention that no one organisation will be in receipt of information which will not be available to all (save for any information which is commercially sensitive to that party).

Organisations should request clarification of any issues within this pre-market engagement document which are not clear, or any errors, omissions or concerns which they may believe may impact on the success of this exercise. If we consider that a query may have a material effect on the pre-market engagement process, all interested parties will be notified.

By participating in this pre-market engagement exercise, interested parties:

- acknowledge that information shared with us may potentially be disclosed to third parties. Organisations are therefore asked to clearly state where information is considered to be commercially sensitive;
- confirm that they have not and they will not: (i) canvass any staff member of, or adviser to, the Council; (ii) discuss their engagement in the exercise with the media; (iii) attempt to fix or fix with any other person, the amount (including rates and prices to be quoted) of any prospective tender; (iv) enter into any agreement or arrangement with any other person that a person shall refrain from participating in the pre-market engagement and/or any subsequent procurement process; and/or; (v) offer, give or agree to give any inducement or reward in respect of this prospective procurement.

For the avoidance of doubt, the above provisions shall not restrict any organisation in discussing its position with its professional advisers or prospective consortium partners.

This pre-market engagement document does not constitute a call for competition. For the avoidance of doubt, this document has been produced solely for the purpose of conducting a pre-market engagement exercise and will not formally commence any procurement process or constitute any commitment by the Council to undertake any subsequent procurement exercise.

All costs and expenses incurred by or on behalf of suppliers in respect of this pre-market engagement document, including preparing, submitting and presenting the response are wholly the responsibility of the supplier. The Council accepts no liability for these costs, including costs that may arise out of, or result from, any variation or amendment of the terms and conditions of the pre-market engagement document or termination of the request process.

The document is not intended to be exhaustive and the Council reserves the right to add to or amend the document, as more information becomes known. The Council shall be free to withdraw this pre-market engagement document at any time prior to executing contractually binding agreements with any supplier, without incurring any liability.