

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>Regeneration and Environment</b>
<b>2.</b>	<b>Date:</b>	<b>4 April 2011</b>
<b>3.</b>	<b>Title:</b>	<b>Strategic Multi Modal Transport Model</b>
<b>4.</b>	<b>Directorate:</b>	<b>Environment and Development Services</b>

**5. Summary**

To seek an exemption to Councils Standing Orders in accordance with Standing Order 38 (exemptions) so that a new contract can be awarded, on the same terms and conditions as the existing contract, to MVA Consultancy Ltd for Strategic Multi Modal Transport Modelling.

**6. Recommendations**

**Cabinet Member is asked to resolve that:**

- i) **An exemption from Standing Order 48 (requirement for contracts valued over £50,000) be granted and the Council, in conjunction with Sheffield City Council, award a new contract, on the same terms and conditions as the existing contract, to MVA Consultancy Ltd for Strategic Multi Modal Transport Modelling with an end date of 23 December 2011. The contract will be in the name of Rotherham Borough Council; Sheffield City Council will have their own contract which will mirror Rotherham's.**

## **7. Proposals and Details**

The Council together with Sheffield City Council (SCC), as lead authority, currently have an OJEU procured Strategic Multi Modal Transport Modelling Framework Agreement with MVA Consultancy Ltd.

The Contract was let as a 3 Year Framework Agreement with an option to extend for a further year. The contract started on 01 April 2008, which implies an end date of 31 March 2011 (3 Years) or 31 March 2012 (4 Years).

The Council and SCC have been satisfied with the overall performance of MVA Consultancy Ltd over the term of the current Contract. It is accepted that some issues relating to the development of the SRTM3 Multi Modal Model delayed submission of initial Major Scheme Business Case (MSBC) funding bids to the Department for Transport (DfT) but these problems were resolved, budgets honoured and projects successfully completed / submitted.

In autumn 2010, given the uncertainty about new modelling guidance from the DfT, Local Authority funding levels / structures and whether MSBC funding bids would progress (pending the Governments Comprehensive Spending Review), Officers from the Council and SCC agreed that it was appropriate to consider utilising the optional 1 Year extension, rather than embarking on a full re-tendering process.

In December 2010, SCC's Legal Services were asked for advice on the Contract term / tender process. They confirmed that Clause 2.3 of the existing Framework Contract did indeed provide for 'the possibility of a one year extension to the contract subject to satisfactory performance'. However, the original approval only referred to a 3 year Framework Agreement, so they indicated that further approvals would be required. The report made to Cabinet Member on 18 May 2008 refers to a 3 year contract (Minute number 9 refers). Furthermore, it transpired that the actual OJEU Notice did not reference the optional 1 Year extension (whereas all other documentation from that point forward did).

As a result of the above, SCC's Commercial Services advised that any 'extension' to the Framework Contract would require an exemption from Standing Orders (because the original Contract appeared in OJEU without that option and consequently there would be a risk of challenge). They also advised that a shorter 'extension' (i.e. less than 1 Year) would help mitigate against any challenge, together with a robust plan to re-tender the Framework Contract.

It is therefore proposed that an exemption from Standing Order 48 (requirement for contracts valued over £50,000) be granted and the Council, in conjunction with Sheffield City Council, award a new contract, on the same terms and conditions as the existing contract, to MVA Consultancy Ltd for Strategic Multi Modal Transport Modelling with an end date of 23 December 2011.

Given the uncertainty discussed above it has not been decided at this time whether this Contract will be re-tendered or who will be the lead authority on any re-tendering after the proposed extension expires.

## **8. Finance**

It is anticipated that Rotherham would spend approximately £100,000 during the new contract for modelling work, predominantly to enable the Council to make a Best and Final Offer to the DfT for the Waverley Link Road. Funding for this work has been identified in the ITA's Local Transport Plan Integrated Transport allocation.

## **9. Risks and Uncertainties**

Future commissions via the new contract are likely to be around £100,000 in value although this figure could change following further consultation with the DfT with respect to Waverley Link Road.

As the original Contract was only let three years ago it is unlikely that it represents poor value for money.

## **10. Policy and Performance Agenda Implications**

If a new contract is not awarded the Council would be unable to submit a Best and Final Offer bid for the Waverley Link Road to the DfT in September 2011.

## **11. Background Papers and Consultation**

The Assistant Chief Executive (Legal and Democratic Services) concurs with the recommendation for the reasons outlined in the report.

Consultation has taken place with Strategic Director of Finance on the proposed new contract and they have no comments on the proposal.

Minute number 9 from the 19 May 2008 Meeting of Cabinet Member for Regeneration and Development Services.

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