

<b>Decision maker:</b>	<b>Acting Assistant Director Highways and Transport / Head of Infrastructure Delivery</b>
<b>Decision date:</b>	<b>18 September 2020</b>
<b>Title of report:</b>	<b>Renewal Of Ice Prediction Service Agreement</b>
<b>Report by:</b>	<b>Engineering manager</b>

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose**

To agree that the Ice Prediction Contract be renewed and a direct award made to the existing provider, Vaisala, without the need to undertake a procurement exercise to offer to the wider market on the basis that:

Suppliers in this area are limited and the existing infrastructure used to provide the service are bespoke to Vaisala.

## **Recommendation(s)**

**That:**

- (a) A waiver of the councils contract procedure rules is sought and the Ice Prediction service contract with Vaisala is entered into for a period of three years plus 1 plus 1, potential total of 5 years.**

## **Alternative options**

1. A procurement exercise is undertaken to review the market capability to provide a similar service. This option is discounted as the existing infrastructure used to predict weather for winter decision making is provided and maintained by Vaisala. Another provider would not

have the capability to utilise the equipment or provide the forecast data utilising the raw weather data from the Met Office and therefore require the need to replace the current infrastructure which would present significant additional costs for the authority.

2. Not to enter into the contract. This is discounted as the ice prediction service, which provides actual data as to the condition of the network via 7 weather stations across the county, is integral to how the council delivers the service as set out in the Winter Service Plan 2018/23.

## **Key considerations**

- 3 Vaisala are the current providers of the ice prediction system and hardware operated in Herefordshire which allows appropriate decisions to be made to prevent the formation of ice and snow accumulations on the treated sections of the network.
- 4 If another provider were to be considered all 7 of the existing weather stations across the county would need to be replaced. The estimated cost is £168,000.00. This estimate is based upon the historic cost of replacing the weather station in 2015 and benchmarked with the Midlands Service Improvement Group.
- 5 The service is an essential element of the Winter Service Plan, Meteogroup/DTN provide the weather forecast, the ice prediction service provides and maintains the weather stations which provides actual real time data such as road surface temperature, road state (rain, snow, ice) wind, cloud cover and on certain stations, cctv. The ice prediction service and the forecasting is utilised by our service provider Balfour Beatty Living Places to interpret forecasts in order that decisions can be taken as to the treatment required for Herefordshire's public realm network ensuring our obligations under Section 41 of the Highways Act, amended by the Railways and Transport Safety Act, are met.
- 6 A discount on the current price has been secured as follows:
  - a. Reduced costs for weather station communications (communications for 3G services are more favourable than dial-up in general, economies of scale mean that our unit costs for 3G services have reduced since the last contract was confirmed)
  - b. Reduction in administrative overheads,

## **Community impact**

- 7 The continuity of the contract required for the ice prediction service is a key element of the councils winter service function.

## **Environmental Impact**

8. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

This service improves the council's response to winter weather and the impact on the highway network. In providing the best forecast for Hereford, the response to the weather is required when needed and not at times when the risk of ice and snow is not present, in doing so, there is a saving in fuel and use of salt on the network. This helps in reducing

the council's carbon footprint and the environmental impact of salt usage when not needed.

## **Equality duty**

- 9 Consideration has been made and there is no detrimental impact to our equality duty.
- 10 Under section 149 of the Equality Act 2010, the 'general duty' on the public authorities is set out as follows:
- 11 A public authority must, in the exercise of its functions, have due regard to the need to -
  - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 12 The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

## **Resource implications**

- 13 The total duration of this contract is five years at a total £148,440.00.
- 14 The current cost of the service is £33,039.59 per annum, a discount has been agreed with Vaisala of almost 10% for the provision of the service for the next 5 years which equates to a service cost of £29,688.00 per annum and this is reflected in the £148,440.00 total contract value. Any shorter period would reduce or remove the benefit of this discount.
- 15 Allocation has been made in the Highways Budget for this service, which is an essential element of service provision for highway maintenance during the challenging winter period.

## **Legal implications**

- 16 The Council has a duty under s.41 Highways Act 1980 (as amended by the Railways and Transport Safety Act 2003) to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice. The ice prediction system provided by Vaisala assists the Council in meeting this statutory duty.
- 17 The Council has been in a contracted the Ice Prediction service from Vaisala for a substantial period of time and therefore has the experience and expertise to manage the proposed further five (5) year term.
- 18 The Council's Contract Procedure Rules require that for a contract with a lifetime value of £148,440.00, the council should carry out a competitive tendering process. The value of the contract falls below the level which requires the contract to be let in accordance with the Public Contract Regulations 2015 but, nonetheless the Council is still required to observe

the principles set out in the relevant EU Directive, to be open, fair and transparent in its letting process and follows its own contract procedure rules.

- 19 There are circumstances when, an exemption from compliance with the Contract Procedure rules is permitted. Paragraph 4.6.20 of the Contract Procedure Rules states that an exemption is allowed in exceptional circumstances only, such as there being insufficient suppliers for the goods, works or services being procured. It has been confirmed that in relation to ice prediction services there is a limited pool of suppliers for these services

## **Risk management**

- 20 If renewal is not undertaken, the information required to carry out winter maintenance activities will not be in place.
- 21 We would find it difficult to fulfil our duty under Section 41 of the Highways Act, amended by the Railways and Transport Safety Act without the ice prediction service being in place.

## **Consultees**

- 22 Consultation with Commercial Services Manager has been undertaken prior to adoption of this strategy.

## **Appendices**

None

## **Background papers**

None identified