

REVENUE INVESTMENT BUSINESS CASE

Traffic Control Maintenance Contract



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

key notes

Plymouth City Council, Devon County Council and Torbay Council currently have a joint Traffic Control Maintenance Contract, which allows for the traffic control infrastructure within Plymouth to be maintained and all faults fixed in a timely manner. This contract comes to an end on 30th June 2022 which would leave Plymouth in the position of having no way to attend and fix traffic signal faults when they occur, which would leave a dangerous situation for all users of the highway within the city.

key risks

If we have no traffic signal maintenance contract we will leave ourselves open to the real threat of traffic signal failure and dangerous electric systems on street. This will provide a danger to all highway users within the city.

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	Approx £150000 per year on a 5 + 5 contract - Revenue	Contingency (show as £ and % of project value)	N/A
Programme	Low Carbon	Directorate	Place
Portfolio Holder	Cllr Jonathan Drean	Service Director	
Senior Responsible Officer (client)		Project Manager	
Address and Post Code	N/A	Ward	Citywide

Current Situation: *(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)*

Plymouth City Council, Devon County Council and Torbay Council currently have a joint Traffic Control Maintenance Contract, which allows for the traffic control infrastructure within Plymouth to be maintained and all faults fixed in a timely manner. This contract comes to an end on 30th June 2022 which would leave Plymouth in the position of having no way to attend and fix traffic signal faults when they occur, which would leave a dangerous situation for all users of the highway within the city.

Proposal: *(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)*

As previously Devon County Council, Torbay Council and Plymouth City Council want to work together to have another joint Traffic Control Maintenance Contract, with Devon County

Council happy to lead on the contract with input from all the authorities. This contract will continue to provide economy of scale for all the authorities and will ensure that faults with all traffic control equipment will be maintained in a timely manner keeping all highway users within the city of Plymouth safe and ensure the city keeps moving.

If this opportunity is not taken we will be left with no way to maintain the traffic control infrastructure within the city, which would leave a dangerous situation for all users of the highway within the city.

Milestones and Date:		
Contract Award Date	Start On Site Date	Completion Date
31/03/22	01/07/2022	30/06/2027

SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).

Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	No Traffic Signal Maintenance Contract	Low	Low	Low
Mitigation	Having a joint traffic signal maintenance contract with Devon County Council and Torbay Council	Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£0			

Outcomes and Benefits

List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)

Financial outcomes and benefits:	Non-financial outcomes and benefits:
Continuation of current traffic signal maintenance service. Failure to provide a service will result in traffic signal failures and a dangerous situation for all users of the highway within Plymouth.	Continuation of current traffic signal maintenance service. Failure to provide a service will result in traffic signal failures and a dangerous situation for all users of the highway within Plymouth.

Low Carbon

What is the anticipated impact of the proposal on carbon emissions	As the proposal is a continuation of a current contract it will provide us with the continued ability to keep traffic moving throughout the city as smoothly as possible keeping carbon emissions as low as possible.
How does it contribute to the Council becoming Carbon neutral by 2030	The contract will provide a schedule of rates for the replacement of old equipment. All new equipment installed will be Extra Low Voltage and have LED signal aspects which will reduce energy use and therefore reduce carbon emissions.

Have you engaged with Procurement Service?		Yes
Procurement route options considered for goods, services or works	It was considered to go to tender for a Plymouth only maintenance contract, but the economy of scale from another joint contract with both Devon and Torbay was the obvious way forward.	
Procurements Recommended route.	A joint contact with Devon and Torbay with Devon providing the lead.	
Who is your Procurement Lead?	Paul Williams.	
Is this business case a purchase of a commercial property		No
If yes then provide evidence to show that it is not 'primarily for yield'	N/A	
Which Members have you engaged with and how have they been consulted (including the Leader, Portfolio Holders and Ward Members)	Cllr Jonathon Drean	

SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole.*

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr. £m	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Future Yrs. + 5 £m	Total £m
Maintenance Contract	0.130	0.150	0.150	0.150	0.150	0.150	0.750	1.5
Total spend	0.13	0.15	0.15	0.15	0.15	0.15	0.75	1.5

Provide details of proposed funding: *Funding to match with Project Value*

Breakdown of proposed funding	Prev. Yr. £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m	25/26 £m	Future Yrs. £m	Total £m
As above								
Total funding								

Which external funding sources been explored	n/a
Are there any bidding constraints and/or any restrictions or conditions	n/a

attached to your funding	
Tax and VAT implications	
Tax and VAT reviewed by	

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project	N/A
Revenue cost code for the development costs	N/A
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	N/A
Budget Managers Name	N/A

Ongoing Revenue Implications for Service Area

	Prev. Yr.	21/22 £	22/23 £	23/24 £	23/24 £	25/25 £m	Future Yrs.
Service area revenue cost							
Other (eg: maintenance, utilities, etc)							
Loan repayment (terms agreed with Treasury Management)							
Total Revenue Cost (A)							
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)							
Total Revenue Income (B)							
Service area net (benefit) cost (B-A)							
Has the revenue cost been budgeted for or would this make a revenue pressure							
Which cost centre would the revenue pressure be shown	6124/5002		Has this been reviewed by the budget manager			Y	
Name of budget manager	Phil Bellamy						
Loan value	£	Interest Rate	%	Term Years		Annual Repayment	£
Revenue code for annual repayments							
Service area or corporate borrowing							

Revenue implications reviewed by	
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Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)


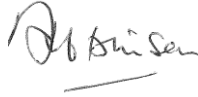
Author of Business Case	Date	Document Version	Reviewed By	Date
Nigel Taylor	13/10/2021	v 1.0		00/00/2021
	00/00/2021	v 2.0		00/00/2021

SECTION 6: RECOMMENDATION AND ENDORSEMENT

Recommended Decision

It is recommended that the Leader of the Council:

- Approves the Business Case
- Delegates to Devon County Council to award the Traffic Signal Maintenance Contract on Plymouth City Councils behalf.

Councillor Richard Bingley, Leader		Service Director	
Either email dated:	<i>date</i>	Either email dated:	<i>Date</i> 22.03.2022
Or signed:		Signed:	
Date: 23 March 2022		Date: 22.03.2022	
		Service Director	
		<i>[Name, department]</i>	
		Either email dated:	<i>date</i>
		Signed:	
		Date:	