

REPORT TO: Executive Board

DATE: 15 September 2016

REPORTING OFFICER: Strategic Director Enterprise, Community & Resources

SUBJECT: Surface Treatment Term Maintenance Contract

WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to notify members that the Operational Director, Policy Planning and Transportation has given approval to proceed with a procurement process with regards the provision of a Surface Treatment Term Maintenance contract for carriageway and footway surface dressing and micro asphalt across the borough.

2.0 RECOMMENDATION: That Members note that a procurement process will be entered into via The Chest with the purpose of securing a Surface Treatment Term Maintenance contract for carriageway and footway surface dressing and micro asphalt across the Borough.

3.0 SUPPORTING INFORMATION

3.1 The existing 10 year term contract for Surface Treatment of the Highway comes to an end on 31st March 2017. This contract provides Halton Borough Council as the Highway Authority with the ability to complete proactive preventative maintenance of the Highway utilising Surface Dressing, Slurry Surfacing, Micro Asphalt, Overspray preservation and other proprietary treatments. These treatments aim to seal and prevent the ingress of water and moisture into the bituminous surfacing each being used depending on the existing condition of the surfacing. During the winter freeze thaw period these treatments then help to prevent potholes forming ensuring a well maintained surface for all forms of traffic. There is, therefore, a need to make arrangements to secure a new term maintenance contract during the remainder of this financial year.

3.2 It is proposed that the new arrangements are set up for a 5 year period with the potential for up to five 1 year extensions, subject to satisfactory performance. The anticipated tender date is circa 4th October 2016 with the anticipated commencement date being 1st April 2017.

3.3 Based on previous expenditure, it is anticipated that the annual value of the contracts in total is likely to be in the region of £600k thus making the value of a five year contract in the order £3m. This figure is above the

OJEU threshold; as such the contract is subject to European procurement rules and will be tendered accordingly. The open procedure will be used whereby expressions of interest are first obtained and then assessed.

- 3.4 The tender submissions will be evaluated on both price and quality, this being on a 30% price, 70% quality ratio and the most economically advantageous tender will be reported to this Board for acceptance.
- 3.5 The cost of the works that will be let through this contract will be met from annually approved budget allocations for Highways maintenance.

4.0 POLICY IMPLICATIONS

- 4.1 The method of procurement fits with the Council's procurement policy, the tender process being carried out in conjunction with the Procurement Centre of Excellence, using 'The Chest' procurement portal.

5.0 OTHER IMPLICATIONS

- 5.1 The above contract will ensure that we continue to deliver the maintenance of the Highway network in a cost effective manner ensuring the Highway Authority fulfils its statutory duties.
- 5.2 This contract can adapt to any changes in responsibility for the management and maintenance of the Key Route Network that may result from the Devolution Agreement.
- 5.3 Our partners within Liverpool City Region (Liverpool Procurement Hub) will have the facility to draw down on the contract.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None

6.2 Employment, Learning and Skills in Halton

None

6.3 A Healthy Halton

Properly maintained footways and carriageways should encourage more people to walk and cycle, and hence develop healthier lifestyles

6.4 A Safer Halton

Ongoing and effective maintenance of our highways should reduce the risks of trips and claims against the council, as well as the potential for other accidents.

6.5 Halton's Urban Renewal

Adequately maintained highways improve the public realm and the reputation of the borough, thereby making it potentially more attractive to investors and to those who may wish to live here.

7.0 RISK ANALYSIS

Failure to enter into this contract would mean that surface treatment works would need to be procured on an ad-hoc basis, leading to increased procurement costs and would give no price certainty for planning future programmes of works.

8.0 EQUALITY AND DIVERSITY ISSUES

None

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.