



Executive Board Sub Committee

**Thursday, 25 January 2007 at 10.00 a.m.
Marketing Suite, Municipal Building**

A handwritten signature in black ink, appearing to read "David W. R." or a similar variation.

Chief Executive

SUB COMMITTEE MEMBERSHIP

Councillor Mike Wharton (Chairman)	Labour
Councillor Phil Harris	Labour
Councillor Steff Nelson	Labour

*Please contact Gill Ferguson on 0151 471 7395 or e-mail
gill.ferguson@halton.gov.uk for further information.*

The next meeting of the Sub Committee is on Thursday, 8 February 2007

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

Item No.	Page No.
1. MINUTES	
2. DECLARATION OF INTERESTS	
Members are reminded of their responsibility to declare any personal or prejudicial interest which they have in any item of business on the agenda, no later than when that item is reached and (subject to certain exceptions in the Code of Conduct for Members) to leave the meeting prior to discussion and voting on the item.	
3. PLANNING TRANSPORTATION AND REGENERATION PORTFOLIO	
(A) NEW TERM CONTRACT FOR SURFACE TREATMENTS APRIL 2007 TO POTENTIALLY MARCH 2017	1 - 2
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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

REPORT : Executive Board Sub-Committee

DATE : 25th January 2007

REPORTING OFFICER : Executive Director, Environment and Development

SUBJECT : New Term Contract for Surface Treatments April 2007 to potentially March 2017

WARD : Borough Wide

1. PURPOSE OF REPORT

This report informs the Sub-Committee of the name of the winning contractor for the new highway surface treatments “partnering” contract, which replaces the existing contract for surface dressing and slurry sealing which expires on 31st March 2007.

2. RECOMMENDATION

It is requested that :

- (1) the committee note, and confirm the recommendation of the Tender Report;**
- (2) the committee note that the new term contract is to be a five year partnering contract with an option to extend the contract by a further five years.**

3. SUPPORTING INFORMATION

- 3.1 The existing term contract for “Combined Carriageway & Footway Surface Dressing and Footway Slurry Sealing Term Maintenance Contract (2002 to 2007) – Contract Number HE 334” expires on 31st March 2007. The new term contract needs to be in place before the above date to ensure continuity and a smooth transition of work to the winning contractor.
- 3.2 The new partnering contract is of five years duration initially, and is a framework document based on a schedule of rates with no actual prescribed work. Works orders and annual works programmes will be raised as necessary during the period of the contract. The contract includes an option to extend the duration by up to five years by agreement of the parties.
- 3.3 The use of a schedule of rates format and a works order system of procuring works will allow for continuous alteration of the size and type of works, and will easily allow for variations in funding allocations.

3.4 Construction cost inflation is allowed for by including Variation of Price (VOP) clauses in the contract based on DtI published cost indices. The Tender Report.

4. POLICY IMPLICATIONS

4.1 The annual LTP settlement and Revenue funding means that contracts must be commenced as soon as possible within the financial year to enable a realistic works programme to be implemented. It is imperative that a smooth transition from the existing term contract to this new term contract occurs to enable this Council to meet its obligations as Highway Authority to the public and others safety.

4.2 The necessary close working relationship between the Employer and the new term Contractor must be developed for the proper working of the contract. The present unofficial partnering arrangement and contract ethos has worked well, however the partnering concept included in the new contract is expected to improve the teamworking approach and to give real procurement benefits.

4.3 Partnering has been identified as giving significant benefits as well as cost savings, which accrue from the earlier sharing of information, savings in supply chain costs, and improved process selection by early contractor involvement. By introducing the contractor into the design decisions earlier it is anticipated that whole life costs of maintenance will be reduced by better selection of materials and appropriate processes.

5. OTHER IMPLICATIONS

a) Resource Implications

Continuity from the existing to the new term contract is essential to enable staff to carry out design, and supervise construction of the works programme (both LTP and Revenue funded).

b) Sustainability Checklist

It is essential that the new term contract follows on from the existing term contract with no gaps, to enable maintenance of the highway infrastructure under the Council's obligations as Highway Authority for the Borough of Halton.

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

None

REPORT TO: Executive Board Sub-Committee

DATE: 25 January 2007

REPORTING OFFICER: Strategic Director Corporate & Policy

SUBJECT: Disposal of former day nursery site,
Okell Street Runcorn

WARD(S): Mersey

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to obtain approval to dispose of the former day nursery site. The area of the site shown as edged red on the attached plan

2.0 RECOMMENDED: That

- (1) Approval be given to dispose of the property by private treaty following a marketing exercise; and**
- (2) Approval be granted to accept the highest offer with the details being reported to Board at the earliest opportunity**

3.0 SUPPORTING INFORMATION

- 3.1 The site was formerly a day nursery site that had been declared surplus and demolished in 2000 and is approximately 0.33 acre.
- 3.2 Halton Borough Council owns the freehold interest of the site.
- 3.3 It is being brought forward because of recent expressions of interest. Prior to this there has been little interest in the site for development.
- 3.4 It is anticipated that we would receive a capital receipt in excess of £50,000.
- 3.5 Section 123 of the local Government Act 1972, requires Local Authorities to achieve the best possible consideration when disposing of land and property interests. To ensure this, other potential uses of the property will be examined, following which the property will be extensively marketed.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 OTHER IMPLICATIONS

5.1 It is anticipated that a capital receipt of in excess of £50,000 will be achieved.

6.0 RISK ANALYSIS

6.1 When disposing of a site by negotiation there is a risk that that it could take several months to negotiate terms or if more than one party.

6.2 Holding and being responsible for the site whilst it is unoccupied pending the disposal.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 There are no equality and diversity implications arising as a result of the recommendation contained in this report.

8.0 REASON(S) FOR DECISION

8.1 To maximise potential income for the Council.

9.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

9.1 There are no suitable uses for the site for Council services

10.0 IMPLEMENTATION DATE

10.1 Marketing upon receipt of approval being confirmed..

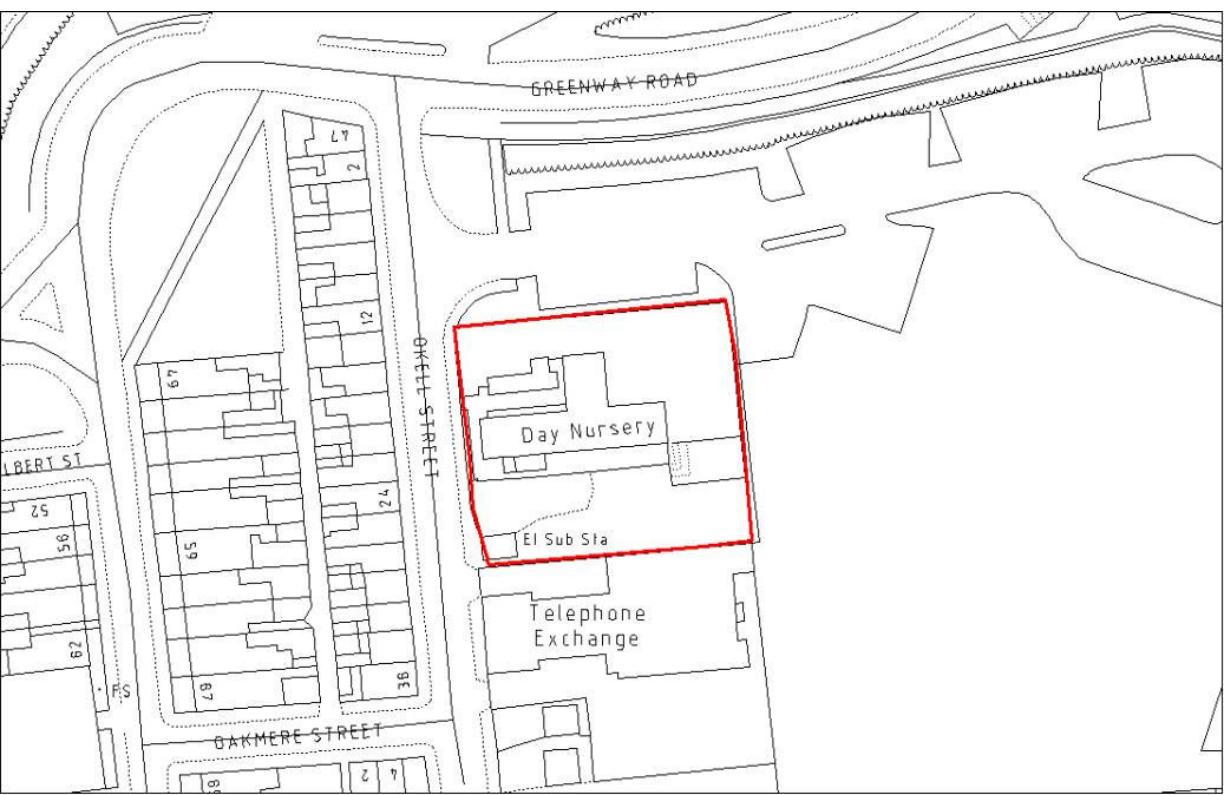
11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

11.1 There are no background papers under the meaning of the Act.

Document

Place of Inspection

Contact Officer



REPORT TO: Executive Board Sub Committee

DATE: 25th January 2007

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Installation of Underground Recycling Units

WARD(S): Boroughwide

1.0 PURPOSE OF REPORT

1.1 To request authority to accept a quotation other than the lowest, and for the appropriate procurement standing order to be waived, for reasons outlined in this report.

2.0 RECOMMENDED: That;

- 2.1 For the reasons stated in this report the quotation submitted by Paddison Construction Ltd, be accepted and the Operational Director, Environmental & Regulatory Services (OD-ERS), be authorised to make the necessary arrangements to enter into a contract with that company;
- 2.2 Standing Order 4.1 of the Procurement Standing Orders be waived accordingly.

3.0 BACKGROUND INFORMATION

3.1.1 The Council requires excavation works to be carried out for the installation of underground recycling units. The Council received quotations from 4 contractors to carry out these works as follows;

Grundy and Co Excavations Ltd,
Liver Yard, Ditton Rd,
Widnes,
Cheshire,
WA8 0TH

Lentrol Construction Ltd
Unit 20, Weaver Park Industrial Estate,
Mill Lane,
Frodsham,
Cheshire,
WA6 7JB.

NMS Civil Engineering,
Park Industrial Estate,
Liverpool Road,
Ashton in Makerfield,
Wigan,
Lancashire,
WN4 0YU

Paddison Construction Ltd,
Lawrence House,
Morrell Street,
Leamington Spa,
CV32 5SZ,

3.1.2 The 4 quotations received, in ascending value order, were as follows;

Quote A - £ 590.00 per excavation (total £2,360)
Quote B - £ 9,053.07 total for all excavations.
Quote C - £ 3,500 per excavation (total £14,000)
Quote D - £18,869.48 total for all excavations.

3.1.3 In considering the quotations;

- 3.1.3.1 Quote A was discounted immediately as it was significantly lower than the Council had estimated and was deemed to be too low to reflect the quality and specification of the required works.
- 3.1.3.2 Quotations B and C were in the region of the estimated value of the work.
- 3.1.3.3 Quotation D was above the originally estimated cost.

4.0 SUPPORTING INFORMATION

- 4.1 The Council seeks to accept Quotation D, received from Paddison Construction, for the following reasons;
 - 4.1.1 None of the other companies had direct experience of undertaking similar work.
 - 4.1.2 The requested work is very specialised and not just a standard excavation, requiring work to accurate tolerances to allow the neatest fit for the prefabricated concrete liner when lowered into place. (The concrete liner houses the recycling unit which is lifted out of the ground during emptying, and a safety floor which rises to ground level when the container is lifted). On this basis, the conclusion is to employ a company with the most experience in this line of work.

- 4.1.3 Similarly when considering the variation in quotes. There was uncertainty that the companies without the relevant experience completely understood the job specification, what work and costs were involved, and any problems (and subsequent additional costs) that might occur.
- 4.1.4 Paddison Construction Ltd has the most relevant experience, having undertaken excavation work for several hundred underground banks, including 90% of the underground banks in the U.K.
- 4.1.5 Paddison Construction is the appointed contractor of the unit manufacturers, and used for all installations of the underground units following excavation.
- 4.1.6 If any problems do occur during the excavations it is felt that they will be able to deal with them much more efficiently than any of the other contractors, due to their wealth of experience.

4.2 Members are advised that, for the reasons outlined above, it was the Officer's original intentions to request that Standing Orders be waived, and that Paddison Construction be appointed to carry out these works, without requesting quotations from other contractors. It was the Council's belief that to appoint Paddison Construction to carry out this particularly specialist work would mitigate the risks as detailed in paragraph 6.1.

4.3 However, the Council were informed by the unit manufacturers that Paddison Construction were unable to carry out the works, and had therefore no alternative other than to seek quotations from other contractors. It later became apparent that the Council had been mis-informed by the manufacturer and Paddison Construction was available to complete the works. As such, a quotation was requested and received as detailed above.

5.0 FINANCIAL, POLICY AND OTHER IMPLICATIONS

- 5.1 The estimated contract values are indicated above. Costs would be met from existing Waste Management Budgets, subject to budget approval, and an element of external funding
- 5.2 There are no Policy or other implications as a result of this report.

6.0 RISK ANALYSIS

- 6.1 The major risk associated with this project is to appoint a contractor without the relevant experience of carrying out the excavation works to the specification required to allow the installation of the recycling unit. This could result in potential Health and Safety risks and further costs as a result of needing to carry out additional work to put right any errors. The control measure deemed by the Council was to ensure the

appointment of the appropriate contractor as detailed within the body of the report.

7.0 LINKS TO CORPORATE OBJECTIVES

7.1 These works will contribute towards the Council Priority in relation Halton's Urban Renewal and enable the Council to meet the requirements of its Municipal Waste Management Strategy

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

Document	Place of Inspection	Contact Officer
Working Documents	Lowerhouse Lane	Jean Philcock

REPORT TO: Executive Board Sub Committee

DATE: 25th January 2007

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Invitation to Tender for Waste Management Related Contracts

WARD(S): Boroughwide

1.0 PURPOSE OF REPORT

1.1 To seek authority to carry out all necessary steps in relation to the procurement of the following contracts:

Contract A - Landfill Disposal

Contract B - Interim Arrangements for the Management and Operation of Recycling and Household Waste Centres (Civic Amenity Sites)

2.0 RECOMMENDED: That;

2.1 The Operational Director, Environmental & Regulatory Services (OD-ERS), be authorised in consultation with the Portfolio Holder for Environment Leisure and Sport, to proceed with the procurement process as outlined in the report and take all steps deemed appropriate (including the selection of tenderers) up to the point of receipt of tenders;

2.2 The tenders be reported back to the Executive Board for decision;

2.3 Should negotiations with the MWDA result in a conclusion that the subject matter of the proposed Landfill Disposal Contract (Contract A) could be included within arrangements being entered into by the MWDA, the OD-ERS shall be authorised, in consultation with the Portfolio Holder for Environment Leisure and Sport, to negotiate with the MWDA on that basis and shall be authorised to proceed with Contract A on the basis of the same contract period as proposed for Contract B.; and

2.4 Subject to the sanction of the European Commission to the non-application of the Public Procurement Rules, authority is given to negotiate extensions to contracts A and/or B.

3.0 BACKGROUND INFORMATION

- 3.1 The Council's contractual arrangements for Landfill Disposal and the Management and Operation of the Civic Amenity Sites end on 31st January 2008 and the Council now seeks to put in place contractual arrangements for these services as from 1st February 2008.
- 3.2 At its meeting of the 21st September 2006, the Executive Board resolved that a formal partnership with the Merseyside Waste Disposal Authority be established for the procurement of appropriate waste treatment and disposal for services and facilities (EXB 40/2006 refers). The Council is to be included in the joint procurement arrangements for the Management and Operation of the Council's Civic Amenity Sites as from October 2008, but not the Landfill Disposal Contract as the Mersey Side Waste Disposal Authority (MWDA) have already issued an OJEU notice and PQQ for landfill disposal.
- 3.3 The Council's consultants have not finalised their advice to the Council as to future arrangements with the MWDA. This means that a number of contingencies have to be provided for as explained later in this report. The time-scales are such, however, that the authorisations sought in this report must be dealt with before the advice from the Council's consultants has been finalised.

4.0 SUPPORTING INFORMATION

Contract A – Landfill Disposal

- 4.1 The Landfill Disposal Contract will commence on 1st February 2008. Halton will seek to participate with the MWDA on joint Landfill Disposal arrangements at the first opportunity. Given the review periods within the MDWA contract, the period of the Contract A could be between 5 years & 8 months, and 8 years & 8 months.
- 4.2 The estimated value of Contract A (excluding landfill tax) is shown below;

Estimated annual value - £621,000

Estimated value for 5 years and 8 months - £3.90 million

Estimated value for 8 years and 8 months - £6.98 million

Contract B - Provision of Interim Arrangements for the Management and Operation of Recycling and Household Waste Centres (Civic Amenity Sites)

- 4.3 The Council has a statutory duty to provide facilities for members of the public to deposit household waste and this contract is for the management and operation of the Council's 2 current facilities at Johnson's Lane in Widnes and Picow Farm Road in Runcorn.
- 4.4 Interim Arrangements for the Management and Operation of the Council's Civic Amenity Sites are required from 1st February 2008 for a period of 8 months.
- 4.5 The estimated value of Contract B is £690,000 (excluding landfill tax), based on the existing specification.

Procurement Process

- 4.6 As Contract A is over £1million then Part 2 of Procurement Standing Orders applies, and as Contract B is under £1million, Part 3 of Procurement Standing Orders could apply. However, both contracts exceed EU thresholds and will be treated in the same way (i.e. both under Part 2)
- 4.7 Given the EU thresholds involved, The Council will be using EU Procurement Regulations and the method of tendering being asked for is the Restricted Procedure.
- 4.8 Consultants have been appointed to carry out the procurement process on the Council's behalf due to their links with the Merseyside documentation used.

Contingency Arrangements

- 4.9 The first two recommendations in this report deal with the actions, which the Council will need to take based on information known at the date of preparing the report. However, despite the position set out at paragraph 3.2 above (which represents the current advice given to the Council) the Council's consultants are still evaluating the process of integrating into the arrangements being prepared by the MWDA. There are a number of possible outcomes of that evaluation which could impact on the Council's proposals for either of both of the contracts, which are the subject of this report.
- 4.10 First, the advice could be that Contract A could be included within the MWDA arrangements in the same way as Contract B. Should this happen Contract A would only need to be for the same short interim period as Contract B. This contingency is dealt with in recommendation (3).
- 4.11 Secondly, the advice could be that the Council's existing contracts (or at least, Contract B) could be extended (by mutual consent) for the short period between their contractual end dates and the beginning of the MWDA arrangements. This contingency would not apply to

Contract A, unless the advice in paragraph 4.10 above is that Contract A could be included within the MWDA arrangements. The contingency of extending contracts would be highly desirable in view of the short length of the proposed contracts. Unfortunately, simply extending the existing contracts would contravene EU procurement rules. The Council's consultants have therefore been requested to seek consent from the European Commission. This contingency is dealt with in recommendation (4).

5.0 FINANCIAL, POLICY AND OTHER IMPLICATIONS

- 5.1 The estimated contract values are indicated above. Costs would be met from existing Waste Management Budgets, subject to budget approval.
- 5.2 There are no Policy or other implications as a result of this report.

6.0 RISK ANALYSIS

- 6.1 This is not a new project but is the continuation of meeting Halton's statutory obligations since becoming a Unitary Authority. The risks associated with this project are no different from those associated with the current contracts. Risk control measures will be updated using new contract documentation, and strengthened by the options contained within the report recommendations.

7.0 LINKS TO CORPORATE OBJECTIVES

- 7.1 These contracts will contribute towards the Council's Priorities in relation to Corporate Effectiveness & Business Efficiency, and Halton's Urban Renewal and enable the Council to meet the requirements of its Municipal Waste Management Strategy

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

Document	Place of Inspection	Contact Officer
Working Documents	Lowerhouse Lane	Andy Horrocks