

# **Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnership) Decision Making Session**

## **Agenda**

**18 September 2009**

A Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session will be held at **SHIRE HALL, WARWICK** on **Friday 18 September at 10.00 am.**

The agenda will be:

### **1. General**

#### **Members' Disclosures of Personal and Prejudicial Interests.**

Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the item (or as soon as the interest becomes apparent). If that interest is a prejudicial interest the Member must withdraw from the room unless one of the exceptions applies.

Membership of a district or borough council is classed as a personal interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.

### **2. Term Contract for Fencing and Security Fencing, Installation, Improvement and Associated Works.**

#### **Term Contract for Paving Installation, Maintenance, Improvement and Associated Works.**

Report of the Strategic Director of Resources enclosed.

### **3. Tender for T8-T5 Adaptors – work funded by the Carbon Trust**

Report of the Strategic Director of Resources enclosed.

### **4. Kingsbury Mill – Section 278- Addition to Capital Programme of fully funded scheme.**

Report of the Strategic Director of Environment and Economy enclosed.

### **5. Any Other Urgent Business**

The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)

## **EXEMPT ITEMS (PURPLE PAPERS)**

### **6. Report Containing Confidential or Exempt Information**

To consider passing the following resolution:

‘That members of the public be excluded from the meeting for the item mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972’.

### **7. Disposal of cottage and buildings at Famington Farm, Bidford on Avon.**

Report of the Strategic Director of Environment and Economy enclosed.

**JIM GRAHAM**  
**Chief Executive**  
**Warwickshire County Council**  
**September 2009**

Cabinet Portfolio Holder for Resources: Councillor Martin Heatley

[CllrHeatley@warwickshire.gov.uk](mailto:CllrHeatley@warwickshire.gov.uk)

Cabinet Portfolio Holder for Customers, Workforce & Partnerships: Councillor Heather

Timms [cllrtimms@warwickshire.gov.uk](mailto:cllrtimms@warwickshire.gov.uk)

General Enquiries: Please contact Janet Purcell, Executive and Member Support Manager Tel 01926 413716 or email: [janetpurcell@warwickshire.gov.uk](mailto:janetpurcell@warwickshire.gov.uk)

The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)

## **AGENDA MANAGEMENT SHEET**

***Decision making session***      **Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session**

***Date of Decision***      **18 September 2009**

***Report Title***      **Term Contract for Fencing and Security Fencing, Installation, Improvement and Associated Works And  
Term Contract for Paving Installation, Maintenance, Improvement and Associated Works**

***Summary***      This report summarises the previous contractual provision for these services and proposes a re-tendering of the expired term contracts.

***For further information please contact:***      Craig Roberts, Maintenance & Projects Manager, Resources Directorate

01926 412291

***Would the recommended decision be contrary to the Budget and Policy Framework?***      No

***Background papers***      None

### **CONSULTATION ALREADY UNDERTAKEN:-**

Details to be specified

Other Committees	<input type="checkbox"/>	
Local Member(s)	<input type="checkbox"/>	
Other Elected Members	<input type="checkbox"/>	
Cabinet Member	<input checked="" type="checkbox"/>	Councillors Martin Heatley & Heather Timms
Chief Executive	<input type="checkbox"/>	
Legal	<input checked="" type="checkbox"/>	Barry Juckes
Finance	<input checked="" type="checkbox"/>	Oliver Winters
Other Chief Officers	<input type="checkbox"/>	
District Councils	<input type="checkbox"/>	

Health Authority	<input type="checkbox"/>	
Police	<input type="checkbox"/>	
Other Bodies/Individuals	<input checked="" type="checkbox"/>	Paul White - Procurement

***FINAL DECISION***

***SUGGESTED NEXT STEPS:***

Details to be specified

Further consideration by this Committee	<input type="checkbox"/>
To Council	<input type="checkbox"/>
To Cabinet	
To an O & S Committee	<input type="checkbox"/>
To an Area Committee	<input type="checkbox"/>
Further Consultation	<input type="checkbox"/>

**Portfolio Holder (Resources) and Portfolio Holder  
(Customers, Workforce and Partnerships)  
- 18 September 2009**

**Term Contract for Fencing and Security Fencing,  
Installation, Improvement and Associated Works  
And  
Term Contract for Paving Installation, Maintenance,  
Improvement and Associated Works**

**Report of the Strategic Director, Resources**

**Recommendations**

1. That Cabinet gives approval to proceed to competitively tender term contracts for the provision of Fencing and Security Fencing, Installation, Improvement and Associated Works, and Paving Installation, Maintenance, Improvement and Associated Works with effect from 1st April 2010 and 1st January 2010 respectively
2. That Cabinet approves and authorises the entering into all relevant contracts for the provision of Fencing and Security Fencing, Installation, Improvement and Associated Works, and Paving Installation, Maintenance, Improvement and Associated Works on terms and conditions acceptable to the Strategic Director of Resources and the Strategic Director of Customer, Workforce and Governance.

**1.0 Background**

- 1.1 Term contracts for the provision of Fencing and Security Fencing, Installation, Improvement and Associated Works, and Paving Installation, Maintenance, Improvement and Associated Works were awarded to suitable contractors following a competitive tender exercise. **Table 1** describes the details of each term contract.

**Table 1**

	<b>Fencing contract</b>	<b>Paving contract</b>
<b>Start date</b>	1st April 2005	1st July 2005
<b>End date</b>	31st March 2009	30th June 2009
<b>Duration</b>	4 years	4 years
<b>Total duration value</b>	£900,000	£1.3 million
<b>Average no. of projects p.a.</b>	67	55
<b>Total no. of projects</b>	268	220

- 1.2 The fencing contract orders covered works from emergency reactive repairs, to complete replacement of perimeter fencing and installation of new security fencing. The paving contract orders covered emergency reactive works, where a child or member of public had fallen as a result of defective paving, to complete replacement and resurfacing of playgrounds and car parks.
- 1.3 The nature of this work in nearly all cases involves the potential significant disruption to the ongoing security and continuity of the operational needs of the property and it is therefore imperative that works can either be dealt with swiftly, or planned with the agreement of the property occupier with the peace of mind that a quality contractor will be undertaking the works.
- 1.4 The previous term contracts had been awarded as call-off arrangements using schedule of rates, and therefore no guarantee of business is given to suppliers. The total contract expenditure depends on a rolling programme of needs, those being either planned through condition surveys or reacting to immediate needs of repair or of health and safety, over the life of the contract.

## **2.0 Procurement options**

- 2.1 The preferred option to procure the works is to competitively tender to establish two new 4 year term contracts to replicate the recently expired term contracts. The alternative procurement route is to competitively tender each project individually to appoint a supplier to carry out the works. However this has the following implications.
  - As **Table 1** describes, there are likely to be a large number of orders for works similar to the previous term contracts, which is a considerable amount of individual tender exercises.
  - The competitive tendering route is a more expensive procurement process when the type of work is repetitive from project to project.
  - Lead times for tendered projects are greater than for individual orders under term contracts and there is no guarantee that a contractor's resources are available, which becomes a critical issue when we need them to provide a rapid reactive repair service.
  - Guaranteed quality is essential in these areas of work. Competitive tendering to obtain the lowest price possible leads to a situation where contractors tend to try and compromise on quality in order to seek to maximize their profit margin.
  - A large proportion of planned work takes place during the schools summer holidays. Competitive tendering at this time of year results in higher costs due to supply and demand. A term contract based on schedule of rates will ensure an even pricing basis throughout the financial year.

2.2 For the Paving contract, there could possibly be access to a similar Council supplier used by the Environment and Economy Directorate under their own contract. However, our analysis of this existing contract is deemed not suitable for Resources Directorate needs because:

- the existing Environment and Economy contract covers a small range of the required items for the Resources Directorate contract, and is aimed at predominantly major schemes.
- the overheads of the current supplier of this service are consistent with the costs expected for major schemes, but may not be consistent with the level of very small repair and maintenance bespoke schemes envisaged under the Resources Directorate term contracts.

2.3 The current supplier to the Environment & Economy Directorate is qualified to carry out this paving term contract and therefore when it is advertised, the existing Environment and Economy Directorate supplier will have the opportunity to submit a tender based on the specific requirements of the specification.

### **3.0 Potential savings for the Council**

3.1 In normal market conditions, there are potential efficiencies to be gained from contracts procured over a longer term, which include;

- A consistent quality of service and quality workmanship, which provides good working relations and less burden on our internal contract management arrangements
- An efficient use of internal resource in the procurement of projects
- Long term partnership arrangements with a supplier resulting in the Council's work having a higher priority and achieving a greater sense of loyalty in the relationship. This benefits the Council with access to a sufficient, quality resource when we require it.
- Fixed priced schedules of work, eliminating seasonal and economic variations and fluctuations within the construction industry.

3.2 However the expiry of the current term contracts and time it will take to set up new term contracts present an opportunity to test the competitiveness of current market conditions. These conditions are extremely competitive due to the lack of investment brought about by the recession.

3.3 The affects of the economic recession show that across the country construction industry activity continues to decline, although at a slower rate than the past 12 months. This maybe about confidence returning to the sector, but actual project orders remain below average for this time of year. Regionally, West Midlands construction activity continues to decline more than any other region, and statistical indicators measuring activity levels, the state of order books and the number of tender enquiries received by contractors fell to its lowest reading since November 2000.

*(source: Building Magazine 15th May 2009)*

3.4 Therefore competitive tenders sought from the market over the next 9 months will provide a cost model by which we compare the competitiveness of term contracts which we aim to go live next year.

- 3.5 The proposed term contracts do not preclude the Council from competitively tendering projects outside of the term contract if it is considered that individual tender prices remain much more competitive than prices under the term contract or the contractor is not supplying the goods and services to the standards expected.

#### **4.0 Summary and Conclusion**

- 4.1 For the management of the property estate, we have a need to deliver fencing and paving works, and the term contracts competitively tendered and operated from 2005 to 2009 provided the means to do this efficiently. It is proposed to provide new arrangements on the same basis.
- 4.2 In order to maximise the efficiency of the term contracts as described above the proposal will be to enter into an initial 2 year agreement with the option of extending by a further year, then another year, if the performance of the suppliers under the term contracts continue to meet our prescribed standards. In any event the term will be for a maximum of 4 years. This will also provide a flexible approach if further procurement options, or cost benefits due to the competitiveness of the market, become evident and provide greater benefit to the Council.

David Clarke  
Strategic Director of  
Resources  
Shire Hall  
Warwick  
September 2009



## AGENDA MANAGEMENT SHEET

<b>Decision making session</b>	<b>Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session</b>
<b>Date of Decision</b>	<b>18 September 2009</b>
<b>Report Title</b>	<b>Tender for T8-T5 Adaptors 2010</b>
<b>Summary</b>	This report requests permission to tender for up to £1,000,000 of work funded by the Carbon Trust.
<b>For further information please contact:</b>	Bill Johnson Energy Manager Tel: 01926 416623 billjohnson@warwickshire.gov.uk
<b>Would the recommended decision be contrary to the Budget and Policy Framework?</b>	No.
<b>Background papers</b>	None

**CONSULTATION ALREADY UNDERTAKEN:-**

Details to be specified

Other Committees	<input type="checkbox"/> .....
Local Member(s)	<input checked="" type="checkbox"/> N/A
Other Elected Members	<input checked="" type="checkbox"/> Cllrs Appleton, Gittus, Davis and Moss – for information
Cabinet Member	<input checked="" type="checkbox"/> Cllr Heatley, Cllr Heather Timms
Chief Executive	<input type="checkbox"/> .....
Legal	<input checked="" type="checkbox"/> Sarah Duxbury
Finance	<input checked="" type="checkbox"/> David Clarke - Strategic Director, Resources - reporting officer
Other Chief Officers	<input type="checkbox"/> .....
District Councils	<input type="checkbox"/> .....
Health Authority	<input type="checkbox"/> .....

Police ☐ .....

Other Bodies/Individuals ☒ Janet Purcell, Executive & Member Services Manager

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by this Committee ☐ .....

To Council ☐ .....

To Cabinet ☐ .....

To an O & S Committee ☐ .....

To an Area Committee ☐ .....

Further Consultation ☐ .....

**Portfolio Holder (Resources) and Portfolio Holder  
(Customers, Workforce & Partnerships) Decision Making  
Session - 18 September 2009.**

**Tender for T8-T5 Adaptors 2010**

**Report of the Strategic Director, Resources**

**Recommendation**

That approval is given:

- 1) to submit a bid to the Carbon Trust for £1 million to fund the installation of energy saving T8 to T5 adaptors and
- 2) assuming the bid is successful, to competitively tender for the installation of T8-T5 adaptors to a total value of up to £1,000,000, the work to be carried out in school buildings.

**1. Context and Background**

- 1.1 The Carbon Trust has introduced a new loan scheme for local authorities. While funds last, they are offering interest free loans, without the need for match funding, for energy saving projects that meet their specific criteria.
- 1.2 We propose to bid for £1 million from this fund to install T8 to T5 fluorescent lighting adaptors in school buildings. To date, we have installed approximately £200,000 of these adaptors in our offices and schools, producing savings of about £50,000 per annum in electricity costs. The next bidding round closes on 9<sup>th</sup> October 2009 and successful applicants should hear of their allocation within two weeks.
- 1.3 The interest free loan must be repaid in eight instalments over four years in March and September each year, starting in March 2011. Projects must be completed within 9 months of acceptance under the loan scheme.
- 1.4 Repayments will be made from a levy on the savings made by each participating school. Typically a school would make net savings of £250/annum in years 1 to 4 and over £5,000/annum in subsequent years.

- 1.5 As the loan repayment dates are fixed, it is obviously in our interest to install as swiftly as possible so that maximum savings may be accrued.

DAVID CLARKE  
Strategic Director, Resources

Shire Hall  
Warwick

28 August 2009

## AGENDA MANAGEMENT SHEET

### Decision Making Session

**Portfolio Holder (Resources) &  
Portfolio Holder (Customers, Workforce and  
Partnerships) Decision Making Session**

### Date of Decision

**18 September 2009**

### Report Title

**Developer Funded Scheme at Kingsbury Mill  
in Kingsbury**

### Summary

This report seeks Cabinet approval to add the project to the 2009/10 Capital Programme to provide a new footway and widen the carriageway at Kingsbury Mill.

### For further information please contact

Chris Nason  
Group Engineer, Design Services  
Tel: 01926 412088  
chrisnason@warwickshire.gov.uk

### Would the recommended decision be contrary to the Budget and Policy Framework?

No

### Background Papers

Environment and Economy Directorate Design Services notification on file L210 (A).

### CONSULTATION ALREADY UNDERTAKEN:-

*Details to be specified*

Other Committees

☐ .....

Local Member(s)

(With brief comments, if appropriate)

☒ Councillor B Moss

Other Elected Members

☒ Councillor J Appleton  
Councillor R Chattaway  
Councillor C Davis  
Councillor M Gittus } for information

Cabinet Member

(Reports to The Cabinet, to be cleared with appropriate Cabinet Member)

☒ Councillor A Cockburn – for information.  
Councillor M Heatley  
Councillor H Timms

Chief Executive

☐ .....

Legal	<input checked="" type="checkbox"/>	I Marriott – Comments noted. B Jukes
Finance	<input checked="" type="checkbox"/>	D Clarke – no comments to make.
Other Chief Officers	<input type="checkbox"/>	.....
District Councils	<input type="checkbox"/>	.....
Health Authority	<input type="checkbox"/>	.....
Police	<input type="checkbox"/>	.....
Other Bodies/Individuals	<input type="checkbox"/>	.....

**FINAL DECISION**                      **YES/NO**      *(If 'No' complete Suggested Next Steps)*

***SUGGESTED NEXT STEPS :***

*Details to be specified*

Further consideration by this Committee	<input type="checkbox"/>	.....
To Council	<input type="checkbox"/>	.....
To Cabinet	<input type="checkbox"/>	.....
To an O & S Committee	<input type="checkbox"/>	.....
To an Area Committee	<input type="checkbox"/>	.....
Further Consultation	<input type="checkbox"/>	.....

**Portfolio Holder (Resources) & Portfolio Holder (Customers,  
Workforce and Partnerships) Decision Making Session  
- 18 September 2009**

**Developer Funded Scheme at Kingsbury Mill, Kingsbury**

**Report of the Strategic Director for Environment and Economy**

**Recommendation**

That the project to provide a new footway and widen the carriageway at Kingsbury Mill in Kingsbury be included in the 2009/10 capital programme at an estimated cost of £95,000 subject to a Section 278 Agreement which provides for 100% funding of the project being signed with the developer.

**1. Introduction**

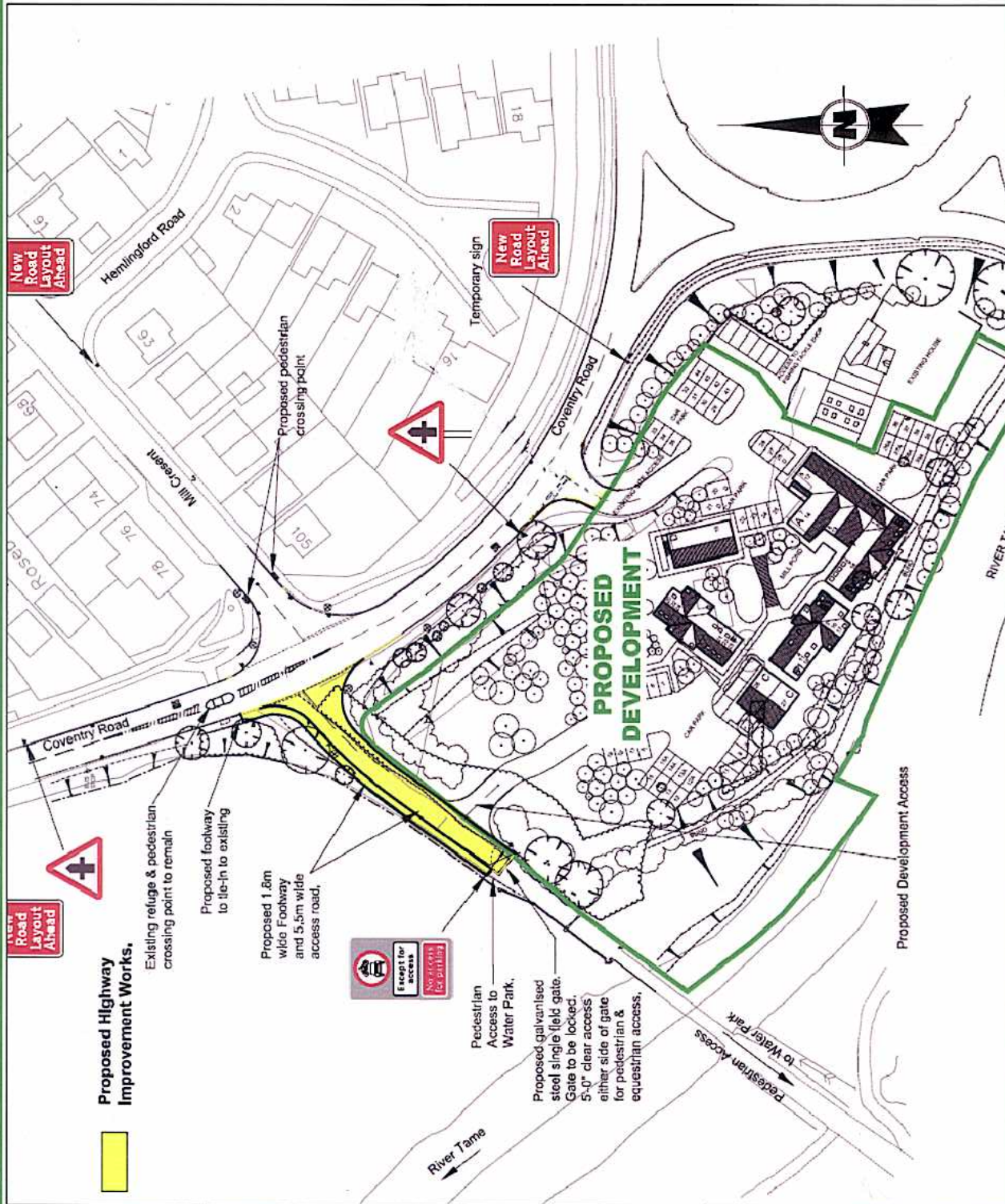
- 1.1 On 2 February 2009 Council reconfirmed that Cabinet can approve projects for addition to the capital programme provided that they cost less than £1.5 million and are fully funded from external grants, developer contributions or from revenue.

**2. Kingsbury Mill, Kingsbury**

- 2.1 The upgrading of an existing priority junction and footway at Kingsbury Mill in Kingsbury is required to comply with planning permission. There is a map showing the site referred to at **Appendix A**.
- 2.2 Subject to Portfolio Holder approval, the County Council will undertake the works at an estimated cost of £95,000 including fees, to be funded by the developer Walton Homes under a Section 278 agreement which is due to be signed in September 2009. Tenders are expected to be received in October 2009 and, subject to Portfolio Holder approval, works can commence in November 2009.

PAUL GALLAND  
Strategic Director for Environment and Economy  
Shire Hall  
Warwick

September 2009



Scale: As Shown

Ref. No. 9.6.84

Drawn: JEM

Checked: JEM

QA Form 19  
02/96

Portfolio Holder Decision - Making (Environment): 18 September 2009

Plan No.: Appendix A

Subject:

Kingsbury Mill S278

Appendix A

Environment and  
Economy Directorate  
Shire Hall, Warwick, CV34 4SX

This plot was produced from a digital source so may not be at true scale. It is the recipient's responsibility to confirm its accuracy.