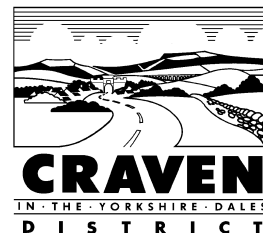


Policy Committee – 15th September 2015



JOINT WORKING WITH PENDLE BOROUGH COUNCIL: CIVIL ENGINEERING SUPPORT

Report of the Strategic Manager for Planning and Regeneration

Ward(s) affected: All

1. Purpose of Report –

To consider options for engaging the services of a civil engineering team to support the development and delivery of capital projects that make a direct contribution to achieving the Council's priority for an Enterprising Craven.

2. Recommendations –

Members are recommended to:

- 2.1 Give delegated authority to the Director of Services to enter into a collaborative arrangement with Pendle Borough Council for the provision of civil engineering services.

3. Background -

- 3.1 As at Minute POL.642(3)/14-15, Members approved a revenue growth bid for the purchase of civil engineering services to support the development and delivery of capital projects designed to make a direct contribution to achieving the Council's priority for an Enterprising Craven. The purpose of this report is to decide how the Council wishes to secure these services in order to ensure that the authority can deliver projects in an efficient and timely manner.
- 3.2 The services of the civil engineering team are needed to produce design drawings with estimated costs, and oversee the delivery of work through to completion. The civil engineering team would be used to undertake the following tasks:
 - Technical Appraisals – interpretation of topographic surveys, preparation of draft and final design drawings, preparation of budget cost estimates;
 - Tender Stage – preparation of detailed drawings, specifications and bills of quantities, preparation and submission of planning applications (where

required), preparation of contract documents, procurement of the tender documents, checking and reporting on tenders with recommendations;

- Contract Supervision – to act as Clerk of Works, including quality control and supervision of works on site, advising on variations to the contract, preparing periodic progress reports and “signing off” of completed work.

3.3 The function of the civil engineering team would be to support the Economic Development service to deliver a range of infrastructure and public realm projects. Those projects that the civil engineering team will be helping with are showed in the table below:

| Project | Description |
|---|--|
| Cross Hills Delivery Plan – Refurbishment of the Streetscape | Improvement of the streetscape furniture and resurfacing of pavements. The role of the civil engineering team will be to undertake the technical appraisals; manage the tender stage and carry out contract supervision to completion. |
| Bentham – Improving the Road Infrastructure | Reorganisation of road network to allow improved access for vehicles accessing the employment areas, provision of improved access to the Railway Station and a new access to Council owned land. This proposal has been included on the list of priority projects for delivery as part of the Local Growth Deal for North Yorkshire. |
| Ingleton Village Action Plan – Refurbishment of the Community Centre Car Park | Revising the layout and improvements to streetscape furniture and landscaping. Drawings have already been prepared and approved by the Council’s Property Management Service and the Village Team. The role of the civil engineering team will to manage the tender stage and carry out supervision of works to completion. |
| Ingleton Village Action Plan – Refurbishment of the Market Square | Creating an attractive focus for the village and improving the quality of the streetscape. The role of the civil engineering team will be to carryout technical appraisals, including the provision of technical assistance to aid consultation with businesses and landowners. As the design will focus on emphasising the historical features of the Market Square, this work will inform a bid to the Heritage Lottery Fund |
| Skipton – Development of Engine Shed Lane | To transform the quality and capacity of the road network by upgrading Engine Shed Lane to adoptable standard; improving the existing junction with Carleton |

| | |
|--|---|
| | <p>New Road and creating a new link road via Ings Lane between Engine Shed Lane and the Skipton by-pass. This proposal has been included on the list of projects for delivery as part of the Local Growth Deal for North Yorkshire.</p> |
|--|---|

The above schedule includes projects that the Council has agreed to either fund directly using its New Homes Bonus receipts and/or pursue through the Local Growth Deal Plans for North Yorkshire and/or Leeds City Region.

- 3.4 It is likely that the engineering team will be required to work on projects in Settle. These will be identified in due course, once work to agree the issues and priorities for improving the economic vitality of the town has been completed.
- 3.5 The Council has recently used the civil engineering team for Pendle Borough Council to prepare designs and cost estimates for the refurbishment of the Community Centre car park in Ingleton; devise outline designs for upgrading Engine Shed Lane and improving the junction of Main Street with Station Road in Bentham.

4. **Options -**

- 4.1 The options for engaging the services of a civil engineering service are outlined in the table below:

| | Option | Positives | Negatives |
|----|--|---|---|
| 1. | Do nothing | | <ul style="list-style-type: none"> • Projects do not get delivered |
| 2. | Seek to receive a civil engineering service from Pendle Borough Council under a collaborative agreement. | <ul style="list-style-type: none"> • Established understanding of public procurement procedures • Continuity • Flexibility • Good working relationships already established with Pendle’s Engineering Team • Aligns with the general shared services agenda • Opportunity to develop expertise and skills of internal staff | <ul style="list-style-type: none"> • Missed opportunity to “test the market” • External challenge |

| | | | |
|----|---------------------------------------|--|--|
| | | <ul style="list-style-type: none"> Established understanding of Craven District Council | |
| 3. | Seek other joint working arrangements | <ul style="list-style-type: none"> Aligns with general shared services agenda Opportunity to “test the market” | <ul style="list-style-type: none"> Limited opportunities within North Yorkshire Lack of continuity Delay in delivery |
| 4. | In house solution | <ul style="list-style-type: none"> Staff dedicated to Craven District Council capital projects | <ul style="list-style-type: none"> No in house expertise Difficult to fully utilise specialist staff with a small team Additional costs of recruiting staff with the range of skills required |
| 5. | Undertake a full tender exercise | <ul style="list-style-type: none"> Enables full test of the potential market | <ul style="list-style-type: none"> Costs incurred in the procurement exercise Small volume of service, would not attract economies of scale Lack of continuity |

5. **Procurement Consideration –**

5.1 The revenue growth bid approved by Policy Committee was for £30,000 per annum for three-years. Therefore, under procurement regulations, if the agreement period for a civil engineering service was to span the full three years, the aggregate cost would be over the Council’s procurement threshold for tenders. The procurement requirement, which can take between three to six months, entails:

- A public notice being given in one or more local newspapers and in relevant trade journals at least 21 days prior to the issue of an invitation to tender;
- Allowing at least 40 days for return of tenders;
- Arranging an opening session with at least three senior officers of the Council in attendance - details of all tenders are required to be recorded in the Schedule of Tenders as they are opened;

- Once the Schedule of Tenders has been signed by everyone present at the opening session, the tender documents are passed to the responsible officer for evaluation in accordance with the pre-set evaluation criteria and weightings;
- Allow a 10 day stand still period between informing the tenderers of the outcome and awarding the contract – if a challenge is received during this period, the process is suspended for investigation;
- Development and agreement of the contract between the Council and the successful tenderer;
- Commencement of the service purchased.

5.2 Given the limited opportunities for economies of scale (based on the volume of work and budget), it is suggested that a collaborative arrangement with another local authority would be more appropriate. This would also enable the Council to be responsive and flexible with regard to changes to project plans – in particular the Council's ability to meet changes to external funding programmes.

5.3 Both Councils will derive mutual benefits from the proposed arrangement in terms of efficiency gains. The arrangement will provide the Council with the capacity and resilience needed to deliver the programme of work outlined in paragraph 3.3 above.

6 Implications

6.1 Financial Implications –

As at Minute POL.642(3)/14-15, it was agreed to make available a budget of £30,000 per annum, for three-years, to purchase the services of a multi-disciplinary civil engineering team to support the development and delivery of a wide-variety of capital projects designed to make a direct contribution to achieving the Council's priority for an Enterprising Craven.

Appendix A compares the average daily rates for the civil engineering team of Pendle Borough Council with two consulting engineering firms from the private sector, with an indication of the maximum number of days that the Council's budget would be able to acquire per annum.

A number of the projects that the services of the civil engineering team is needed to help progress involve Council assets, such as adding to their monetary value as well as making them work more effectively for the benefit of the community in which they are located.

6.2 Legal Implications –

A collaborative arrangement with Pendle Borough or another authority will require a joint services agreement to be drawn up and agreed by both parties; similar to the agreement that the Council has with Harrogate Borough Council for the delivery of its Internal Audit Service. The agreement would delegate decisions to a joint committee, comprising of an appropriate senior officer from each authority, to:

- Integrate their respective plans and consider the relative priorities between the two Councils;
- Monitor achievements against the agreed plan;
- Identify potential efficiency gains and service improvements, and monitor those implemented;
- Undertake an annual review of the joint working arrangement.

The agreement will outline payment terms, the roles and responsibilities of each council and the reporting arrangements.

6.3 Contribution to Corporate Priorities –

The proposal in this report will directly support the delivery of the Council Plan (2015 – 2018) through the Enterprising Craven priority, in particular actions to improve the economic vitality of the District's market towns and villages, and development of the South Skipton Employment Zone.

6.4 Risk Management –

A significant risk of the proposal not being approved is a considerable delay in the delivery of the works outlined in paragraph 3.3 above. There is also the possibility of missing deadlines for the submission of projects for investment through the Local Growth Deal Plan for North Yorkshire.

The proposed arrangement will enable the Council to meet an increased demand for it to help support the revitalisation of the District's market towns through a range of infrastructure/public realm projects. The additional resource provided will enable the Council to deliver work in a timely and cost effective manner.

7. Consultations with Others –

Financial Service
Legal Service

8. Access to Information : Background Documents –

NOT FOR PUBLICATION as Appendix A is exempt by virtue of Category 3 (financial or business affairs of any particular person including the Council) of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

AGENDA ITEM \$11

None

9. **Author of the Report** –

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Note : Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

10. **Appendices** –

Appendix A - Comparison of Daily Rates for Civil Engineering Teams