

**REPORT TO:** Cabinet Member Technical Services

**DATE:** 10<sup>th</sup> February 2010

**SUBJECT:** Winter Service Contract

**WARDS  
AFFECTED:** All

**REPORT OF:** Stuart Waldron – Assistant Director (Transportation and Spatial Planning) 934 4235

**CONTACT  
OFFICER:** Jeremy McConkey – Network Manager

**EXEMPT/  
CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

To request that Cabinet Member approves the extension to the existing contract as specified and allowed in the contract documentation

**REASON WHY DECISION REQUIRED:**

Approval will give a positive benefit to both the Authority and the contractor who is based solely in the Borough and employing local labour. It will give continuity to his business and will allow him to continue to serve the Authority in the excellent manner he has consistently demonstrated over a long period.

**RECOMMENDATION(S):**

That Cabinet Member:

- Approves the extension of the contract for winter service to 'Graysons H&E Services' for a period of five years from 1<sup>st</sup> July 2013
- That authority is delegated to the Legal Director to enter into the necessary documentation.

**KEY DECISION:** No

**FORWARD PLAN:** No

**IMPLEMENTATION DATE:** At the end of the 'call-in' period

**ALTERNATIVE OPTIONS:** Allow the existing contract to expire which will be detrimental to service provision

**IMPLICATIONS:**

**Budget/Policy Framework:** The service provides value for money and has been awarded on a competitive tendering basis

**Financial:**

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2009 2010 £</b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

**Legal:** The existing contract is legally binding to both parties and an extension is allowed in accordance with conditions of contract. The

contract is exempt from the Public Contract Regulations as the Council has a statutory duty to provide the services and therefore the extension is acceptable.

**Risk Assessment:**

The contractor has proved to be 100% reliable over ten years of service to Sefton Council.

**Asset Management:**

Sefton will continue to benefit from an excellent service

**CONSULTATION UNDERTAKEN/VIEWS  
LEGAL DIRECTOR**

**CORPORATE OBJECTIVE MONITORING:**

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community			
2	Creating Safe Communities			
3	Jobs and Prosperity			
4	Improving Health and Well-Being			
5	Environmental Sustainability			
6	Creating Inclusive Communities			
7	Improving the Quality of Council Services and Strengthening local Democracy			
8	Children and Young People			

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

Winter Service Contract

**1.0 Background**

- 1.1 Cabinet Member will be aware that the Department provides a Winter Service to the borough in accordance with the Winter Service Policy and Operational Plan. Officers monitor the weather conditions 24 hours a day throughout the winter season and enact the plan when weather conditions dictate. The actual gritting

operation is provided by a local contractor who has secured the contract twice consecutively in open competitive tendering.

- 1.2 The appointed contractor is 'Graysons H & E Services' who are based in Formby and due to the Authority's longstanding association with them, officers have been able to assess their performance over a substantial period of time.
- 1.3 The nature of the contract is such that the service is required under the worst possible conditions during the winter months in periods of severe and extreme weather. The service is provided on a call out basis which can be required at any time of day or night and the contractor must be available to respond to instructions to enact the gritting operation at any time. Gritting of the footway routes is almost always undertaken at 4.00 in the morning and there have been many occasions where the roads have had to be gritted three times a night, and even during normal working hours, particularly over recent winters.
- 1.4 The requirements of the contract are such that there are specific response times to adhere to which are electronically logged and despite everything that the weather and your officers have thrown at the contractor, they have always responded on time, without fail and have provided the service both professionally and with 100% reliability. In providing such a sensitive service it is vital that officers have confidence in the contractor's ability to respond to whatever is required of them and this has proved to be the case over a very long time.

## **2.0 Contract Period**

- 2.1 The current contract is due to expire at the end of the 2012 winter season so has two winters left to run. The contract allows, however, for an extension to the contract of five years as detailed in both the invitation to tender, and confirmed in clause 3.38.1 which states:

'The contract shall extend for a period of 7 years (with a possible extension by up to 5 years), from the commencement date of 1<sup>st</sup> July 2006 and shall not be terminated by either party, within that period, except in accordance with these Conditions of Contract'
- 2.2 In very difficult economic circumstances, the contractor continues to provide an excellent and reliable service whilst employing local labour and it would be most beneficial to both parties if Cabinet Member would approve the extension to the contract now. This will allow the contractor to plan for the future and give both his company and employees some continuity of work over the coming years. It would also reward him for the excellent service he has provided.
- 2.3 The Legal Director has confirmed that the contract is exempt from the Public Contract Regulations as the Council has a statutory duty to provide the services and therefore the extension is acceptable.