

Notice of Non-key Executive Decision

Subject Heading:	Procurement of Highways Weed Control Services.
Cabinet Member:	Cllr Osman Dervish
SLT Lead:	Barry Francis, Director of Neighbourhoods
Report Author and contact details:	Jacki Ager, Ext. 3363 Jacki.ager@havering.gov.uk
Policy context:	Ensure Havering is kept Clean and Safe. The Contract aims to control weeds growth on the highway in the London Borough of Havering.
Financial summary:	Current service cost is £0.113m per annum. Havering aims to procure the next contract for 2 years, potentially totalling £0.226m. The new 2022-23 service aims to ensure that the current cost is not exceeded and best value and improved cash efficiencies can be demonstrated. However, where a price increase cannot be avoided the service will seek to cover this within existing budgets. There is a risk that a lack of weed control may lead to an increase in insurance claims.
Relevant OSC:	Environment
Is this decision exempt from being called-in?	No

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report requests the authority to begin the tender process for a new contract of 2 years for highways weed control services commencing in March 2022.

Weeds are controlled for :

- Appearance – weeds detract from the overall appearance of an area and trap litter;
- Safety – weed growth can interfere with visibility for road users and obscure traffic signs. Weeds in channels can prevent or slow down drainage. Their growth on footways may cause uneven slabs and broken tarmac, potentially leading to an increase in incident insurance claims;
- Physical structure – weed growth can destroy paving surfaces, force apart kerbs and crack walls, therefore increasing maintenance costs.

AUTHORITY UNDER WHICH DECISION IS MADE

3.4 Powers of Second Tier Managers

Contract powers

(a) To approve commencement of a tendering process for, and to award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services.

STATEMENT OF THE REASONS FOR THE DECISION

The current contract for highways weed control was awarded to S.H. Goss on 1st March 2021. The contract was for one year only, as a result of expecting to integrate weeds with waste services in the next contract, however that contract was delayed and the existing waste contract extended for 2 years. A tender process is required to be undertaken to ensure that following expiry of this contract on 28th February 2022 another contract is in place. The new contract term will be for 2 years to allow for the potential for weed spraying to subsequently be absorbed into a wider Public Realm Contract.

OTHER OPTIONS CONSIDERED AND REJECTED

A longer-term contract was also considered however, there is a risk of this overlapping with a wider public realm contract that would likely include weed control. This would not then represent best value for money.

Non-key Executive Decision

PRE-DECISION CONSULTATION

No consultation has taken place.

Non-key Executive Decision

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Jacki Ager

Designation: Waste and External Contracts Manager

Signature: J. Ager

Date:

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The potential annual value of the weed control contract covering highways and housing sites is estimated as being in the region of £0.113m, such value being under the EU financial threshold for services of £181,302. To bring the contract in alignment with the upcoming waste contract in 2023, it is recommended to tender for a 2-year weed control contract, thus bringing the potential price up to the region of £0.226m.

European legislation sets out specific procedure which must be followed for procurements above certain values. Where the estimated value of a proposed contract intended to be let by the Council (or on its behalf) exceeds or is likely to exceed EU procurement, the contract must be procured in accordance with the EU Procurement Directive (2014/24/EU) as included in the Public Contracts Regulations 2015.

The Checkpoint procedure should be undertaken for Supply, Services, Concessions and Light Touch contracts over the £181,302 threshold and for Works over £500,000.

The CPAs set out that tenders should be evaluated on the basis of a ratio of 70% price and 30% quality.

The approval being sought to proceed with the procurement is in accordance with the Council's scheme of delegation.

The procurement team will be fully engaged in the procurement, legal will be consulted on contract documentation and alongside the HR TUPE specialist will be asked to advise on possible TUPE implications.

FINANCIAL IMPLICATIONS AND RISKS

There are minimal financial implications arising from this decision. However, award of a contract and its' financial implications will be considered as part of the decision making process at the appropriate time.

The maximum revenue budget currently allocated for Highways Weed Spraying in 2021/22 is included within A27600.651780.6025 borough Roads – Street Cleansing, amounting to £0.113m per annum.

It is likely that fuel pricing and general inflation will cause the cost of the next contract to be higher. Given other boroughs pay a similar price for one fewer spray, Havering might expect a 10-25% increase in the current £0.113m price. The service will seek to cover any additional costs within its existing budget.

The new 2022-23 service will aim to ensure that the current cost is not exceeded and best value and improved cash efficiencies can be demonstrated. The risk of an annual price increase may be mitigated at least partially by letting the contract for two years

Non-key Executive Decision

rather than one, and thus providing a contractor with better value for money when seeking resource to deliver the service.

**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There is no impact on any directly employed Council employees. Contractor to contractor TUPE implications will be appropriately investigated, should this be required.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Due to the nature of the contract, it will have a potential to impact all residents living in the Borough. An Equality Impact Assessment is attached and will be updated to accompany the final report to award, pending any changes in legislation or weed control methods. The tendering process will comply with EU and Council procurement procedures and therefore comply with Equality legislation.

BACKGROUND PAPERS

None

Non-key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed

Nicolina Cooper

Name: Nicolina Cooper

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title: Assistant Director - Environment

Date: 26/10/21

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____