

Divisions Affected - Deddington

DELEGATED DECISIONS BY CABINET MEMBER FOR FINANCE

12 APRIL 2024

Deddington Depot Salt Barn and Depot Improvements Construction Contract

Report by Executive Director for Resources and Section 151 Officer

RECOMMENDATION

The Cabinet Member of Finance is **RECOMMENDED** to approve:

- a) **The Deddington salt barn, washdown facility and demolition of condemned site cabins (Phase 1) proceeding into Stage 3 and entering a JCT D&B 2016 contract with Ryebriidge Ltd.**

Note: the above is subject to receiving full planning permission by 5th April 2024, prior to going into contract with Ryebriidge Ltd to commence the Phase 1 main construction works.

- b) **Progressing with the tender of the design, planning and installation of new site offices and then entering a contract as long as the total project cost of Phase 1 and Phase 2 does not exceed £2.830m.**

Executive Summary

1. The Full Business Case was approved by Property Capital Programme Board on 20th March 2024 with an approved budget of £2.830m including £66k external funds drawn down from the decarbonisation fund for the installation of solar photovoltaic panels.
2. The primary driver for the project is to address environmental regulations and opportunity of revenue costs avoidance for future depot operation and maintenance costs.
3. The procurement of the Phase 1 construction works was competitively tendered on a two stage Design and Build basis. Ryebriidge Ltd was appointed in June 2023 under a Pre-Construction Services Agreement. The contractor and their design team have now developed the proposals to RIBA 4 detailed design, and it is ready for construction.
4. The Phase 1 construction period for the project remains as one of the critical path items as it needs to take place outside of winter service months due to the

build being on the site where the salt is currently stored. It is not an option to construct during the winter service period as the Drayton Depot is unable to serve North Oxfordshire to deliver the winter highways service for a prolonged period. The project will therefore experience a year delay should the programme not be met.

5. A business contingency plan has been reviewed to ensure that the service can still deliver should the contractor experience delay during construction.
6. The Phase 2 construction works are required to be competitively tendered due to the works value being over the 10% procurement threshold and the public procurement rules. This will take forward independently following completion of the RIBA Stage 3 works by Ryebidge.

Corporate Policies and Priorities

7. The proposed course of action supports the Council's statutory duty to protect the salt from the elements improving efficiency in salt spreading and will prevent salt leaching into the environment and local water courses.

There is potential for prosecution from the Environment Agency and Thames Water as OCC are currently exceeding their effluent allowances and there is a severe threat of enforcement notices being served which could result in significant expenditure for temporary mitigation works or closing of the sites, as well as reputational damage. In this circumstance OCC would not be able to fulfil their Statutory obligations in terms of salting the highway network during the winter months.

The proposed course of action and business benefits of the Phase 2 works is to improve the working environment for staff working at the depot and revenue costs avoidance in future years.

Financial Implications

8. The total project budget has been approved as part of the capital programme, with the most recent project budget of £2.830m being approved as part of the Full Business Case in March 2024. The project is funded from the following budget sources:
 - a) £2.764m is funded from the Corporate Capital budget.
 - b) £66k is funded from the decarbonisation budget held by Sam Thomas to provide solar photo voltaic panels on the roof of the barn. The application for external funding was approved on 7th March 2024.
 - c) No S106 funding is available in the Deddington area (confirmed by Christine Stevenson as per email on 8th March 2024).

Comments were reviewed and approved by Finance as part of the Full Business Case.

Bick Nguyen-McBridge

Assistant Finance Business Partner
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Legal Implications

9. As a key decision, this is required to enable the project to proceed and to comply with the Council's legal and constitutional requirements. The decision will enable legal services to enter into the relevant contractual documentation on behalf of the Council.

Comments were reviewed and approved by Legal as part of the Full Business Case.

Paul Grant
Head of Legal and Deputy Monitoring Officer
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Staff Implications

10. The project budget includes allowance for internal staff costs for a Project Lead in the Major Projects team to ensure the project is delivered to the required standards within the project programme and budget agreed in the Full Business Case.

Equality & Inclusion Implications

11. The project does not have any equality and inclusion implications with no change to current operations.

Sustainability Implications

12. The benefit of reducing operational carbon was later identified with the addition of solar photovoltaic panels on the barn roof confirmed as a viable opportunity. The inclusion of solar photo voltaic panels will help OCC deliver the ambition of reducing operational carbon.

Risk Management

13. Project risks including any impacts to the Council's statutory duty for compliance with Environmental Regulations has been monitored and managed by the Project Lead.

Consultations

14. A planning pre-application was submitted to OCC with an initial Teams meeting taking place on 21st September 2023. The pre-application feedback was formally provided in November 2023.
15. There is generally support for the scheme and the developing proposals with no comments causing risk to the success of the project.

16. A full planning application was submitted with the consultation period starting on 12th January 2024. The target date for planning determination date is the 5th April 2024.
17. The Service has been regularly consulted at design meetings by the contractor and design team throughout the previous stage. Regular progress and site meetings are being held throughout all stages.

Report by Lorna Baxter
Executive Director for Resources and Section 151 Officer

Annex: Annex 1 - Full Business Case

Background papers: Nil

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