

RECORD OF EXECUTIVE DECISION

MONDAY, 5 JULY 2010

Decision No: (CAB 10/11 3933)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	ENVIRONMENT AND TRANSPORT
SUBJECT:	HIGHWAYS SERVICE PARTNERSHIP: APPROVAL TO AWARD CONTRACT
AUTHOR:	Nick Johnson

THE DECISION

Having complied with the requirements of Paragraph 15 – General Exception of the Access to Information Procedure Rules:

- (i) To enter into a contract for a period of 10 years plus period of flexible extendibility with a company within the Balfour Beatty Group to deliver the Council's highways services
- (ii) To delegate authority to the Solicitor to the Council, following consultation with the Executive Director of Environment and Executive Director of Resources to finalise and enter into all necessary or ancillary contractual arrangements and documentation with a company within the Balfour Beatty Group, subject to the parameters set out within the report, and specifically in confidential Appendix 1.
- (iii) To authorise the Executive Director of Resources and / or the Solicitor to the Council to take any further action necessary to give effect to the decisions of the Executive in relation to this matter.

REASONS FOR THE DECISION

- (i) This report is submitted for consideration as a General Exception under paragraph 15 of the Access to Information Procedure Rules in part 4 of the City Council's Constitution, notice having been given to the Chair and Vice Chair of Overview and Scrutiny Management Committee and the Public. The matter requires a decision as it would be impracticable to defer. This would delay Service Commencement and would impact on the Council's commercial position. It would have been impracticable to include on the May 2010 published Forward Plan as the evaluation was in progress and the Preferred Bidder was not appointed until the 27th May 2010.

- (ii) Final Tenders were received from the two remaining bidders in April 2010. A company within the Balfour Beatty Group was appointed as Preferred Bidder on 27th May 2010
- (iii) The efficiencies generated from the partnership will be re-invested back into the highways service. The Partnership will not provide the level of additional funding required for significantly improving the condition of the highways network (for which it is estimated between £10-15m spend per annum is required) or move the Council away from a 'managed decline' strategy. However, it will ensure the Council is maximising the output from its existing budgets and that the decline is significantly slowed.

DETAILS OF ANY ALTERNATIVE OPTIONS

A Strategic Business Case included an options appraisal which determined, in the absence of significant additional external investment (i.e. PFI), the model that best met the Critical Success Factors for the future of the Highways service was a long-term public/private service partnership. The alternative options considered were: Do-Nothing; Public/Public Partnership; Strategic Partnership; Externalisation; Fully in-house.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

CONFLICTS OF INTEREST

None

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 5th July 2010

Decision Maker:
The Cabinet

Proper Officer:
Ed Grimshaw

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on 13th July 2010

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Results of Call-in (*if applicable*)