



<b>REPORT TO:</b>	Officer Decision Notice
<b>REPORT OF:</b>	Assistant Director – Housing
<b>REPORT AUTHOR:</b>	David Higgs
<b>SUBJECT:</b>	Sewerage Treatments and Drain Clearance Services 2024 - 2029
<b>PURPOSE:</b>	To award a contract for the maintenance of the Council’s Sewerage Treatment Works and assets including the provision of drain clearance services period of 5 years, with an option for an extension, solely at the Councils discretion, for up to an additional 5 years [5+2+2+1].
<b>KEY DECISION:</b>	Yes
<b>WARD(S) AFFECTED:</b>	All wards
<b>EXEMPT REPORT?</b>	No

## SUMMARY

The Council currently operates forty-nine Sewage Treatment Plants incorporating an onsite pumping station, with one exception which has two. These are twelve Aerated Systems, one Biobubble System and thirty-six Biodisc Systems. In addition, the Council also has eleven independent pumping stations which pump via a pumping main to a nearby treatment plant all of which require servicing and maintaining to ensure they continue to operate efficiently and in line with the existing Environment Agency discharge consents.

In addition, a number of the Councils properties are not connected either to the public or Council sewerage system and are serviced by either cesspools or septic tanks.

Following a procurement process, a contract will be awarded to Bates Environmental Ltd to deliver these works for an initial period of 5 years, with an option for an extension, solely at the Councils discretion, for up to an additional 5 years [5+2+2+1] commencing on the 1<sup>st</sup> April 2024.

## RECOMMENDATIONS

That the Council awards a contract to Bates Environmental Ltd for the maintenance of the Councils Sewerage Treatment Plants and associated assets including the provision of drain clearance services at an initial annual contract value of £884,453.00 for an initial period of 5 years , with an option for an extension, solely at the Councils discretion, for up to an additional 5 years [5+2+2+1] commencing on the 1<sup>st</sup> April 2024.

## REASONS FOR RECOMMENDATIONS

Following an open tender process (which is fully compliant with UK procurement rules), four tenders were received. All tenders were evaluated independently by three officers in accordance with the evaluation criteria set out in the documents provided to the bidding organisations (40% price, 60% quality).

Following that evaluation process the tender submitted by Bates Environmental Ltd was the highest scoring tender overall.

## OTHER OPTIONS CONSIDERED

**Option 1** - Do nothing. This is not considered a viable option, by failing to carry out the servicing and maintenance of the treatment plants this will have a detrimental impact on the residents connected to the Councils system and has a high probability of the Council being prosecuted by the Environment Agency for breaching its discharge consents. **Option not recommended.**

**Option 2** - Award the contract to an alternative contractor. This is not considered to be appropriate because, following the evaluation process, Bates Environmental Ltd submitted the most economically advantageous tender. **Option not recommended.**

## 1. BACKGROUND

- 1.1 The Council currently operates forty-nine Sewage Treatment Plants incorporating an onsite pumping station, with one exception which has two. These are currently a mix of twelve Aerated Systems, one Biobubble System and thirty-six Biodisc Systems. In addition, the Council also has eleven independent pumping stations which pump via a pumping main to a nearby treatment plant.
- 1.2 The Council is responsible for servicing and maintaining its private sewerage treatment plants and the sewers connected to the same.
- 1.3 In addition there are still a number of Council properties whose waste is discharged either into a cesspool or septic tanks which require regular emptying.

## 2. REPORT

- 2.1 For the Council to successfully maintain and operate its sewerage plants and associated assets it requires the services of a suitably qualified and competent organisation, with the necessary resources to be able to undertake all elements of this service either directly or via their approved nominated subcontractors. Following an open tender process, four tenders

were received. An evaluation was conducted by three Officers, scoring on the criteria of 40% price and 60% quality. The outcome of this process determined that Bates Environmental Ltd submitted the most economically advantageous tender.

### **3. CONCLUSION**

3.1 That the Council awards a contract to Bates Environmental Ltd for the maintenance of the Councils Sewerage Treatment Plants and associated assets including the provision of drain clearance services at an initial annual contract value of £884,453.00 for an initial period of 5 years , with an option for an extension, solely at the Councils discretion, for up to an additional 5 years [5+2+2+1] commencing on the 1st April 2024.

### **4. EXPECTED BENEFITS TO THE PARTNERSHIP**

4.1 There are no specific benefits to be realised by the partnership. However, the effective delivery of a sovereign partner council contract will contribute to the partnership's professional reputation.

### **5. IMPLICATIONS**

#### **5.1 SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP**

5.1.1 There are no noted implications for the partnership.

#### **5.2 CORPORATE PRIORITIES**

5.2.1 The award of this contract will enable the Council to continue to meet its requirements to both its tenants and private owners whose homes are connected to the Councils sewage network.

#### **5.3 STAFFING**

5.3.1 There are no resource implications noted at this time.

#### **5.4 CONSTITUTIONAL AND LEGAL IMPLICATIONS**

5.4.1 The procurement of the contract was subject to an open tender process managed by PSPS and therefore meets requirements under both UK Procurement Law and the Constitution's Contract Procedure Rules.

#### **5.5 DATA PROTECTION**

5.5.1 No concerns noted.

#### **5.6 FINANCIAL**

5.6.1 The cost of delivering this contract has been accounted for in the 2024/25 approved budget. The initial contract price will be used together with appropriate uplifts to build future years budgets.

#### **5.7 RISK MANAGEMENT**

5.7.1 None noted.

#### **5.8 STAKEHOLDER / CONSULTATION / TIMESCALES**

5.8.1 Informal consultation has been undertaken with relevant Portfolio Holders.

## **5.9 REPUTATION**

5.9.1 Failure to maintain, operate and comply with Environment Agency discharge consents will have a significant impact on those properties connected to it and could lead to prosecution. These failures would have a significant impact on the Councils reputation together with significant financial penalties.

## **5.10 CONTRACTS**

5.10.1 The Contract will be awarded under a JCT Measured Works 2016 contract [MW2016].

## **5.11 CRIME AND DISORDER**

5.11.1 None noted.

## **5.12 EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

5.12.1 None noted.

## **5.13 HEALTH AND WELL BEING**

5.13.1 None noted.

## **5.14 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

5.14.1 Failure to effectively manage and treat sewage could have a major impact on the environment adjacent to the Councils treatment plants. It is likely that any contamination would lead to prosecution by the Environment Agency.

## **6. ACRONYMS**

6.1 JCT – The Joint Contracts Tribunal.

PSPS – Public Sector Partnership Services Limited.

EA – Environment Agency.

HRA- Housing Revenue Account.

### **APPENDICES**

None.

### **BACKGROUND PAPERS**

None.

### **CHRONOLOGICAL HISTORY OF THIS REPORT**

A report on this item has not been previously considered by a Council.

### **REPORT APPROVAL**

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Approved for publication:	Assistant Director Housing

**FINANCE PROFORMA**

PROFORMA FOR APPROVAL OF THE RELEASE OF RESOURCES

(CAPITAL AND REVENUE BUDGETS)

FROM: Assistant Director Housing

THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS  
IN RESPECT OF THE ATTACHED

REPORT: Sewerage Treatments and Drain Clearance Services 2024 - 2029

REPORT DATE:

<b>OPTION 1</b>	£ Year 1 2024/25	£ Year 2 2025/26	£ Year 3 2026/27	£ Year 4 2027/28	£ Year 5 2028/29
<b>Revenue</b>	826000.00	826000.00*	826000.00*	826000.00*	826000.00*
Total capital cost	58600.00				

**Note** \* All rates will be fixed price for the first 12 months. Prices for any subsequent 12-month period would be based on the BCIS price adjustment formulae indices prevalent at the time.

**Funding required:**

Total capital cost      £58600 year 1  
only

Revenue cost              £826000.00

**Considered by:**

Enter committee here

Enter Council or  
Cabinet/Executive here

**Date:**

**Financial Services Comments**

**Risk**

**Procurement**

**Value for Money Efficiency**

This FP is valid for 3 months from FP date	If this FP is no longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.