

WEST DUNBARTONSHIRE COUNCIL

**Report by Chief Officer : Roads & Neighbourhood (Shared Service)
Chief Officer : Supply, Distribution & Property**

Infrastructure, Regeneration and Economic Growth: 16 February 2022

Subject: Depot Rationalisation Project Delivery Phase 1 : Salt Storage

1. Purpose

- 1.1 The purpose of this Report is to update IRED Committee on the current status of the Depot Rationalisation Project and to seek approval to progress with Phase 1 which would see the delivery of a new Salt Storage facility.

2. Recommendations

- 2.1 It is recommended that the Committee:
- I. Note the Depot Rationalisation Project update and the options being progressed to business case and options appraisal stage;
 - II. Agree proposals as set out within the Report to progress with the procurement and installation of a salt dome;
 - III. Authorise the Chief Officer - Supply, Property and Distribution to carry out a procurement exercise in accordance with the Council's Standing Orders and Financial Regulations and the Public Contracts (Scotland) Regulations 2015 to procure a salt dome;
 - IV. Grant delegated authority to the Chief Officer – Roads and Neighbourhood Services to approve the award of contract for the salt dome to the most economically advantageous tenderer following a compliant procurement process; and
 - V. Authorise the Chief Officer – Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council, the award of the salt dome to the successful bidder following authorisation from the Chief Officer – Roads and Neighbourhood Services.

3. Background

- 3.1 Discussions around the depot provision had been put on hold during 2020 to assess service provision and to review the impact of Covid 19.
- 3.2 Prior to this, the Depot Rationalisation Project Board last met in June 2019 where it was agreed the Project Board would meet again in the Autumn of that year once the status was known on the options for a future Depot location, as well as the potential impact of service delivery implications on

future depot requirements.

- 3.3** Further to the above, as a result in changing legislation within the Waste Environment, there is a requirement for the Council to consider options to develop and implement a Waste Transfer Station. This requires to be considered in conjunction with the development of the Depot Rationalisation Project due to interdependencies.
- 3.4** A paper was presented to the Strategic Assessment Management Group in December 2021 providing an update on the current status of the Depot Rationalisation Project and an indicative timeline to conclude the Business Case. The options appraisal and business case will be presented to Committee for consideration in Autumn 2022. In addition it was noted that the implementation of a salt dome should be delivered as Phase 1 of the project.
- 3.5** The Depot Rationalisation Project Board met in January 2022 and agreed to progress with:
- a. Phase 1 - Procurement and installation of the salt dome; and
 - b. Options to be considered to be taken forward to full Business Case and Options Appraisal

- 3.6** The DRP Project Board agreed to progress with the recommendation to develop the Business Case and Options Appraisal for the following options:

It is proposed to compare the Business Case scenarios against the existing estate baseline of 'do- nothing' for the following proposed alternatives:

- Demolish and rebuild facilities on Elm Road Dumbarton in a phased/tandem build approach to accommodate continuity of existing services delivery. Remodel Richmond and Stanford Street areas retaining Waste Transfer station and providing satellite base and welfare facilities for Greenspace, Roads, Waste, Fleet and Building Services; and
- As above but include all Depot provision currently split over both the Dumbarton and Clydebank ends of the authority into one existing site footprint.

4. Main Issues

- 4.1** A requirement to progress with the provision of a new salt storage area is a priority and is required prior to the conclusion of the DRP Business Case being considered by the IRED committee. This will be delivered separately via the Roads & Transportation service area and the cost of which will be met from the Depot project budget. Initial budget indications are in the area of £300k approx. for the salt dome element.
- 4.2** The Roads Service currently does not have a salt dome for storage. Materials have been kept in open storage on spare ground opposite the depot. Due to this open storage and exposure to the elements an approximate 175T of salt was lost each year.
- 4.3** In addition a recent Health and Safety report into the storage area identified several safety issues relating to the storage of these materials here, primarily due to the risk to operatives having to climb the salt heap to remove and replace the tarpaulin covering during loading and restocking operations and the subsequent risk of salt heap collapse. The recommendation of the H&S report was the installation of a salt dome.
- 4.4** As an interim measure storage was moved to an existing shed within the Elm Road Depot. This shed, although providing cover, is past its useful life and requires additional maintenance costs to keep it water tight and secure. Whilst it provides a safer temporary solution, the limited storage capacity does not make it a long term viable option.
- 4.5** The limited height of the existing shed prevents deliveries being made with standard articulated vehicles and the Roads operations team have to pay an increased premium for deliveries using specialist vehicles. In addition the small capacity of the shed means that stocks have to be replenished on a weekly basis. The additional and more frequent deliveries result in increased costs to the service.
- 4.6** Overall, with these additional measures it is estimated that this leads to an additional cost of £44,000 per year.
- 4.7** The proposed salt dome will have the capacity to store 4000T of material, compared with the existing shed which has a capacity of 950T and needs topped up on a weekly basis. The salt dome will allow the service to retain a larger quantity of salt over the course of the year and will provide better resilience to respond to any extreme weather events as well as any instances where salt deliveries or supplies become limited.

- 4.8** Whilst there will be some works required within the depot to construct foundations and supports for the salt dome, the majority of fabrication works will be undertaken off site. This will allow the on-site works to be completed with minimum impact to the continued service delivery.
- 4.9** The procurement process for the salt dome is anticipated to commence in February 2022 (subject to approval at this Committee), with the new salt dome being operational for the winter season of 2022.
- 4.10** A high level indicative Procurement timeline has been developed which sets out activities as follows:

Task	Deadline
IREC committee giving approval to procure	16/02/2022
Completion of Market Research	Complete
Completion of Procurement Strategy target	28/01/22
Issue Tender	17/02/2022
Return of Tender	31/03/2022
Completion of clarifications & evaluations	11/04/2022
Tendering Committee	08/06/2022
End of standstill period	19/06/2022
Award of contract	20/06/2022
Fabrication Period	30 weeks
Complete	16/01/2023

- 4.11** As noted above the timeline shows that the salt dome would not be installed until mid January 2023. As this is during the winter gritting period it would be a potentially difficult time to install and commence operational use.
- 4.12** It is requested that Committee grant delegated authority to the Chief Officer : Roads & Neighbourhood Services to award the contract to the successful tenderer following evaluation and standstill period. The updated timeline would be as follows:

Completion of clarifications & evaluations	11/04/2022
End of Standstill Period	22/04/2022
Award of contract	25/04/2022
Fabrication Period	30 weeks
Complete	14/11/2022

This would permit the salt dome to be fabricated close to the commencement of the winter gritting programme maximising the benefits.

5. Financial and Procurement Implications

- 5.1** The Depot Rationalisation project has a budget of £8,535,000 with spend to date at £119k.
- 5.2** Forecast spend for financial year 2022/2023 will include costs for development of salt storage area within Elm Road. Details of which will be known once procurement exercise is concluded. It is anticipated that the provision of the salt dome alone will be in the region of £300,000.
- 5.3** Procurement Officers have advised that it would be compliant for the Committee to grant delegated authority to the Chief Officer – Roads and Neighbourhood Services to approve the award of contracts for the salt dome to the most economically advantageous tenderer following a compliant procurement process in advance the commencement of winter gritting.

6. Risk Analysis

- 6.1** Should the salt dome not progress there is anticipated to be further redundant costs and the Service will not fully address health and safety issues.

7. Equalities Impact Assessment (EIA)

- 7.1** Screening and impact assessments will be carried out on specific activities as required.

8. Environmental Sustainability

- 8.1** The installation of the salt dome will ensure less deliveries of salt are required reducing carbon impacts.

9. Consultation

- 9.1** All Services involved with the Depots will be consulted during each key stage of the project development and delivery.
- 9.2** Procurement, Legal and Finance colleagues have been consulted and are members of the Project Board.

10. Strategic Assessment

- 10.1** A full Strategic Assessment was not required for this Report but will be included in any future assessment.

Gail MacFarlane
Service Area : Shared Services Roads & Neighbourhood
Date: 24 January 2022

Person to Contact:

Appendices: None

Background Papers: None

Wards Affected: All