

Report to Matt Davey, Director of Highways, Transport & Planning

May 2021

Award of contract for Winter De-icing Salt

Report by Business Assurance Manager

Electoral division(s): All

Summary

A key decision to authorise the commencement of a procurement for the supply of winter de-icing salt was made by the Cabinet Member for Highways and Infrastructure in September 2020. In accordance with the Council's Standing Orders on Procurement and Contracts and subject to the [key decision](#) made by the Cabinet Member for Highways and Infrastructure, the Director of Highways, Transport and Planning is asked to authorise the award and commencement of a contract for the provision of winter de-icing salt to ICL UK.

Recommendations

That the Director for Highways, Transport and Planning approves the award and entry into a two-year (with an option for a two-year extension) contract for the provision of winter de-icing salt to ICL UK from 1 May 2021 as set out in section 2 of the report.

Proposal

1 Background and context

The supply of winter de-icing salt is critical to ensuring the County Council can meet its statutory duty to maintain the highways and to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice. The contracts awarded for the provision of winter de-icing salt in 2019, are due to end on 30 April 2021, and a new contract is required.

2 Proposal details

- 2.1 A procurement was entered into using a framework contract managed by the Eastern Shires Purchasing Organisation (ESPO) for the supply of winter de-icing salt. The framework, which is available for use nationally by any public sector body in the UK, is fully compliant with UK procurement legislation. Suppliers listed on the framework are pre-assessed for financial stability, track record, experience and technical and professional ability.

- 2.2 The procurement route for the contract took the form of a 'further competition' and the contract will be awarded based on the most economically advantageous (quality and price) tender. This ensures the Council obtains the most economically advantageous tender for this contract.
- 2.3 The contract is to commence in May 2021 with an end date, if the contract is extended to the full extent permissible, in 2025. This will bring the contract into line with the end of the initial five-year contract period on the new highway maintenance term contracts and will provide as much flexibility as possible at that time.
- 2.4 It is proposed to award a contract to ICL UK, who provided the most economically advantageous tender to the Council, for an initial period of two years (to take account of uncertainties in the haulage industry), with a two-year extension available if appropriate.

3 Other options considered (and reasons for not proposing)

An options analysis was completed before the procurement commenced, which considered a number of alternatives, and the use of the ESPO framework contract emerged as the clear winner in terms of the most economically advantageous route to market.

4 Consultation, engagement and advice

The Executive Director for Place Services, the Director of Finance and Support Services, and the Director of Law and Assurance have been consulted.

5 Finance

- 5.1 The cost of the contract for winter de-icing salt is to be met from the revenue works budget. The Highways Maintenance Revenue Budget for 2021/22 approved by Full Council in February 2021 is £10.000m and includes an allocation for the value of this contract. Whilst the amount of salt required will vary year on year the allocation for salt within the maintenance budget is £0.260m per annum and it is expected that the service is deliverable within this amount.

	Current Year 2020/21 £m	Year 2 2021/22 £m	Year 3 2022/23 £m	Year 4 2023/24 £m
Revenue budget	9.768	10.000	10.000	10.000
Change from Proposal	0.000	0.000	0.000	0.000
Remaining budget	9.768	10.000	10.000	10.000

- 5.2 The effect of the proposal:

(a) How the cost represents good value

The procurement was undertaken through a 'further competition' using a framework fully compliant with UK procurement legislation.

(b) **Future savings/efficiencies being delivered**

The best available value for money has been achieved using a competitive procurement model.

(c) **Human Resources, IT and Assets Impact**

There are no Human Resources, IT or Assets Impact, to this proposal.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
The risk of not authorising the award of a contract for winter de-icing salt is that the County Council's statutory duty to maintain the highways, will not be met.	It is planned to award a contract which is fully compliant with the County Council's Standing Orders on Procurement and Contracts and UK procurement legislation.

7 Policy alignment and compliance

- 7.1 The proposal supports the sustainable and prosperous economy priority in the West Sussex Plan. Procurement of winter de-icing salt will contribute to ensuring, so far as is reasonably practicable, that safe passage along key routes in West Sussex is not endangered by snow or ice during the winter period. A well-maintained highway network helps to support local businesses and communities by ensuring safe, reliable, and consistent journey times.
- 7.2 The proposal has no foreseeable climate change or public health implications.
- 7.3 The legal risks, equality duty, human rights assessment, crime and disorder and social value implications remain unchanged from the key decision made by the Cabinet Member for Highways and Infrastructure in September 2020.

Matt Davey

Director of Highways, Transport and Planning

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Appendices

None

Background papers

None