

<b>Report to</b>	Cabinet
<b>Date of meeting</b>	24 <sup>th</sup> October 2023
<b>Lead Member / Officer</b>	Cllr Barry Mellor
<b>Head of Service</b>	Paul Jackson
<b>Report author</b>	Andy Clark
<b>Title</b>	Salt Barns (South) Lon Parcwr and Corwen

## 1. What is the report about?

- 1.1. Authority is being sought from cabinet to progress the salt barns (south) project to the procurement and tender stage, AMG and CSG have both confirmed support for the Business Cases.
- 1.2. Due to the way these projects have been structured there is a need for Cabinet to offer further approval based on the total value being above the £2m threshold. This funding has already been awarded and will facilitate the design and build of two purpose-built salt storage facilities one for Lôn Parcwr depot, Ruthin and one for Corwen depot as well as improving welfare facilities by replacing the temporary Portakabin style buildings that currently serve as welfare and equipment storage at Corwen. To further support the principle of ensuring that any replacement building is designed and developed in a way which minimises ongoing operational costs and reduces the environmental impact of the buildings.

## 2. What is the reason for making this report?

- 2.1. These proposals were developed under two separate projects but have since been grouped together by the design and construction team with a view to tendering these as design and build projects, consequently the total value of the

project is above the £2m threshold and requires further approval from cabinet to progress the project to the procurement and tendering stage.

### **3. What are the Recommendations?**

- 3.1. That Cabinet approves the tendering and procurement of the project in order to develop new buildings and facilitate the safe and correct storage of salt for the purpose of winter maintenance operations, which are servicing the south of the county along with accommodation and welfare and equipment storage improvements at the Corwen site.
- 3.2. That the Committee confirms that it has read, understood and taken account of the Well-being Impact Assessment (**Appendix A**) as part of its consideration.

### **4. Report details**

- 4.1. Highways and Environmental Services operate the Streetscene and Highways functions for the south of the County from the Ty Newydd, Corwen and Lon Parcwr, Ruthin Depots, with these depots providing the base of operation for all winter maintenance operations for 5 of the 9 gritting routes. They have, in recent years, invested in some of the operational facilities at both sites and consider these locations to be strategically well placed now and into the future, and as such envisage that there will be a long-term requirement for the continued use of both sites. Furthermore, the council has recently given approval for investment to be made in developing the welfare facilities at the Lon Parcwr, Ruthin site, which will involve some interim and temporary measures, whilst a business case is being developed for longer term and more permanent improvements.
- 4.2. However, there is an underlying issue with salt storage facilities at our depots which have led to environmental concerns being raised as well as a risk to the resilience of the winter operations of the service. Alongside this staff welfare facilities at our Corwen depot are well below the standards expected of a modern service. To that end we have developed a project to address these concerns with two new salt barns and a new welfare facility which has been successfully approved for funding by the Strategic Investment Group.

## **5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?**

5.1. The proposals support the Council's Corporate Priority to provide a greener and better-connected Denbighshire in the following ways:

Reduce carbon emissions from Council assets;

Increase renewable energy and EV charging provision across the county;

Contributes towards the council's climate emergency declaration and net zero aspirations by 2030;

Allows greater efficiency and flexibility within the service when carrying out winter maintenance operations.

## **6. What will it cost and how will it affect other services?**

6.1. The sum of £2,231,060.13 has been approved by CSG for the completion of the project, this being £1,302,232.17 for Lôn Parcwr and £928,827.96 for Corwen Depot.

These proposals will have a significant positive impact on Highways and Environmental Services, providing appropriate and fit for purpose storage and welfare facilities. This will be beneficial and provide a more efficient, safer working environment for the staff, whilst ensuring full compliance with environmental standards, whilst providing further resilience for winter maintenance and adverse weather service delivery.

## **7. What are the main conclusions of the Well-being Impact Assessment?**

7.1. Overall, this project will have a positive impact and help the council reduce its carbon emissions and contribute towards creating a low carbon economy. In this way the project is looking to the long-term and could prove an exemplar project in terms of the type of building we should be promoting as a council going forward. More significantly, this will ensure that our current depot sites are fully compliant in respect of current environmental standards and thereby reducing the potential for any future pollution incidents and possible sanctions, and fines that could be made against the authority thus leading to reputational damage.

## **8. What consultations have been carried out with Scrutiny and others?**

- 8.1. The project was shared and was supported by the Asset Management Group pending further support from the Strategic Investment Group.
- 8.2. The project was taken to the Strategic Investment Group in 2022 where the project was welcomed and granted approval.
- 8.3. Consultations have since been extended to staff along with other service users and partners, who would use facilities within the building or be accommodated on site.

## **9. Chief Finance Officer Statement**

- 9.1. The two projects have received all necessary approvals and funding is in place. This report concerns the procurement stage of the project.

## **10. What risks are there and is there anything we can do to reduce them?**

- 10.1. The following risks have been identified:

If the project is not progressed in a timely manner there is a risk of legal action due to non-compliance with current environmental standards, which poses a significant risk to continued winter maintenance operations in all depots.

Costs escalate – costs have been prepared in-house by property professionals. The project may need to be value engineered in order to stay within an agreed budget. Given current volatile markets and uncertainties with fuel prices, suppliers, material costs etc, any delay could result in increased future costs to carry out the necessary building and site improvements.

Planning not secured – initial investigations indicate that securing planning consent for this proposal is not likely to be an issue, due to the lack of residential properties in the vicinity of the proposed development.

# **11. Power to make the decision**

11.1. Local Government Act 1972