

DERBYSHIRE COUNTY COUNCIL
CABINET MEETING

24 March 2015

Report of the Strategic Director – Economy, Transport and Environment

**WATER AND ENVIRONMENT MANAGEMENT FRAMEWORK
(HIGHWAYS, TRANSPORT AND INFRASTRUCTURE)**

(1) **Purpose of Report** To seek approval, under Protocol 2, of the Council's Financial Regulations, for the Council's use of the Environment Agency's (EA) Water and Environment Management (WEM) Framework 2013-2017, for the delivery of flood risk management projects.

(2) **Information and Analysis** The EA procured a WEM Framework Contract which runs from 2013-17. The Framework is a commercial agreement between the EA, consultants and contractors, with agreed terms for the award of individual contracts to deliver projects for Flood and Coastal Risk Management (FCRM). The Framework is also available for use by Local Authorities (LAs) and, in particular, Lead Local Flood Authorities (LLFAs), such as the County Council.

The Framework has been set up in four 'Lots' for different types of work:

- Lot 1 Modelling, mapping and data services.
- Lot 2 Environmental.
- Lot 3 Engineering and related services.
- Lot 4 Asset delivery.

The principal benefits of framework contracts are:

- Efficiency savings through the procurement process – The framework suppliers are from a national pre-qualified shortlist of specialised consultants and contractors. Access via this framework could provide the Council with a more competitive market place than any current framework.
- Delivering programmes of work which will maximise efficiency gains - Packaging of projects into programmes of work offers suppliers continuity of work and provides an increased opportunity for standardisation, innovation and delivery of sustainable outcomes. By having the opportunity to package works, this could provide the Council with efficiency gains in relation to cost savings and resource efficiencies. There

are four key areas where the Council would aim to make efficiency savings.

- Innovation and standardisation - Suppliers are expected to explore and offer innovative solutions to achieve outcomes for less. The EA has developed a library of standard details for use within routine design and construction work.
 - Packaging and programming - Where timings, work type and geography permit, the Council could specify the long term requirements to make multi-year commitments and package schemes into single contracts to realise savings.
 - Streamlining project delivery - A streamlining process was implemented across the EA in 2009 and there is a year on year target reported to the National Audit office. The target is to reduce project development costs.
 - Scope control - Through better up front planning and contract management, the Council could reduce scope changes to projects.
- Performance management – The clients within the framework are able to track performance indicators and report on supplier and project performance to identify areas for improvement. The framework allows participating councils to monitor performance of the appointed consultant/contractor and, therefore, have greater control over project management and the overall scheme deliverables.
 - Supplier development through regular meetings with suppliers to share best practice and develop new ideas - This approach allows for innovation and constant review with an aim of achieving greater efficiencies for client and contractor.

When procuring and delivering flood risk management projects within Derbyshire, the Flood Risk Management Team aspire to maximise the outcomes for the people of Derbyshire. The WEM Framework outlined above would complement the Council's approach and provide opportunities to further embed innovation, collaborative working and challenge to deliver sustainable outcomes.

In addition, having access to the WEM Framework could offer the Council access to established and well developed working relationships with suppliers to improve performance and reduced costs of flood risk management work.

(3) Financial Considerations Any expenditure utilising this contract will be contained within existing budgets. The Framework would be utilised for various project types from hydraulic catchment studies to actual flood mitigation construction works. The value of projects which would be advertised for competitive bidding via a mini-competition will vary from £500 to a maximum value of £400,000 within any given financial year.

(4) **Legal Considerations** The Framework is compliant with EU procurement legislation. It was awarded following publication of a Contract Notice in the Official Journal of the European Union (OJEU). To enable Derbyshire County Council to utilise this Framework, the Council will have to sign a User Agreement with the EA.

(5) **Environmental and Health Considerations** The EA's Engineering Strategy has highlighted that over 70% of its environmental impacts arise from the supply chain. Construction and related maintenance activity for FCRM is by far the most significant proportion of this. The EA has produced "Engineering a Better Environment Sustainable Engineering Procurement Strategy 2011 to 2020" which considers environmental impacts and how to reduce them, and contractors procured through the WEM are strictly monitored on the outcomes.

For Lot 4 construction projects, project teams must set targets for suppliers at the work package level in respect of:

- Carbon dioxide emissions.
- Water Framework Directive (WFD) outcomes.
- Waste to landfill.
- On site water usage.
- Recycled aggregates.
- 100% of timber purchased must be from legal and sustainable sources.

Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, property and transport considerations.

(6) **Key Decision** Yes.

(7) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(8) **Background Papers** Held on file within the Economy, Transport and Environment Department. Officer Contact details – James Biddlestone, extension 38563.

(9) **OFFICER'S RECOMMENDATION** That Cabinet approves the County Council's use of the Environment Agency's (EA) Water and Environment Management (WEM) Framework, for the remaining two years of the current Framework period.

Mike Ashworth
Strategic Director – Economy, Transport and Environment