

# Public Document Pack

## Executive Member Decisions

Friday, 30th June, 2023  
10.00 am

---

### AGENDA

1. **Bridge Maintenance Schemes Framework**  
**Bridge Maintenance Schemes Framework** **2 - 5**
  
2. **Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase**  
**Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase - Part 1** **6 - 9**  
**Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase**

**PART 2 – THE PRESS AND PUBLIC MAY BE EXCLUDED DURING CONSIDERATION OF THE FOLLOWING ITEMS**

3. **Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase - Part 2**  
**Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase - Part 2** **10 - 13**

Date Published: Friday 30<sup>th</sup> June 2023  
Denise Park, Chief Executive

## EXECUTIVE MEMBER DECISION



<b>REPORT OF:</b>	Executive Member for Growth and Development
<b>LEAD OFFICERS:</b>	Strategic Director of Environment & Operations
<b>DATE:</b>	30 June 2023

**PORTFOLIO/S AFFECTED:** Growth and Development  
Environmental Services

**WARD/S AFFECTED:** (All Wards);

### SUBJECT:

#### EMD - Bridge Maintenance Schemes Framework

Procurement strategy for the provision of Bridge maintenance and strengthening schemes for up to four years 2023-2027.

### 1. EXECUTIVE SUMMARY

The Council intends to tender for suitably qualified and experienced contractors to qualify for inclusion in a framework of contractors who can be invited to tender for bridge maintenance and strengthening schemes.

This framework would facilitate the efficient procurement of maintenance works for highway structure assets using established and quality contractors to provide works at competitive prices.

### 2. RECOMMENDATIONS

That the Executive Member:

- Approves the proposed procurement strategy for the provision of Bridge maintenance and strengthening schemes for a two year period with the option to extend for up to a further two years.

### 3. BACKGROUND

The Tender will be advertised through the Chest as an open tender advertised on Find a Tender (FTS) in line with the Public Contracts Regulations 2015.

There are sufficient organisations in the market, including local companies who can meet our requirements and can respond to this invitation to tender.

Tenders will be evaluated on 85% Quality and 15% Social Value.

The Framework is designed to provide a wide range of high quality call off services. All appointed

Companies must be registered and qualified organisations. We encourage applications from a broad supply base.

The Framework Partners will be contracted to deliver Projects in accordance with details set out in the tender documents with partners being invited to participate in a mini tender.

The Contract will be established to operate for two years, with the option to extend for further periods of one year up to a maximum of a further two years.

This framework provides opportunities for local contractors and workforce engagement and employment and represents the most cost efficient way of procuring works. The contract supports the Councils' priorities to provide a good place to live where people enjoy a good quality of life and building happier, healthier and safer communities

The contract also includes measures to monitor, report on and reduce carbon usage and greenhouse gas emissions to aid in our aspirations of becoming carbon neutral by 2030 to establish a healthier greener future for communities.

Successful contractors will also have to outline how they intend to add social value to our communities with a direct input being made into the local community on an appropriate level to help those most in need. This will be determined on a scheme by scheme basis with the amount of input being dictated by the size of the scheme being delivered.

#### **4. KEY ISSUES & RISKS**

There is currently no specific highway structures framework or contract in place. We are currently relying on external frameworks which are not entirely suitable and do not include enough local, highway structures contractors. We also have little control over the terms and conditions of these contracts which are already pre-set.

Relying on these contracts often leads to the use of large contractors who are based some distance away, resulting in inflated prices as the contractors on the frameworks have large preliminary and set up costs to undertake relatively small works and schemes. The larger contractors on these frameworks often sub-let the contract upon award to one of their sub-contractors who may not be suitable for us, which represents a lack of control for the Council as the client.

Relying on procuring each scheme individually through an open tender process currently provides the most cost effective option however, this requires a large input from officers in highways and procurement and a lengthy tender and appointment period with each scheme requiring its own evaluation and qualification process and is an inefficient use of our resources.

The introduction of this framework would give greater control over our terms and conditions, it would enable the Council to employ more local and suitable contractors and workforce with the pre-evaluated skill sets we require. It would greatly reduce the officer input into procuring schemes and would provide greater efficiency and overall value for money.

#### **5. POLICY IMPLICATIONS**

None

#### **6. FINANCIAL IMPLICATIONS**

Estimated contract value of up to £700k per year with funding from the LTP programme for Bridgeworks and Highway Structures maintenance.

Each scheme will be priced via a mini tender and analysed on an individual basis to demonstrate the best value for money.

## 7. LEGAL IMPLICATIONS

The invitation to tender will be advertised through the Chest as an open tender advertised on FTS in line with the Public Contracts Regulations 2015. The Procurement process will be managed by the Procurement Team.

## 8. RESOURCE IMPLICATIONS

None

## 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

## 10. CONSULTATIONS

None

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

**VERSION:** 1

<b>CONTACT OFFICER:</b>	<b>Mark Berry</b>
<b>DATE:</b>	
<b>BACKGROUND PAPER:</b>	

## EXECUTIVE MEMBER DECISION



**REPORT OF:** Executive Member for Growth and Development

**LEAD OFFICERS:** Strategic Director of Growth & Development

**DATE:** 30 June 2023

**PORTFOLIO/S AFFECTED:** Growth and Development

**WARD/S AFFECTED:** Blackburn Central;

**SUBJECT: EMD Building Licence and Lease of Land at Harrison St, Blackburn with Option to Purchase**

### 1. EXECUTIVE SUMMARY

1.1 To seek approval to agree a building licence and lease of land at Harrison St, Blackburn with the option to purchase.

### 2. RECOMMENDATIONS

That the Executive Member:

2.1 Appoints the tenant as a special purchaser for the site.

2.2 Approves granting a building licence for necessary works to create a car parking area.

2.3 Approves granting a new lease with option to purchase.

2.4 Authorises the Deputy Director of Legal and Governance to complete the necessary legal formalities.

### 3. BACKGROUND

3.1 The subject land at Harrison St is a former builders' yard extending to approximately 2,820 sq m, last used as a site compound by National Rail. It is a split level site opposite Tauheedul Islamic Boys School.

3.2 The original access point to the land is no longer appropriate due to being directly on the corner of a well-used highway junction, meaning the site can only now be accessed through neighbouring land.

3.3 A tenant occupies the adjoining land on a 2 year lease from June 2020 (currently holding over), using it as a car park.

3.4 Terms have been agreed for a new 20 year lease to be granted to the adjoining tenant encompassing the subject site, together with the land they currently occupy for car parking purposes.

There will be an upwards only rent review to market rent on the 10<sup>th</sup> anniversary of the term, and an option to purchase a long leasehold interest at the end of the term with a restriction to car parking use. This would tie the land into the tenant's existing 999 year lease of an adjoining site.

3.5 Significant works are required to be carried out to the subject site, comprising levelling the land, removing redundant retaining walls, concreting, providing aco drainage channels and fencing. The cost of the works has been quoted, and Council building surveyors have confirmed the quote is reasonable.

3.6 The cost of the quoted works equates to 8 years and 10 months' worth of rent over the subject site, and it is proposed that a rent free period is granted for this period as the tenant will be financing the works.

3.7 The lease is to be preceded by a 2 year building licence to ensure the works are carried out in a timely fashion and to an acceptable standard.

3.8 The tenant is considered special purchaser due to the land being solely accessed through their existing lease demise and highways constraints preventing the formation of a new access at an alternative point. The grant of this lease and option to purchase will safeguard the operation of the tenant's business, preserving jobs and allowing for business growth.

3.9 As the tenant is considered special purchaser, an independent review of the deal has been obtained which confirms the deal is fair, reasonable and reflective of standard commercial terms. The review also confirms that no marriage value would be created through the merger of the subject site and the existing leasehold demise above that of the sum of the individual market values.

#### **4. KEY ISSUES & RISKS**

4.1 The land is currently vacant, has no identified alternate use and is subject to antisocial behaviour.

4.2 The proposed lease will alleviate parking congestion for the adjoining tenant and assist an established business whilst providing rental income and a potential capital receipt to the Council.

#### **5. POLICY IMPLICATIONS**

5.1 The disposal method accords with the Council's approved policy for disposals under the particular designation of the tenant as a special purchaser.

#### **6. FINANCIAL IMPLICATIONS**

6.1 The Council will receive a minimum rental income.

6.2 If the purchase option is triggered, the Council will receive a further capital receipt.

#### **7. LEGAL IMPLICATIONS**

7.1 The disposal method complies with the Council's legal obligations for such transactions and with the Council's disposal policy following the designation of the tenant as a special purchaser.

7.2 It is recommended that appropriate financial advice is taken to ensure the proper VAT position is taken in respect of off street parking provision.

7.3 Separate consideration will be needed to ensure that the parking remains connected with the business use of the adjacent site.

## 8. RESOURCE IMPLICATIONS

8.1 Legal and surveyor resources will be required to complete the transaction.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

## 10. CONSULTATIONS

10.1 The proposal has been subject to consultations between Council Officers, Executive Members, and Legal and Planning departments.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

<b>VERSION:</b>	<b>1</b>
-----------------	----------

<b>CONTACT OFFICER:</b>	<b>PMO Growth</b>
-------------------------	-------------------

<b>DATE:</b>	08/06/2023
--------------	------------

<b>BACKGROUND PAPER:</b>	None
--------------------------	------



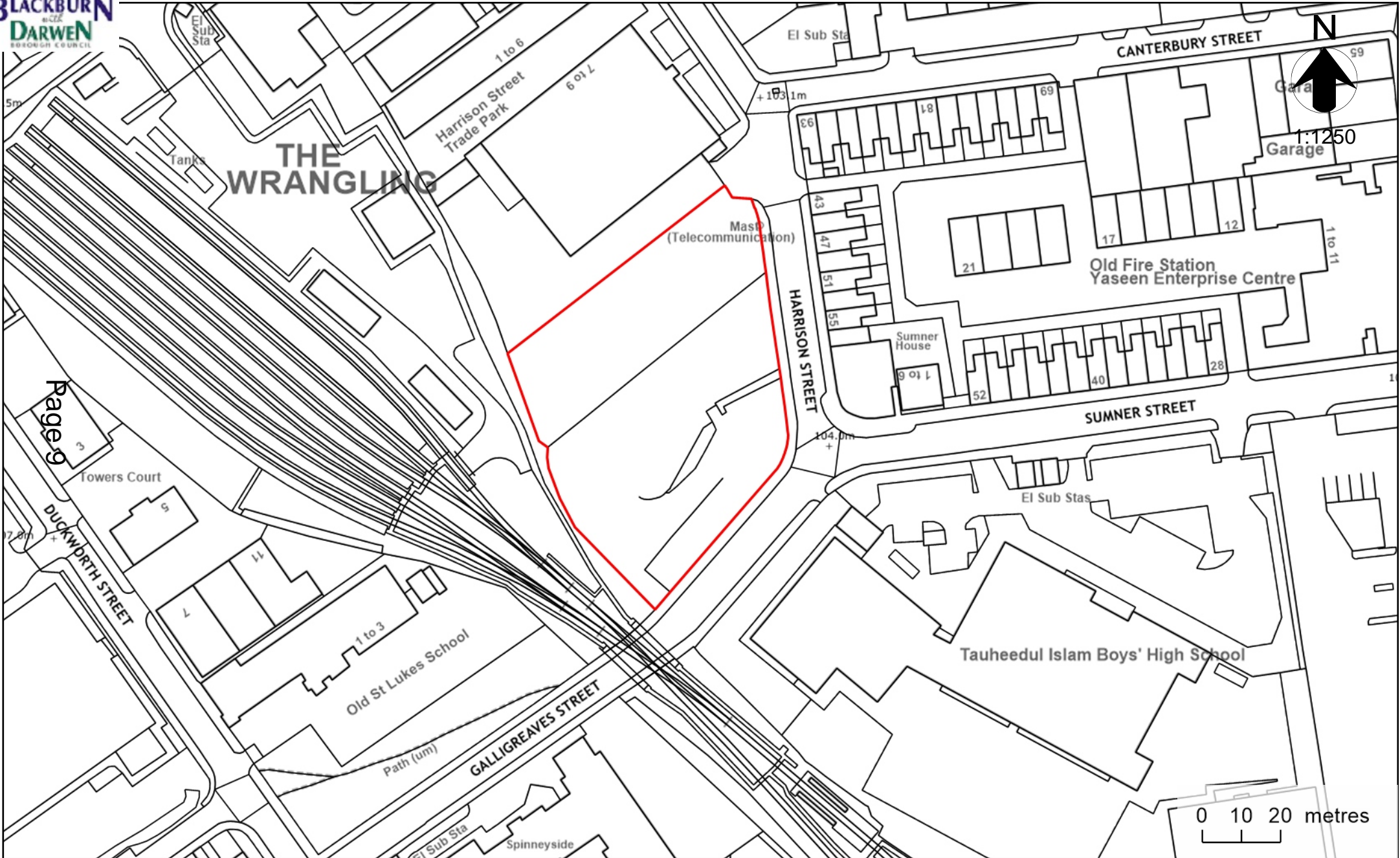


# Title: Land at Harrison Street, Blackburn

Department: GROWTH & DEVELOPMENT

Reference: JS - GROWTH

**BLACKBURN**  
and  
**DARWEN**  
BOROUGH COUNCIL



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted