

REPORT TO:	LEADER OF THE COUNCIL
DATE:	20 March 2024
SUBJECT:	PUBLIC CONVENIENCES CONTRACT
PURPOSE:	TO APPROVE THE AWARD OF CONTRACT FOR THE EXTERNAL MANAGEMENT OF PUBLIC CONVENIENCES, AND AMEND THE 2024/25 REVENUE BUDGET
KEY DECISION:	YES
PORTFOLIO HOLDER:	COUNCILLOR FOSTER, EXECUTIVE MEMBER FOR OPERATIONAL SERVICES
REPORT OF:	ASSISTANT DIRECTOR – NEIGHBOURHOOD SERVICES
REPORT AUTHOR:	NEIGHBOURHOODS SERVICE MANAGER
WARD(S) AFFECTED:	ALL
EXEMPT REPORT?	NO (<i>However, Appendix A is exempt by virtue of paragraph 3 of Part 1 Schedule 12 A of the Local Government Act</i>)

SUMMARY

East Lindsey District Council are responsible for 19 publicly accessible toilet facilities.

The 13 facilities with the heaviest footfall in Louth, Mablethorpe, Sutton on Sea and Skegness have been externally managed since the 1st April 2019. As of 2024, the number of externally managed contracted facilities has reduced to 11 following asset transfers.

A tender exercise has now been conducted to seek commercial interest for the continued external management of 11 pay-entry facilities (Lot 1), on a 4+4+4 break clause basis for a maximum of 12 years. In addition, we have sought commercial interest for the management and operation of the remaining 8 ELDC managed facilities (Lot 2).

This report sets out a recommendation to award the Public Convenience Contract (Lot 1) for the management to the top scoring supplier following a procurement exercise for a term of 4+4+4 from 1st April 2024.

The remaining 8 ELDC toilet facilities (Lot 2) will then be reviewed in partnership with the supplier and the council, with consideration being given to the outcome of the Public

Convenience Scrutiny Panel. Officers will provide further recommendations to SLT and Executive Board with regard to the future provision of the remaining 8 ELDC facilities (Lot 2).

RECOMMENDATIONS

1. To approve the award of the contract for the external management of public conveniences to Healthmatic Ltd from 1st April 2024.
2. To amend the revenue budget based on the contract price by £101,400 for 2024/25 as detailed in Appendix A.

REASONS FOR RECOMMENDATIONS

To ensure the Council continues to receive best value for money and a high level of service standard for future public toilet provision.

The top scoring supplier is an experienced company, managing toilet facilities in partnership many local authorities throughout the UK.

The decision to award the contract for Lot 1 (the pay for entry facilities) to Healthmatic will also provide officers with the option to progress talks with the contractor, to inform proposals for the future provision of the 8 ELDC ran facilities (Lot 2).

OTHER OPTIONS CONSIDERED

Do nothing – there will be no pay-entry service public convenience provision from 1st April 2024 in our market and coastal towns.

Provide the service in house – a costing exercise has been undertaken. The annual figure for an in-house provision of the pay for entry facilities is £782,878. This would also be subject to inflationary increases (staff pay ward etc). The Council could only offer card payment only, and there is a greater risk with returning to an in-house service as the Council will would bear the cost of utilities, repairs and maintenance, installation and ongoing maintenance of new pay-entry mechanisms.

1. BACKGROUND

1.1 East Lindsey District Council is responsible for 19 toilet facilities. Those 13 facilities with the heaviest footfall have been externally managed since the 1st April 2019. As of 2024, the number of contracted facilities has reduced to 11, following asset transfers.

1.2 The contract specified the installation of coin entry systems, CCTV, the cleaning and full repairs and maintenance (including the cost of utilities) at those toilet facilities provided in Louth, Mablethorpe, Sutton on Sea and Skegness.

1.3 The initial contract term was for four years from 1st April 2019, ending on 31st March 2023, with option(s) to further extend the contract for four years. From the 1st April 2023 the contract was extended for an additional year to ensure the Council continues to receive best value for money and a high level of service standards for all public toilet provision, and to afford officers sufficient time to conduct a contract re-tender exercise.

1.4 East Lindsey District Council are also responsible for operating a further 8 toilet facilities across the district in-house.

2. REPORT

2.1 A formal procurement exercise has been conducted to seek commercial interest for the continued external management of 11 pay-entry facilities (Lot 1), on a 4+4+4 break clause basis for a maximum of 12 years. Commercial interest has also been sought for the management and operation of the remaining eight council managed facilities (Lot 2).

2.2 The new contract requires new pay-entry mechanisms at all 11 facilities, and all income will be retained by the Council. This income supports the reduction of overall running costs to the Council and ensure that the Council can retain the high standard of cleanliness, maintenance and investment these toilets facilities have received over the past five years.

2.3 The tender evaluation has identified the top scoring supplier to continue with the provision of external management, repair and maintenance of the 11 pay for entry toilet facilities (Lot 1). Financial details of the winning tender submission are included in Appendix A.

2.4 The top scoring supplier has submitted a contract price that requires a growth in the base budget by £101,400 for 2024/25. However, if income is achieved above the estimate, this budget growth will reduce accordingly.

2.5 A Public Toilet Scrutiny Panel has been convened to consider and propose options and recommendations for the eight facilities currently managed in house. Awarding this contract will provide additional options for the Council to consider, along with the outcomes from the Scrutiny Panel, with regard to the future provision of the eight facilities that are managed internally (Lot 2).

3. CONCLUSION

3.1 The award of contract should be made to the top scoring supplier from the tender evaluation process, and the additional budget cost to be included in the 2024/25 budget.

EXPECTED BENEFITS TO THE PARTNERSHIP

Awarding this contract and engaging in partnership with a commercial supplier will enable the evaluation of additional options for future toilet provision in the other SELCP Councils.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

None.

CORPORATE PRIORITIES

This report supports the council's strategic aim to be creative in generating income to the Council so that we can afford to continue delivering high quality services that make use of the latest technologies and focus on the needs and aspirations of residents.

STAFFING

None.

WORKFORCE CAPACITY IMPLICATIONS

None.

CONSTITUTIONAL AND LEGAL IMPLICATIONS

None.

DATA PROTECTION

None.

FINANCIAL

Financial implications are covered within Appendix A. It is proposed for the additional growth to be met initially from the service transformation reserve, with future years to be factored into base budget following a service review of appropriate spend.

The aim of the report is to ensure that the Council can focus on priorities, protect service provision, and achieve targeted savings moving forward.

RISK MANAGEMENT

The risk in not awarding the contract is provision of toilet facilities at a poorer overall standard.

STAKEHOLDER / CONSULTATION / TIMESCALES

Consultation has been undertaken with the relevant Portfolio Holder (Cllr M. Foster), and the S151 Officer.

REPUTATION

Not awarding the contract will result in a reduction in the standards of toilet provision to our coastal and market towns.

CONTRACTS

As set out within this report.

CRIME AND DISORDER

None.

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None.

HEALTH AND WELL BEING

None.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The income from the toilet facilities supports the Council in its ambition to reduce carbon and support the future use of renewal fuels, and the development and installation of more energy efficient devices.

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

ACRONYMS

None.

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A - Exempt	Contract financial information
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BACKGROUND PAPERS

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
Management of Public Toilets	EB Report - Public Toilets Mgmt v3.pdf (e-lindsey.gov.uk)
Public Conveniences Contract Extension	East Lindsey District Council (e-lindsey.gov.uk)

CHRONOLOGICAL HISTORY OF THIS REPORT

A report on this item has not been previously considered by a Council body.

REPORT APPROVAL	
Report author:	Victoria Burgess
Signed off by:	Christine Marshall, Rob Barlow
Approved for publication:	Councillor Leyland