

Report of the Cabinet Members for Environmental Services and
Finance, Performance and Customer Services

Improving Public Convenience Facilities across the City

Summary

1. This report proposes a scheme to create a step change in the standard of the city's public toilets, replacing many of the older facilities with modern, attractive public toilets that will enhance the city centre whilst delivering a revenue saving to the Council. Following a commercial procurement exercise, which has identified the most commercially viable option, Cabinet is asked to:
 - a. award a contract to the contractor who won the procurement exercise for £62k per year for fifteen years
 - b. agree to the contractor charging users to use the new, modernised facilities
 - c. recommend to Council the allocation of capital to undertake the refurbishment of the toilets, this capital to be funded by the existing revenue budget for public toilets

Background

2. The Council is following through an action plan, accompanied by investment priorities, for maintaining and furthering the viability of the city centre as a key asset of the city's economy. A key element of this is the creation of world class place in the city centre through improvements to the public realm. This initiative to create a step change in the quality of public toilet provision sits alongside the Reinvigorate York programme which is providing a key building block for enhancing and maintaining a higher standard of public realm.
3. At the same time the Council has published a new Interim Tourism Strategy for the city which has as one of its key development areas the improvement of quality and excellence in the visitor welcome. It also focuses on product development, notably extending the early

evening economy in order to increase visitor stays. This initiative will contribute in both areas.

4. This initiative sits within a wider aim of increasing access to high quality toilet provision. It will be accompanied by further work with businesses to increase interest in a community toilet scheme and improved signposting through the Reinvigorate York wayfinding strategy.
5. Comparable Authorities such as Chester and Bath are working to put similar arrangements in place, the significant upgrade and standardisation of charging across the City are in line with improvements made in areas such as South Lakeland, Glasgow and areas of London.
6. The financial context is the 2013/14 Budget Council agreement to a £75k saving to be achieved by “a review of public conveniences across the city including consideration of external providers and charging.” A procurement exercise has subsequently been undertaken to procure a company to refurbish and then service and maintain York’s toilet facilities with the following key goals:
 - a. Reduce annual revenue support required from the Council to service and maintain old facilities by refurbishing them
 - b. Look at any other revenue generation opportunities by advertising or other means
 - c. Keep as many of the facilities open as possible
 - d. Ensure the facilities are cleaned to a high standard and are attractive to use for both visitors and residents alike
 - e. Enable users to be charged to use the facilities by providing facilities of an appropriate standard
7. The procurement process has now finished, and a winning bid has been identified. The next stage of the process is to award a contract to this new supplier. The winning bid meets all the key project goals outlined above. Key aspects of the bid are:
 - a. A refurbishment phase, to be completed by May 2014, will be followed by a 15 year contract to operate the facilities with an option to extend by another five years by mutual consent
 - b. Nine of the current ten facilities will be refurbished or upgraded in some regard. Annex 1 contains details of the programme. The total value of the capital refurbishment will be £663,000 across the facilities

- c. Refurbishment costs will be paid for by the Council as capital works through a standard works contract. In order to pay for this capital, the existing revenue budget will be top-sliced by £62k for fifteen years to fund the repayments
- d. There will be major improvements to accessibility: A new Changing Place facility will be provided at Union Terrace coach park whilst each of the nine facilities will include an Accessible Toilet with alarms linked to a call out system. The St Sampson's Square facility will no longer be needed and will close
- e. User fees will be charged at 40p per visit. This will be an important element in funding the contract. The operator will be able to increase fees by 10p per year, although current financial models suggests only two increases will be required over the fifteen year contract period
- f. User fees are not enough to cover the running costs of the toilets and the Council will be required to pay £62k per year for the fifteen years for servicing and maintenance and to cover utility payments. A mechanism to ensure the toilets are cleaned and serviced according to the correct standards has been included in the contract. The £62k is a capped maximum value and will not change due to inflation

Consultation

- 8. Consultation has previously been undertaken with the Equalities Advisory Group about accessible toilets and the improvements to accessibility respond to the issues raised. Further consultation has been undertaken with the York Access Group.

Options

- 9. There are three options available to Members:
 - a. Continue with the procurement exercise and award the contract as outlined above
 - b. Re-start the procurement process and reduce the tender specification to find a better proposal; in reality this would mean reducing the number of facilities, or opening times, etc.
 - c. Cancel the proposal and continue with existing arrangement. In order to meet the budget savings extra funding would be required or facilities would need to be closed

Analysis

10. Option a): This would conclude the procurement process and would result a contract award to refurbish and then maintain York's public toilets. Works to the toilets would commence as soon as all permissions had been granted. It would provide high standard, accessible toilets improving the attractiveness of York as a place to visit and supporting the evening economy. It is affordable within the available budget.
11. Option b): This would mean reducing the numbers of facilities, open times, standards of fixtures etc. Furthermore, the procurement process has been fairly long and intensive and suppliers are unlikely to want to participate in a longer process due to significant bidding costs. Re-procuring is unlikely to hold any advantage.
12. Option c): This is not affordable and would require a decision on whether to fund the public toilets or close some or all facilities.
13. Option a) has clear advantages and is recommended.

Council Plan

14. This project will support the Council Plan's key objectives from the Create Jobs & Grow the Economy priority: Creating a competitive city centre, and developing the local business environment, by creating first class public toilet facilities that attract visitors and tourists to the city.

Implications

15. **Financial:**
 - a. Capital: The Council would pay £663k for the refurbishment of the public toilets, and would top-slice existing revenue budgets for public toilets by £62k for 15 years in order to pay for this
 - b. Revenue: CYC would commit to paying a maximum of £62k per year for fifteen years for the maintenance and servicing of the toilets
 - c. The total commitment per year is £124k per year. This is the maximum liability the Council faces and is affordable within the available budget which is £129k in 14/15, then £124k from 15/16 onwards
16. **Human Resources:** TUPE regulations will apply to this contract. The Council will remain the client for this service and will address any TUPE issues at the appropriate stages in the procurement and transfer process to ensure compliance with the TUPE regulations.

17. **Equalities:** Under the proposed offer, each public toilet would benefit from improved accessible toilets.
18. **Legal:** Under s87 Public Health Act 1936, the Council has the power to provide public conveniences in convenient locations and may charge such fees for the use of such conveniences, other than urinals, as it thinks fit. Legal services will draw up appropriate agreements and leases with the contractor incorporating the terms set out within this report.
19. **Crime and Disorder:** Newly refurbished facilities will reduce the ability of vandals to destroy or degrade assets. Availability of high quality facilities can be expected to reduce incidence of public urination.
20. **Property:** A lease will be granted allowing the contractor to occupy the building. The lease would not grant any rights of tenure and would be for an initial seven years with thirteen options to extend to a 20 year period. The contract will be managed by the Council's Facilities Management service.
21. **Other:** Heritage and planning: proposed work to Exhibition Sq facilities are fairly extensive in a very sensitive area. The contractor has met with local groups such as Friends of York's Walls in order to ensure any new designs improve and enhance the area.
22. There are no IT implications arising from this report.

Risk Management

23. **Financial:** The Council will commit to the contract for 15 years. No further savings will be available unless at a future point the Council chooses to close toilets in order to reduce the revenue expenditure.
24. **Programme:** With the Tour de France visiting York next summer, it is essential that all the facilities are refurbished and fully operational by then. Every effort will be made to avoid delays that would make this deadline unachievable.
25. **Public Service:** Facility users will be required to pay for a service they have traditionally enjoyed for free. Under this scheme, CYC will have no control over prices except for the requirement that prices do not increase by more than 10p per year; however, at any time in the future CYC would be able to fund the user fees or price increased directly by paying additional revenue.

Recommendations

26. Cabinet is asked to:

- a. recommend to Full Council the allocation of £663k capital funding to undertake the refurbishment of the toilets, this capital to be funded by annual payments from the existing revenue budget for public toilets

and, subject to the agreement of Council to a) to:

- b. award a contract to the contractor who won the procurement exercise for £62k per year for fifteen years reflecting the aspects set out in paragraph 3

Reason: to create excellent public toilets for York.

Contact Details:

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Wards Affected: Guildhall, Micklegate, Westfield, Haxby	
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For further information please contact the authors of the report	
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Background Papers:

Tender documents: As this is a commercial procurement documents are not public at this time, although will be made public subject to commercial considerations if / when the procurement process is concluded.

Annex A: List of facilities, and capital investment proposed at each location and notable items associated.