

BRIEFING NOTE

To: Neighbourhoods Scrutiny Panel

Date: 2 August 2007

Re: Highways Repairs and Maintenance Partnership

Purpose

To advise the Scrutiny Panel of progress in delivering the Highways Repairs and Maintenance Procurement Strategy.

Report Detail

At its meeting on 29 November 2006, Cabinet agreed that the Council should enter into a Partnered Framework Contract to secure the improved delivery of highways maintenance services. This agreement was to be capable of delivering both planned and routine highways repairs and maintenance and top-up services to the design team as required. It will take the form of a four year contract with a single supplier using partnering principles and the latest NEC3 contract forms incorporating value engineering, gain/pain sharing, co-location and target costs.

Authority to progress this decision was delegated to the Assistant Director for the Built Environment as was the appointment of specialist procurement advice to assist with its delivery and ensure that the services to be included within the partnership were appropriately defined.

At a special meeting of the Neighbourhoods Scrutiny and Performance Panel on 24 November 2006, the Panel resolved to support the proposal subject to full and ongoing engagement with the Panel as the project developed.

In line with this decision, it is now appropriate to bring a further report for consideration by the Panel. This complements the briefing paper provided to the Panel's previous meeting on 12 June 2007 since which the following progress has been made:

- i. Visits to a number of Councils with broadly similar contracts in place have now taken place. These involved Bedfordshire County Council, Redcar & Cleveland Council, North Lanarkshire Council, Wolverhampton City Council and Solihull Council. The key issues from these were that:
 - a. Every contractual model although based on similar principles is unique to meet each authority's requirements.
 - b. All authorities had problems with existing depot facilities either due to size, location or condition.
 - c. All contracts include provision for performance monitoring and/or market testing to be able to demonstrate value for money on an ongoing basis.
 - d. The contract periods vary from 5 to 10 years.

- e. All are similar in value to Walsall's however where there are differences this is because the scope varies as an example some authorities include street lighting which in Walsall is delivered through an existing PFI contract.
- f. All contracts have involved TUPE transfers and several are on the second contract and still retain original staff transferred via TUPE arrangements.

Follow-up visits to the more relevant of these are being arranged to allow a broader range of employees to attend.

- ii. A Communications Plan has been agreed (Appendix 1) and a second newsletter distributed to employees and trade unions (Appendix 2). An update to the Street Pride JNCC is scheduled for 6 August 2007.
- iii. The project programme has been amended and the latest version is attached (Appendix 3). A contract start date of 1 April 2008 is still anticipated. The formal procurement process commenced on the 20 July with the publication of the OJEU advertisement explaining the proposal and the process for those interested in tendering. The Memorandum of Information (MOI) and Pre-Qualification Questionnaire (PQQ) have been prepared and will be made available to those expressing an interest all in line with the relevant European procurement rules.
- iv. The indicative scope of works remains as it was at the time of the previous update in June (Appendix 4). This must still be regarded as provisional pending the continued development of the financial model and, in due course, negotiations with prospective partners.
- v. As a result of soft market testing, consideration is currently being given to the merits of a longer contract period than was previously envisaged. The main advantage would be to improve the value for money achieved for the Council particularly related to the potential for investment opportunities e.g. vehicles and depot facilities.
- vi. The Cabinet report in November 2006 envisaged that the opportunity to secure repairs to the existing depot at Norfolk Place would be explored during the procurement process. This has since been complicated to a degree by a decision to carry out an options appraisal to assess the feasibility of providing alternative depot accommodation. The results of this won't be known until September 2007 by which time it is anticipated that the highways maintenance contract will be out to tender. Even so, the option of involving the preferred partner in delivering any new depot will still be assessed as part of the process.

Recommendations

The views of the Panel are invited.

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HIGHWAYS MAINTENANCE PARTNERSHIP PROJECT BOARD

COMMUNICATIONS PLAN

RESPONSIBILITY FOR BRIEFING		KS	KS/MH	KS	KS	KS	MH	MH	MH	RM
		Cabinet	Portfolio Holders	Scrutiny Panel	SLT	Executive Director	Employees ¹	Trade Unions	Street Pride JNCC ²	Council Tax Payers ³
1	Visits to other Councils		✓			✓	✓	✓		
2	Finalisation of draft scope		✓	✓		✓	✓	✓	✓	
3	Selection of preferred partner	✓	✓	✓	✓	✓	✓	✓	✓	
4	Identification of TUPE implications		✓			✓	✓	✓	✓	
5	Contract signature		✓			✓	✓	✓	✓	✓
6	Contract start		✓			✓	✓	✓	✓	✓
7	General updates		✓			✓	✓	✓	✓	
8	Distribution of Project Board minutes					✓				

Notes

¹ Employees to be kept informed through project newsletters, team meetings, notice boards, News & Views and Team Spirit. Target groups include Operational managers, Co-ordinators/Inspectors, operatives and support staff. Managers to cascade information and agree issues to be communicated to front line staff.

² Currently meets every six weeks.

³ Council Tax payers to be kept informed through media releases and Walsall Pride

Highways Maintenance Procurement Strategy Update
News Letter No2
June 2007

The team set up to oversee the implementation of the Highway Maintenance Procurement Strategy has now been extended to include **Tim Edwards and John King**

We are on course with the programme, with a draft scope of works to be included in the strategy detailed below. This was reported to the Scrutiny Panel on 12th June 2007.

Structural repair of footways and carriageways – planned maintenance

Minor Highways Improvements

Reactive Highway Repair Work

Highway drainage systems – Road Drainage and Stream Cleaning

Cleaning of Highway Drains and Gullies

Public Rights of Way – Structural Repairs

Road Markings

Traffic Signs

Pedestrian Direction Signs

Street Nameplates

Winter Maintenance – pre salting and snow clearance

Domestic vehicle crossings

Capacity for design work

Anti skid surfaces

24 hour Emergency Call Out

The OJEU Notice asking for prospective Partners to identify their interest will be issued shortly

Visits to other Local Authorities

Visits to other local authorities by members of the Project Team have been arranged for the end of June. Employees and union representatives will then be able to visit and discuss issues with their counterparts. The authorities identified include Solihull, Wolverhampton, Lanarkshire, Redcar and Cleveland and Bedfordshire

Should you require any information, please contact a member of the Project Team

Mark Holden- Head of Street Pride

**Steve Pretty- Head of Engineering and
Transportation**



HIGHWAYS MAINTENANCE PROCUREMENT STRATEGY SCHEDULE

Scope of Services for Inclusion in Procurement Strategy	
IN SCOPE (provisional)	
1	Structural repair of footways and carriageways- Planned Maintenance
2	Minor highways improvements
3	Reactive highway repair work
4	Highway drainage systems- road drainage
5	Highways drainage systems- stream cleaning
6	Cleaning highways drains and gulleys
7	Public Rights of way- structural repairs (not cleansing)
8	Road Markings
9	Traffic signs
10	Pedestrian direction signs
11	Street Nameplates
12	Winter service, pre salting and snow clearance
13	Domestic vehicular crossing
14	Capacity For Design
15	Anti- skid surfaces
16	24 hour emergency call out
OUT OF SCOPE-HIGHWAYS ENGINEERING AND TRANSPORT	
17	Skip permits
18	Inspections- structural - includes insurance claims
OUT OF SCOPE-STREET PRIDE	
19	Street cleansing inc. removing litter/ graffiti and emptying litter bins
20	Removal of Fly-tipping
21	Removal of syringes
22	Removal of dead animals
23	Highways verges, planted areas and public open spaces adjacent to highways
24	Inspections- environmental
25	Removal of abandoned vehicles
OUT OF SCOPE-PUBLIC PROTECTION	
26	Enforcement of litter regulations
Updated 25-05-07	