

SUMMARY OF THE MAIN PROVISIONS OF THE NEW CONTRACT

The contract uses the NEC4 form of contract.

The contract will be for five years, and can be extended by a further five years subject to performance.

There is a Price List of items, which will be the basis of payment to the contractor. It includes items for measured work paid for by item, linear or square metre etc. There are also items paid for on a time basis where work may not be specified by particular work, such as for Parish Stewards.

The prices will be subject to periodic inflation adjustments using the “Price Adjustment Formulae Indices Series 4 - Highways Maintenance - Work Category Indices”, prepared by BCIS.

Works to be carried out by the contractor, are defined in the specifications and methods of measurement, based on nationally accepted standards, including Department for Transport, British Standards and other industry guidance.

In some cases, bespoke items and specifications have been developed, for example for Parish Stewards.

The operation of the contract will be managed by Contract Management Meetings, which will take place monthly and involve senior representatives of the Council, consultant and contractor.

Service Delivery Teams are established for individual service areas such as major maintenance, local highways, structures, integrated transport, and street lighting. These teams comprising representatives of the Council, consultant and contractor will manage the day to day operations.

The Council issues task orders to the contractor on the basis of the Price List. On completion of the works, or on a monthly basis, the contractor submits a payment application.

Where there are no appropriate items in the Price List the contractor will be requested to provide a price for consideration.

The payment application is reviewed by the Council and an approved sum paid to the contractor.

Task orders and payments applications are managed through the Highways Integrated Asset Management System (HIAMS).

Either party can issue Early Warning Notices (EWNs) in connection with the works to give advance notice of changes or potential issues.

Where appropriate a Service Managers Instruction (SMI) is issued, particularly if there are financial implications in connection with the event, and additional or changes to

payments are made accordingly.

In the event of any disagreement the matter would initially be considered by the Service Delivery Team, and if necessary, referred to the Contract Management Meeting.

If it is still not resolved it may be referred to an independent adjudicator appointed by the Institution of Civil Engineers.

Carbon reduction is a key consideration in the contract and the contractor is required to its carbon usage throughout the contract period.

The contractor's performance will be monitored on a month by month basis so that prompt action can be taken to address any issues.

The contractor's performance is assessed against the contract objectives annually in accordance with the procedure set out in the contract. The responses to the quality submission questions at tender stage and agreed key performance indicators will be taken into account in considering the contractors performance.

Good performance will be rewarded by the award of an extension of five years.

Poor performance could result in contract termination.

The assessment of contractor's performance will be reported annually to the Environment Select Committee or as necessary.