

# AGENDA

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**Meeting:** Environment Select Committee (Extraordinary Meeting)

**Place:** Kennet Room - County Hall, Trowbridge BA14 8JN

**Date:** Tuesday 12 January 2016

**Time:** 3.00 pm

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Please direct any enquiries on this Agenda to Natalie Heritage, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718062 or email [natalie.heritage@wiltshire.gov.uk](mailto:natalie.heritage@wiltshire.gov.uk)

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## Membership:

Cllr Bridget Wayman (Chairman)	Cllr Magnus Macdonald
Cllr Peter Edge (Vice Chairman)	Cllr Ian McLennan
Cllr Brian Dalton	Cllr Linda Packard
Cllr Dennis Drewett	Cllr James Sheppard
Cllr Peter Evans	Cllr Tony Trotman
Cllr Jose Green	Cllr Philip Whalley
Cllr Jacqui Lay	

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## Substitutes:

Cllr Rosemary Brown	Cllr George Jeans
Cllr Trevor Carbin	Cllr Bob Jones MBE
Cllr Terry Chivers	Cllr John Noeken
Cllr Anna Cuthbert	Cllr Jeff Osborn
Cllr Tony Deane	Cllr Ricky Rogers
Cllr Nick Fogg MBE	Cllr Ian Tomes
Cllr Mike Hewitt	Cllr Ian West

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# AGENDA

## PART I

### Items to be considered while the meeting is open to the public

1 **Apologies**

To receive any apologies or substitutions for the meeting.

2 **Declarations of Interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

3 **Chairman's Announcements and Date of the Next Meeting**

To receive any announcements through the Chair and confirm the date of the next ordinary meeting as 16 February 2016.

4 **Public Participation**

The Council welcomes contributions from members of the public.

#### Statements

If you would like to make a statement at this meeting on the sole item on this agenda, please register to do so **at least 10 minutes prior to the meeting**. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named above for any further clarification.

#### Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution. Those wishing to ask questions are required to give notice of any such questions in writing to the officer named above no later than **5pm on Tuesday 5 January 2016**. Please contact the officer named on the first page of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

Details of any questions received will be circulated to Committee members prior to the meeting and made available at the meeting and on the Council's website.

5 **New Highways Contract Award** (*Pages 5 - 26*)

The Highways and Streetscene Task Group, first established in 2013, has

undertaken extensive scrutiny of the contracts associated with servicing of Wiltshire's highways and streetscenes.

At its meeting on 12 October 2015, following the early termination of the contract with Balfour Beatty Living Places in July 2015, the Environment Select Committee considered the latest recommendations of the Task Group, and resolved:

*[For the Task Group to] monitor the development of the tendering process [for the new contract] and the Environment Select Committee to hold an extraordinary meeting in January 2016 to consider the proposed contract decision.*

A report from Dr Carlton Brand, Corporate Director, is attached.

A confidential report will be circulated when available.

The Committee is asked to consider the proposal in the reports and provide comment ahead of consideration by Cabinet on 19 January 2016.

**6 Exclusion of the Public**

To consider passing the following resolution:

*To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 7 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.*

Reason for taking item in private:

*Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).*

**PART II**

**Items to be considered while the meeting is closed to the public**

**7 New Highways Contract Award (Part II)**

A confidential report on the New Highways Contract Award will be circulated prior to the meeting.

**Wiltshire Council**

**Environment Select Committee  
12 January 2016**

**Cabinet  
19 January 2016**

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**Subject: New Highways Contract Award**

**Cabinet Member: Councillor Philip Whitehead – Highways and Transport**

**Key Decision: Yes**

## **Executive Summary**

Following the decision by Cabinet in July 2015 on the early termination of the existing Highways and Streetscene contract with Balfour Beatty Living Places (BBLP), a procurement exercise has been undertaken for a new highways contract.

The new contract will include the provision of routine highways maintenance, Parish Stewards, pothole repairs, winter gritting and the implementation of safety and Community Area Transport Group (CATG) schemes. The new contract will start on 1 April 2016, and the opportunity has been taken to undertake a joint procurement with Swindon Borough Council. It is anticipated that annual expenditure through the contract is likely to be in the region of £15,000,000.

The Procurement of the new contract has followed a two stage process. Following the publishing of the Official Journal of the European Union (OJEU) notice, 54 firms (made up of both smaller and larger companies), expressed an interest via the supplying southwest portal, and subsequently seven firms submitted documents requesting to be on the tender list. One was eliminated due to non-compliance and the remaining six were evaluated. One submission was eliminated by the finance team because of turnover and financial considerations.

Based on the evaluations by a team comprising service managers and representatives of the finance team, with the Corporate Procurement team acting as moderators, a list of five potential tenderers was prepared. One of the companies subsequently advised that they would not be submitting a bid because of timescales and conflicting workloads.

Four of the contractors submitted tenders, which have been assessed in terms of cost and quality, using Price/Quality considerations of 60/40 described in the tender documentation.

The detailed scoring and financial information is contained in a confidential report to be considered in Part 2 of this meeting.

**Proposal**

The proposal is to be considered as a Part 2 Item at this meeting.

**Reason for Proposal**

- (i) There is a need for a specialist contractor to deliver the Council's highways and related services when the existing contract ends on 1 April 2016.
- (ii) Following a procurement exercise in accordance with the 'Restricted Procedure' tenders were submitted by four companies, which were assessed in terms of price and quality.
- (iii) The most advantageous tender for the Council, taking into account quality and price, should be accepted in accordance with the procurement procedures. The detailed scoring and financial information is contained in a confidential report to be considered in Part 2 of this meeting.

**Dr Carlton Brand**  
**Corporate Director**

## Wiltshire Council

Environment Select Committee  
12 January 2016

Cabinet  
19 January 2016

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**Subject:** New Highways Contract Award

**Cabinet Member:** Councillor Philip Whitehead – Highways and Transport

**Key Decision:** Yes

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### Purpose of Report

1. To consider the award of the Wiltshire and Swindon Borough Councils' Highways Contract.

### Relevance to the Council's Business Plan

2. The Council's highways contract helps meet the priorities of the Council's Business Plan, including:
  - Outcome 2 – People in Wiltshire work together to solve problems locally and participate in decisions that affect them
  - Outcome 6 – People are as protected from harm as possible and feel safe

### Background

3. The Council's highways service has been primarily delivered through the Highways and Streetscene Contract, which was awarded to Balfour Beatty Living Places (BBLP) on 18 December 2012. The contract started on 1 June 2013 and brought together the previous highways, street lighting and streetscene contracts and operations into one contract.
4. On 21 July 2015 Cabinet approved the early termination of the BBLP contract, the early transfer of some key BBLP sub-contracts, and the procurement of a replacement highways contract. An outline of the highways services to be provided under the new highways contract is included in **Appendix 1**.
5. The new contract will include the provision of routine highways maintenance, Parish Stewards, pothole repairs, winter gritting and the implementation of safety and Community Area Transport Group (CATG) schemes.
6. Lessons learnt from the existing contract with BBLP have been included in the new contract to reduce the risk of similar problems with the new contract. The removal of the streetscene functions from the contract will make it a more 'traditional' highways contract which suppliers should find easier to understand and deliver.

7. It is proposed that the new contract will come into operation on 1 April 2016 in order to achieve the programme agreed with regard to the termination of the BBLP contract. A summary of the main provisions of the new contract is included in **Appendix 2**.
8. The opportunity has been taken to include Swindon Borough Council in the procurement process so that it can obtain work through the contract. This has the benefit of increasing the scale of the contract, making it more attractive to bidders, and meets the Department for Transport requirements for collaborative working with other highway authorities. It is anticipated that annual expenditure through the new contract is likely to be in the region of £15,000,000.

### **Main Considerations for the Council**

9. The Procurement of the new contract has followed the 'Restricted Procedure' which is a two stage process. The first stage was for bidders to submit information to enable them to be considered for inclusion on a list to be invited to tender.
10. The second stage was for the short listed tenderers to be issued the Invitation to Tender (ITT) documents, which had to be completed and returned by the closing date of 18 December 2015. The tender documents included both price and quality elements which are taken into account in awarding the contract.
11. An open invitation was made to potential providers to attend an 'Industry Open Day'. This was held on the afternoon of Tuesday 6 October 2015 in the Council Chamber at County Hall and was well attended. A presentation was delivered to attendees to enable them to understand the scope of the contract and the timescale for procurement.
12. The programme for the procurement of the new contract is:

<b>Event</b>	<b>Date</b>
Publish OJEU PIN	3 September 2015
Publish PQQ	20 October 2015
Deadline for submission of PQQ clarification question	16 November 2015
PQQ submission deadline	19 November 2015
Evaluation of PQQ Submissions	19 November – 25 November 2015
Issue Invitations To Tender	30 November 2015
Tender Submission Deadline	18 December 2015
Contractor Interviews	22 – 23 December 2015
Award, Standstill Period start, Appointment	19 January 2016
Contract Commencement	1 April 2016



## Pre Qualification Questionnaire

13. Following the issue of a Prior Information Notice (PIN), the Pre-Qualification Questionnaire (PQQ) was made available to potential bidders. The PQQ requested information about the bidder, including financial information, business and professional standing, health and safety, equal opportunities and diversity, environmental management, quality management and previous experience.
14. The returned PQQs were assessed in accordance with the process set out in the document, and were scored by a panel of Council officers to identify a list of organisations to be invited to tender.
15. Following the publishing of the Official Journal of the European Union (OJEU) notice, 54 firms (made up of both smaller and larger companies), expressed an interest via the supplying southwest portal. The PQQ document was issued to all of the firms which had expressed interest.
16. In compliance with the new Public Contract Regulation 2015, all the documents (the PQQ and the Draft Tender Documents) were made available on the same day. This was to allow all the potential bidders to view the documents, and the requirements of the Council, to allow an informed decision on whether to submit a completed PQQ.
17. By 19 November 2015, which was the deadline to receive completed PQQs, seven firms had submitted documents. One was eliminated due to non-compliance and the remaining six were evaluated. One submission was eliminated by the finance team because of turnover and financial considerations.
18. Based on the evaluations by a team comprising service managers and representatives of the finance team, with the Corporate Procurement team acting as moderators, a list of five potential tenderers was developed. One of the companies subsequently advised that it would not be submitting a bid because of timescales and conflicting workloads.
19. It is considered that the four companies invited to tender represented a good tender list of firms with the capacity and capability to deliver the contract. Although it did not form part of the considerations, three of the four companies have had successful contracts with Wiltshire previously. Swindon Borough Council has been involved in the procurement process and kept informed of progress.

## Invitation to Tender

20. The updated tender documents were issued to the selected list of bidders on 30 November 2015 for return by 18 December 2015. The tender documents include a Price List and a Quality Questionnaire. The Quality Questionnaire has questions in connection with:
  - The Management Arrangements
  - Systems and Processes
  - Operations and Methods

- Customer Care
  - Performance, Innovation and Efficiency
21. The tenderers also had to complete the Price List of items which reflected the range of work to be procured through the contract.
  22. The tenders were returned by 18 December 2015. The tenderers were invited to attend individual interviews on 22 or 23 December 2015. This comprised a short presentation by the tenderer, and the opportunity to respond to a series of questions in connection with the contract. The presentation and responses to the questions contributed to the scoring of the quality assessment.

#### Tender Assessment

23. As well as submitting prices the tenderers were required to answer specific questions regarding how they would deliver the required services. The Quality Questionnaire covered five main aspects:
  - Management Arrangements
  - Systems and Processes
  - Operations and Methods
  - Customer Care
  - Performance, Innovation and Efficiency
24. The Quality Questionnaires were assessed and scored by a panel comprising Heads of Service and other staff who have extensive experience of the type of work being undertaken through the contract. The weightings given to each aspect of the Quality Questionnaire are described in **Appendix 3**.
25. The Quality Scores were calculated for each tenderer by dividing their initial quality scores awarded by the panel by the highest initial quality score. Thus the tenderer with the highest initial quality score from the Quality evaluation was awarded a score of 100.00% and all the others are awarded Quality Scores pro rata to their *initial quality scores* (rounded to two decimal places).
26. The outcome of the tender quality assessment is reported in the Part 2 item to be considered at this meeting.

#### Tenderer Interviews

27. As part of the tender assessment process the tenderers were required to attend an interview at County Hall on 22 and 23 December 2015. They were required to make a short presentation to introduce their teams and their approach to the contract.
28. The panel consisted of the Associate Director for Highways and Transport, Parvis Khansari, relevant Heads of service, the Cabinet Member for Highways and Transport, Cllr Philip Whitehead, the Chair of the Audit Committee, Cllr Tony Deane, and the Chair of the Contracts Task Group established by the Environment Select Committee, Cllr Jeff Osborn. The interviews were monitored by a member of the Procurement Team.

29. The tenderers were each asked 10 set questions. They had been given an indication of the subject areas relating to the contract, but did not have advance warning of the specific questions. The scores awarded in connection with the presentation and the responses to the questions were included in the quality assessment.
30. Information on the scores awarded for the Tenderer Interviews is included in the Part 2 report.

#### Price Assessments

31. Tenderers completed and submitted a Price List which contained a schedule of rates and items for the work most likely to be required under the contract. This included a mixture of rates for different types of measured work, fixed sums for particular identified elements of work, and on-costs and multipliers to be applied in certain circumstances. These rates were used to price a basket of items which represented the typical annual expenditure anticipated through the contract.
32. The lowest annual value calculated from the price assessment was awarded 100%. The cost scores for all the other tenderers were calculated by dividing the lowest annual value by each tenderer's annual value in turn.
33. The outcome of the price assessment is reported in the Part 2 item to be considered at this meeting.

#### Comparison of bids

34. The tender assessment process has recognised the vital importance of obtaining cost-effective services, but has also recognised the importance of the quality of the services provided by the contractor. Consequently, bids have been evaluated on a 60/40 Price/Quality basis in order to reflect the relative importance of these two aspects.
35. The quality and price scores of the tenderers were combined to determine the preferred bidder. The full details of the assessment are described in the Part 2 item to be considered at this meeting.

#### Benefits of the New Contract

36. The new contract offers the opportunity to establish a new long term relationship with a contractor to work in partnership with the Council to deliver the highway service.
37. The contract would be for five years, with extensions up to two years subject to performance, which would be monitored continuously and assessed annually. This will act as an incentive for consistent good performance.
38. The new highways contractor would be an established company with a proven track record in highways maintenance, and the capacity and capability to deliver the service.
39. The new contract includes the reintroduction of the Parish Steward scheme, which will be welcomed by local communities.

40. The contract will be for highways operations, and will not include the streetscene and grass cutting elements which caused issues with the previous contract.
41. The new contractor will make full use of the My Wiltshire app in identifying and monitoring work, which would be developed to provide improved responses to reports.
42. The joint working with Swindon Borough Council will allow for better co-ordination of works and resources. It will provide a better workload for the contractor, with potentially greater flexibility and reduced costs. It also meets the Department for Transport aspiration for collaborative working between highway authorities.

#### Next Stages

43. Following a decision to award the contract there will be a ten day standstill period during which other tenderers may make a legal challenge to the award of the contract.
44. Subject to the outcome of the decision by Cabinet, and assuming no legal challenge is received, the intention is to enter into the contract as soon as possible in order to provide the maximum lead in time before the contract starts on 1 April 2016.
45. There will be a significant amount of preparatory work for the successful bidder in arranging the necessary plant and equipment, communications systems and infrastructure. There are also likely to be significant numbers of employees transferring from existing service suppliers to the new contractor. It will be important to establish a consistent culture and processes for meeting the employment obligations, especially in connection with the TUPE regulations.
46. The new contract will make a number of changes to the way services are delivered, including the reintroduction of the Parish Steward scheme, and these arrangements will have to be developed by the new supplier and agreed with the Council officers.

#### **Overview and Scrutiny Engagement**

47. The Environment Select Committee has been actively involved in the termination of the existing contract and the procurement of its replacement. A Contract Task Group was established for the previous contract, which has also monitored the procurement of the new contract. At its meeting on 15 December 2015 the Contract Task Group received a report on the procurement processes being followed.
48. The Chairs of the Contract Task Group established by the Environment Select Committee - Cllr Jeff Osborn, Audit Committee, and the Chair of the Audit Committee - Cllr Tony Deane, were at the Tenderer Interviews in December and have been involved in the process.

#### **Safeguarding Implications**

49. None.

## **Public Health Implications**

50. The condition of roads and related infrastructure can have serious safety implications, especially with regard to skid resistance and condition of highways and the contribution they can make to reducing accidents and public safety. The arrangements for the new contract should ensure continuing delivery of services in these key areas, and help to improve road safety.

## **Procurement Implications**

51. The new contract will deliver routine maintenance operations, pothole repairs and winter maintenance. The procurement has followed the Restricted Procedure, which is a two stage process, with the relevant OJEU notices and procedures.
52. The scope and details of the new contract take into account a number of factors, including revenue funding pressures, public expectations, winter maintenance requirements and legal obligations to maintain the highways network. The development of the package of works for tender has been undertaken in parallel with the transfer of other parts of the service by agreement.
53. The Council's Procurement Team has been actively involved in the process and has monitored the procurement and tender assessment processes to ensure they are carried out properly and to reduce the risk of a legal challenge. The detailed scoring and financial information on the tender assessment is contained in a confidential report to be considered in Part 2 of this meeting.

## **Equalities Impact of the Proposal**

54. The new highways contract will result in existing employees of current contractors and sub-contractors having rights under TUPE legislation. The Council will work with the contractors and sub-contractors to determine whether TUPE is applicable and to make the appropriate arrangement to meet any legal obligations.
55. The successful tenderer has been required to demonstrate good practice in terms of employment policies and practices, and conform to the Council's standards and behaviours framework. The tenderers' employment policies have been taken into account in assessing the tenders.

## **Environmental and Climate Change Considerations**

56. The effects of climate change are likely to have significant effects on the highways network as was seen in the flooding of 2014, and the consequent damage to the roads, footways and drainage systems. Having a suitable highways contractor in place will enable robust responses to be made to immediate problems, and will assist in delivering strategies and investment to improve the condition of the network to help build resilience into the infrastructure.
57. Some winters in recent years have been particularly severe, and have emphasised the importance of the precautionary salting and snow clearing which would be carried out by the new highways contractor.

58. The maintenance of highways, verges, landscaped areas and watercourses carried out by the highways service can have an important influence on the local ecology and environment in Wiltshire, and this has been taken into account in assessing the quality questionnaires.
59. The new contract includes the maintenance of the Council's street lighting. In recent years this has proved to be an area where significant cost savings have been made through invest to save initiatives, and where positive steps have been taken to reduce the Council's carbon footprint. The new contract has provided the opportunity to obtain prices for energy efficient equipment for potential installation to replace aging and inefficient infrastructure as funding permits.
60. The duties of the Council, as Lead Local Flood Authority, have increased the importance of responding to flooding. The new contract will provide for an immediate response to flooding and other incidents in the county, with resources being increased in response to events. It is likely that flood alleviation and community protection works will increase in importance during the life of the new contract.
61. The tender assessment process for the new highways contract has taken into account the environmental policies of the tenderers in the quality assessments.

### **Risk Assessment**

62. There are significant risks associated with the Council's highways operations, especially in terms of health and safety, and in financial and reputational risks to the Council. The appointment of a suitable contractor for the highways service is important in reducing and managing these risks.

### **Risks that may arise if the proposed decision and related work is not taken**

63. It is important that a suitable contractor is appointed to enable the contract to start on 1 April 2016 when the existing contract ends. In the event of the contract not being awarded it should be possible to make temporary arrangements with existing suppliers, and this possibility has been discussed with them. However, there would be risks associated with this as resource levels would be likely to be reduced, which could result in delays in dealing with potholes and other issues on the highway.
64. There could be a risk of increased accidents, claims and public dissatisfaction if highway maintenance is not delivered effectively, or is delayed as a result of procurement issues. These may arise if suppliers are unwilling to continue to provide the services to the level required by the Council. At present, with the current progress on procurement, this seems unlikely, but the situation will continue to be monitored.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

65. There is a risk that despite the stringent procurement procedure and assessment processes that the selected contractor does not meet expectations and performance is not as good as anticipated. The problems with urban grass

cutting with the BBLP contract were widely reported. These problems have been resolved with the current service supplier, and do not form part of the new highway contract, but they do illustrate the issues that can arise.

66. Careful consideration was given to the scope of the new contract when the decision was taken to terminate the current contract. The new contract will be managed through established and clearly defined processes, with reports on performance being made on a regular basis to the Environment Select Committee, or as required.
67. There is a risk that there could be a legal challenge to the contract award. There is a ten day standstill period following award during which this could happen. The processes followed in procuring the contract have followed the required procedure in order to reduce this risk.

### **Financial Implications**

68. Highways budgets nationally have been under severe pressure for many years. This has been especially the case recently for revenue funding which funds routine maintenance, including grass cutting, gully emptying, litter collection and day-to-day operations on the network. It is especially important that value for money is obtained for these items through the current procurement process.
69. There has been significant capital funding for highways maintenance and improvements in Wiltshire in recent years, despite the difficult financial situation. However, the increasing workloads in the public and private sectors are causing concerns about future cost pressures across the industry.
70. The assessment of the tenders for the new contract has included consideration of the financial aspects. A weighting of 60% has been given to the cost elements, compared to 40% for quality, which reflects the importance of achieving value for money through the contract. A representative basket of goods of anticipated work expected to be ordered through the contract has been used in order to carry out an assessment of the financial implications of the tenders.
71. The financial implications of the award of the new contract are discussed in the Part 2 report which will be considered at this meeting.

### **Legal Implications**

72. The Council has a duty to maintain the highways network and related infrastructure. The new highways contract will deliver important aspects of the highways service, and help ensure that the Council meets its obligations under the Highways Act and other legislation. The new contract, and the appointment of a suitable supplier, will help ensure that the services are provided to the standard necessary for the Council to fulfil its statutory duties.
73. The transfer of staff under TUPE from the existing service suppliers to the new supplier will be managed, with appropriate legal advice, as part of the contract transition process. This will include the protection of pension rights of transferring staff through either access to the Local Government Pension Scheme or other appropriate scheme, details of which will be negotiated with the new supplier.

74. It is important that the procurement process and contract award follow the correct processes in order to avoid legal challenges during the process which could delay or prevent the start of any new arrangements.

### **Options Considered**

75. It is necessary for the Council to award a new contract because of the importance of the highway service to the Council and the communities in Wiltshire. There are safety, legal, reputational and financial risks associated with not having a suitable contractor for the highways service.
76. The tenders submitted for the new contract have been assessed in terms of price and quality in accordance with the agreed procedure, and the most suitable tenderer has been identified.

### **Conclusions**

77. The result of the assessment to identify the preferred bidder is described in the Part 2 item to be considered at this meeting. The most advantageous tender for the Council, taking into account quality and price, has been identified in accordance with the procurement procedures.

**Parvis Khansari**  
**Associate Director Highways and Transport**

Report Author:

**Peter Binley**

Head of Highways Asset Management and Commissioning

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**The following unpublished documents have been relied on in the preparation of this Report:**

None

### **Appendices:**

- Appendix 1 - Scope of new contract
- Appendix 2 - Summary of main features of contract
- Appendix 3 - Quality Questionnaire Scoring Weightings
- Appendix 4 - Draft Notes of Highways and Streetscene Task Group, 15 December 2015



Scope of the Wiltshire Highways Contract

The information below is indicative only and does not necessarily cover the full list of works included in the contract:

Local Highways – Parish Stewards, Pothole and carriageway defect repairs, masonry gangs, footway, kerb and ironwork maintenance, weed spraying, drainage cleansing and gully emptying, reactive grass cutting, road marking and sign maintenance, mechanical sweeping.

Street Lighting – lighting and illuminated sign maintenance and renewal work, column replacement, damage repairs and renewals, energy saving and lighting improvement schemes.

Drainage surveys and investigations – CCTV surveys, recording, cleansing, repairs and renewal.

Weather and Emergencies – Winter gritting, grit bins, weather emergency, flooding response, wind damage, out of hours service, emergency response service attending and responding to incidents on the highway on a 24 hours a day basis, escalating the response, and increasing and deploying resources as required. The Council is the Lead Local Flood Authority for Wiltshire and the selected Contractor will operate the Council's response service to flooding incidents.

Traffic Management – Temporary traffic signals, stop-go control, diversion routes for works in connection with the contract, and work by other contractors, organisations and events.

Integrated Transport Schemes – Local safety, pedestrian, cycle and public transport infrastructure schemes, traffic calming, signing and road marking improvements, residents parking, Community Area Transport Group (CATG) schemes.

Bridge Repairs and maintenance – Routine bridge maintenance and repairs, minor bridge schemes.

Highway Maintenance – Pothole repairs, machine lining and cat's eyes, safety fencing, velocity patcher, footway repairs and renewal, carriageway resurfacing and in-situ recycling.

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**Wiltshire and Swindon Borough Council Highways Contract  
Summary of main features**

There will be separate contracts between each of the Councils and the contractor, with a partnering agreement between the parties.

The contract uses the NEC3 form of contract.

The contract will be for five years, and can be extended for a further two 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 adjusted annually based on price indices applied to a representative basket of goods.

There is a description of the works to be carried out by the contractor, including specifications and methods of measurement, generally 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.

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

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 Change Event Notification (CEN) 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 be 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.

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

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 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 up to six months each year, up to a total of 2 years. Poor performance could result in removal of awarded extensions or other action.

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

## Quality Questionnaire and Interview score weightings

## Quality Questionnaire

Section	Question	Weighting
<b>A. Management Arrangements</b>	Q1. Local Organisation and Management	5%
	Q2. Mobilisation and Demobilisation	5%
	Q3. IT Mobilisation	5%
	Q4 Personnel Training and Development	5%
	Q5. Depot Proposals	5%
<b>B. Systems and Processes</b>	Q6. Reactive Works Management Process	5%
	Q7. Mobile IT	5%
	Q8. Administration of Financial Processes	10%
<b>C. Operations and Methods</b>	Q9. Parish Stewards	5%
	Q10. Management of Programmed Works	5%
	Q11. Winter, Weather and Emergency	5%
<b>D. Customer Care</b>	Q12 Customer Care	5%
	Q13. Data Protection	5%
	Q14. Pensions	5%

<b>E. Performance, Innovation and Efficiency</b>	Q15. Performance and Innovation	15%
	Q16. Operational Efficiency	10%
<b>TOTAL</b>		100%

### Tenderer Interviews

<b>Section</b>	<b>Scope</b>	<b>Weighting</b>
<b>Presentation</b>	Introduction to team and outline	20%
<b>Management Arrangements</b>	Partnership working, dispute resolution, Project Manager	20%
<b>Systems and Process</b>	New technology, staff areas and resource management	10%
<b>Operations and Methods</b>	Management of planned and reactive works, new techniques and regulations. Parish Stewards	20%
<b>Customer Care</b>	Communications with others	10%
<b>Performance, Innovation and Efficiency</b>	Efficient and effective services, innovation and best value.	20%
<b>Total</b>		100%

## APPENDIX 4 HIGHWAYS AND STREET SCENE CONTRACT (BBLP) TASK GROUP

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### DRAFT NOTES OF THE HIGHWAYS AND STREET SCENE CONTRACT (BBLP) TASK GROUP MEETING HELD ON 15 DECEMBER 2015 AT KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

#### Present:

Cllr Bob Jones MBE, Cllr Gordon King, Cllr Jeff Osborn and Cllr Linda Packard

#### Also Present:

Theo Biney, Peter Binley, Adam Brown, Adrian Hampton, Parvis Khansari and Henry Powell

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#### 1 **Apologies**

Apologies received from Cllrs Tony Trotman, John Walsh and Philip Whitehead.

#### 2 **Notes of the previous meeting**

The report of the task group's meeting held on 15 October 2015 was approved as a correct record. This was endorsed by Environment Select Committee on 27 October 2015.

#### 3 **New highways contract**

Key discussion points:

The following attended to answer questions on the report and appendices setting out the process for tendering for the new highways contract:

Peter Binley Head of Highways Asset Management  
Theo Biney, Senior Purchasing Group Leader  
Adrian Hampton, Head of Local Highways, Weather and Emergency Services  
Parvis Khansari, Associate Director for Highways and Transport

Key discussion points:

#### Parish Stewards

- The contract includes the provision of the parish steward service and a specification for the role. The council held an open day and showed a

DVD on the Parish Steward Scheme to ensure bidders understand what is required.

- ICT issues experienced under the previous contract are being addressed. It is hoped operators will use the My Wiltshire app resulting in no loss of data on logged issues. Operators will be empowered to respond directly to logged issues, rather simply than 'close', 'complete' or 'reject', which caused communication issues previously. In the short terms a 'workaround' has been implemented to reduce the known ICT problems.

### Workflow

- Gullies in high- risk areas are cleared as a priority , but those not causing house flooding or road safety issues are addressed when resources allow.
- Work is being done to ensure that the new contractor can commence work on day one and that the council has a full programme of work to pass to them.
- Masonry issues (e.g. loose paving slabs) are being addressed where they meet the council's stated intervention levels. There four reactive masonry gangs. Work that does not meet the council's intervention levels are completed as resources allow, or left as low priority work. There are two additional capital masonry gangs that undertaken scheduled maintenance and larger schemes. The number of gangs available in the new contract will be decided when rates and the budget is known.

### Joint tender with Swindon Borough Council

- Wiltshire and Swindon are undertaking a joint procurement process with a single set of prices and specifications. However, each council will sign contract separately to retain separate liabilities. Procuring and managing the contract together will create efficiencies. Swindon BC has its own in-house highways provision, but the new contract will give them capacity for additional relatively small-scale works. Wiltshire benefits from the joint arrangement by being able to demonstrate that it is working collaboratively with other councils, which is a factor when central government determines local authority funding levels.

### Contract extensions

- Under the new contract the council can award the provider a six month extension for every year that a suite of KPI targets are delivered, with a maximum total extension of 2 years. However the council can also remove these extensions if performance is not satisfactory.



### Adjustments to the new contract

- Small amendments to the contract have been made since the previous version in order to close small loopholes and ensure clarity about terms and expectations. These include defining precisely what a 'season' is and the specification for the parish steward role.
- Much of the value of the new contract goes on materials and technology. The successful bidder is expected to be aware of the latest technological developments and use these to create efficiencies.

### Next steps

- The pricing information submitted by bidders will allow calculations to be done assessing the impact of the new contract on the council's 2016/17 financial plan.
- On 12 January 2016 Environment Select Committee will receive a report describing the strengths and weakness of the various tenders bids, but the actual providers won't be named. On 19 January Cabinet will make the final decision.
- Task Group members were invited to form one of the focus groups contributing to the LGA Peer Review of the council's highways service.
- Officers were asked to provide the following information:
  - a) Parish Steward role specification
  - b) A Members Briefing Note in January reporting the successful provider and detailing the services to be provided under the contract.
  - c) Urban grass cutting maps.
  - d) "BBLP" to be removed from the task group's name.

#### **4 Next steps**

Please see the item above.

(Duration of meeting: 3.00 - 4.00 pm)

The Officer who has produced these minutes is Henry Powell, Senior Scrutiny Officer, of Democratic Services, direct line 01225 718 052, e-mail

[henry.powell@wiltshire.gov.uk](mailto:henry.powell@wiltshire.gov.uk)

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