

Written statement of a key decision
Cabinet member transport and regulatory services

Title	Public realm contract extension
Decision maker	Cabinet member transport and regulatory services Information about cabinet, including the names and contact details of the cabinet members, can be found here: http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251
Date of decision	9 July 2018
Report exemption class	Open
Reason for being a key decision	This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
A notice was served in accordance with Part 3 (Key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	To approve an extension of the public realm service contract, with Balfour Beatty Living Places, in line with contract terms and conditions. The contract period is September 2013 to August 2023, with up to a ten year extension. The contract has reached the first relevant period for review of strategic performance and contract extension. The contract will extend the term to August 2024. The overall performance delivery is positive with the required thresholds being met, 12 of the 16 indicators achieving acceptable or above performance. A report has been produced which demonstrates the performance position, scoring mechanism, trends and outcome.
Decision	That: (a) Balfour Beatty Living Places be awarded a one year extension (to 31 August 2024) to the public realm service contract; (b) Authority be delegated to Cabinet Member for Highways and Roads, for future contract extensions, through the

	contract governance arrangements
Reason for the decision	As set out in the report. Documents relating to this decision are available at http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50024778
Options considered	<ol style="list-style-type: none"> 1. Not to award an extension to the contract at this time. This is not recommended as the contract follows a model that is designed to incentivise the provider to achieve successful performance delivery throughout the potential contract term. Successful performance is gauged against strategic indicators which are monitored and considered at relevant set periods through the term of the contract. As Balfour Beatty Living Places (BBLP) has achieved acceptable strategic performance, as defined by the contract they are entitled to a contract extension unless the council exercises its discretion to do otherwise. Such discretion must be exercised reasonably in the circumstances following discussion with BBLP. No reasonable circumstance for the exercise of this discretion has been identified. 2. To award an extension of the contract period to BBLP that is greater than one year. Under the contract the council has discretion to award extensions of greater than one year following the attainment of acceptable strategic performance by BBLP. This is not recommended at this time as the contract follows a model that is designed to incentivise the provider to achieve successful performance delivery throughout the potential contract term, and the early award of additional contract extension following this first review period may act as a disincentive to BBLP's contractual performance later in the contract term.
Declarations of interest (see below)	
Call-in expiry date (decisions are not subject to call-in where special urgency provisions apply)	13 July 2018

Councillor:	Date 9 July 2018
Cabinet member transport and regulatory services (Councillor BA Durkin)	

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

and

- in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.