

HEREFORDSHIRE PUBLIC REALM CONTRACT ANNUAL PLAN 2016/17

SERVICE OVERVIEW

Date: 01 April 2016

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KEY UPDATES IN THE SERVICE OVERVIEW

The service overview has been updated throughout to reflect changes in the way the service is delivered or to highlight an area of or opportunity for improvement in the service. For reference, the following areas have received significant changes:

- Key Areas of Continuous Improvements in 2016/17
- Commercial/Financial Overview
- Supporting Herefordshire Councils 3% Savings Target
- Payment Mechanisms & Service Order Schedule
- Appendix A, E, G, H, J, K, L

INTRODUCTION

This document, the Herefordshire Annual Plan 2016/2017 (Annual Plan) sets out how Hereford Council (HC or Council) supported by its partner Balfour Beatty Living Places will rise to the challenge of protecting and improving frontline services in the Public Realm in challenging economic times.

The challenge for the Council is to determine how it can best contribute towards improvements in the public realm, meeting its statutory obligations and providing for the needs of the people who live and work here, all within set budget constraints and fixed timescales.

A wide range of Council functions contribute towards public realm services, these include highway maintenance, street cleansing, regeneration, grounds maintenance, planning, traffic and parking management, and marketing to name but a few. This places significant importance on the ability of the Council to coordinate those functions, including partnerships with other organisations or groups, to create a high quality public realm.

The Annual Plan sets out how together Herefordshire and Balfour Beatty will:

- Deliver Herefordshire objectives, to produce an attractive environment for residents and visitors alike,
- Explore opportunities where the Council can create an incentive for community participation and empower communities, through community payback schemes within local communities, to tackle problem areas and enhance the environment,
- Coordinate works (including external contractors or utilities) in the public realm to create an environment that is perceived positively by those who use it,
- Manage all this activity in a cost effective way.

The Annual Plan sets out the priorities for provision of services for the plan period, the financial year 2016 – 2017. Annual Plans will be reviewed and published annually, allowing the Council to respond to changing priorities from residents, businesses and Council members. This is set within the context of a longer term 4 year Forward Programme.

DOCUMENT STRUCTURE

The Annual Plan consists of the service overview (this document) and fourteen technical annexes. The Service Overview captures the partnership principles and mechanisms that will allow the effective delivery of public realm services. It also summarises commercial and financial information for the service, providing a sign post to relevant detail captured elsewhere, for example in the Public Realm Contract. The Annexes set out the detail as to how the Council and Balfour Beatty Living Places will manage and provide each of the public realm services for the plan period. In other words, the Annexes provide information on the 'what', 'where', 'when' and 'how' for each of the services. The Service Overview provides the overarching principles that have helped shape the Annual Plan, the 'why' for the service.

The annexes included in the Annual Plan are captured in Table 1:

Service Information Annex's	
Annex Reference	Service
Annex 01 – Network resilience	Support During Civil Emergencies and Highways Winter Service
Annex 02 - Community Development and Stakeholder Management	Community Development, Customer Interface and Stakeholder Management
Annex 03 – End to End Network Improvement	Highways Network Improvement including surfacing, Local Transport Plan schemes and other major schemes
Annex 04 – Development Control & Devolved Services	Development control and third party commissioning of service
Annex 05 - Fleet Management	Fleet Management and Mechanical Workshop Services
Annex 06 - Parks and Open Spaces, Landscaping, Verges and Trees	Highways - Landscaping, Verges and Trees Parks and Open Spaces, including: <ul style="list-style-type: none"> • Management • Rehabilitation and Maintenance
Annex 07 – Managing Water on the Network	Highways Drainage, Land Drainage, Flood Risk Management
Annex 08 – Asset Management	Transport Asset Management Planning, Service Prioritisation, Asset Management
Annex 09 - Network Management and Traffic Regulation	Network Management and Traffic Regulation including Traffic Regulation Orders and Traffic Engineering
Annex 10 - Network Rehabilitation Maintenance	Network Rehabilitation and Maintenance including reactive and routine response to asset degradation
Annex 11 - Public Rights of Way	Highways - Public Rights of Way, including: <ul style="list-style-type: none"> • Management • Rehabilitation and Maintenance • Network Improvement • Structures
Annex 12 - Street Cleaning	Street Cleaning including bin emptying, fly tipping and road sweeping
Annex 13 – Street Lighting	Street lighting including asset maintenance and replacement

Annex 14 - Structures	Structures including inspection, capital maintenance and major schemes
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Table 1: Services and their corresponding annexes

The Annexes set out greater detail of the contribution each service will make to achieving the councils overall objectives.

MEETING CONTRACT REQUIREMENTS FOR ANNUAL PLAN

Table 2 outlines the criteria against which the Annual Plan will be assessed. Here the comments section of the table captures where reviewers should expect to find information to satisfy these criteria.

Contractual Test	Comment
Meet the Council's objectives, as per the Contract;	Captured in each annex
Proposed expenditure must be within Capital and Revenue Budgets that have been assigned to Balfour Beatty Living Places (BBLP);	Captured in the 'Service Overview' in Appendix E, Financial Information Summary of costs included in each annex
Be capable of delivering 3% cashable savings for the Council against the prior year's spend;	Captured in 'Service Overview' in "Supporting Herefordshire Councils 3% Savings Target"
Be in accordance with the Service Information and contain any information that is required to be included in the Annual Plan by the Service Information;	Captured in each annex
Address any priorities set by the Strategic Partnering Board;	Captured in each annex
State the financial year to which it relates;	Captured in each annex
Provide estimated cost + fee for each activity in the plan;	Captured in 'Service Overview' in "Service Summary" Summary of costs included in each annex
Provide details of any risk contingencies in relation to each activity;	Captured in each annex Summarised in 'Service Overview' in "Risk Management"
State the estimated Local Overhead Cost;	Captured in 'Service Overview' in " LOCAL MANAGEMENT OVERHEAD COSTS "

Show the order and timing of the works, including works for Others;	Captured in each annex
Show any dates when BBLP will require access, acceptances, materials from the Council or information from Others to deliver the Annual Plan;	Captured in each annex where access or acceptances is required
Show the payment mechanism for each part;	Captured in 'Service Overview' in "PAYMENT MECHANISMS & SERVICE ORDER SCHEDULE"
Be practicable; and	Captured in each annex
Be a realistic reflection of BBLP's plans.	Captured in each annex

Table 2: Annual Plan Sign off Criteria

POLICY CONTEXT

The following documents have been reviewed and contributed towards the formation of the Annual Plan.

LEGISLATIVE DOCUMENTATION / REFERENCE DOCUMENTATION

- National Planning Policy Framework (NPPF) 2012
- Civil Contingencies Act 2004,
- Highways Act, 1980
- Traffic Management Act, 2004
- Localism Act, 2011; Part 5
- New Roads & Street Works Act, 1991
- Freedom of Information Act 2000
- Legal Services Act 2007
- Data protection Act 1998
- DMRB – Design Manual Roads and Bridges
- Manual for Highway Works Spec for Highway Works
- Manual for Streets
- UK roads Liaison Group Highway Maintenance Efficiency Programme Infrastructure Asset Management Guidance Documents
- Well managed Highways 2016
- Safety - HD 19/03 and IAN 152/11.
- CIHT Road Safety Audit guidelines
- Planning Advisory Service – Guides and codes of practice
 - Investing in our place - self assessment tool
 - Infrastructure Delivery Plans
- Town and Country Planning Act 1992 subsequent revisions and additions
- Manual for Streets 2
- The Traffic Signs Regulations & General Directions 2002
- The Road Vehicles (Construction and Use) Act, 1996
- The Road Transport (Working Time) Regulations, 2005
- Road Traffic Regulation Act, 1988
- The Removal and Disposal of Vehicles Regulation, 2012
- Well Maintained Highways' 2005
- CIPFA guidelines
- Highway Infrastructure Asset Management Guidance Document
- Land Drainage Act 1991 & 1994
- Flood Risk Regulations 2009
- Flood & Water Management Act 2010
- The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996
- NRSWA Code of Practice for the Coordination of Street Works and ~Works for Road purposes and Related Matters 2008 (updated 2014)
- NRSWA Code of Practice for Inspections 2002
- Road Traffic Regulations Act 1984 as amended by the Road Traffic (Temporary Restrictions Act 1991)

- Department for Environment, Food and Rural Affairs (DEFRA), Clean Neighbourhoods and Environment Act 2005
- Street Lighting Code of Practice, 1980; Section 41
- Structural Eurocodes
- The Code of Practice for the Management of Highway Structures
- The Manual for the Inspection of Highway Structures
- Bridge Condition Indicators Guidance
- Natural England – Hedges and the Law

HEREFORDSHIRE COUNCIL DOCUMENTATION

- Herefordshire Corporate Plan
- Local Transport Plan
- Locality Strategy for Herefordshire – March 2011
- Herefordshire's Equality and Human Rights Charter 2013-2016
- Customer Service standards
- Herefordshire design guides
- Herefordshire Transport Asset Management Plan (TAMP)
- HC Winter Service Policy
- HC Winter Maintenance Plan
- HC Sandbag Policy
- HMEP Guidance
- Herefordshire Highways Maintenance Plan
- Herefordshire Draft Tree Guidance

CONTRACT DOCUMENTATION

- Herefordshire Council Contract, Public Realm Services, Baseline Specification
- Herefordshire Council Public Realm Tender Documentation

These documents should be considered according to the following hierarchy:

- Legislative Documentation
- Contract Documentation
- Herefordshire Council Documentation
- Reference Documentation.

ORGANISATION

DELIVERY STRUCTURE

Balfour Beatty Living Places will manage the delivery of the Annual Plan according to the following structure in Figure 1.



Figure 1 - Herefordshire Annual Plan Management Structure

The aim of the management structure is to efficiently and effectively deliver the services detailed in the Annual Plan whilst being best organised to respond to the needs of Council Members, Residents and Businesses. These individuals will be known as the BBLP Senior Management Team (SMT).

The structure and organisation of the teams that report into each of the managers captured in blue boxes is presented in greater detail in each of the Annual Plan annexes. A Summary is provided in Appendix: A, Organisation Structure.

The client structure is captured within the governance section of this document.

KEY MANAGEMENT RESPONSIBILITIES

The following are the key responsibilities of the BBLP senior management team:

- **Contract Director** – Overall accountability for delivery of the annual plan to the agreed budget;
- **Design and Build Manager** – Responsible for delivery of all capital works; including management of major projects, management of LTP and minor improvements, asset management (Bridges, Highways, Drainage and TAMP), and delivery of all associated works;
- **Commercial and Financial Manager** – Responsible for commercial and financial management of the contract; including supply chain management, commercial and financial reporting, risk management, cost management and forecasting;
- **Knowledge Centre Manager** – Responsible for performance management and reporting, works scheduling, stakeholder management (including the public enquiries), location management, public contact centre management and network regulation;
- **Locality Manager** – Responsible for locality stewardship, including asset inspections, Ward and Parish Councillor liaison, local interest group liaison, community based service provision;
- **Operations Manager** – Responsible for all planned and reactive works (including highways maintenance, winter maintenance, drainage, street cleansing, grounds maintenance, traffic management and street lighting) and fleet services.

THE COMMISSIONING CYCLE

Herefordshire Council's ambition is to move to a commissioner of outcomes. The Public Realm contract is a lead example of this move to commissioning. In support of this ambition the following commissioning principles, hallmarks and cycle have been proposed. This will be considered further as part of the development of the Forward Programme and through the delivery of the 2016/17 Annual Plan. This development will include finalising processes to support commissioning excellence and development of commissioning capability in the client and contract teams. The processes developed to date are captured in Appendix B, Commissioning Processes.

KEY COMMISSIONING PRINCIPLES

Together Herefordshire Council and BBLP will work to the following principles:

- **Outcomes** - we will focus on commissioning for Outcomes rather than commissioning of services, using the assessment of needs in *Understanding Herefordshire*;
- **Monitoring** – we will apply a robust contract and supplier monitoring and management regime to ensure benefits realisation and maximise continuous improvement;
- **Self-reliance** – we will work with residents, service users, volunteers and voluntary groups, community bodies, business and our partners to help people to be more self-reliant, devolve services and build stronger communities;
- **Local delivery** – we will focus on community engagement, service delivery and public access in our nine localities, working with parish councils, local businesses and the third sector;
- **Valued Services** – we will prioritise services that deliver outcomes for a better Herefordshire and focuses on vulnerable groups.

COMMISSIONING HALLMARKS

The following are considered hallmarks of good commissioning:

- We will employ a mixed economy of service provision ensuring use of the most appropriate delivery vehicle, whether in-house, third sector, private sector, public partnership to ensure the best outcome for Herefordshire;
- We will develop supply markets to meet the changing demand which also supports a vibrant Herefordshire economy;
- We will work to combined Commissioning and Decommissioning plans for all Directorates which will confirm our commissioning intentions and required outcomes;
- We will maximise opportunities for efficiencies through increased collaboration;
- We will ensure we base all our commissioning decisions on clear evidence of local need;
- We will use evidence of best practice and innovation in service delivery;
- We will develop our capability and capacity to support strategic commissioning;
- We will commission in partnership where this secures joint measurable outcomes;
- We will ensure commissioned services are effective and provide value for money.

THE COMMISSIONING CYCLE

The following commissioning cycle (Figure 2) is adapted from the Cabinet Office Commissioning Academy best practice documents for use by Herefordshire Council and BBLP.



Figure 2: Draft Commissioning Cycle Proposal

THE COMMISSIONING PROCESS IN 2016/17

Changes were implemented during the 2015/16 Annual Plan period to improve the commissioning process to support officers in commissioning service through the Public Realm Contract, captured in Appendix B, Commissioning Processes.

Further work will be undertaken to implement a commissioning process for third party works during the 2016/17 Annual Plan Period. This work will support third parties in delivering services that are not funded in the Council's Forward Programme. This could include traffic regulation orders, traffic engineering schemes and village gateways.

THE ANNUAL DEVELOPMENT PROCESS

Figure 3 shows the process, timeline and responsibilities for development of the annual plan each year.

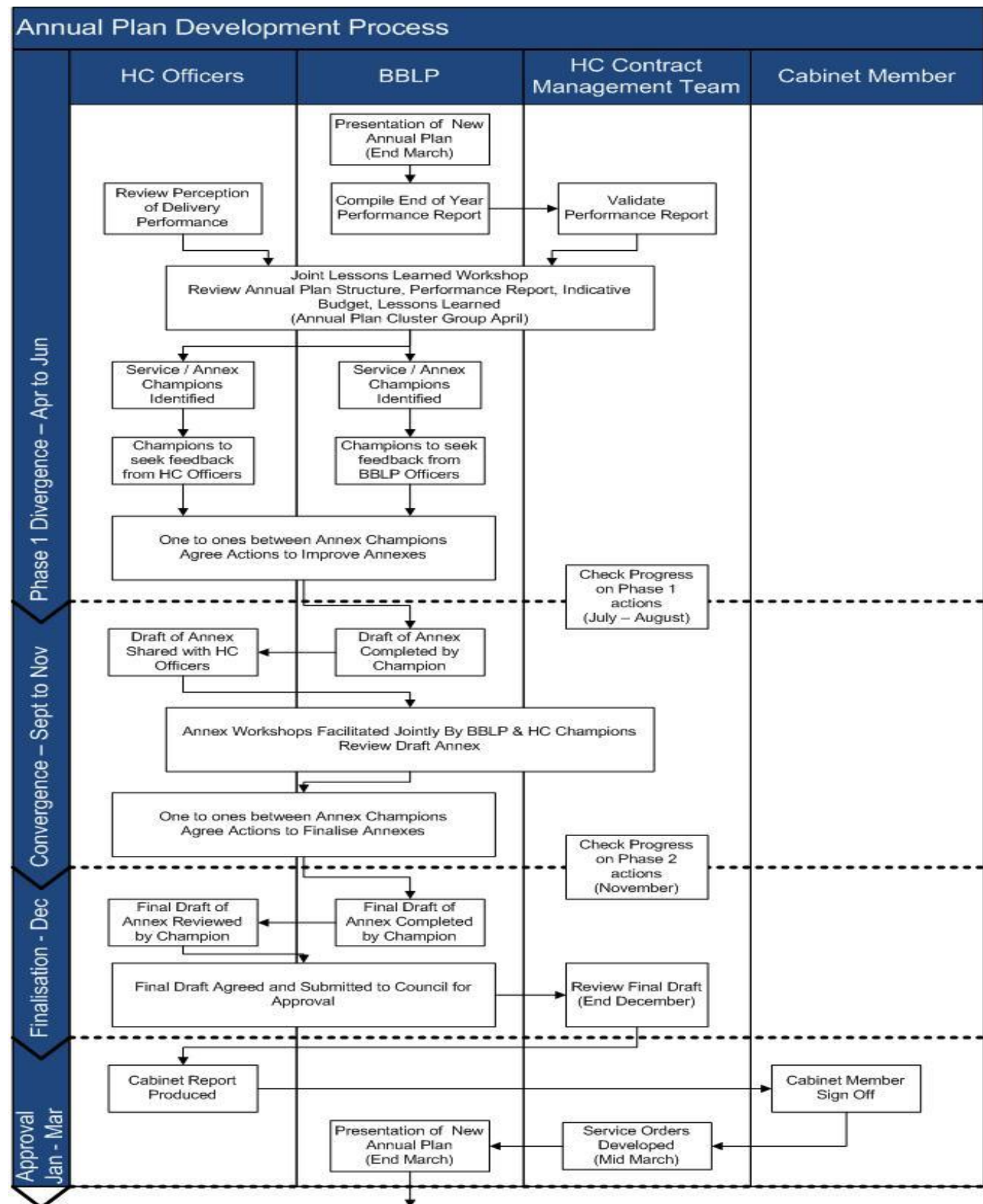


Figure 3: Annual Plan Development Process

PRIORITISATION AND OPTIONS APPRAISAL

In the development of each annual plan a process of prioritisation of service needs in line with the forward programme will be conducted against the context of the desired outcomes and available budget. The aim is to inform the decision as to allocation of funding to each part of the service, in order to maximise delivery of Herefordshire's outcomes. A bottom up budgeting mechanism has been used for prioritisation. The budget has been allocated according to the following hierarchy:

- Provision of statutory services as required by law (for example the Highways Act 1980);
- Provision of contractually obligated service (for example Annex 2 Community Development);
- Provision of all other services (for example Grounds Maintenance).

Allocation of budget to all other services, where there are less onerous or extensive legal or contractual obligations, is on the basis of community and asset need. Community need is determined through an on-going process of community consultation, through the Locality Stewards, Ward Members, attendance at Parish Council Meetings and customer enquiries. During the 2016/17 Annual Plan period a Council Exhibition and a Public Consultation was conducted to support this process. Asset need is determined through condition surveys and the whole life cycle asset management model captured in the TAMP.

Once budget has been allocated, the design of the service is considered. Possible options for delivery are appraised. This options appraisal ensures that the service is designed to achieve the maximum level of outcome delivery for the available budget. This guarantees that the use of the public purse demonstrates best value.

Prioritisation also takes place within each service. An example of spend prioritisation is demonstrated in Annexe 3 End to End Network Improvement. Here the improvement programme has used criteria related to safety, serviceability, community benefit and risk, to establish a priority list of schemes from a long list compiled from community consultation and network survey. See Figure 4.

The following criteria have been used in the prioritisation:

- **Safety** – Technical Appraisal, Insurance Claims
- **Serviceability** – Highways Drainage, Revenue Spend, Maintenance Need
- **Community Benefit** – Traffic Use, Community Access
- **Risk** – Level of Engagement, Program integration

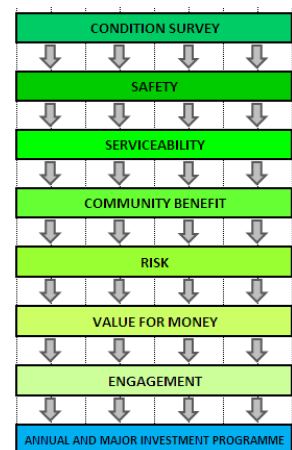


Figure 4: Scheme Prioritisation Process

OUTCOME OF PRIORITISATION AND OPTIONS APPRAISAL

In the 2016/17 annual plan period, the following major works are planned:

- **Herefordshire City Centre Transport Package** works including: Design services to procurement; site set up and demolition; and construction of the road and sustainable transport elements of the scheme.

- **High Town Public Realm Refurbishment** works including: project management; design; construction and consultancy services related to the upgrade of High Town Public Realm, including on street & residential parking
- **South Wye Transport Package** detailed design of the Southern Link Road, design and consultation of Active Travel Measures and land acquisition in 2016/17.
- **Herefordshire Relief Road** works including: project management; design and consultancy services, surveying and technical work to support development in line with HC Core Strategy.

A programme of major works can be found in Annex 3 (End to End Network Improvement).

In the 2016/17 annual plan period, the following capital maintenance programmes are planned:

- **C&U Road Investment Programme**, works including: surfacing; surface dressing micro-asphalt and footway works on C and U roads across the county agreed following consultation.
- **A&B Road Investment Programme**, works including: surfacing; surface dressing micro-asphalt and footway on A and B roads across the county agreed following consultation.
- **Drainage and Structures Capital Maintenance Programme**, works including: project management; design and consultancy; and construction services.
- **Specific Improvement Schemes**, works including: project management; design and consultancy; and construction services.

GOVERNANCE

CONTRACT GOVERNANCE

The formal governance mechanisms are described in the contract and illustrated in Figure 5. Any change that impacts upon the contract must be raised as a minimum to the Operations Board for Approval.



Figure 5: Formal Governance Structures

CLUSTER GROUPS

The following cluster groups have been established and will continue to operate in the 2016/17:

- Annual Plan Cluster Group – Charged with overseeing the delivery of the Annual Plan
- Commercial Cluster Group – Charged with overseeing risk management and the process of change (early warning and compensation events)
- Financial Cluster Group - Charged with overseeing the delivery of the Annual Plan within the available budget envelope
- Communications Cluster Group – Charged with leading the communication of the annual plan, thereby managing community expectations and promoting the service
- Continuous Improvement Cluster Group – Charged with identifying and managing the realisation of benefits for continuous improvement projects
- Major Projects Cluster Group – Charged with overseeing the management of Major Project Delivery

CONTRACT MANAGEMENT TEAM

The client contract management team is illustrated in Figure 6.



Figure 6 Client Contract Management Team

CHANGE MANAGEMENT APPROACH INCLUDING EARLY WARNING PROCESS

Each year on the agreement of the annual plan, a baseline will be established for service delivery, including the scale, timing, cost and quality of the service. Where changes are necessary either as a result of operational issues or reprioritisation, a formal change process will be followed, this is documented in the Contract under Clause 21.5.

Risk Management will form a major part of the change management approach and includes the following mechanisms as documented in Clause 17 and Clause 60 of the Contract:

- Early Warning Notices (EW) – issued by either client or contractor and servicing notice of perceived issues/performance that could:
 - increase the cost of providing the service;
 - affect the progress or performance of the service;
 - impair the performance of the Public Realm in use;
 - result in the aggregate of all amounts due exceeding budget.
- Compensation Events (CE) – a means of capturing and agreeing alterations to agreed costs, usually following an Early Warning Notice.

A schedule of early warning notices and compensation events is maintained by the BBLP commercial team. The processes of managing early warnings and is compensations events are captured in Appendix I, Change Management Process.

INTEGRATED WORKS PROGRAMME APPROACH

The broad range of services included under the Public Realm contract necessitates an Integrated Works Programme approach if delivery is to be efficient and achieve the Council's objectives. For example, the pavement improvement programme planned for the 2016/17 period will need to be coordinated with statutory undertakers to prevent excessive interventions in new laid surfaces. Another example of this is the coordination between grass cutting and street cleansing services to achieve an attractive look in urban areas.

The Integrated Works Programme will be created and maintained by the Delivery Programme Manager using activity schedules that will be developed for each annex. It will be a live programme identifying individual schemes and schedules of work for planned and reactive maintenance, capital improvement works, third party works (neighbouring authorities, Highways Agency, developers) and utilities works. This programme will be used in the following ways:

- Displayed by Locality, a macro level view of works on the network will be used for communication purposes with Ward and Parish Councillors and through the council website with the community.
- To manage road space booking, by coordinating works to happen at the same time where possible, ensuring the availability of the road space is maximised and congestion minimised.
- To coordinate provision of service across all annexes in order to deliver the council objectives within the agreed budget.

NOTICE OF ACCESS ACCEPTANCE OR MATERIAL REQUIREMENTS

In line with the contract requirement:

21.3.2 The Provider shows on each Annual Plan which he submits for acceptance the dates when, in order to Provide the Services in accordance with the Annual Plan, the Provider will need:

- access to the Public Realm;
- acceptances;
- Materials, equipment and other things to be provided by the Employer; and
- information from Others.

BBLP will ensure that ample notice is provided where access, acceptances, materials from the Council or information from others are required to deliver the Annual Plan.

QUALITY ASSURANCE AND AUDIT

QUALITY ASSURANCE APPROACH AND PLAN

All Balfour Beatty Contracts operate an approach to quality assurance based upon the BBLP Quality Manual (a copy of which is available on request). A Quality Plan specific to Herefordshire Public Realm Contract can be reviewed in Appendix C, Quality Management

Quality audits of all BBLP contracts are carried out by our internal auditors. Our management systems are certified independently by DNV GL Ltd. See Appendix C, Quality Management for details. DNV GL have supported us in achieving Sector Scheme Accreditation in Traffic Management and Street Lighting in 2014/15 and Installation/ maintenance of Highway Electrical Equipment in 2015/16. We will consider further areas for accreditation early in 2016.

SELF AUDIT

To build trust within the partnership and ensure the quality of work that is being provided, BBLP will perform a self-audit of work undertaken. This will be used as a tool of continuous improvement. This will be reported to Herefordshire Council Contract Team. A summary may also be made available to Statutory Undertakers, to demonstrate a consistent approach to protection of the asset through all New Road and Street Works.

On a monthly basis, 5% of works carried out will be inspected. This will be scheduled in the same way as NRSWA inspections and will follow the same process.

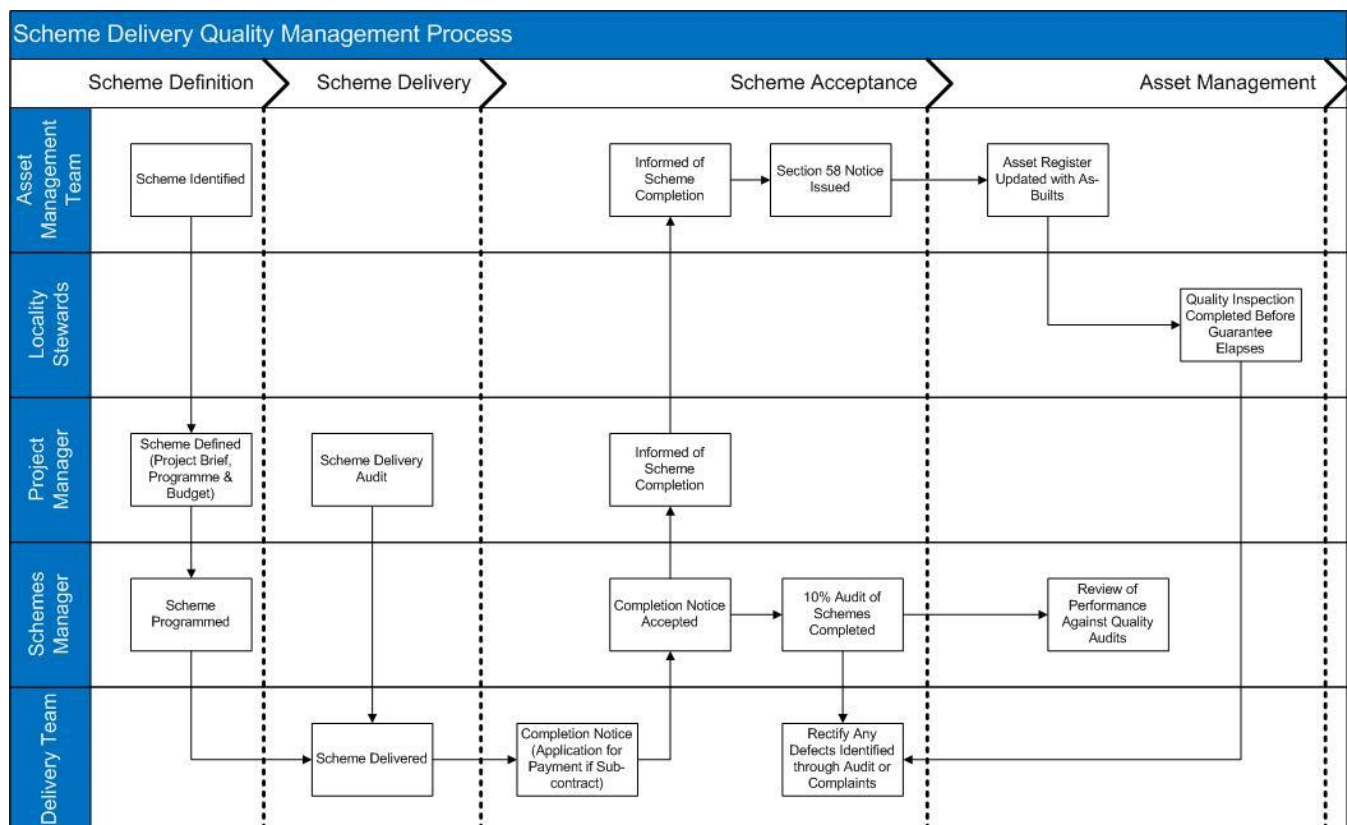


Figure 7: Scheme Delivery Quality Management Process outlines how self-audit of works will be performed.

The process for managing the resurfacing works is captured in Figure 7.

If desired, audit sites can be notified to the Herefordshire Contract Team to perform spot checks.

HC CONTRACT MANAGEMENT TEAM AUDIT

As part of ensuring value for money, the HC Contract Management team will also perform an audit of works conducted by BBLP. The audit process is captured in Appendix C, Quality Management.

CONTINUOUS IMPROVEMENT

Continuous Improvement is written into the Contract terms as illustrated by the responsibilities of the Strategic Partnering Board, set out in Clause 19 of the Contract Document. The processes of continuous improvement, innovation and lessons learned have been captured here, along with Transition Projects already identified. Each annex captures the specific improvement plans for that part of the service. Continuous Improvement and Innovation on the contract is overseen by the Continuous Improvement Cluster Group. A copy of the current continuous improvement register is included in Appendix J, Continuous Improvement Register.

CONTINUOUS IMPROVEMENT

Each member of the BBLP Senior Management Team will be responsible for driving improvement in the service for which they have responsibility. They will be supported by the Performance and Improvement Manager and the Management Info / KPI Analyst.

The principles of continual service improvement are set out in Figure 8 and described below.

Service Strategy: As part of the annual planning process the team will shape service strategy in response to key drivers, including budget, legislation and changes in Herefordshire's objectives. This will include review of customer perception (effectiveness) and service performance (efficiency) and will be set in the context of the Forward Programme.

Service Design: Identify the changes needed to respond to the driver, e.g. introduction of new products or approach, re-mapping of process and/or removal of activities. Compare these to the strategy review outputs. Determine if investment is appropriate and the benefits from the change.

Service Transition and Planning: Design the change management process to move the service from the current to future state through new methods, approaches and/or services. Key considerations will be organisational design, trials of products or methods, and plant modification, purchase and specification.

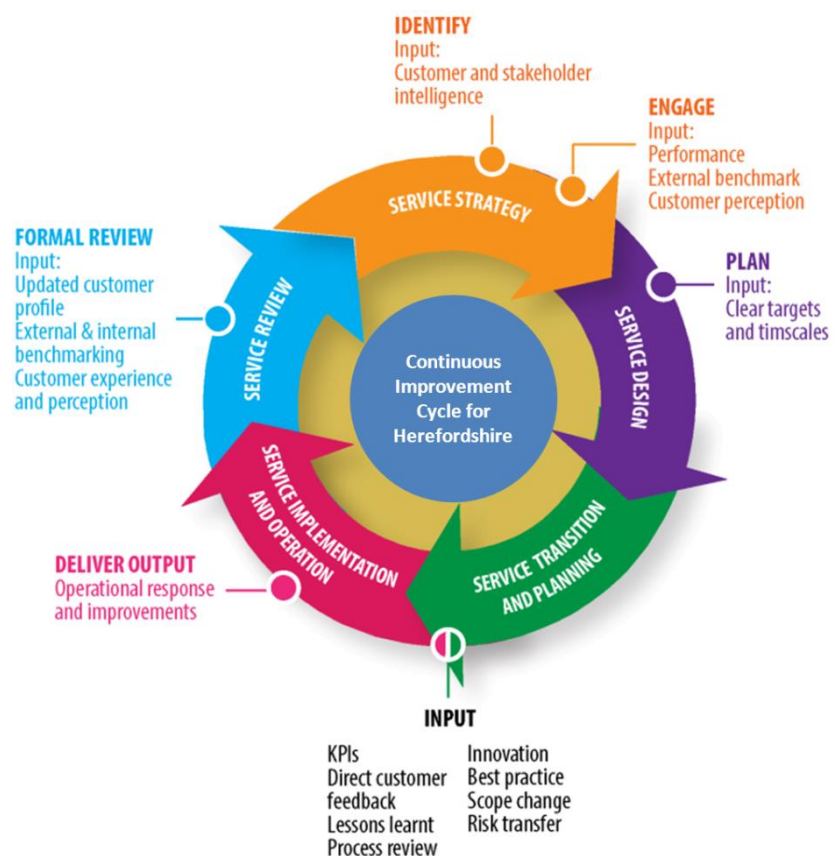


Figure 8: Continuous Improvement Cycle

Service Implementation and Operation: Implement changes to the service ensuring the team have the right capability and tools to deliver the new service design. Where appropriate this will require recruitment, reorganisation and training.

In addition to service changes, operations will undergo regular review to improve efficiency. This will be achieved through benchmarking of outputs with BBLP contracts and employment of Lean techniques such as Day-In-The-Life-Of and 5S studies.

The Locality Team will also consult with Ward and Parish Councillors to identify expected levels of quality and perception of the service received, which will be fed into method statements for each aspect of service delivery.

Service Review: Review improvement in service performance and customer perception, reporting on benefits realisation to the Operations Board and where appropriate publicise improvements to Ward and Parish Councillors.

KEY AREAS OF CONTINUOUS IMPROVEMENTS IN 2016/17

In addition to the process outlined above for service improvement, outlined below are activities that will be undertaken to support improvement across the entire Public Realm Service. Business cases will be developed for other areas of improvement identified through the continuous improvement cluster group.

- **Centralised Scheduling and Control Centre** – With the completion of the visualisations project, the adoption of the confirm order management system and the installation of vehicle tracking (as part of fleet re-procurement) the service will be in a position to deliver centralised scheduling of works through a control centre. This will be implemented in the first half of the 2016/17 annual plan period.
- **Long Term Fleet** – A new fleet has been ordered for delivery in 2016 on a long term lease which will drive operational savings and efficiencies, through the use of larger vehicles.
- **Litter Improvements** - We recognise that there is a growing issue with litter across the county. This is prevalent especially along the main arterial roads that pass through, A40, A49 and A465. In addition to the major routes we shall be looking at the process of litter collection and wider street cleansing operations with a view to rationalise and look at opportunities for differing delivery models. We will work closely with Highways England and their contractor to share road space to carry out litter picking, which will reduce the cost of this activity through savings on traffic management.

LESSONS LEARNED

Continuous improvement in service delivery will be informed by lessons learned.

The service will be informed through regular Councillor Consultation; feedback as part of the implementation of improvement plans and through consultation in the community by Locality Stewards.

Capital Works will also be informed by lessons learned workshops after each scheme.

INNOVATION

Innovation on the contract will be considered in three ways:

- Strategic Innovations – Major changes in the way outcomes are achieved through business model innovation, service re-design or Inward Investment.
- Operational Innovations – Changes in the way the service is delivered
- Grass Routes Innovations – Changes proposed by those delivering the service through the Balfour Beatty My Contribution Scheme.

Strategic Innovations: As part of the review and update of the Forward Programme, innovation opportunities will be identified where these can be shown to better deliver the Council's outcomes. These might include proposals for inclusion of new services in the Public Realm Contract, or major schemes that capitalise revenue costs (e.g. Street Lighting LED investment and Capital Improvement Schemes).

Where considered valid a formal business case will be developed and submitted to the Council for agreement. These innovations may be funded by the Council or by BBLP on an 'Invest to Save' basis. An appropriate mechanism will be proposed to the Council to incentivise BBLP to look at investment in these strategic innovations.

Operational Innovations: The senior management team will be responsible for driving innovation in their service areas as captured in their service annex. As an example, Annex 10 Network Rehabilitation and Maintenance will focus on:

- Delivering operational efficiencies through improved scheduling by the Operational Control Centre and visibility of gangs on the network through the use of Masternaut.
- Exploring the potential use of alternative materials which could improve efficiency.

Grass Route Innovations: Balfour Beatty operates a suggestion scheme called 'My Contribution' across all Balfour Beatty contracts. The scheme rewards staff for sharing ideas on improving the ways in which we work.

Any idea that may benefit the business will be reviewed and rewarded including improvements in Health and Safety, Customer service/customer perception, Waste reduction, Sustainability or Productivity/business efficiency.

SOCIAL VALUE CONSIDERATIONS

NATIONAL SKILLS ACADEMY FOR CONSTRUCTION

Year 2 of the Skills Academy project was successfully completed in January 2016 building on the lessons learnt from the previous years. As a result we have been working closely with Herefordshire Council and the CITB using the valuable experience gained on what works well and to ensure activities provide real benefit for those involved. Again we were able to exceed a number of the outcomes in the Employment and Skills Plan (ESP) helping us to meet the overall targets over the term of the contract. Strength has been in the positive links established with local high schools and joint agencies supporting young people in Herefordshire who are looking for work experience and opportunities to develop work ready skills. We also continue to support development of our employees with apprenticeships, graduate placements and job creation opportunities. Further work is required in relation to subcontractor support as the number of eligible businesses is low making these targets harder to achieve. Discussions have been held with CITB and it is understood that National Skills Academy KPI definitions are under review which may allow us to include improving the skills of our own workforce.

We will continue to liaise with the Authority's Children and Wellbeing Directorate to explore how opportunities can be made to introduce 'looked after' children to the working environment.

Details of proposed targets for 2016/17 and outcomes against each required criteria are listed in Appendix K, National Skills Academy Employment and Skills Plan.

ENSURING A SUSTAINABLE SERVICE

During 2015 the agreed joint sustainability action plan (JSAP) was further developed in line with sustainability requirements of the contract. This is a dynamic document that remains live throughout the term of the contract and is monitored on a quarterly basis. This plan, focused around the three sustainability pillars of Profitable Markets, Healthy Communities and Environmental limits, outlines a number of objectives, measures and goals for embedding sustainability throughout service delivery. A copy of the 2015 JSAP is attached in Appendix L, Joint Sustainability Action Plan. This document is being updated and will be available in the first quarter of 2016.

EQUALITY AND DIVERSITY

The Public Sector Equality Duty which is set out in the Equality Act 2010 requires public authorities to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race (this includes ethnic or national origins, colour or nationality), religion or belief (this includes lack of belief), gender and sexual orientation.

The purpose of carrying out an Equality Impact Assessment is to assess the impact of a change to services or policy on people with protected characteristics and to demonstrate that the Council has considered the aims of the Equality Duty.

The Equality Duty must be complied with before and at the time that a change to services or particular policy is under consideration or decision is taken. A public body cannot satisfy the Equality Duty by justifying a decision after it has been taken.

An overall Equality Impact Assessment has been carried for the service on the basis of a change in procurement and is included in Appendix D, Equality Impact Assessment.

Where policy change has occurred in relation to an individual service, a specific assessment will be carried out and included in the annex.

COMMERCIAL/FINANCIAL OVERVIEW

DEFINED COST PLUS FEE

The table below identifies the defined cost (and associated fee) per Service. There is also an additional analysis showing the split between capital and revenue budgets. Further detail of costs can be found within each Service Annex and in Appendix E, Financial Information.

Annex	Description	Costs	Fee	Total	Revenue	Capital
1	Network Resilience	718,090	70,588	788,679	788,679	
2	Community Development & Stakeholder Management	1,010,833	99,365	1,110,198	1,110,198	
3	End to End Network Improvement	2,946,088	289,600	3,235,688		3,235,688
4	Development Control	-	-	-		
5	Fleet Management	127,855	12,568	140,423	140,423	
6	Parks, Open Spaces, Landscaping, Verges and Trees	1,282,329	126,053	1,408,382	1,408,382	
7	Managing Water on the Network	819,992	80,605	900,597	600,597	300,000
8	TAMP	504,146	49,558	553,703		553,703
9	Network Management and Traffic	233,158	22,919	256,077	31,077	225,000
10	Network Rehabilitation and Maintenance	2,400,717	235,990	2,636,707	135,501	2,501,207
11	PROW	293,724	28,873	322,597	280,597	42,000
12	Street Cleansing	1,089,884	107,136	1,197,019	1,197,019	
13	Street Lighting	252,927	24,863	277,789	101,250	176,539
14	Structures	546,265	53,698	599,963	49,963	550,000
LMO	Local Management Overhead	2,046,096	169,218	2,215,314	565,314	1,650,000
Total		14,272,103	1,371,034	15,643,137	6,409,000	9,234,137

Table 3: Total Cost Plus Fee for Provision of the Public Realm Service

Note that no risk contingency has been included within the annual plan. All revenue risk items will need to be identified and managed separately through the monthly forecasting process. Risks associated with capital works will be identified when Target costs are submitted.

LOCAL MANAGEMENT OVERHEAD COSTS

Local Management Overhead captures the cost of the management team that administer the delivery of the contract and the resources that are shared across services, but most easily captured centrally (e.g. pool vehicles, IT costs, depot and office costs). It also captures pass through costs, which attract no fee, such as facility rental and rates.

A summary of this figure is captured in [Table 4](#). Detail is captured in Appendix E, Financial Information.

Cost Component	No.	LMO (FTE)	Annual Plan
Staff	30	19.3	1,341,949.00
Equipment			102,666.02
Pool Vehicles			14,672.00
Depot			107,157.25
Other			155,000.00
Subtotal			1,721,444.27
Plus Fee		9.83%	1,890,662.25
Pass through property			324,651.70
Total			2,215,313.95

Table 4: Local Management Overhead Costs

SUPPORTING HEREFORDSHIRE COUNCILS 3% SAVINGS TARGET

In addition to the £600k reduction on the revenue budget between 2015/16 and 2016/17 the service will have to create savings to accommodate inflationary pressures as well as increase in demand in the service for TRO/ Traffic enquiry work, as well as the increased risk to the Public Realm due to the condition of the Council's tree asset.

In order to deliver an equivalent service in 2016/17, efficiency savings have been identified and built into the budget. These efficiencies represent a 12.1% saving on the £6.4m base revenue budget for 2016/17.

These efficiency savings break down as follows:

Saving Opportunity	In Year Revenue Savings Target	Approach to Achieve Saving
Workshop Service Redesign & Restructure	£100,000	Redesign of delivery model to consider outsourced operation of workshop services.
Grounds Efficiency	£200,000	Reduced costs due to the purchase of assets in 2015
Street Lighting Maintenance Efficiency	£95,000	Further reduction in maintenance costs of the service achieved through installation of LED lighting.
NRSWA Income	£25,000	Increased observation of statutory undertakers' activities, supported by the issue of Penalty Charge Notices, as well as observance of skip and scaffolding licensing.
PROW Efficiency	£10,000	Increased utilisation of resources to deliver service at reduced cost through centralised scheduling of works
Fleet review	£100,000	Long term hire of fleet, economies of scale through hire across multiple contracts
Operational Control Centre	£78,000	The investment in the OCC along will deliver both operational savings and a reduction in property costs.

Winter Service	£50,000	Reduced winter period by 2 weeks
Street cleansing	£100,000	Realisation of the benefit of productivity improvements in 2015.
Total Savings	£773,000	

In addition to these revenue savings, we will look to target capital savings through the following means:

Supply Chain Improvements – In 2015/16 we have already agreed a 2% reduction with our surface dressing supplier (RMS), which is included within the Annual Plan, and we are currently discussing rates for surfacing work with Tarmac. We will continue to leverage the Balfour Beatty buying power on behalf of the Council (given that the majority of supply chain savings flow directly through to the Council)

Street Lighting – LED – In 2014 the Street Lighting Invest to Save scheme was approved by the council to proceed, based on a robust business case that realised energy and maintenance savings. The delivery of the scheme proceeded through the 2015/16 Annual Plan Period. Further maintenance savings as highlighted above will be achieved in this year.

Operations – OCC & HMP – The Annual Plan is based on the Council's investment in the Operational Control Centre (OCC). In addition to the revenue savings noted above we have built in operational improvement and efficiencies into our Routine/ reactive budgets in excess of £0.5m. These savings are enabled through better, quicker deployment of gangs, better programming of works (given changes in Cat1/ Cat 2 response times), reduced travel time and cost and improved productivity.

PAYMENT MECHANISMS & SERVICE ORDER SCHEDULE

PAYMENT MECHANISMS BY SERVICE

Each annex has been reviewed with the Council's Contract Management team to determine the most appropriate mechanism. The methodology uses the allocation of Risk as the key principle to determine the correct payment mechanism. Where BBLP are best placed to manage the risk, a Lump sum or target cost mechanism has been agreed. This provides the Council with a level of certainty on price. For target cost works, the Contract caters for a pain/ gain mechanism to encourage value engineering (this mechanism is described in the Contract). For those services where there is less certainty, or unclear scope or volume, the Council has retained the risk through a cost reimbursable mechanism.

Table 5 identifies payment mechanism and service orders as agreed for each Service annex.

No.	Annex (2016/17)	Service Order	Revenue	Capital
1	Network Resilience			
		Emergency Response	Cost reimbursable	
		Winter preparedness	Cost reimbursable	
		Winter Response	Cost reimbursable	
2	Community Development and Stakeholder Management			
		Localities Stewards	Cost reimbursable	
		Lengthsman scheme (Management & Materials)	No service order required	
		Customer services (inc events management)	Cost reimbursable	
3	End to End Network Improvement			
		On-Street and Resident Parking Scheme		Target Cost
		St Owen Street Cycle Way Contraflow Scheme		Target Cost
		Holm Lacy		Target Cost
		Active Travel Measures (HCCTP)		Target Cost
		Active Travel Measures (SWTP)		Target Cost
		Market Town Impact Assessment		Target Cost
		Ledbury Pubic Realm Feasibility Scheme		Target Cost
		Leominster Pubic Realm Feasibility Scheme		Target Cost
		Traffic and Pedestrian Safety Schemes		Target Cost
		A Roads/Strategic Network Surfacing Programme		Target Cost
		BC&U Road Surfacing Programme		Target Cost
		SCRIM Works		Target Cost
		Parson's pole works		Target Cost
		Cat 2b Prioritised Defects - Safety Issues		Target Cost
		High benefit Cat 2bs		Target Cost
		Footways		Target Cost
		Safety Barriers		Target Cost
		Lining and Road Marking		Target Cost
		Traffic Signs		Target Cost
		Minor Safety Improvement		Target Cost
5	Fleet Management	Fleet management	Cost reimbursable	
6	Parks, Open Spaces, Landscaping, Verges and Trees			
		Parks Open spaces & Playgrounds, Highways Verges	Cost reimbursable	
		Cemetery Maintenance	Cost reimbursable	
		Grave Digging	Cost reimbursable	
		Maintenance of Crematorium	Cost reimbursable	
7	Managing Water on the Network			
		Gully Cleaning (Principal Roads)	Cost reimbursable	
		Gully Cleaning (Other Roads)	Cost reimbursable	
		Land Drainage	Cost reimbursable	
		Flood Risk Studies	Cost reimbursable	
		Drainage Improvement Schemes (A Roads)		Target Cost
		Drainage Improvement Schemes (Other Roads)		Target Cost
8	TAMP	TAMP		Cost Reimbursable
9	Network Management and Traffic			
		TRO (inc NRSWA)	Cost reimbursable	
		Traffic Control Systems	Cost reimbursable	
		NRSWA Income	Cost reimbursable	
9	Network Management and Traffic			
		TRO Capital		Cost Reimbursable
10	Network Rehabilitation and Maintenance			
		Reactive works (not potholes)	Cost reimbursable	
		Carriageway Routine Maintenance A Roads (Cat 2)		Cost Reimbursable
		Carriageway Routine Maintenance Other Roads (Cat 2)		Cost Reimbursable
		Carriageway Reactive Maintenance A Roads (Cat 1)		Cost Reimbursable
		Carriageway Reactive Maintenance Other Roads (Cat 1)		Cost Reimbursable
11	PROW	PROW Management	Cost reimbursable	
		PROW (ROWIP)		Cost Reimbursable
12	Street Cleansing	Street Cleaning	Cost reimbursable	
13	Street Lighting	Street Lighting Reactive Maintenance	Cost reimbursable	
		Street Lighting Programme		Cost Reimbursable
14	Structures	Structures Programmed Maintenance & Diving Inspections	Cost reimbursable	
		Structures Capital Inspections, Routine & programmed work		Target Cost
LMO	Local Management Overhead			
		Local Management Overhead	Cost reimbursable	Cost Reimbursable
		Pass Through Property	Cost reimbursable	Cost Reimbursable

Table 5: Identified the Payment Mechanism by Annex

The process for reviewing these payment mechanisms is captured in the Contract.

PERFORMANCE MANAGEMENT

The Performance Management regime encourages BBLP to deliver Herefordshire Council's objectives. By linking Strategic Performance Indicators to contract extension, BBLP are incentivised to design and deliver the service in order to maximise the achievement of Herefordshire Council's Strategic Outcomes. By linking Operational Performance Indicators to a proportion of fee, BBLP are incentivised to design and deliver operational excellence.

BBLP measure and record each SPI and OPI. Each SPI/OPI has been allocated an owner from BBLP who is responsible for obtaining the figures, which will then be submitted to and signed off at the monthly Operations Board. Monthly figures will be collected by the Performance and Improvement Manager, who will capture data in the Contract's Performance Score Card, which will be reported through the Operations report. The Process for Performance Management is captured in Appendix F, Performance Management Process.

As well as the SPIs & OPIs, the report will highlight how other areas of the contract are performing and will include:

- Health and Safety
- Energy Usage
- Recycling Figures
- Works Delivery
- Planned Works
- Year to date spending
- NRSWA Report
- Communications

This report will be used during the Operations Board to highlight areas for improvement or achievements made during the reporting month.

An indicative scorecard is displayed in Figure 9.

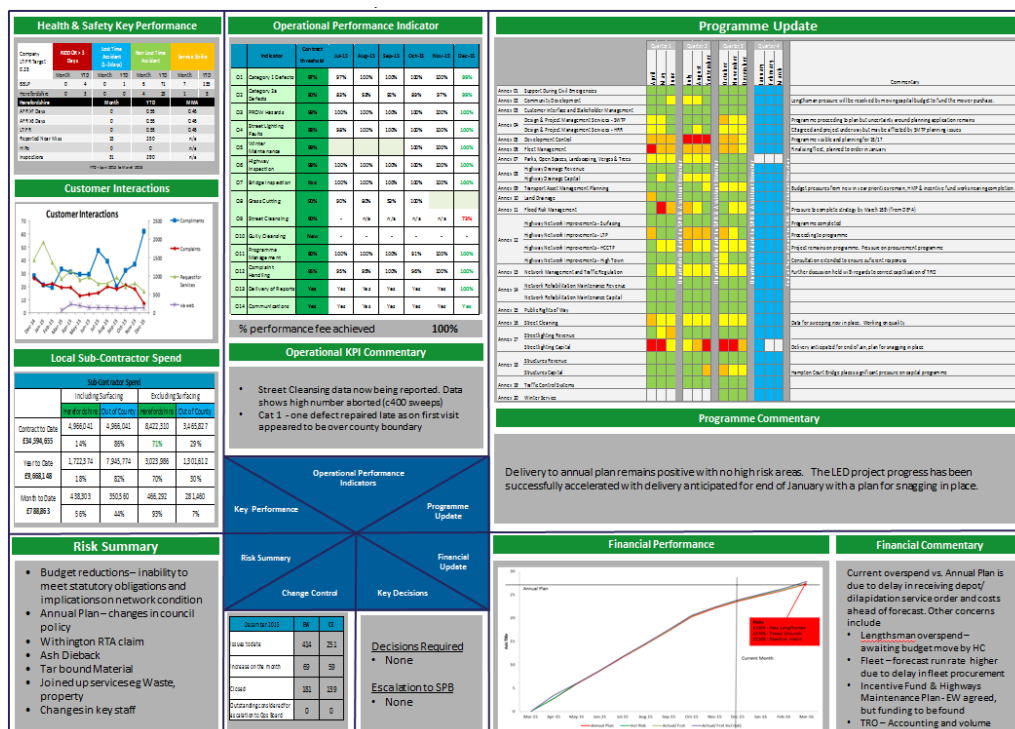


Figure 9: Indicative Performance Dashboard will show the Performance of the Contract at a glance

PERFORMANCE REPORTING

Performance reporting is a key focus for the service in 2016/17. Working with the contract management team, BBLP will continue focus on developing the current reporting to provide for the information needs of client officers; enable assessment of the value for money of the service and help promote the service. Flash reports will report of programme, budget, operational performance indicators, change management, risk management, quality control and deliverables in month. The following reports have been identified:

- Operations Board Flash Report;
- Annex Flash Reports;
- Major Projects Flash Report.

STRATEGIC PERFORMANCE INDICATORS

Indicative Strategic Performance Indicators have been prepared ahead of the development of the Forward Programme. These will be reviewed, with the aim to ensure that they are aligned to the outcomes of the Council. These are captured in Appendix G, Proposed Strategic Performance Indicators. A workshop will be conducted early in the new financial year to confirm the Strategic Performance Indicators.

OPERATIONAL PERFORMANCE INDICATORS

A set of operational indicators will be used to assess the effectiveness of the Annual Plan. The operational indicators are proposed in Table 6. These will be subject to approval through the Operational and Strategic Partnering Boards.

A review of current contract thresholds will take place in Q1 with the view to implement any changes in reporting in Q2.

	Indicator	Current Contract threshold	System
O1	Category 1 Defects	97%	Confirm
O2	Category 2a Defects	80%	Confirm
O3	PROW Hazards	99%	Manual/ Confirm
O4	Street Lighting faults	98%	Mayrise
O5	Winter maintenance	99%	Paper records

O6	Highway Inspection	98%	Confirm
O7	Bridge Inspection	tba	BMX
O8	Grass cutting	90%	Confirm
O9	Street cleansing	90%	Confirm
O10	Gully cleansing	New	Confirm
O11	Programme Management	80%	Project
O12	Complaint Handling	95%	Confirm
O13	Delivery of reports	100%	Email
O14	Communications	New	Email

Each of the Annexes contains KPI information that relates to the day to day delivery of the services (OPIs). A full definition, format, measurement period, objective, formula, method and threshold has been defined for each and is available on request. An example is provided in Table 7 for clarity.

Table 6: Operational Indicators

Indicator Ref	Title		
01	Category 1 Highway Defects		
Full Description			
Percentage of Highway Category 1 Defects repaired or made safe within 24 hours from the Time of Notification			
Format		Decimal Places	Measurement Period
Percentage		None	Monthly
Objective	The Public Realm is accessible, safe, clean and well-maintained		

Definition	<p>The indicator is the percentage of Category 1 Defects (relating to roads and pavements) closed in the period with a Time of Closure within 28 days '24 hours' of the Time of Notification as recorded in the Provider's systems (CONFIRM)</p> <p>Cat 1 Defect: As defined within the Highways Maintenance Plan relating to Highways.</p> <p>Time of Notification: is the time and date at which Category 1 Defects are reported to and/or recorded by, the Provider. by customers, members of the Employer's or Provider's staff (including through Safety Inspections), stakeholders, etc</p> <p>Time of Closure: is the time and date at which the following have been fully completed: works to make safe or repair the Defect, the site cleared, all equipment removed and the site vacated by the Provider.</p>
Formula	$\left(\frac{x}{y} \right) * 100$ <p>where</p> <p>x = the number of Category 1 Defects in the Measurement Period recorded in the Provider's systems with a Time of Closure within 24 hours of the Time of Notification; and</p> <p>y = total number of Category 1 Defects in the Measurement Period recorded in the Provider's systems.</p>
Method	<p>The Provider's system (CONFIRM) automatically records the Time of Notification.</p> <p>The Provider's systems allow Incidents to be categorised as Category 1 Defects of dangerous damage to roads and pavements.</p> <p>The Provider's systems record the 'Time of Closure'.</p> <p>The Provider's systems produce a report within date parameters equivalent to the Measurement Period which should allow drill-down to Defect level.</p> <p>Data to be supplied through the Provider's system</p>
Further reference	<p>Highways Maintenance Plan</p> <p>Category 1 guidance</p>

Notes	If access is not permitted to the Area Network for a reason beyond the Provider's reasonable control (e.g. upon direction of the Employer), the repair of Defect directly affected by this should be excluded from this performance measure.		
Threshold			
97%			
Version		Date	
Issue 2 Revision 01		July 2014	

Table 7: An Example of Indicator Definition

RISK MANAGEMENT

Risk is managed in line with the Balfour Beatty Risk Management Procedure, as outlined in Appendix: H, Risk .

The following high level strategic risks have been identified:

- **Weather** – significant or abnormal weather events impact the ability to deliver the Capital and Revenue services in line with agreed programs, to mitigate this HC has approved the setting up of a severe weather reserve.
- **Reputation** – significant reduction in revenue budgets negatively impacts the perception of the service, to mitigation this a clear communications strategy is in place and extensive consultation on the focus of the service has been conducted.
- **Communication** – ineffective communication / expectation management results in an increase in service demand. This is mitigated through the introduction of Locality Stewards and the bringing in house of the public call centre. This ensures we can effectively explain constraints on the service.
- **Recruitment/capability** – appointment of key roles is delayed, impacting BBLP ability to deliver. This is mitigated through recruitment events and access to the wider BBLP “family “ of resources. In addition resilience is provided by our sub consultant and subcontract resources.
- **Changing Political Priorities** – a change in political leadership undermines the partnering arrangements between BBLP and HC. To mitigate this we will work closely with the HC corporate team to dovetail into the member induction process that will take place post elections in May. We will continue to work through the Locality Stewards to ensure the links between local members and the operational activities are maintained and strengthened.

The HC contract team and BBLP will meet in the Operations Board to agree strategic risks along with their mitigations and will review these as part of a strategic risk scorecard on a monthly basis. The first monthly review will be conducted as an extended risk workshop, to consolidate BBLP and Council strategic risks.

A consolidated operational risk register from all the annexes can be found in Appendix: H, Risk . BBLP Annex leads will regularly review their annex risk register and ensure that where necessary risks are escalated to the Operations board.

The process of risk management will be the responsibility of the BBLP SMT.

KEY ASSUMPTIONS

The following key assumptions must be considered in review of this Annual Plan. Further assumptions are included with each annex:

1. BBLP are empowered to determine the priority of works & services – subject to other Council commitments which are already within the public domain;
2. Budgets and allocations are accurate;
3. Budgets are based on January 2016 information, which will be reforecast monthly in line with the Contractual commitment;
4. The key objective is to ensure a balanced budget for the Council;
5. The contract payment mechanisms will be agreed to support the balancing of the Revenue budget;
6. Open book / transparency will assist in demonstrating value for money for HC;
7. The Council will provide visibility of other Council budgets which affect the BBLP services, including:
 - a. External revenue e.g. Skips & scaffold licences;
 - b. Other 3rd party costs e.g. Telent, Lengthsman and other grants;
8. Commissioning and ordering of work will be done through the HC and BBLP contract management teams;
9. LOC allocation to Revenue/ Capital budgets is based on the split of Capital/ Revenue work in the Council's Financial Year 2016/17.
10. Liability of claims will be managed outside of the annual plan in line with the contract and is subject to the agreement of the Claims Protocol awaiting signature (signatories include BBLP Contract Director, Zurich Insurance, Council Approved Officer).

APPENDICES

APPENDIX A, ORGANISATION STRUCTURE



APPENDIX A ORG
STRUCTURES.docx

APPENDIX B, COMMISSIONING PROCESSES



HC CMT

Commissioning Preser



Draft Annual Plan

Commissioning Proces



Draft LTP

Commissioning Proces



Draft Section 106

Commissioning Proces



Draft Safer Routes

to School Commission

APPENDIX C, QUALITY MANAGEMENT



Quality Plan -
280714



HC CMT Audit
Process



Sector Scheme
Accreditation Process



DNV Audit
Presentation

APPENDIX D, EQUALITY IMPACT ASSESSMENT

This section of the Executive Summary contains an Equality Impact Assessment of the Annual Plan. The Equalities Act (2010) introduced legislation which means local authorities have a duty to consider the impact of changes to delivery of service to groups of people with protected characteristics.

There is a wide range of services in the scope of the Annual Plan, including highways (schemes and maintenance), street cleansing, street lighting, parks and open spaces, public rights of way, aspects of network management.

The services include activities which maintain and improve the physical and natural environment and promote wellbeing for everyone who resides, works or visits Herefordshire in line with the Herefordshire Plan as prioritised in the Annual Plan. These priorities are under review in the light of the current financial challenges faced by local government. The arrangements must, therefore, allow the Council the flexibility to modify services, stop providing services, or transfer them to other organisations in order to continue to deliver according to the priorities identified by the Council. Any such significant changes will require an equality impact assessment.

EQUALITY AREAS ASSESSED

A list of groups with protected characteristics is detailed below; these will form the basis for the Equality Impact Assessment. The main issues relating to equality within the Annual Plan are:

1. **Race** - Consider Asian, Asian British, Black, Black British, Chinese, Mixed heritage, White British, other white ethnic groups, e.g. eastern European, travellers
2. **Gender** - Consider from point of view of women and men

3. **Disability** - Consider physical and sensory impairment, learning disabilities, people with mental health issues
4. **Age** - Consider younger and older people
5. **Religion/Belief** - Consider people of different faith groups including non-believers
6. **Sexual orientation** - Consider lesbian, gay men, bisexual and transgender issues

The Herefordshire Annual Plan will be reviewed to meet the diverse needs of the communities of Herefordshire. Through consultation with our stakeholders we will seek to remove obvious barriers to services in terms of equality and diversity either in the aim of the policy or in the way it is delivered.

TIMESCALE OF THE ASSESSMENT

The start date of the assessment is the period covering 1st April 2016, the finish date is the 31st March 2017, inclusive.

POLICY, PROCEDURE, SERVICE ASSESSED

The aim of the Annual Plan is to encourage co-ordination and consistency in the delivery of local highway maintenance and public realm services by meeting the needs of users and the community rather than the convenience of service providers. Further, the Plan aims to encourage a focus on the needs of users and the community and their active involvement in the development and review of policies, priorities and programmes.

The key stakeholders of this policy are:

- All road users, motorised and non-motorised
- Organisations representing different users, for example cycling groups
- The county's main bus companies and road haulage companies
- Parish Councils within Herefordshire
- Members of the Council
- Other local partnerships
- Residents of Herefordshire
- Business users
- Emergency services
- Visitors to the county

Balfour Beatty Living Places is aware of the Corporate Customer Service Standards of Herefordshire Council and the Contract monitoring team are responsible for reviewing all aspects of compliance with applicable policies and relevant legislation.

Balfour Beatty Living Places holds an Equality and Diversity Policy which states that:

“None of our stakeholders, including but not limited to employees, clients, suppliers and members of the public will receive less favourable treatment on the grounds of gender, race (including ethnic origin, colour, nationality and national origin), disability, age, marriage or civil partnership, gender reassignment, maternity or pregnancy, sex or sexual orientation, religion or belief, trade union affiliation, or be disadvantaged by any other condition or requirement that is not relevant to the relationship or transaction in question. Selection for employment, promotion, training and any other benefit will be on the basis of aptitude and ability. The effectiveness of the company will only be improved by valuing diversity through

promoting equality and inclusion.

The achievement of our equality and diversity objectives relies on the personal commitment of all employees who, therefore, have a personal responsibility for the implementation of this policy. To ensure that line managers and other relevant decision makers understand company policy and their position in law, appropriate training and guidance is provided”.

DATA COLLECTION AND CONSULTATION

Where changes are planned to existing services, Balfour Beatty Living Places will consider the impact of the change on the groups of people with protected characteristics to ensure that any change does not disproportionately disadvantage them. This will be done through a number of techniques, chosen proportionately in relation to the anticipated size of the change. Examples of these techniques include:

- Desk study considering the impact of any change
- Questionnaires with affected groups
- Consultation workshops with affected groups
- Liaison with representatives of affected groups
- Postal Surveys
- Independent interviews

KEY FINDINGS

A service wide assessment of the change of services has been conducted to provide an overview of the key areas of impact as a result of changes in service scope. By assessing the information contained in the Annual Plan against all the equality areas, it is considered that there is a low risk of specific equality needs not being identified and addressed.

However, two key areas are highlighted here for consideration:

1. Reduction in the provision of services in grounds maintenance will generally impact older residents, those with a physical disability, or a mobility impairment. The result of this reduction will be temporary restriction to their ease of movement across the network.
2. Those who are visually impaired may be disadvantaged through lack of information. This is of particular importance to Herefordshire as the Royal National College for the Blind is located within the County. A strategic approach to ensuring information is disseminated to these groups and that their needs are integrated into the culture of service delivery is essential.

In addition to this overview, where applicable, each annex will provide an assessment of the impact of changes to the service.

MONITORING

BBLP will manage the operation of the contract and compliance in this domain will be monitored by Herefordshire Council Contract Management Team in conjunction with the Contractor.

This will include all aspects of performance management according to an agreed framework and will include;

- Race, gender, disability, religion or belief, sexual orientation, age, income, and geography
- Service users in the context of the services in scope: highways; streetlights; parks and open spaces; etc., would be difficult to monitor. People contacting the Council for specific services, e.g. to report a highway defect, will contact via Customer Services and will be subject to their monitoring regime.

ON GOING ACTIONS

Table 8 outlines the actions required following the Equality Impact Assessment of the Annual Plan to ensure further changes in the service do not disadvantage any group previously outlined.

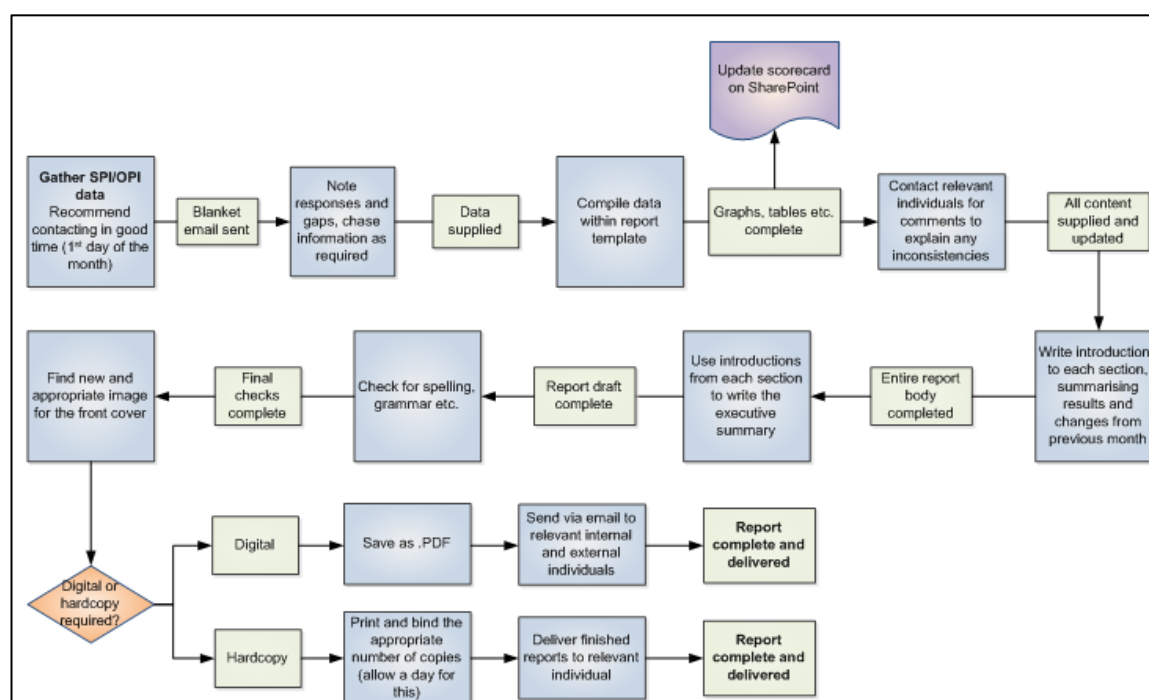
Action identified	Timescales (when this work is to be completed)	Who is responsible?	Improvement aim/outcome
Ensure EIAs completed for any proposed service changes	On-going	Balfour Beatty Living Places	To mitigate the impact of proposed service changes
Monitor service communications	On-going	Communications Team	To ensure effective communication

Table 8 – Equality Impact Assessment Actions

APPENDIX E, FINANCIAL INFORMATION

This financial information is available on request, subject to commercial confidence and data protection. This has been agreed with Council Officers as part of the Annual Plan Review process in line with the 'open book' nature of the Contract Terms.

APPENDIX F, PERFORMANCE MANAGEMENT PROCESS



APPENDIX G, PROPOSED STRATEGIC PERFORMANCE INDICATORS

	Indicator	Description	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper (lower)
S1	Killed and Seriously Injured	Numbers killed and serious injured	71	79	2 -0.25
S2	Principal Road Condition	% where maintenance should be considered	7%	9%	1.2 none
S3	Non Principal B Road Condition	% where maintenance should be considered	6%	8%	1.2 none
S4	Non Principal C Road Condition	% where maintenance should be considered	6%	8%	1.5 -1
S5	Unclassified Road Condition	% where maintenance should be considered	25%	31%	2 -1
S6	Footways condition	% structurally unsound where maintenance should be considered	Tbc (31.3.16)	Tbc (31.3.16)	1.2 -1
S7	Bridge Condition	% fair, good or very good	98%	89%	1.2 -1
S8	Third party claims	% Claims repudiated	80%	70%	1.5 none
S9	Flood resilience	No. of road closure days as result of flooding	Tbc (31.3.16)	Tbc (31.3.16)	1 -1
S10	Skills and employability	Aligned to skills academy targets	6	4	1.5 none

S11	Local spend	% subcontractor (non-resurfacing) and workforce based in Herefordshire	72% (tbc)	65% (tbc)	2 -1
S12	CO2 reductions	% reduction against baseline	5%	3%	2 none
S13	Reuse and recycling	% waste reused or recycled	99%	96%	2 none
S14	Community engagement	Days of support provided through community engagement or staff volunteering	110 days	90 days	2 none
S15	Customer Satisfaction	NHT survey based on key questions	37.10%	36.10%	2 -1
S16	Continuous improvement	Delivery of savings to bid commitment	+10%	-10%	2 -1
S17	Delivering within budget	Delivery Annual plan within budget	100%	95% or 105%	2 -1

APPENDIX: H, RISK MANAGEMENT



BBLP Risk
Management Procedure



Consolidated
Operational Risk Register

APPENDIX I, CHANGE MANAGEMENT PROCESS



Early Warning
Management Process



Compensation Event
Management Process

APPENDIX J, CONTINUOUS IMPROVEMENT REGISTER



business
improvement and innovation

APPENDIX K, NATIONAL SKILLS ACADEMY EMPLOYMENT AND SKILLS PLAN



Employment and
skills plan 1617.xls

APPENDIX L, JOINT SUSTAINABILITY ACTION PLAN



JSAP 2015