

This documents sets out the Public Realm Services model and new contracting arrangements that are proposed to be developed and refined as part of market engagement during the Summer 2024.

A refined version of the model and new contracting arrangements are proposed to be brought to the council's Cabinet committee in Autumn 2024 for approval, prior to the council commencing procurement in early 2025.

### Services for the New Public Realm Services Contract

The contractor will deliver the following “core services” under a new Public Realm Services contract:

- Network resilience & civil emergencies services
- Winter service
- Reactive maintenance (potholes & patching)
- Carriageway & footway maintenance programmes
- Drainage (gully cleansing & land drainage)
- Street lighting
- Structures (maintenance of bridges and culverts)
- Street cleaning (bin emptying, fly tipping & road sweeping)
- Fleet management and mechanical workshop (TBC)
  
- Parks and open spaces (highways verges and trees)
  
- Cemeteries & burials will be included in the procurement as a separate lot to allow comparison with delivery via Hoople
- Schemes up to a value of up to £100,000 (one hundred thousand pounds) may be directly awarded through the contract at the council's discretion

The core services usually comprise of labour, fleet and materials. However for the contractor to host the contract and deliver the core services effectively, they require a facility and team of people which would ordinarily comprise of the following functions:

- Contract management
- Business & IT support
- Performance Management & reporting
- Supervisors
- Contract accountancy
- Quantity surveying
- Social value, carbon & environmental services
- Fleet management
- Depots and depot management
- Health & safety services

Such provision by the contractor to deliver the core services is often referred to as the Local Management Overhead (LMO).

The LMO to deliver the quantum of services set out by the council in the tender documents will be used by tenderers to propose a LMO. Under evaluation tenderers LMO's will be

assessed by the council for their appropriateness and proportionality in relation to the core services and contract value.

The council would like the LMO to flex during the contract term agreed between the council and the contractor, reacting to changes in service priorities and contract turnover, although this requires further work to understand a contractual mechanism to provide this.

BBLP employees and workforce who are primarily delivering the core services and LMO services will be offered transfer rights to the new contractor under the Transfer of Undertakings Protection of Employment rights (TUPE).

### Services transferred to the council

Technical roles transferred to the council from BBLP under the Transfer of Undertakings Protection of Employment rights (TUPE) include the following functions:

- Asset Management Team
- Network Management
- Locality Stewards (incl Highway Inspections)
- Design / Project Management / Quantity Surveying (part)
- Customer Services (enquiries and complaints)
- Communications Lead (communications management including social media)
- Fleet (part)
- Health & Safety / CDM (part)

An initial assessment has identified that 59 roles will transfer from BBLP to the council for the functions listed.

### The Contract

The council has investigated the form of contract and options that would best deliver the services to the council's requirements. This investigation has identified the NEC 4 Term Service Contract with a combination of options A, C and E will best meet the council's vision as set out in the table:

<b>Option</b>	<b>Description</b>	<b>Scenario for use</b>
Option A: Priced Contract with Price List	Lump Sum Activity or Item Rate from Price List	Core Services & Schemes
Option C: Target Contract with Price List	Target is built up from Price List Contractor is paid their "Defined Costs" + Fee Risk is shared: Loss/gain 50/50 (TBC)	Option from Year 3 of the Contract for Core Services & Schemes that the council may invoke

Option E: Cost Reimbursable Contract	Works are agreed and paid on an open book basis Contractor is paid their "Defined Costs" + the Fee percentage	By exception for unusual services that are not catered for in the Price List
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### The Specification

The contract specification will be developed in accordance with national and local standards:

- Highway Maintenance Efficiency Programme
- Design Manual of Roads and Bridges (DfT)
- Material requirements & specifications including British Standards
- Local requirements & Standard Details (as standard as possible)

The contract will allow new items to be included in the Price List during the contract term, and include an allowance to review and potentially re-price a limited number of items from the Price List where this is considered reasonable, in support of a commercially sustainable long term contract and relationship between the council and the Contractor.

The Contract will allow for innovation and efficiency variations to maximise public benefit and value for money.

The proposed contract term will be an initial term of 7 years, with the option to extend for periods up to 3 years. The decision to extend would be taken at year 5, and include a VFM assessment.

The council are exploring contract terms in excess of 10 years as part of the market engagement to understand what benefits and challenges this would present in respect of fleet renewal and assurances relating to value for money.

Performance Management is an important aspect of the contract and will include:

- Council Strategic Key Performance Indicators
- Contractor Strategic Key Performance Indicators
- Contractor Operational Key Performance Indicators
- The contract will include "Low Service Damages" for non-compliance

A Performance Management Framework will be developed and discussed as part of the market engagement and provided in the tender documents for procurement.

Requirements relating to IT, accommodation, depots and fleet are being reviewed and developed to support the model and new contracting arrangements.