

HERTFORDSHIRE COUNTY COUNCIL
HIGHWAYS CABINET PANEL
WEDNESDAY 7 MARCH 2018 AT 10.00AM

<u>Agenda Item</u> <u>No.</u> 4
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HIGHWAY SERVICE CONTRACT EXTENSIONS UPDATE:

- (i) Extension to the Highways Service Term (Ringway) contract
and**
- (ii) Extension to the Client Support Term (Opus-Arup) contract**

Report of the Chief Executive & Director of Environment

Author: Steve Johnson, Head of Highways Contracts and Network
Management (01992 658115)

Executive Member: Ralph Sangster, Highways

1. Purpose of report

The purpose of this report is to:

- Provide the Highways Cabinet Panel with a summary of the changes secured as part of the extension for both the Highways Service Term (HST) and Client Support Term (CST) Contracts.

2. Summary

2.1 At the Highways Cabinet Panel on 16 November 2017 a report was presented on the proposal to extend both the HST and CST contracts for a period of 5 years. Cabinet, at its meeting on 18 December 2017, agreed to extend both contracts by 5 years.

2.2 At the Panel meeting the chairman clarified that should the contract be extended, a further report would be brought to the panel outlining the changes made and improvements secured through the contract extension agreement.

2.3 This report sets out the changes made and improvements secured.

3. Recommendation

3.1 The Highways Cabinet Panel is requested to note the contents of the report.

4 Background

- 4.1 The highways service is delivered via a mixture of in house teams and external providers. Each provider is engaged through a contractual process and these contracts have a finite life, although the main ones can be extended.
- 4.2 The two main contracts under the highway service are:
 - i. The Highway Service Term (HST) contract – delivered by Ringway;
 - ii. The Client Support Term (CST) contract – delivered by Opus-Arup;
- 4.3 Both contracts started on 1 October 2012 and were for an initial 7 year term with an option to extend by up to a further 5 years.
- 4.4 In November 2017 a report was presented to the Highways Cabinet Panel setting out the proposal to extend both contracts for a period of 5 years.
- 4.5 The Panel was requested to recommend to Cabinet that:
 - a. The Client Support Term contract with Opus International Consultants (UK) Limited and Ove Arup and Partners Limited is extended in accordance with the contract for a period of up to 5 years;
 - b. The Highways Service Term Contract with Ringway Infrastructure Services Limited is extended in accordance with the contract for a period of up to 5 years;
 - c. The decision to agree the final terms of the above extensions, including the contractual documentation and any necessary notices or other documents required, is delegated to the Deputy Director of Environment in consultation with the Executive Member for Highways and the Chief Legal Officer.
- 4.6 As part of the process both Ringway and Opus-Arup were invited to submit proposals on what they could deliver as part of a contract extension, if the County Council were minded to offer an extension.
- 4.7 Council officers also engaged with both providers setting out areas of the service that they wanted to evolve, following feedback received during the Highway Service Review.
- 4.8 Appendix A sets out the Changes included in the extended CST contract.
- 4.9 Appendix B sets out the Changes included in the extended HST contract.

5. Financial Implications

- 5.1 The financial implications of the extensions were included in the PART 1 and the confidential PART II Highways Service Review Reports presented to Highways Cabinet Panel on 16 November 2017.

6. Equality Impact Assessments

- 6.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equalities implications of the decision that they are taking.
- 6.2 Rigorous consideration will ensure the proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.
- 6.3 The Equality Act 2010 requires the Council when exercising its functions to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

and

- (c) foster good relations between persons who share a relevant, protected characteristic and persons who do not share it.

The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

- 6.4 No equalities implications have been identified in relation to this report, although any changes to the service as a result of the review may have equality implications which will need to be considered.

Background Information

[Highways Cabinet Panel-16 November 2017-Highways Service Review \(HST&CST\) Contracts](#)

APPENDIX A

SUMMARY OF CHANGES MADE AND SERVICE IMPROVEMENTS SECURED THROUGH THE EXTENSION OF THE CST CONTRACT

Below is a summary of the changes being made and improvements secured through the extension of the CST contract:

1. Improving member and customer engagement by:

- a. Incorporating a contract performance indicator on Opus-Arup (OA) to respond to all member enquires received via the Highways Member Enquires email account, within 5 working days;
- b. Incorporating a contract performance indicator on OA to respond to all customer enquires received via the Customer Service Centre (excluding formal complaints and faults logged on Hertfordshire County Council's fault reporting system), within 10 working days;
- c. Incorporating a contract performance indicator on OA to respond to all formal complaints within 10 working days;
- d. Provision of robust, reliable and timely information including:
 - i. Design programmes for CAT 3 and 4 works;
 - ii. Costs estimates;
 - iii. Pre works communications;

2. Internal service improvements:

- a. Providing timely and accurate information on costs forecasts, works delivery and design programmes;
- b. Agreements on transfer of data and records at end of contract life;
- c. Enhanced management information particularly in relation to the monthly payment applications;
- d. Allow the Whole Client Service (WCS, which is the Hertfordshire County Council and OA team) to use Opus licenced software to help keep costs down;
- e. Joint training to promote a one team approach and keep costs down;

- f. Agreement to target timelines between S38 (section 38 of the Highways Act 1980) agreements and adoptions;

3. Contract updates:

- a. Inclusion of the latest Construction Design and Management (CDM) regulations;
- b. Inclusion of the new General Data Protection Regulations (GDPR);
- c. Updates on how data should be managed and stored to comply with the GDPR;
- d. Inclusion of a contract exit strategy;
- e. Allowance for potential changes to the car parking at County Hall.

4. Service Improvements and cost savings/investments as part of the OA offer:

- a. Reduction in remote working costs;
- b. Appointment of an Intelligent Mobility lead and development of a future transport strategy;
- c. Investment in an organisational review;
- d. Investment in business case developments to support future funding opportunities;
- e. Lead a data, IT systems and software review;
- f. Development of a collaborative approach to Integrated Transport Project (ITP) delivery;
- g. Investment in leadership development across the client team;
- h. Investment in technical expert and specialist support for the service to deliver innovation;
- i. Investment in external support and training to help improve communications across the service;
- j. Investment in benchmarking and networking with other organisations to share innovation and improve the service;
- k. Investment in evolving the development management service and with potential opportunities for further income:

- l. Investment in reviewing current highway charges and costs to identify potential income streams;
- m. The total value of the investments offered by OA and agreed by Hertfordshire County Council as part of the extension agreement were included in the confidential PART II report presented to the Highways Cabinet Panel on 16 November 2017.
- n. The total value of savings offered by OA and agreed by Hertfordshire County Council as part of the extension agreement were included in the confidential PART II report presented to the Highways Cabinet Panel on 16 November 2017.

APPENDIX B

SUMMARY OF CHANGES MADE AND SERVICE IMPROVEMENTS SECURED THROUGH THE EXTENSION OF THE HST CONTRACT

Below is a summary of the changes being made and improvements secured through the extension of the HST contract:

1. Improving member and customer engagement by:

- a. Incorporating a contract performance indicator on Ringway to respond to all member enquires received via the Highways Member Enquires email account, within 5 working days;
- b. Incorporating a contract performance indicator on Ringway to respond to all customer enquires received via the Customer Service Centre (excluding formal complaints and faults logged on Hertfordshire County Council's fault reporting system), within 10 working days;
- c. Incorporating a contract performance indicator on Ringway to respond to all formal complaints within 10 working days;
- d. Provision of robust, reliable and timely information including:
 - i. Provision of grass cutting plans to all members;
 - ii. Provision of gully cleaning plans to all members showing cleaning frequency etc.
 - iii. Provision of real time information on when Ringway's planned works actually start and finish on site – via roadworks.org;
 - iv. Provision of 'live' bulletins on congestion on the highway network during normal operational hours;
 - v. Provision of CAT 2 works programmes and works lists to help members identify potential CAT 3 candidates;
- e. Improvements to Ringway works communication letters by ensuring these are checked by the communications manager before being issued;
- f. Changes to fault reporting including:
 - i. Updating the standard list of closedown comments and keeping these under regular review;

- ii. Placing signs on columns to indicate where a street lighting outage is the cause of a third party (i.e. UKPN issue);
 - iii. Developing the fault reporting system to include photos of defects;
- g. Better visibility of works programmes especially CAT 5 (cyclical maintenance programmes);
- h. Improving the use of social media to make customers aware of highway works and impacts;
- i. Provision of CAT 3 delivery programmes;
- j. Further enhancements to the highways web pages;
- k. Changes to the dropped kerb communication and programme process to ensure customers notified in a timely way and programme over runs avoided;
- l. Engagement with the Customer Service Centre/staff training to improve first time handling of enquiries;
- m. Changes to the street lighting performance monitoring to ensure customer reported defects that go beyond the 20 working day target repair timeframe aren't then ignored or forgotten about. The proposal agreed is to incentivise Ringway to repair these street lights by increasing the amount of money deducted for each additional 20 working days they go beyond the original target repair time;
- n. A similar mechanism has been agreed for street lights on 'traffic routes' which aren't customer reported;

2. Internal service improvements including:

- a. Providing timely and accurate information on costs forecasts, works delivery and design programmes;
- b. Agreements on transfer of data and records at end of contract life;
- a. Provision of CAT 2 programme data and target delivery timeframes;
- b. Set timeframes for inventory updates – i.e. new street light installed set target timeframe for updating asset inventory to include this;
- c. Requirement that yellow/white lines are reinstated within set timeframe (to be agreed) where patching or surfacing carried out;

- d. Ringway to pay for additional audits if failure rate exceeds set level;
- e. Specification for verge reinstatement updated;
- f. Provision of programme information and sharing amongst teams to enhance one and done, improve works co-ordination (traffic management sharing) and reduce costs;
- g. Ringway to collect asset and network intelligence and use it to assist in programming.
- h. Enhancements to the traffic signal service such as optimising the phasing of each traffic signal installation on a regular basis and creating a contractual KPI;
- i. Aligning the reporting of green claims income (claims associated with third party damage to the highway) and signal bagging (the temporary covering up of traffic signs whilst a third party such as a developer undertakes works on the highway) income with financial year reporting cycle. At present it's based on contract year;
- j. Formalise Ringway's enforcement role (initial letter);
- k. Real time vehicle tracking and provision of information for gritting service;

3. Contract Changes

- a. Inclusion of the latest CDM regulations;
- b. Inclusion of the new GDPR;
- c. Updates on how data should be managed and stored to comply with the GDPR;
- d. Inclusion of a contract exit strategy;
- e. Allowance for potential changes to the car parking at County Hall.

4. Service Improvements and cost savings/investments as part of the Ringway Offer:

- a. Investment to support Hertfordshire County Council in the development of their Asset Management Approach;
- b. Improving communications across the service;

- c. Investment in developing a single programme viewer using Geographic Information System (GIS);
- d. Investment in development a co-ordinated programme and reporting system for all works;
- e. Investment in developing effective management of Hertfordshire County Council's CONFIRM system;
- f. Investment in equipment to help site based staff collect data more effectively;
- g. Investment to support Hertfordshire County Council in developing a future depot strategy;
- h. Investment in supporting and driving ongoing improvements in highways customer services;
- i. Investment to introduce an innovation award scheme to promote innovation across the service;
- j. Improve the delivery of ITP projects helping to reduce costs;
- k. Investment in a lean working review to identify future improvements and potential cost savings across the service;
- l. Evolving the Integrated Transport Control Centre to provide improvements in information on how the network is operating, thus improving journey time reliability;
- m. Reinvestment of £100,000 of Ringway's gain share back in to the service each year;
- n. Improvements in the provision of real time works information on key routes to help keep the county moving;
- o. The total value of investments offered by Ringway and agreed by Hertfordshire County Council as part of the extension agreement were included in the confidential PART II report presented to the Highways Cabinet Panel on 16 November 2017.