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# HEREFORDSHIRE PUBLIC REALM CONTRACT 2023/24

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## ANNEX LMO – LOCAL MANAGEMENT OVERHEAD

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### ANNUAL PLAN FINAL APPROVAL

BBLP: Anthony Agate – completed – 10<sup>th</sup> Oct 2022

HC Commissioner: Geoff Pickford

## SERVICE OVERVIEW

The Local Management Overhead (LMO) Annex sets out the key enabling functions and management resources that support the delivery of Herefordshire Council's outcomes through the service Annexes. The functions can be categorised under three areas:

- Governance and Management Activities
- Enabling Functions
- Service Provision

## COMMISSIONED WORKS

The annex shall deliver all activities and works defined as Local Overhead Cost in accordance with the Core Clauses of the Contract that support the delivery of the Contract through the service Annexes 1 – 14 (excluding Annex 11)

## HIGH LEVEL SERVICE DELIVERY

SERVICE	RESOURCES	DIRECT/SUB CONTRACT	DELIVERY	COST
Fee				£138,093
LMO	See Cost Build up	Direct		£1,542,908
General Management and Governance of the Contract		Direct	Contract and Service Governance to ensure effective delivery of outcomes Programme management to ensure timely delivery Budget management to ensure fiscal responsibility Issue management (risks and opportunities) to ensure value for money and protect the Council and BBLP from harm Recruitment and retention of a talented and engaged workforce Stakeholder management ensuring well informed and satisfied stakeholders	
Efficient and Accurate Commercial &		Direct	Provision of financial governance and reporting	£736,507.58

Financial Management			Provision of commercial governance and reporting Application preparation. Budget estimating	
Value for Money Procurement		Direct	Purchase of materials, subcontractor and subconsultant services that ensures best value for Herefordshire Council Management of subcontractor and subconsultant relationship to ensure contractual and legal obligations are met BBLP Procurement policy and procedures are aligned to HC procurement policy	
Contract Performance Management		Direct	Performance reporting including OPI and SPI collation and reporting Monthly service reporting Provision of best practice case studies	
Continuous Improvement		Direct	Coordination and oversight of audit response Governance of continuous improvement Management of My Contribution process. Continuous Improvement register maintained by the performance manager.	£53,871.62
Health & Safety Management		Direct	Health and safety advice Weekly Observation and near miss reviews Provision of health and safety resources Provision of health and safety related equipment Audit of health and safety compliance	£53,871.62
Operational Control Hub		Direct	Live data monitoring and control of reactive, routine and programmed works Control and maintenance of integrated works programme Focus on driving productivity and efficiency (BBLP to provide a proposal for reinvestment for any identified efficiency saving in year) Provision of information to internal and external stakeholders on service delivery	£218,693.62

Service & Site Support		Direct	Completion of weekly payroll Administration of plant returns Processing of purchasing requests Management of training plan Coordination of health & safety reporting and compliance Waste ticket management General business support duties	£61,732.08
Enabling Effective Service Delivery Through Provision of Facilities and Non-Human Resource		Direct	Provision of a Safe working Yard Provision of a Working Office Space. Provision of Pool Vehicles Depots and Offices - Maintenance costs (non BBLP), Utility costs, Licences, Rent	£350,648.76
Provision of Engaged Human Resources		Direct	Recruitment of talented staff Retention of talented staff through effective management processes. Staff engagement activities (including representative forum)	£8,786.40
Effective Management of Insurance Claims		Direct	Red insurance claims service. Green insurance claims service	£58,797.87

## OUT OF SCOPE ACTIVITIES

The activities or works out of scope;

Service/Activity Removed	Reason
Effective Management of Insurance Claims	Red Claims <ul style="list-style-type: none"> <li>Any highway related claims that are correctly identified as Employer (HC) claims.</li> <li>Any claims received by BB that are for HC service areas not provided under contract.</li> </ul>

**APPENDICES****APPENDIX A: RELEVANT PROCESS MAPS & SUPPORTING DOCUMENTS**

Financial Handbook

Group Minimum Commercial Expectations

Procurement Flow Chart

Green Claims Process

Red Claims Process

**APPENDIX B: PROGRAMME OF WORKS**

N.A

**APPENDIX C: BUDGET BREAKDOWN**

Annex	Description	Costs	Fee	Total
<b>Property Pass Through</b>		334,946	-	334,946
Property Pass Through	Rates	84,926	-	84,926
	Rent	250,020	-	250,020
<b>Main LMO</b>		1,404,815	138,093	1,542,908
<b>LMO Excluding Property</b>				
Staff	01. SMT	481,831	47,364.01	529,195.24
	02. Comm/Proc	181,765	17,867.51	199,632.64
	03. Business Support	56,207	5,525.14	61,732.08
	04. OCH	199,120	19,573.51	218,693.62
	05. Insurance	53,535	5,262.52	58,797.87
	06. Performance Reports	49,050	4,821.62	53,871.62
	07. H&S	49,050	4,821.62	53,871.62
	08. Facilities Management	6,992	687.35	7,679.70
Depot and Offices	Maintenance costs (non BBLP)	49,050	4,821.62	53,871.62
	Utility Costs	59,950	5,893.09	65,843.09
	Licences	118,800	11,678.04	130,478.04
	Rent	28,245	2,776.48	31,021.48
General Expenses	H&S Equipment	14,170	1,392.91	15,562.91
	Sundries	6,540	642.88	7,182.88
	Printing Postage & Stationery	9,810	964.32	10,774.32

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Plant	Fuel	5,450	535.74	5,985.74
	Plant	27,250	2,678.68	29,928.68
Recruitment	Recruitment	8,000	786.4	8,786.40

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**APPENDIX D: NOMINATED SUBCONTRACTORS**

None