

# HEREFORDSHIRE PUBLIC REALM CONTRACT ANNUAL PLAN 2024-25

## SERVICE OVERVIEW

Grounds maintenance,  
St George's playing field



Canary Bridge, Hereford



Snow clearance, Longtown



Locality inspection,  
city centre



Thanking key workers summer 2020,  
Kingsland Depot



Street lighting  
maintenance, Withington

Locality working, Kington



## **Contents**

### **Section 1. Context**

- 1.1 Introduction
- 1.2 Legislation and Policy
- 1.3 Annual Plan Structure

### **Section 2 Contract Management**

- 2.1 Key Assumptions
- 2.2 Contract Improvement Plan
- 2.3 Contract Management Tests
- 2.4 The Annual Plan Development Process
- 2.5 The Forward Programme Development Process
- 2.6 Commissioning
  - 2.6.1 Commissioning Hallmarks
  - 2.6.2 The Commissioning Cycle
- 2.7 Prioritisation of Budget and Works
  - 2.7.1 Outcome of Prioritisation – Capital
  - 2.7.2 Outcome of Prioritisation and Options Appraisal – Revenue
- 2.8 Risk Management

### **Section 3 Financial Arrangements**

- 3.1 Budget Build Up and Fees
- 3.2 Local Management Overhead Costs
- 3.3 Delivering 3% Savings

### **Section 4 Compliance**

- 4.1 Health and Safety
- 4.2 Environmental
- 4.3 Equality and Diversity
- 4.4 Governance
  - 4.4.1 Cluster Groups

## **Section 5 Delivering Corporate Priorities**

5.2 Future Workforce & STEM

5.2 Contributing to Social Value

5.3 Climate Emergency Declaration

## **Section 6 Delivery and Performance**

6.1 Integrated Works Programming Approach

6.2 Performance Management

6.3 Performance Reporting

6.4 Quality Assurance and Audit

6.4.1 Self – Audit

6.4.2 Council Audit Programme

6.5 Continuous Improvement

6.5.1 Lessons Learned

6.5 Innovation

## SECTION 1 – CONTEXT

### 1.1 INTRODUCTION

This document, the Herefordshire Public Realm Service Annual Plan 2024/2025 (Annual Plan) sets out how Herefordshire Council (the Employer) supported by its contractor Balfour Beatty Living Places (the Provider) will deliver the public realm contract for the year.

A wide range of Council functions contribute towards public realm services, these include highway maintenance, street cleansing, regeneration, grounds maintenance, planning, traffic, parking management and communications 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 Council and Balfour Beatty Living Places will:

- Ensure that the Council meets its statutory responsibilities.
- Deliver Council objectives to produce an attractive, sustainable 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 within the budgets available.

The Annual Plan sets out the contract priorities for provision of services for the plan period in the financial year 2024/2025.

### 1.2 LEGISLATION AND POLICY

Balfour Beatty Living Places will

1. Comply with relevant council policies and procedures when developing and delivering the Contract and the Annual Plan.
2. Comply with the relevant legal and legislative requirements when delivering the Contract.
3. Design and deliver all activities in adherence to the Public Realm Contract.

### 1.3 ANNUAL PLAN STRUCTURE

The Annual Plan consists of the service overview (this document), an LMO annex and thirteen technical annexes, which detail the deliverables for the component parts of the Public Realm Contract. The Service Overview captures the contract principles and mechanisms for the effective delivery of public realm services together with the summarised commercial and financial information for the service.

The Annexes set out the detail how the Council and Balfour Beatty Living Places will manage and provide each of the public realm services for the plan period. Each annex sets out information on the 'what,' 'where,' 'when' and 'how' for the Contract. The Service Overview sets out the overarching principles and policies to be used in the delivery of the Annual Plan, the 'why.'

The annexes included in the Annual Plan are captured in 2.2 CONTRACT IMPROVEMENT PLAN

To address the actions from the Council's Audit programme a Contract Improvement Plan has been developed. The ongoing delivery of the plan will be the responsibility of the Council's Contract Management Team for ensuring implementation. The Operations Board will lead the implementation for Herefordshire Council and Balfour Beatty Living Places actions with update reports to the Strategic Partnership Board each quarter.

### 2.3 Service Information Annex's

<b>Annex Reference</b>	<b>Service</b>
Annex 00 – LMO	Overview of Local Management Overhead to enable effective management and delivery of service.
Annex 01 – Network resilience	Support During Civil Emergencies and Highways Winter Service
Annex 02 - Community Development and Stakeholder Management	Community Development, Customer Interface, Communications 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	Delivery of S278 works
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 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
Annex 10 - Network Rehabilitation Maintenance	Network Rehabilitation and Maintenance including reactive and routine response to asset degradation
Annex 11 – Not Used	
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

The Annexes set out in detail the contribution each service will make to the council's' overall objectives through service delivery. The Council has reviewed the draft annexes submitted by Balfour Beatty Living Places and provided its commentary.

Copies of the annexes, Council Policies and the other documents and plans referred to are available from the Council.

## SECTION 2 – CONTRACT MANAGEMENT

Contract management is led by the Council's Contract Management Team who are responsible for ensuring that the contract is delivered to the required performance levels.

### 2.1 KEY ASSUMPTIONS

The following key assumptions have been made in developing this Annual Plan. Further assumptions are included with each annex:

1. All works are delivered in accordance with the Public Realm Contract and to the performance outcomes of the work specifications.
2. Balfour Beatty Living Places will determine the priority of works & services in accordance with Statutory obligations, the Councils policies, and strategies, and as laid out in the adopted Highways Maintenance Plan, the transport asset management plan, and the asset lifecycle plan – subject to other Council commitments which are already within the public domain. The sequence of delivery of activities included within the annual plan will be established and managed through the integrated works programme.
3. Budgets and allocations are accurate and based on the Council's budget allocations for 2024/25. These will be reforecast monthly in line with the Contract.
4. Value for money will be delivered and evidenced through the correct implementation of highways and transportation policies, service delivery processes and the subsequent monitoring of delivery.
5. Open book accounting will provide transparency of financial matters to the Council's auditors such that value for money can be demonstrated and evidenced.
6. The Council will provide visibility of other Council budgets which affect the Balfour Beatty Living Places services, including:
  - a. External revenue e.g. Skips & scaffold licences;
  - b. Other 3rd party costs e.g. Telent, Lengthsman and other grants;
7. The Council will provide BBLP with sufficient information relating to other works commissioned directly by the council that may impact or interface with services and works delivered under the Contract.
8. All commissioning and ordering of work will be done through the Council's contract management teams as required by the Contract.
9. LMO allocation to Revenue/ Capital budgets is based on the split of Capital/ Revenue work in the Council's Financial Year 2024/25, including currently un-commissioned work expected.

Liability of claims will be managed outside of the annual plan in line with the contract and the Claims Protocol.

## 2.2 CONTRACT IMPROVEMENT PLAN

To address the actions from the Council's Audit programme a Contract Improvement Plan has been developed. The ongoing delivery of the plan will be the responsibility of the Council's Contract Management Team for ensuring implementation. The Operations Board will lead the implementation for Herefordshire Council and Balfour Beatty Living Places actions with update reports to the Strategic Partnership Board each quarter.

## 2.3 CONTRACT MANAGEMENT TESTS

Table 2: Contract Tests

As part of its planned improvements for contract management during 2023/24, the Council implemented a revised contract management process to strengthen its evaluation of contract performance through the introduction of a robust contract management framework. outlines the evaluation criteria against which the Annual Plan is monitored and where the evidence is stored.

Contractual Test	Comment
Meet the Council's objectives, as per the Contract;	Set out in this service overview.
Proposed expenditure must be within Capital and Revenue Budgets that have been assigned to Balfour Beatty Living Places	Set out in this service overview.
Be capable of delivering 3% cashable savings for the Council against the prior year's spend (or whatever equivalent efficiency measure that may be placed upon the Employer by central Government or reasonable agreed between the Employer and the Provider during the Contract Period);	Set out in this service overview.
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;	Set out in each annex
Address any priorities set by the Strategic Partnering Board;	Set out in each annex
State the financial year to which it relates;	Set out in this service overview
Provide estimated cost + fee for each activity in the plan;	Set out in this service overview



Provide details of any risk contingencies in relation to each activity;	Set out in this service overview
State the estimated Local Overhead Cost;	Set out in the LMO annex
Show the order and timing of the works, including works for Others;	Set out in each annex and the Integrated Works Programme.
Show any dates when Balfour Beatty Living Places will require access, acceptances, materials from the Council or information from Others to deliver the Annual Plan;	Set out in each annex where access or acceptances is required.
Show the payment mechanism for each part;	Set out in the budget master
Be compliant with all legislation and Council Policy	Set out in each annex
Demonstrate Value for Money	Evaluated by the Council's Cost Consultant in accordance with the Council's VFM framework.

**Table 2: Contract Tests**

As part of its planned improvements for contract management during 2023/24, the Council implemented a revised contract management process to strengthen its evaluation of contract performance through the introduction of a robust contract management framework. The framework will be used in 2023/24 to monitor and evaluate contract performance.

## **2.4 THE ANNUAL PLAN DEVELOPMENT PROCESS**

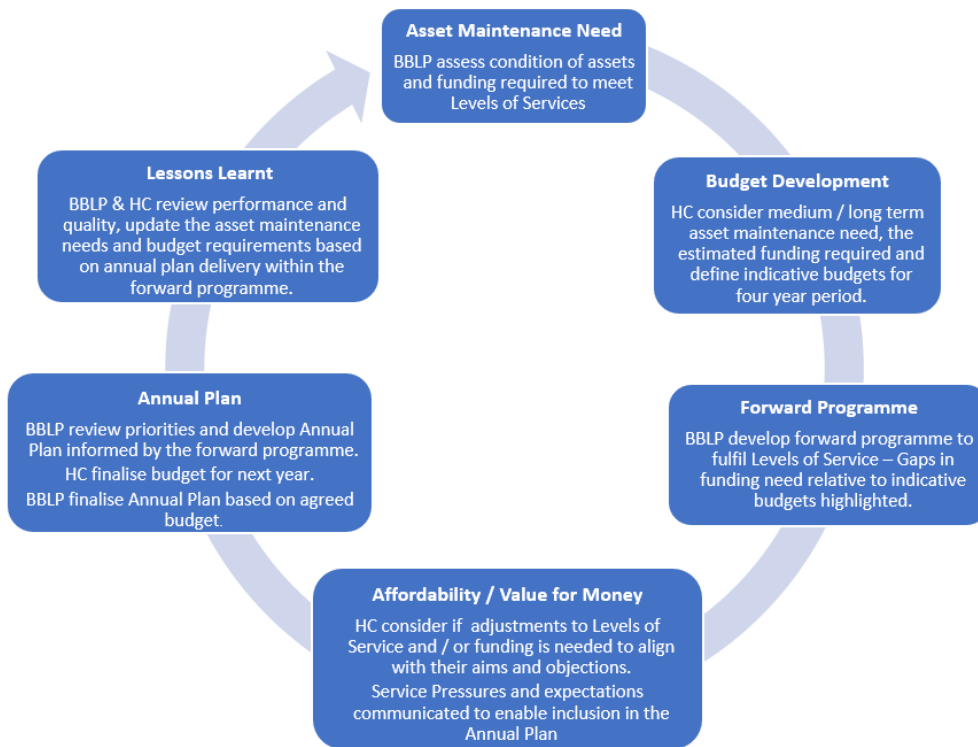
The Annual Plan development process was reviewed and updated in 2023/24. The Annual Plan development for the 2025/26 year shall commence in May 2024 with an update of the Forward Programme based on the agreed 2024/25 Annual Plan. Following acceptance of the updated Forward Programme, the 2025/26 Annual Plan will be developed based on year 1 of the accepted Forward Programme. The integration of the Annual Plan and the Forward Programme development is shown in section 2.5 below. The draft Annual Plan is to be agreed in principle by the Strategic Partnering Board in September 2024 in preparation for appropriate consultation.

## **2.5 THE FORWARD PROGRAMME DEVELOPMENT PROCESS**

In line with the requirements of the contract and good asset management practice, Balfour Beatty Living Places will work with the Council to undertake a forward planning process.

This process will be undertaken as follows:





Following the approval of the Annual Plan, the Forward Programme is reviewed each year and updated to reflect the approved Annual Plan and the requirements for the next four years. This review and update is undertaken in consultation with the Strategic Partnering Board, who approve the updated document. The programme for this the review and update of the forward plan to be undertaken in Q1, leading to the drafting of the annual plan by the end of Q2 and then the review and update of the annual plan in Q3 and the final approval of the annual plan in Q4.

In order to review and update the Forward Programme, the Council will provide details of the estimated Services budget for both capital and revenue services for the period to which the Forward Programme relates.

## 2.6 PROCUREMENT

The HC procurement strategy Outlines seven high level procurement and commissioning aims. These aims are;

- Be an expert commissioner,
- Efficient and effective procurement,
- Training and development,
- Improvement,
- Supplier and contract management,
- Governance and sustainability,
- Working with other council, public and third sector organisations.

Procurement under the Public Real Contract is undertaken in accordance with Balfour Beatty procurement policies and procedures, to support the Councils procurement and commissioning aims. These are achieved as follows:

1. **Be an expert commissioner:** BBLP utilises the expertise of both local staff in procurement, commercial and project management as well as wider business unit and group staff in the support and delivery of procurement activities. BBLP and BB group develop and maintain robust procurement processes and procedures utilising their expertise as a Tier 1 international contractor.
2. **Efficient and effective procurement:** BBLP utilise their integrated teams to ensure that the procurement undertaken is done so to best deliver the requirements of both the individual element of work and also the wider requirements of the public realm contract services in each year's Annual Plan. This allows the best use of internal and subcontract resources based on capacity and expertise to deliver the works under the annual plan. Where appropriate BBLP establish contracts with suppliers for longer periods with the ability to call off works when required. This ensures that services can be delivered effectively and efficiently for repeat works without the need for multiple procurements.
3. **Training and development:** BBLP make provision for all staff to participate in a range of training sessions provided for all staff each year as well as targeted individual training. All BBLP staff have a mid-year and end of year Performance Development Review (PDR) at which training, and development needs are discussed and identified which then feed into the BBLP training plan. BBLP support both apprentices and graduates through its early careers programme as well as supporting individuals gain professional accreditations including Chartered Engineer and Association of Project Management accreditations.
4. **Improvement:** BBLPs policies and procedures are subject to ongoing review and update to ensure that they remain current and effective. In addition, through the Annual Plan development process BBLP regularly evaluate how best to deliver the service including where procurement of subcontracts will be required. This procurement review represents a reflective assessment of current arrangements to ensure they remain appropriate and identify where necessary improvements and enhancements to the procurement process.
5. **Supplier and contract management:** BBLP utilise its internal teams to manage the procurement and project delivery. This includes procurement specialists, commercial team members and a team of project managers utilising the Balfour Beatty processes. The BBLP PRC is itself managed through the HC contract management team (CMT). Following recent audits, and actions from the Major Contract Improvement Board, these provisions have been strengthened within the CMT.
6. **Governance and sustainability:** The provisions of the PRC and the management process of the CMT ensure that works undertaken by BBLP are monitored and managed. These include the monthly commercial and finance, operations, and risk management board where risks associated with the PRC are presented and reviewed and are then able to be transferred into the council's service, directorate, and corporate risk registers accordingly. BBLP operate a number of review and sign off stages within its procurement process, including the review of the tender prior to publishing, the review and sign off of tender recommendation reports and the stagegate review of service order plan documents prior to submission to Herefordshire Council.
7. **Working with other councils, public and third sector organisations:** As outlined above BBLP establish contracts with suppliers for longer periods with the ability to call off works when required. This ensures that services can be delivered effectively and efficiently for repeat works without the need for multiple procurements. In addition, the BBLP PRC has provision under clause 25.7 for the contract to be used by other contracting authorities to procure services under the contract.

BBLP have undertaken a procurement review in the 2023/24 financial year covering.

- The BBLP procurement process and its alignment to the Herefordshire council procurement strategy, contract procedure rules and social value policies.

- The input and engagement of the Herefordshire Council procurement team within procurement undertaken under the PRC
- The BBLP supply chain in relation to:
  - Proportion of supplier spend with local SMEs
  - How existing supply chain have been procured
  - Barriers to suppliers engaging and securing works under the PRC through BBLP
  - Expansion of the current supply chain through a supplier engagement event.

The recommendations from this review will be taken forward in procurement undertaken in 2024/25.

## 2.7 PRIORITISATION OF BUDGET AND WORKS

The development of each annex is informed by the County Plan 2020-2024, statutory obligations, Council policy and strategy, asset management policy and plans and priorities. These are identified through the development of the Forward Programme for the next four years in order to support delivery of the Council's outcomes and priorities. The agreed Forward Programme informs the Annual Plan where year one of the Forward Programme is refined based on confirmed budgets and the current asset and service needs.

The budget is allocated in the Forward Programme according to the following hierarchy:

- Provision of statutory services as required by law.
- Provision of contractually obligated non statutory services.

Allocation of budget to non-statutory services is based on asset need informed by community need. Information to support these needs is gathered as set out below:

- **Asset need** – determined through condition surveys and whole life cycle asset management model captured in the TAMP, through AMX Asset Management software system for completeness and accuracy.
- **Community need** – determined through an on-going process of community consultation, through the Locality Stewards, Ward Members, and attendance at Parish Council Meetings and customer enquiries.

Within the Forward Programme and Annual Plan, the works and services are developed to deliver the requirements of the service information and the adopted asset management policy. The prioritisation of works within the allocated budgets is undertaken as laid out in the adopted lifecycle plans for each of the primary asset groups. Further lifecycle plans have been developed for secondary assets in the 2023/24 financial year.

### 2.7.1 OUTCOME OF PRIORITISATION– CAPITAL WORKS

The programmes of maintenance and improvement works can be found in Annex 3 (End to End Network Improvement), Annex 7 (Water on the Network) Annex 14 (Structures).

In the development of the Forward Programme, BBLP undertook an assessment of relative budget need in determining the split of budgets across asset. This identified that with the constrained budgets available no significant changes to the budgets adopted in 2023/24 could be made, as significant increases in investment in one asset group would not allow minimum levels of investment in other groups.

In 2023/24 BBLP have supported the delivery of additional investment in the public realm through both Council and government capital investment. This investment has included investment in structures as well as a focus on carriageway funding. BBLP understand that further additional

investment is likely to be made in carriageways in 2024/25 but that the route to delivery has not yet been determined. On this basis the prioritisation is based on the core Highways Maintenance Block funding only.

## 2.7.2 OUTCOME OF PRIORITISATION– REVENUE SERVICES

Balfour Beatty Living Places have reviewed the non-statutory revenue services in the development of the Annual plan to meet the Councils revenue budget, including for £520,000 of Council led savings as set out in table 3b below.

## 2.8 RISK MANAGEMENT

The Risk Management Board was established in 2022 and forms part of the monthly operations reporting process. Balfour Beatty Living Places undertake day to day management of risk through annex and project risk registers and utilising the Balfour Beatty IRIS risk management system. These registers are reviewed monthly, and risks are escalated where necessary to a service level risk register. These service level risks are presented in a risk management board report and reviewed at the board meeting. The Council then utilise the information from the risk management board to update risks within the council risk registers, escalating between service directorate and corporate level risks based on the risk rating.

## SECTION 3 – FINANCIAL ARRANGEMENTS

Financial performance is managed and monitored by the Council through the monthly Operations Board Commercial and Financial meeting to review financial performance. Financial reports are formally agreed by the Council at the Operational Board and reviewed by the Council's Strategic Partnership Board.

### 3.1 BUDGET BUILD UP AND FEES

The table below identifies the agreed budget and the associated fees payable. There is also an additional analysis detailing the split between capital and revenue budgets. Detailed costs can be found within each Service Annex.

<b>Revenue</b>	<b>2024/25</b>
Gross Base Budget	6,201,116
Inflation Uplift	409,538
Commuted Sums	290,678
Lengthsman Scheme	250,000
RCCO Repayment	-313,291
Council Led Reductions	-520,000

Commissioning Contingency	-200,000
BBLP Efficiency Savings	-180,000
<b>Gross Expenditure Budget</b>	<b>5,938,041</b>
Income (NRSWA, Dropped kerbs)	-136,000
<b>BBLP BUDGET FOR WORKS</b>	<b>5,802,041</b>

<b>Capital</b>	<b>2024/25</b>
<b>Local Transport Funding Block</b>	
Highways Maintenance Block	
Band 3	6,395
Integrated Transport Plan	1,599
National Productivity Investment Fund	1,077
Pothole Fund	6,395
<b>Total LTP Capital Budget</b>	<b>15,466</b>
<b>Retained Herefordshire Council</b>	
Staff Capitalisation	1217
Landowners / Easements /License payments	125

HRSA	50
£20m Road Infrastructure principal repayments	554
Traffic Study	70
Safety Scheme	50
PROW	283
TRO	170
Weight Limit's	30
20mph Speed Limits	50
<b>Total Herefordshire Council Retained Budget</b>	<b>2,599</b>
LTP monies to be used across various programmes	0
<b>BBLP Capital Budget</b>	<b>12,867</b>

Table 3a: Total Costs-for Provision of the Public Realm Service

Within these costs, Balfour Beatty Living Places have not included a sum for **risk contingency** within the annual plan. All revenue risk items will be identified and managed through the monthly forecasting process. Risks associated with capital works will be identified when Target costs are submitted.

Within the revenue build up described in table 3 above the Council led reductions which are deliverable in year are built up as follows:

Service	Detail	Annual Saving
Winter Service	A review of the Winter Service Plan by HC will result in the re-classification of assets and a reduction in the length of network treated and response in extreme snow conditions.	£161,315
City Centre Planters	The inspection, repair, and maintenance of the planters in Hereford City will be stopped with any repairs carried out	£41,907

	on a reactive service to address safety issues only and subject to budget constraints	
Grass Cutting	The amenity grass cutting (not highway verges, visibility splays of accident sites) will be reduced from 6 cuts per year to 5	£45,704
Street Cleansing	The footpath assets will be reclassified with reduced sweeping, sweeping of the main roads will not be affected by this reduction. Litter bins that do not demonstrate value for money will also be removed.	£130,474
Community Commissioning Model	The reduction in 2 office based posts (currently vacant) will be made with the management of the CCM schemes delivered directly by the council	£39,600
Team Efficiency NRSWA	Net decrease in cost of delivery of service (income + cost) - Taken from BBLP Efficiencies and added to HC Efficiencies at HC Risk	£70,000

Table 3b: Make up of Council Led Revenue Reductions

The saving relating Winter Service will be developed by Herefordshire Council such that the revised Winter Service Plan is in place in time for the winter preparations in autumn 2024.

### 3.2 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, H&S, depot, and office costs). It also captures pass through costs, which attract no fee, such as facility rental and rates. To ensure that these costs reflect the current market the Council will formally review these costs with Balfour Beatty Living Places during 2024/25.

### 3.3 DELIVERING 3% SAVINGS

For 2024/25 the indicative targeted efficiency savings on the Public Realm budget is £543,000 In order to minimise any loss of service, savings have been identified and built into the budget with business cases submitted to the Council for approval. The efficiency savings proposals are still to be confirmed as we are still awaiting confirmation on previous years recommendations, set out in Table 4 below:

Saving Opportunity	In Year Revenue Savings Target	In Year Capital Savings Target	Approach to Achieve Saving
Cost Mechanisms Switch from TC to CR		£220,610	Switch of Scheme from TC to CR as instructed by HC SM 25.03.24
NRSWA - Net decrease in cost of delivery of service (Income + Cost)	£86,000		Increase in Network income from NRSWA



Staff Review	£0	£152,000	Post deletions
Increase Charges	£34,000		Increased licencing charges
Reduced Gritter Maintenance	£25,000		In year reduced maintenance costs for gritters as a result of investment in new gritters
Gulley Waste	£33,000		Road sweeping & gully waste is tipped in BBLP Thorn depot and removed by a third party for disposal. Renegotiation of rates with an alternative supplier
Depot Energy Cost	£2,000	£8,000	Renegotiation of rates with an alternative supplier
<b>Total:</b>			<b>£560,610</b>

Table 4: 3% Saving and Gainshare Targets

## SECTION 4 – COMPLIANCE

### 4.1 HEALTH AND SAFETY

The health, safety and wellbeing of employees and communities in which Balfour Beatty Living Places works is a fundamental component of the Public Realm Contract. Balfour Beatty Living Places will implement its Zero Harm Action Plan and Strategy in the delivery of the services and schemes. Monthly performance will be reported to the Council's Operations Board and quarterly to the Council's Strategic Partnership Board.

### 4.2 ENVIRONMENTAL

Balfour Beatty Living Places is committed to protecting and where appropriate enhancing the environment in which it operates. Balfour Beatty Living Places will act in a responsible way and take a proactive approach to continually improving its environmental performance in the delivery of Public Realm services and schemes. Balfour Beatty Living Places will implement a management system that meets the requirements of ISO14001:2015. Monthly performance will be reported to the Council's Operations Board and quarterly to the Council's Strategic Partnership Board.

### 4.3 EQUALITY AND DIVERSITY

Balfour Beatty Living Places will carry out an Equality Impact Assessment to assess the impact of a change to services or policy on people with protected characteristics to evidence that the Council has complied with the Equality Act. All Equality Impact Assessments will be submitted for approval by the Council prior to any change and will set out how the change manages due regard in respect of 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.

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

In addition, as part of the Annual plan, Forward Programme, and any additional major programmes of investment, BBLP will prepare an equalities impact assessment to support the Council in the equality's aspects of their decision-making process. In the 2024/25 financial year, BBLP have worked with the Council to confirm the approach and format of these assessments.

#### 4.4 GOVERNANCE

The formal governance mechanisms of the contract are set out in Figure 1.



Figure 1: Formal Governance Structures

##### 4.4.1 CLUSTER GROUPS

The following cluster groups will continue into 2024/25:

- **Communications Cluster Group:** Responsible for the communication of the annual plan, thereby managing community expectations and promoting the service.

- **Asset Management Cluster Group:** Responsible for with strategic review of required investment in the network and available budget profiling.

The minutes of these groups will be presented to the Operations Board for approval with any significant matters referred to the Strategic Partnership Board for approval.

## **SECTION 5 – DELIVERING CORPORATE PRIORITIES**

### **5.1 FUTURE WORKFORCE & STEM**

Balfour Beatty Living Places will use the National Skills Academy for Construction (NSAFC) framework facilitated by Construction Industry Training Board (CITB) to target employment opportunities based on:

- Work placements
- Jobs created for new entrants
- Construction Careers information, Advice & Guidance
- Waged Training weeks.

The targets for 2024/25 and outcomes against each required criterion will be agreed by the Council.

A focus for 2024/25 will be to continue to build positive links with local schools and agencies to support young people in Herefordshire who are looking for work experience and opportunities to develop work ready skills. Balfour Beatty Living Places will also continue to support key development of our employees and our local eligible subcontractors with apprenticeships, graduate placements and recognised training and development.

### **5.2 CONTRIBUTING TO SOCIAL VALUE**

Balfour Beatty recognise that Herefordshire Council has a responsibility to comply with the Public Services (Social Value) Act 2012, to consider how it might improve the economic, social, and environmental wellbeing of the relevant area of the authority on whose behalf a public services contract is intended to be made.

To promote and enable further social value benefits for Herefordshire, BBLP will Identify opportunities and support organisations and communities with projects from staff, and in-kind support, including social value projects and Volunteering projects within the localities, this will support the council's social value framework achieving the metrics set each year. These metrics will be reviewed year on year.

### **5.3 CLIMATE EMERGENCY DECLARATION**

Balfour Beatty Living Places will continue to monitor and reduce our Carbon Emissions Footprint for the Contract that, to meet the Council's model for capturing carbon emissions together with a Carbon Reduction Plan. These will be monitored through the SPI and submitted to the Strategic Partnership Board for approval.

## SECTION 6 – DELIVERY AND PERFORMANCE

### 6.1 INTEGRATED WORKS PROGRAMMING APPROACH

To ensure effective and efficient delivery of the services within the contract an Integrated Works Programme will be developed by Balfour Beatty Living Places and agreed by the Council. This plan will set out the delivery arrangements for the year and how Balfour Beatty Living Places will coordinate service delivery in an efficient manner across its own delivery teams, its sub-contractors, and suppliers and that these activities are coordinated with statutory undertakers as required.

BBLP will utilise a number of systems and processes to manage works programmes and inform the Integrated Works Programme as follows:

- a. Use of street manager to monitor and book road space and coordination with other utilities.
- b. Ongoing use of Confirm, AMX and the OCH to plan and monitor the delivery of routine and reactive works.
- c. Individual project programmes developed in MS Project for scheme works, with key programme data taken into AIMS for overview monitoring.
- d. Quarterly NRSWA coordination meeting including submissions and review of coordination schedules from all utilities and BBLP for opportunities regarding utility works and third-party developer works.
- e. A fortnightly BBLP programme coordination call with representatives from Asset Management, Design, Project Management, Delivery and Commercial teams to review delivery of works as laid out in the annual plan and any integration or overlap between these works.
- f. Weekly communications review meeting with comms tracker attended by project management, design, locality steward and communications team to review and record progress and key dates relating to upcoming works

The Integrated Works Programme will be used in the following ways:

1. Supporting communication with Ward and Parish Councillors and through the council website with the community.
2. Managing 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.
3. Coordinating provision of service across all annexes in order to deliver the council objectives within the agreed budget.

### 6.2 PERFORMANCE MANAGEMENT

The Performance Management framework ensures that Balfour Beatty Living Places are delivering to the Council's objectives. This consists of a suite of Strategic Performance Indicators (SPI's) which are a direct link to the Council's Strategic Outcomes and a suite of Operational Performance Indicators (OPI's) which are designed to deliver operational excellence.

Performance information for the SPI's is measured annually with the actual performance at year-end submitted to the Strategic Partnership Board, together with supporting data detailing any fluctuations in targeted performance, for approval. The OPI's are measured and recorded monthly with the actual performance reported to the Operations Board for review and sign-off.

The thresholds for the performance indicators will be reviewed by Balfour Beatty Living Places and the Council after the previous year's data has been analysed.

The Council will be reviewing the Performance Management Framework for the Contract in 2024/25.

### **6.3 PERFORMANCE REPORTING**

In addition to OPI performance outturns, the monthly report will detail how the contract is performing on the following:

- Health & Safety
- Risk & Mitigation
- Service Delivery and Performance
- Stakeholder Feedback & Complaints
- Continuous Improvement and Innovation
- Financial Performance

Balfour Beatty Living Places will submit its monthly performance report for scrutiny by the Council at the Operations Board to highlight areas for improvement or note achievements made. A quarterly reported is produced for the Strategic Partnership Board to ensure that all performance is on target. All performance data is provided to, and audited, by the Council.

### **6.4 QUALITY ASSURANCE AND AUDIT**

The Contract will be managed under Balfour Beatty Living Places Quality Management Systems as laid out in the Contract Quality Plan. The plan will be updated from time to time to respond to any change to the contract, the Services, or Balfour Beatty Living Places quality requirements. Balfour Beatty Living Places will submit any revision to the Quality Plan to the Council for approval.

The Contract Quality Plan details how the works delivered will be audited by Balfour Beatty Living Places through its own internal auditors and certified independently by NQA. The programme of auditing is notified to the Herefordshire contract by the Balfour Beatty Living Places quality advisor. On receipt of these BBLP will notify Herefordshire Council of the dates of these audits. Copies of external audits will be provided to the Council.

#### **6.4.1 SELF-AUDIT**

To evidence the quality of work provided, Balfour Beatty Living Places will undertake local self-audit of its services throughout the year. This will be undertaken in a range of ways utilising resources at different levels. The principal ways will be as follows:

- a. Senior Manager monthly site visits
- b. Design checking and approvals
- c. Supervisor monitoring & checks
- d. Balfour Beatty Observation app
- e. Operational Control Hub oversight of works
- f. Compliance Checking During Delivery of Capital Works

Further details on these are contained within the Contract Quality Plan.

## 6.4.2 COUNCIL AUDIT PROGRAMME

The Council will undertake an audit programme based on the Balfour Beatty Living Places work programme to test:

1. The performance of the contract,
2. The quality of service being provided,
3. That the services are being delivered in an economic, efficient, effective and equitable manner.
4. That the contract is delivering value to money.

## 6.5 CONTINUOUS IMPROVEMENT

Continuous Improvement will be led by the Strategic Partnering Board ensuring that continuous improvement, innovation, and lessons learned are inbuilt into each annex focusing on:

1. **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.
2. **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.
3. **Service Efficiency:** BBLP Regular review operational efficiencies throughout the lifecycle of the contract and incorporate industry developments and best practise.
4. **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.

Balfour Beatty Living Places will keep a Continuous Improvement and Innovations Register.

### 6.5.1 LESSONS LEARNED

Service delivery improvements will be informed by lessons learned. This will be achieved through regular Councillor liaison, feedback as part of the implementation of improvement plans and through consultation in the community by Locality Stewards.

A contract level lessons learnt log will be maintained to capture lessons learnt and facilitate the actions arising from them in the development of subsequent programmes of work. This will be derived from the BBLP observation app submissions, which are reviewed on a weekly basis. A quarterly lesson learnt workshop between Balfour Beatty Living Places and the Council will be held.

In addition to the contract level log, a monthly lesson learnt session will take place with the project teams to capture specific issues relating to scheme works. This will ensure these lessons are disseminated across the teams and actions from them can be integrated into live works where appropriate.

## 6.6 INNOVATION

Innovation will be led by the Strategic Partnering Board and delivered by ensuring that innovation and lessons learned are inbuilt into each annex focusing on:

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

**Strategic Innovations:** Continuous working group on the Future Operating Model, Structure and service opportunities will be identified where these can be shown to drive better efficiency and value for money or increased delivery on the Council's strategic pathway.

**Operational Innovations:** The Balfour Beatty Living Places senior management team will be responsible for driving innovation in their service areas as set out in their service annex. Items including Body Worn Camera's, vehicle dash cams, additional charging points at depots, Plant and Fleet review on alternative fuels available on the market. Alternative carriageway treatment following on from the additional pothole fund.

**Grass Root Innovations:** Balfour Beatty Living Places will operate its suggestion scheme 'My Contribution' to reward staff for sharing ideas on improving the ways in which we work.

Where an innovation is considered valid and requiring further investigation, a detailed formal business case will be developed and submitted to the Council for approval.