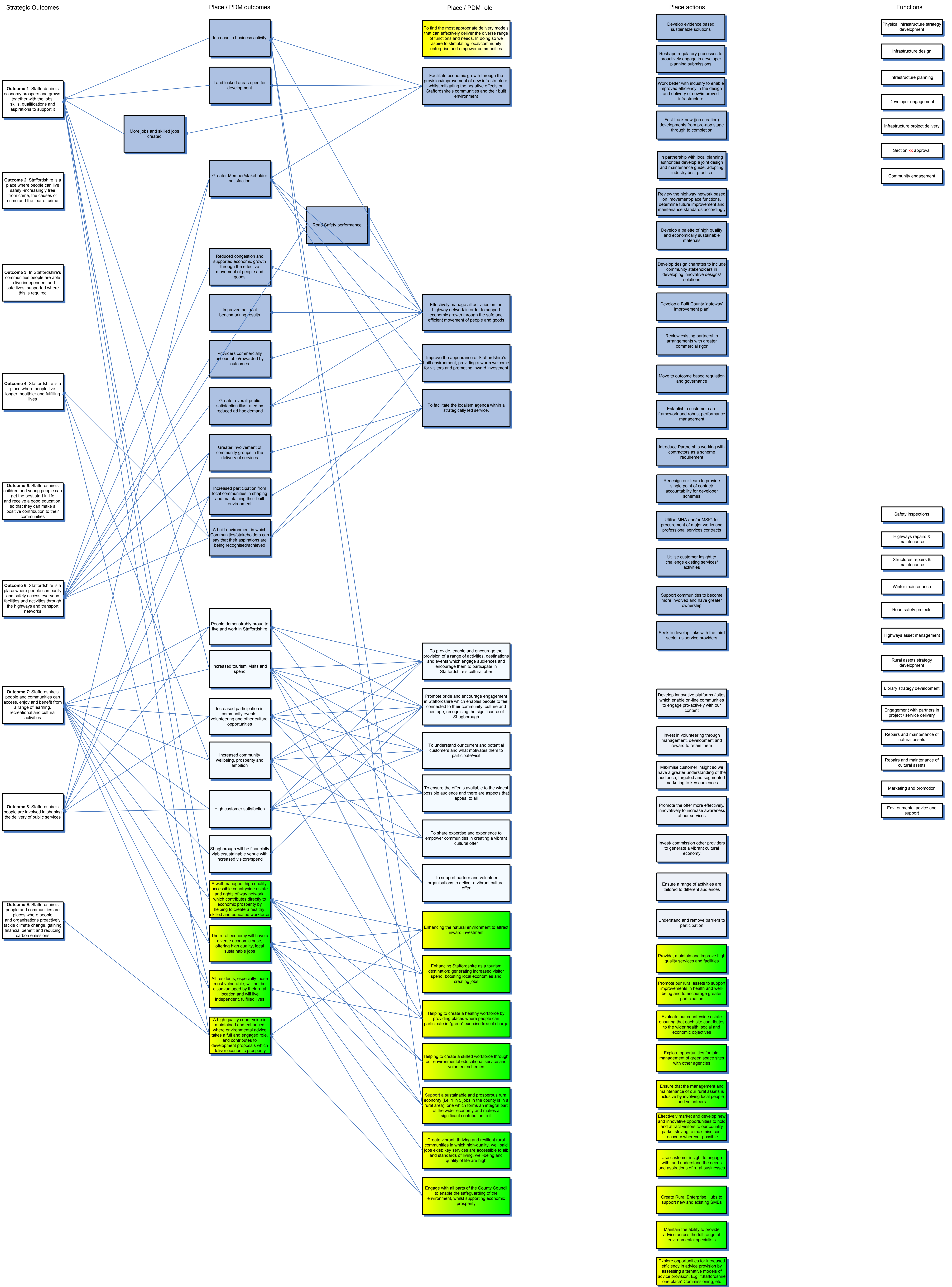


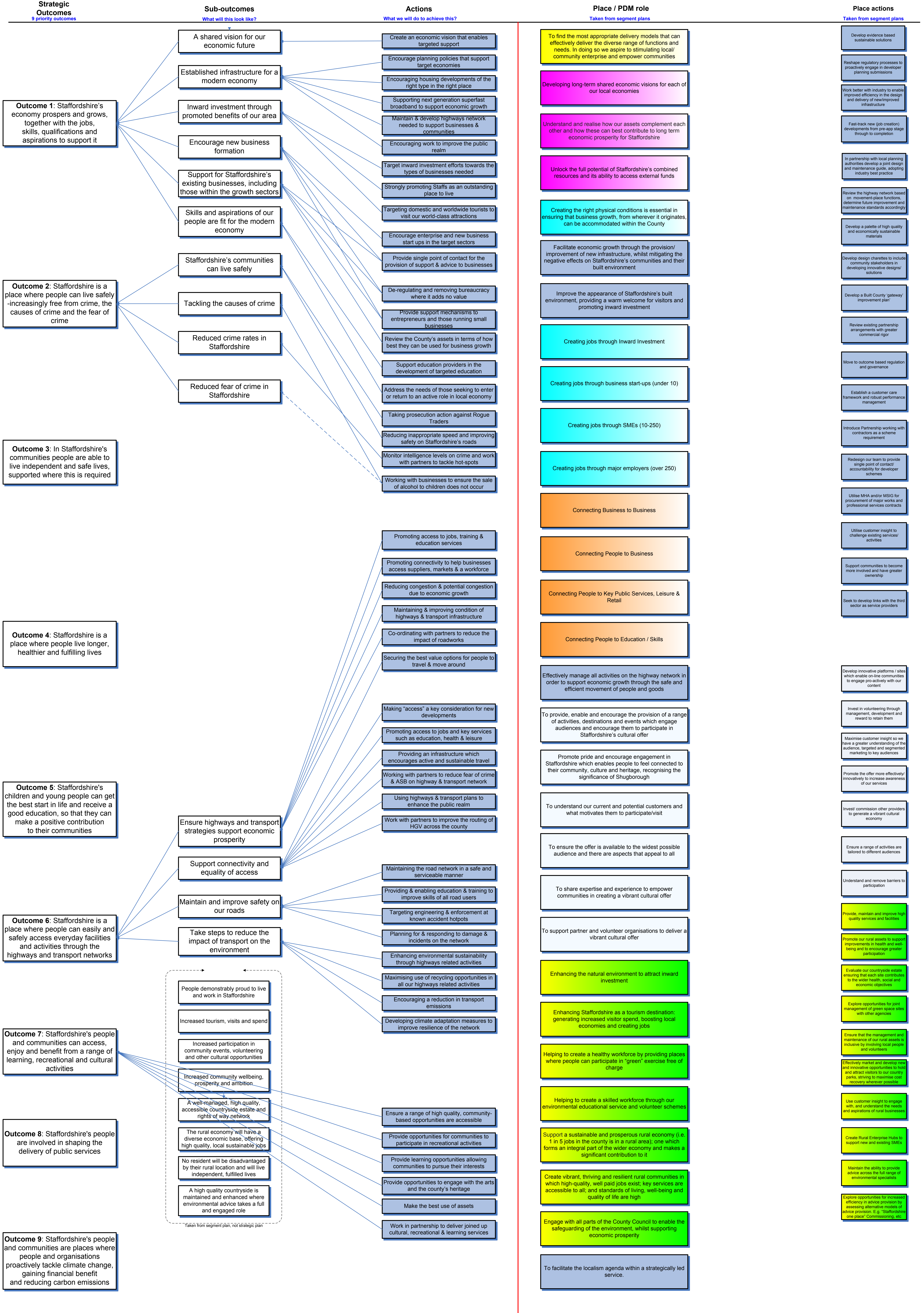


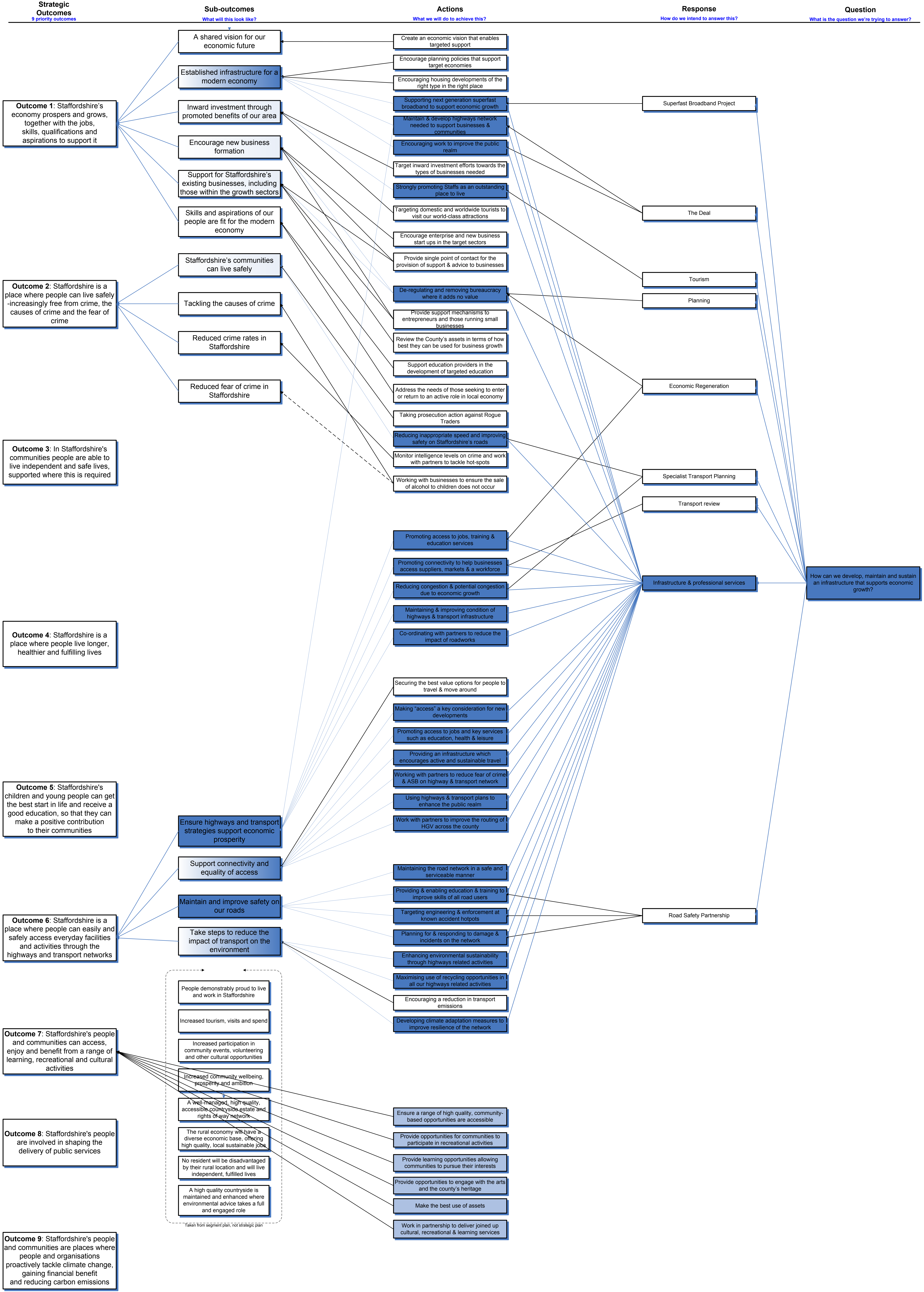
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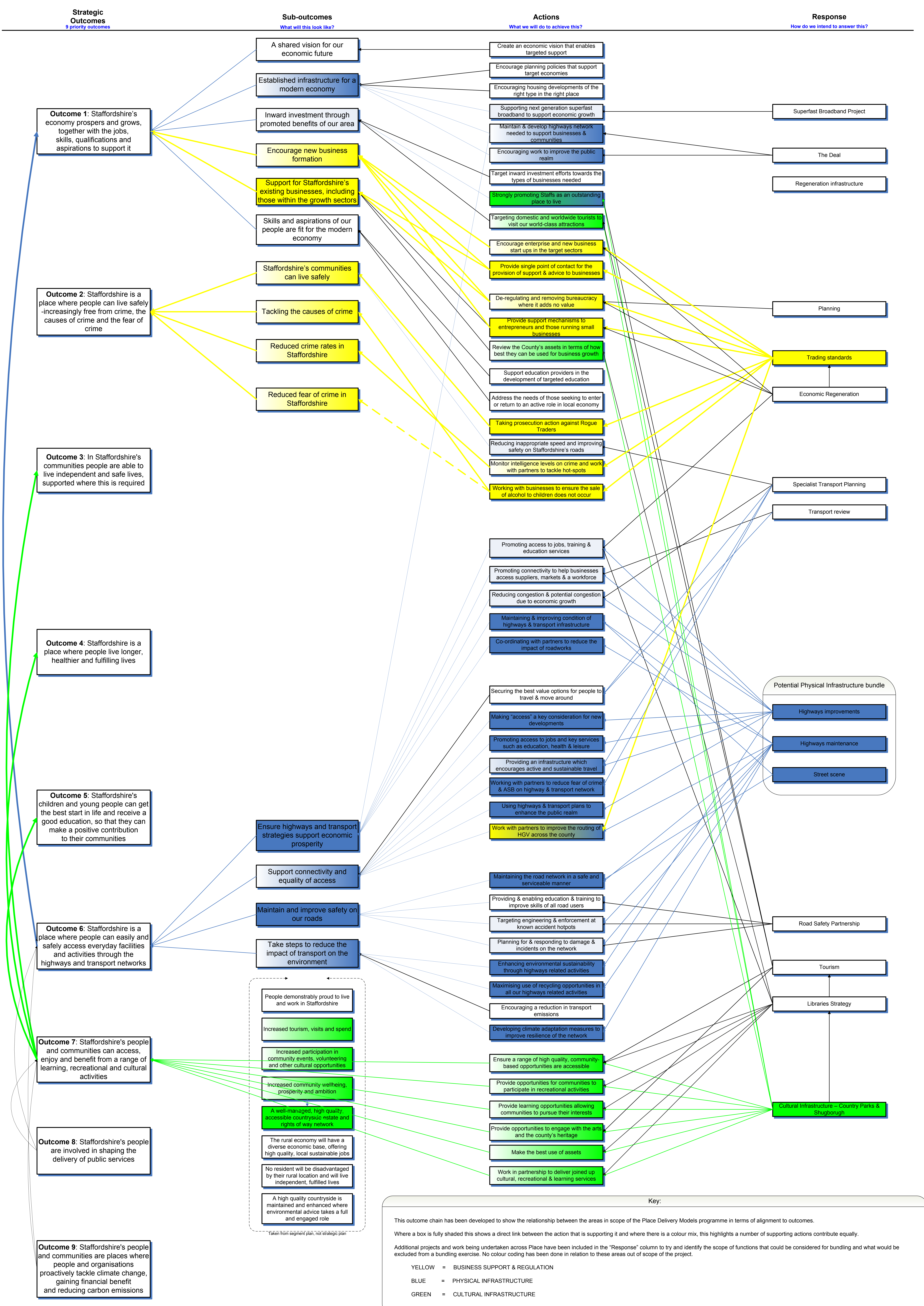
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# **Infrastructure+ Appendix A: Outcome Chain**









**Strategic Outcomes**  
9 priority outcomes

**Sub-outcomes**  
What will this look like?

**Actions**  
What will we do to achieve this?

**Response**  
How do we intend to answer this?

**Outcome 1:** Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it

**Outcome 2:** Staffordshire is a place where people can live safely - increasingly free from crime, the causes of crime and the fear of crime

**Outcome 3:** In Staffordshire's communities people are able to live independent and safe lives, supported where this is required

**Outcome 4:** Staffordshire is a place where people live longer, healthier and fulfilling lives

**Outcome 5:** Staffordshire's children and young people can get the best start in life and receive a good education, so that they can make a positive contribution to their communities

**Outcome 6:** Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks

**Outcome 7:** Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities

**Outcome 8:** Staffordshire's people are involved in shaping the delivery of public services

**Outcome 9:** Staffordshire's people and communities are places where people and organisations proactively tackle climate change, gaining financial benefit and reducing carbon emissions

- People demonstrably proud to live and work in Staffordshire
  - Increased tourism, visits and spend
  - Increased participation in community events, volunteering and other cultural opportunities
  - Increased community wellbeing, prosperity and ambition
  - A well-managed, high quality, accessible countryside estate and rights of way network
  - The rural economy will have a diverse economic base, offering high quality, local sustainable jobs
  - No resident will be disadvantaged by their rural location and will live independent, fulfilled lives
  - A high quality countryside is maintained and enhanced where environmental advice takes a full and engaged role
- Taken from segment plan, not strategic plan

**Key:**

This outcome chain has been developed to show the relationship between the areas in scope of the Place Delivery Models programme in terms of alignment to outcomes.

Where a box is fully shaded this shows a direct link between the action that is supporting it and where there is a colour mix, this highlights a number of supporting actions contribute equally.

Additional projects and work being undertaken across Place have been included in the "Response" column to try and identify the scope of functions that could be considered for bundling and what would be excluded from a bundling exercise. No colour coding has been done in relation to these areas out of scope of the project.

YELLOW = BUSINESS SUPPORT & REGULATION  
 BLUE = PHYSICAL INFRASTRUCTURE  
 GREEN = CULTURAL INFRASTRUCTURE

# Strategic Delivery Options

## What is the question? 9 priority outcomes

## Response Activities that directly respond to the question

## Option 1 As is delivery

## Option 2 Deal & Districts delivery

## Option 3 Physical infrastructure partnership

## Option 3a Split governance arrangement

## Option 4 Focused Deal delivery

## Option 5 Discrete contracts

How do we ensure Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it

The Deal infrastructure  
approx £40m over 5 years  
(Includes Stoke-on-Trent approx 50% of value)

Regeneration infrastructure  
Range between £1.5 - £6m over 2007/08 – 2011/12  
(forecast £47m 2013/14 includes i54, Redhill and Superfast Broadband)

Highways improvements  
approx £12m

Highways maintenance  
approx £54m  
Includes capital structural maintenance approx £30m and £24m revenue, of which routine maintenance is approx £15m

Street Scene  
approx £6m

How do we maintain and improve our infrastructure assets to support economic growth, connectivity and equality of access, whilst reducing the impact of the network on the environment?

How do we harness the potential of our cultural assets to maximise economic growth and inward investment, ensuring that our customers benefit from quality learning, recreational and cultural opportunities?

Management & maintenance of Country Parks & Rights of way  
approx £3m

Environmental specialists  
£0.5m

Deal delivery

MSF2

Districts

In-house

In-house

Property Services

Maintenance contract

Deal delivery

Districts

Deal delivery

Physical infrastructure partnership

Districts

Other Options

Deal delivery

Economic infrastructure

SCC + partners – Programme Manager

Contract Contract

Contract Contract

Contract Contract

Contract Contract

Governed through the LEP

SCC governance

Deal delivery

Property Services

MSF2

Physical infrastructure partnership

MSF2

Districts

Other Options

Deal delivery

MSF2

Contract Contract

Contract Contract

Contract Contract

Contract

Contract

Property Services

Contract

Contract

Contract

Contract

Contract

Contract

Joint LA collaborative working

Joint LA collaborative working

TBC

Contract

Potential to expand

Potential to reduce

Potential to reduce

Potential to expand

Potential to expand

Potential to reduce

Potential to reduce

Potential to expand

Potential to reduce

Potential to expand

Potential to reduce

Potential to expand

**Option 1**

As is delivery

TBC

MSF2

Property Services

Maintenance contract

Districts

In-house

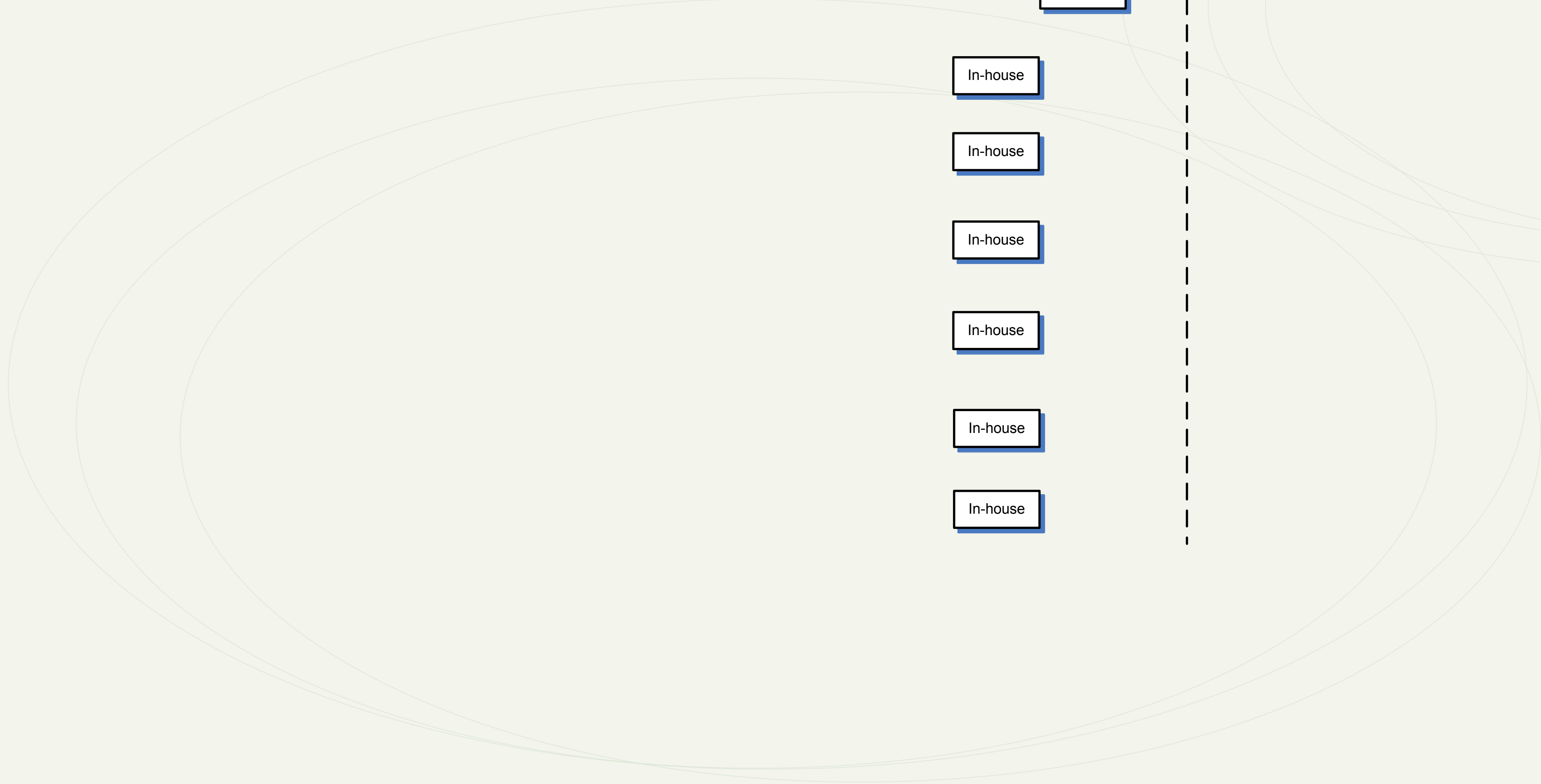
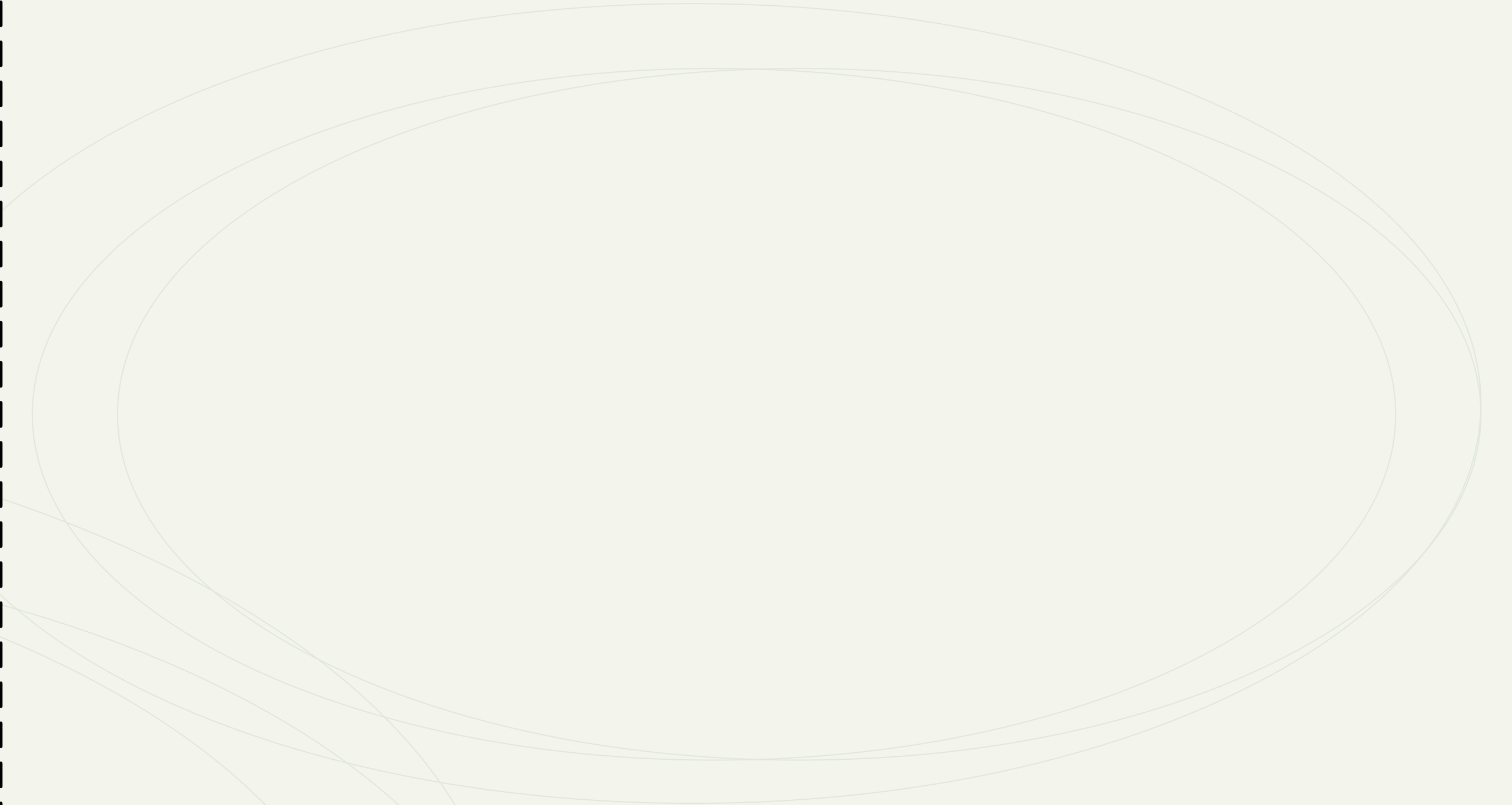
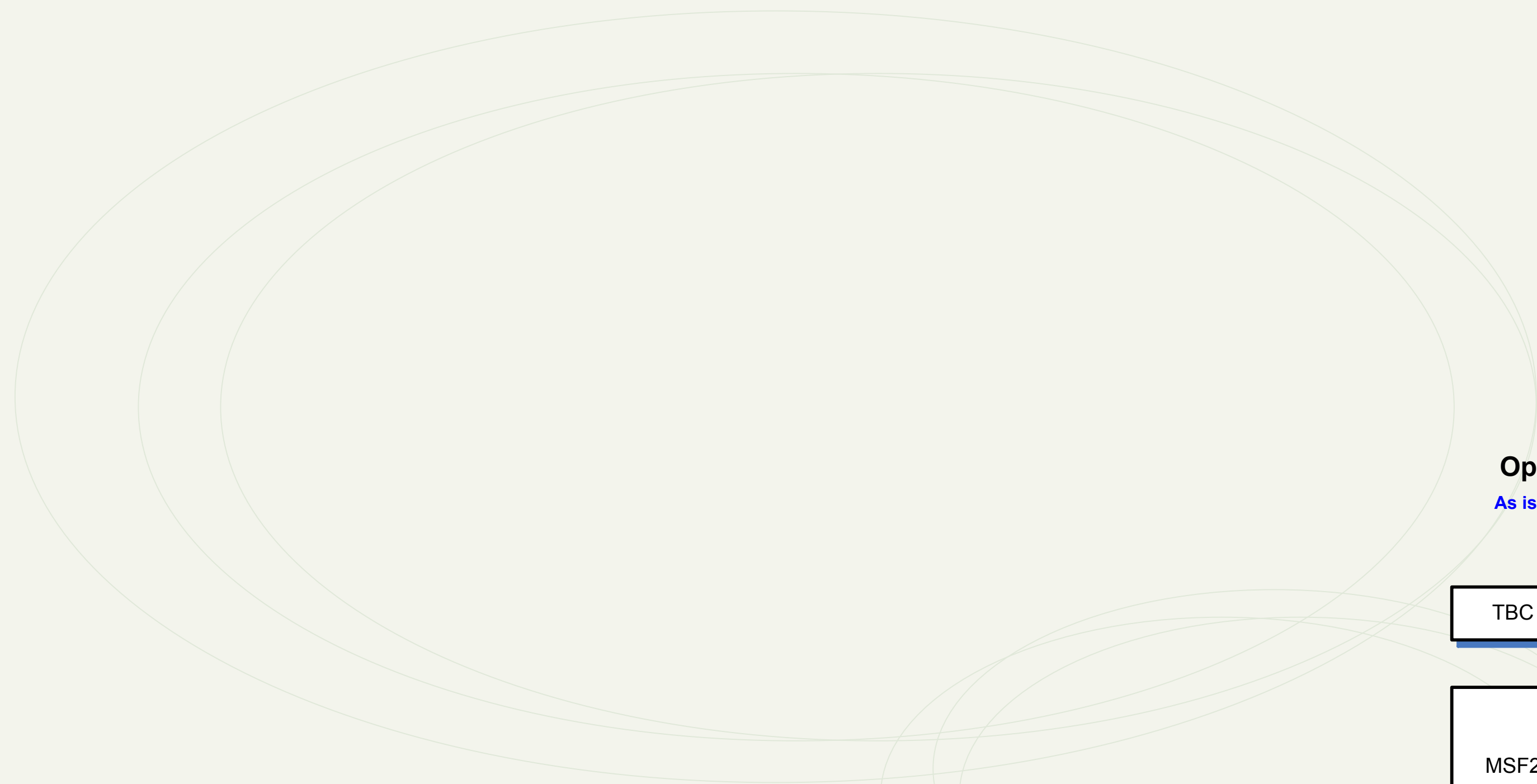
In-house

In-house

In-house

In-house

In-house





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# **Infrastructure+ Appendix B: Services in Scope**



SERVICE AREA	SERVICE	SERVICE DESCRIPTION	EXTERNAL PARTY INVOLVMENT
<b>HIGHWAYS MAINTENANCE</b>	<b>Routine Maintenance</b>	Highways maintenance is a vital service to ensure the overall preservation and upkeep of the road network across Staffordshire. Highway management is a strategically important function, with the roads network protecting and promoting the economic and social lifeblood of the County.	Work is carried out by Enterprise
	<b>Schemes Delivery</b>	This team reviews the forward structural and preventative maintenance programme, initial design and estimates, detailed design, estimating and delivery of the schemes on the ground.	Work is carried out by Enterprise
	<b>Structures Management</b>	<p>The Bridges and Highway Structures Team inspect, assess, manage and maintain over 1,100 road bridges across Staffordshire.</p> <p>The Bridges team also provides specialist structural support to the Highways Infrastructure teams. The Team also carries out the role of Technical Approval Authority for highway structures.</p>	<p>Enterprise</p> <p>URS – Bridge Inspection services</p> <p>Specialist Driving Contractors</p>
	<b>Street Lighting</b>	<p>The street lighting team is responsible for the design and installation of systems. They are also responsible for the management and operation of the county's Intelligent Transport Systems (ITS).</p> <p>The team also undertakes design works for proposed lighting and ITS projects and maintain traffic signal equipment.</p>	<p>25 year PFI with E.ON Engergy</p> <p>Maintenance contract for traffic signals with Imtech</p>
<b>IMPROVE MENTS AND DEVELOPMENTS</b>	<b>Highways Improvements and Developments</b>	<p>The teams in scope for Improvements and Delivery are: Major Projects, Development and Communities.</p> <p>The Major Projects team project manage &amp; design service for private developers/stakeholders, design, check and site supervise service for developers. They also manage the budgets of the joint</p>	The procurement of contracts is through the Midlands Highway Alliance Framework or occasionally via Spot

		<p>venture and manage the 278 agreements. They are a consultancy service offering specialist advice to undertake statutory functions &amp; /support to internal and external bodies and Network Rail.</p> <p>The development team ensure the delivery of high quality statutory and regulatory transport development management services.</p>	<p>Tenders.</p> <p>Delivery of essential, community Infrastructure &amp; Public Realm schemes from inception to completion are delivered by Enterprise.</p>
	<b>Highways Improvements and Developments (Communities)</b>	The Communities team manage, engage and provide effective services to the wider community. The services they run range from the provision of Accident data and the production of targeted Engineering solutions to the management of several community and highways initiatives.	See Above
<b>PROFESSIONAL SERVICES</b>	<b>Regulation and Governance</b>	<p>The Regulation and Governance team ensures effective management of Staffordshire's highway network, enhance connectivity across the county, minimize the impact of highway traffic on residents, and reduce the impact of any work on the highway network.</p> <p>The service also provides governance of delivery contracts in respect of the built environment, the monitoring of performance and identification and development of business improvement initiatives.</p>	N/A
	<b>Highways Laboratory</b>	The team is involved in all aspects of highways testing and materials advice covering in-situ testing and investigations, geotechnical, soils, aggregates, concrete and bituminous material. The lab is particularly involved in identifying opportunities to utilize recycled materials and processes in support of Local & National sustainability targets.	N/A
	<b>Rights of Way Data</b>	This team ensures the continuous review of the Definitive Map of Public Rights of Way to take account of legal changes. They provide	N/A

	<b>Management</b>	crucial advice to the Rights of Way Team, Legal Services and Highways and assist with the production of rights of way promotional material.	
	<b>Environmental Specialists</b>	<p>The Environmental Advice Service is provided by an in-house team of Environmental Specialists providing advice and information covering landscaping, ecology, biodiversity, historic landscape and environment, archaeology and forestry specialism's.</p> <p>The team provides strategic responses to national policy and legislation, Local Planning process and documents and strategic and large-scale development and infrastructure planning.</p>	There are partnership agreements in place where Environmental Services contribute a fee though more value is received from investment than the cost of the partnership.
	<b>Specialist Transport Planning</b>	The main objectives of the Specialist Transport Planning Department are to commission and develop Staffordshire's key transport policy documents, provide specialist transport planning advice and to support the Stoke on Trent and Staffordshire Local Transport Body.	Term Consultants (Atkins) have been re-appointed to advise up until October 2015.

<p style="text-align: center;"><b>COUNTRY PARKS AND RIGHTS OF WAY MAINTENANCE</b></p>	<p><b>Works Unit Ranger Service and Rights of Way Team</b></p>	<p>The maintenance of the county council's owned countryside estate and rights of way network is mostly delivered in-house by the Countryside Works Unit, the Ranger Service and the Rights of Way team, although only parts of the latter two teams are in scope.</p> <p>The main role of the team is the management of the country parks and their visitors. The Rights of Way team also spend a proportion of their time on maintenance related tasks.</p>	<p>Lease with CFC for most of our vehicles and some plant.</p> <p>Maintenance/servicing contracts on plant</p> <p>Arrangements with some parish councils, charities and Peak District National Park Authority for routine maintenance work</p> <p>2 grass mowing contracts at Brownshore Lane Essington and Oakamoor.</p> <p>Contracts for waste collection, pest control, utilities, cleaning and maintenance contracts on all our visitor centres.</p>
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<b>GROUNDS MAINTENANCE AT SHUGBOROUGH</b>	<b>Estate Workers</b>	All aspects of grounds maintenance on the estate are carried out by site based County Council employed Farm, Gardens & Grounds staff with support from a volunteering programme.	Undertaken by the County Council.
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**Infrastructure+**

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# **Infrastructure+ Appendix C: PDM Strategic Options Appraisal**

# Place Delivery Models



## Strategic Options Appraisal

# Introduction

- Since December 2012 the PDM Team has been focussing on outcomes and developing and analysing strategic options.
- Four Strategic Outcomes have been identified. These are presented in this paper, along with the questions we need to answer in order to achieve those outcomes.
- Six Strategic Options have been identified and analysed and considered by SLT. Three of these are considered feasible and are presented in detail in this paper.
- The procurement considerations have also been considered in terms of procurement and implementation timescales and any associated risks.
- At this stage the Place Delivery Models project team proposes a streamlining of the project structure so that there is a focus on the time constrained aspects (Infrastructure+) with other parts of project scope (Business Support and Scientific Services) progressing separately, but within overall project governance arrangements.
- This paper therefore presents Strategic Options for the Infrastructure+ bundle only.



# Strategic Outcomes

- The Place Delivery Models team has agreed that the Strategic Outcomes the project is seeking to achieve are;

Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it

Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks

Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities

Staffordshire's people are involved in shaping the delivery of public services

# What are we trying to achieve?

- We are seeking to achieve those outcomes by asking a number of questions. At a high level these are;

How do we maintain and improve our infrastructure assets to support economic growth, connectivity and equality of access, whilst reducing the impact of the network on the environment?

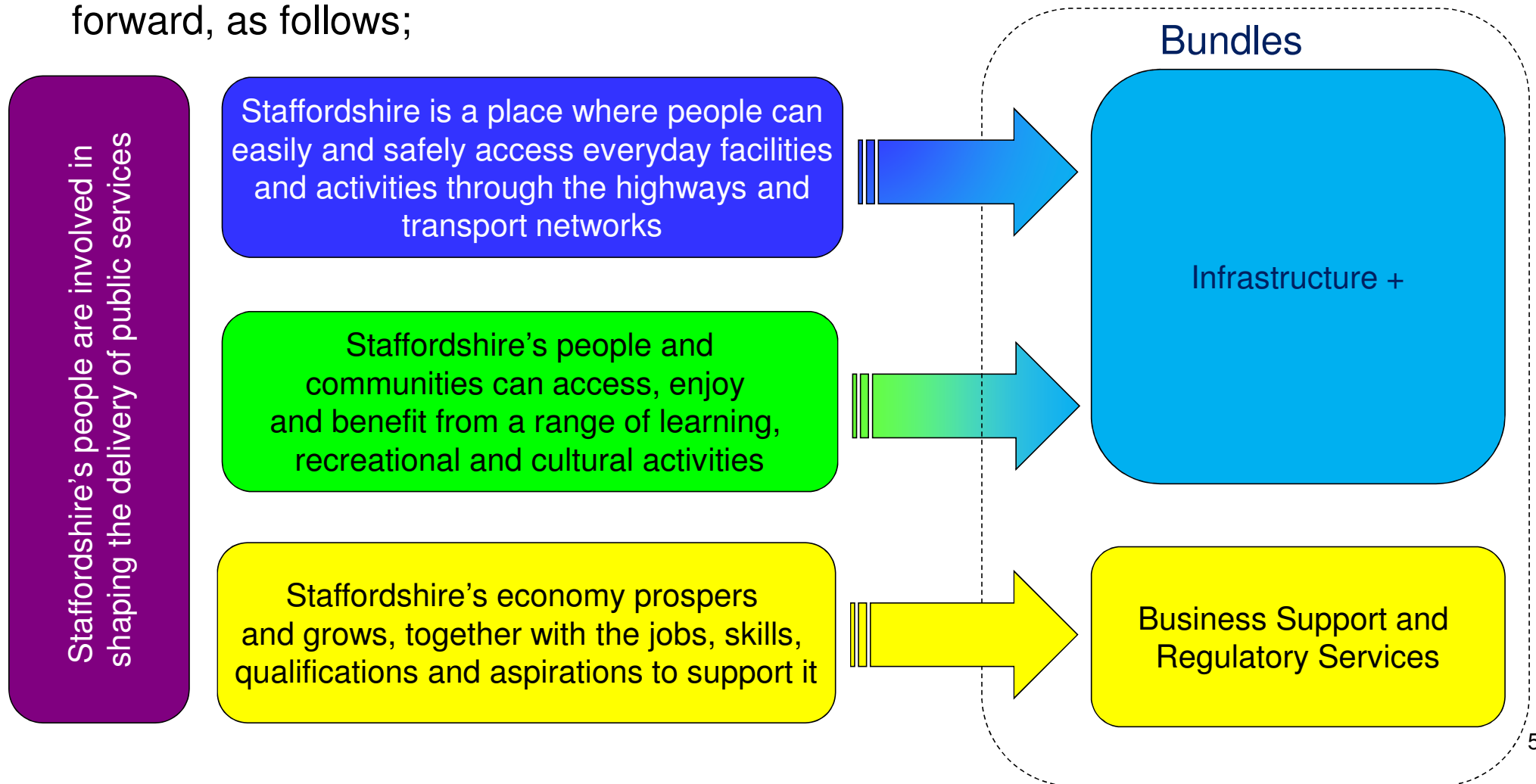
How do we harness the potential of our cultural assets to maximise economic growth and inward investment, ensuring that our customers benefit from quality learning, recreational and cultural opportunities?

How do we work with businesses to protect the public through control and regulation while also driving economic growth, positively impacting on jobs and increasing prosperity?

- Further customer insight work will be undertaken so that we can explore these in greater detail with our stakeholders.;

# Project Structure

- By looking at the alignment of outcomes, the appetite of the market and where there are operational synergies and shared capabilities, there is a natural grouping of outcomes, which drives the structure of the project going forward, as follows;



# Critical Success Factors

- The following Critical Success Factors have been developed;

## **The Place Delivery Models project must deliver:**

- **Increased value and prosperity for Staffordshire through a positive impact on jobs and growth,**
  - **A customer focussed service which enhances customer satisfaction and the reputation of the Council,**
  - **Financially sustainable and resilient services,**
- **The flexibility to meet changing future demands through innovation and development**

- These CSF's will form the foundation for the evaluation of options during the strategic appraisal stage, right through to the procurement and delivery stages of the project.

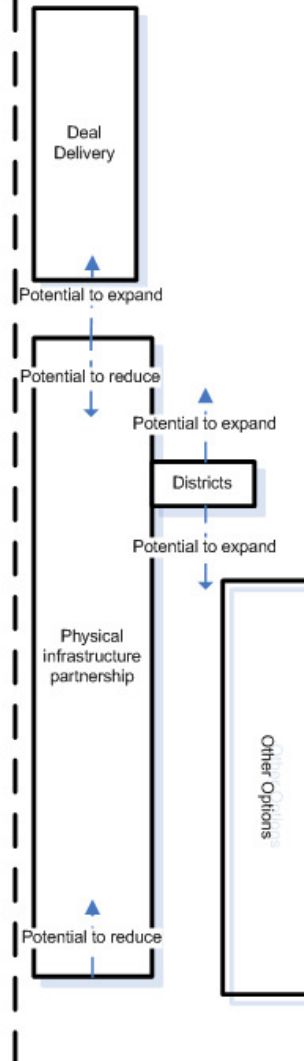


# Physical Infrastructure Partnership: Pros and Cons

## Response Activities that directly respond to the question

- The Deal infrastructure
- Regeneration infrastructure
- Highways improvements
- Highways maintenance
- Street Scene
- Management & maintenance of Country Parks
- Management & maintenance of rights of way network
- Environmental specialists
- Management & maintenance of Shugborough

## Option 3 Physical infrastructure partnership



## Pros

### The Deal:

- Deal arrangement could create greater focus on strengthening the economy in a wider scope
- Greater economies of scale
- May make The Deal opportunity more attractive to the market

### PDM:

- Procurement of arrangement can be based on outcome achievement
- Can facilitate locality working if this is the best way of providing services
- Seeks best way to deliver through a competitive dialogue process
- Potential to develop consistent systems and processes
- Greater economies of scale
- May be able to deliver within financial uncertainty
- Flexibility to respond to change in demand and environment
- Can be used to encourage value add to other strategic priorities eg locality working with Districts
- Performance management can be developed to incentivise innovation and development
- Potential increased commercial offer for other organisations in Staffordshire

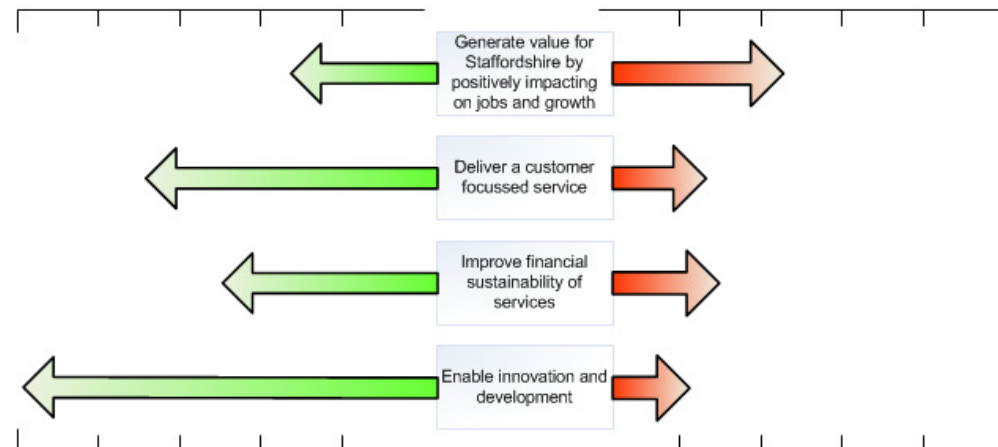
## Cons

### The Deal:

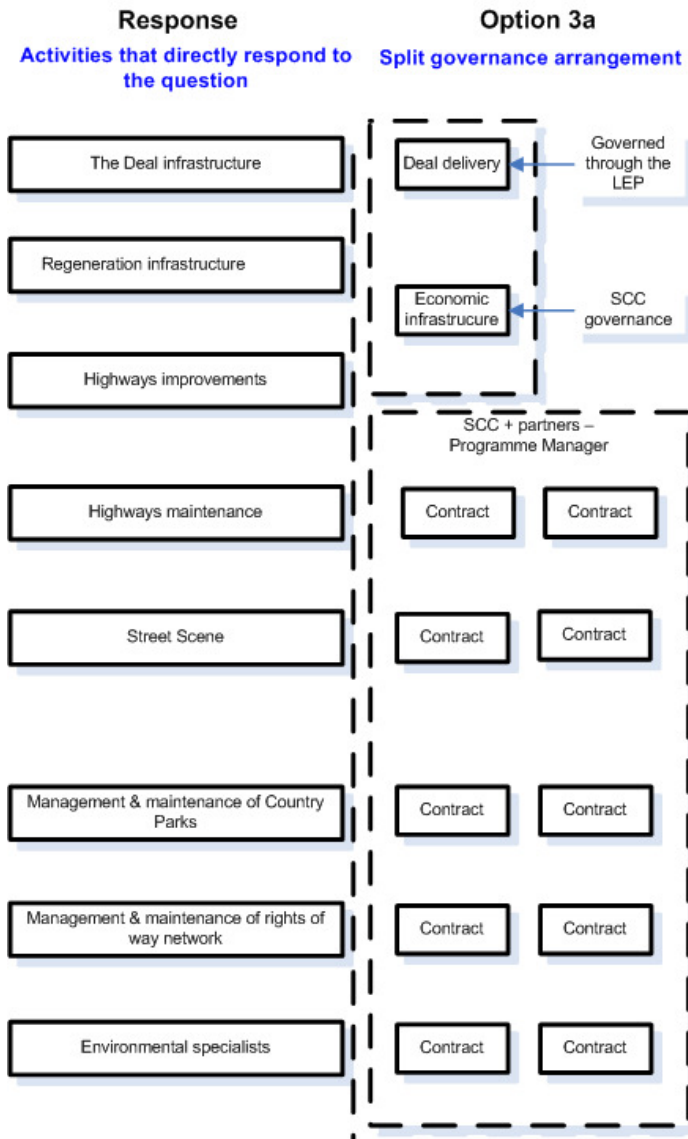
- As the Deal is so solely focused on the economy, other outcomes related to a wider scope may be diluted or lost completely e.g. Road Safety outcomes – may also weaken the Deal delivery
- Deal Business Case could be more complex
- Procurement of Deal Delivery Partner could be more complex
- Loss of County political control in relation to Regeneration Infrastructure and Highways Improvements

### PDM:

- Financial uncertainty year on year may restrict PIP's ability to meet longer-term outcomes
- Potential loss of organisational capacity and skills (Highways Prof Services and Labs)



# Split Governance: Pros and Cons



## Pros

### The Deal:

- Deal arrangement could create greater focus on strengthening the economy in a wider scope
- Greater economies of scale
- May make The Deal opportunity more attractive to the market

### PDM:

- Procurement of arrangement can be based on outcome achievement
- Can facilitate locality working if this is the best way of providing services
- Seeks best way to deliver through the development of a competitive marketplace
- Potential to develop consistent systems and processes
- Greater economies of scale
- May be able to deliver within financial uncertainty
- Flexibility to respond to change in demand and environment
- Can be used to encourage value add to other strategic priorities eg locality working with Districts
- Performance management can be developed to incentivise innovation and development
- Potential increased commercial offer for other organisations in Staffordshire

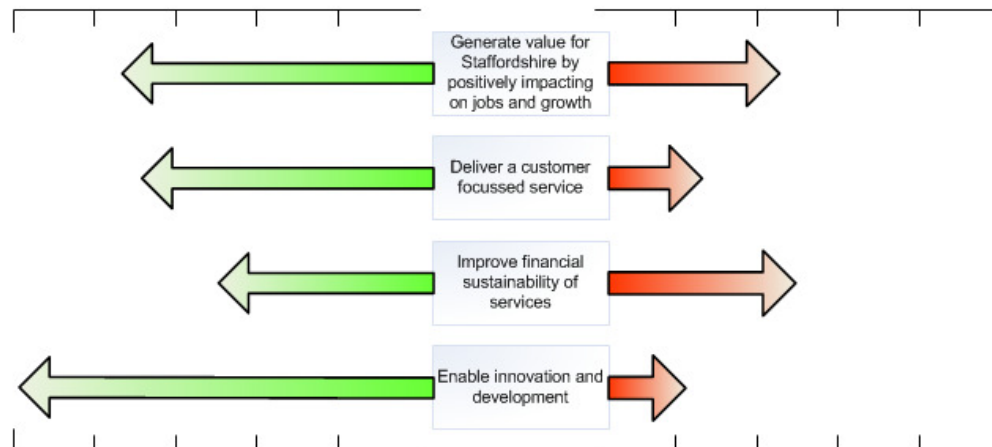
## Cons

### The Deal:

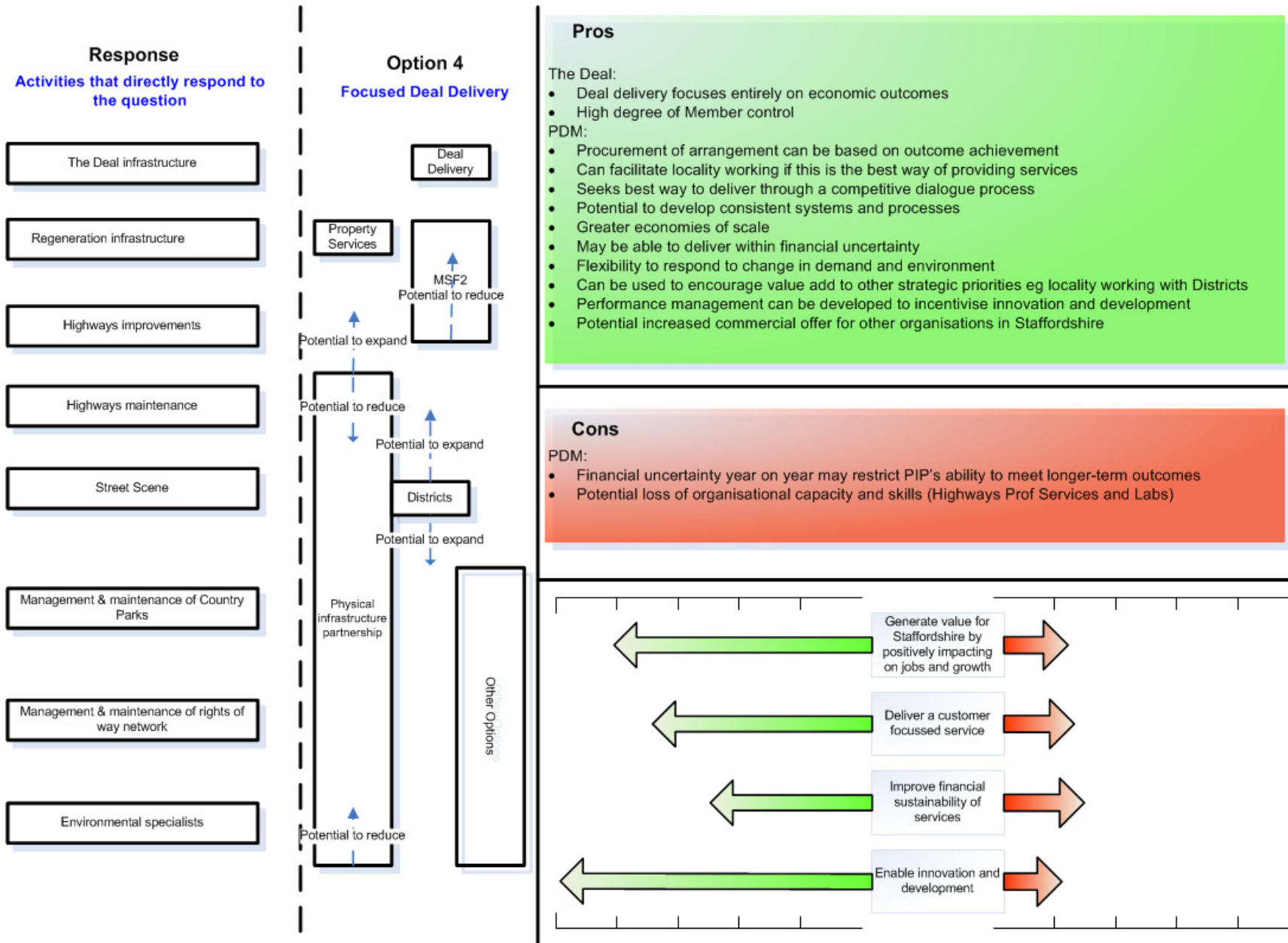
- As the Deal is so solely focused on the economy, other outcomes related to a wider scope may be diluted or lost completely e.g. Road Safety outcomes – may also weaken the Deal delivery
- Deal Business Case could be more complex
- Procurement of Deal Delivery Partner could be more complex

### PDM:

- Financial uncertainty year on year may restrict ability to meet longer-term outcomes
- Potential loss of organisational capacity and skills (Highways Prof Services and Labs)
- May build in additional avoidable costs



# Focussed Deal Delivery: Pros and Cons





# Next Steps

- Use of further customer insight work to ensure the project achieves the Critical Success Factors
- Decision to commence procurement for Infrastructure+: OBC to Cabinet, June 2013



**Infrastructure+**

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# **Infrastructure+ Appendix D: Outline Business Case**

## **Outline Business Case:**

### **Infrastructure+**

## Document Control and Status

		Date & Signature
<b>Purpose Description</b>	To provide a recommended delivery model for the services within the project and to seek approval for the commencement of a procurement	
<b>Originated &amp; Controlled By</b>	Jenny Pierpoint	
<b>Checked &amp; Owner</b>	Ian Turner	
<b>TSU Sign Off</b>	<b>Michelle McHugh and David Hole</b>	
<b>Council Sign Off</b>	SLT	
<b>Cabinet Sign Off</b>	Cabinet	
<b>Date</b>	24 <sup>th</sup> May 2013	
<b>Version No:</b>	V0.1c: Reviewed by Project Team and amendments made	17/05/13
<b>Version No:</b>	V0.1d: Reviewed by Cabinet Member for Economy and Infrastructure and amendments made	21/05/13
<b>Version No:</b>	V0.1e: Reviewed by Deputy Chief Executive and Director of Place and amendments made	21/05/13
<b>Version No:</b>	V0.1f: Reviewed by Legal and Procurement Workstream and amendments made	22/05/13
<b>Version No:</b>	V0.2: Reviewed by Project Board and amendments made	23/05/13
<b>Version No:</b>	V0.3: Subject to TSU review	23/05/13
<b>Version No:</b>	V0.4: Submitted to Delivery Board	24/05/13
<b>Version No:</b>	V1: Submitted to Pre-Cabinet	30/05/13
<b>Version No:</b>	V1.2: Submitted to Cabinet	10/06/13

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## APPENDICES

A - Strategic Options Appraisal

# Outline Business Case

## Infrastructure+

### 1.0 Executive Summary

- 1.1 This document presents the high-level business case for Staffordshire County Council (SCC) running a competitive dialogue procurement process to identify and secure a suitable partner with whom to deliver a range of Place services, including highways maintenance, improvement and development, maintenance of country parks, rights of way and the Shugborough's historic parkland and a number of professional services associated with the above.
- 1.2 SCC would like to form a strategic partnership with the preferred partner; this being a collaborative working arrangement rather than a partnership in the legal sense of the word. Essentially this will be achieved through a contract with strong governance arrangements.
- 1.3 It is envisaged that this strategic partnership will create an environment for growth which will enable the delivery of high quality services that meet Staffordshire's strategic outcomes, along with the guaranteed savings required to meet challenging MTFS targets in the future.
- 1.4 Soft-market testing has shown significant market appetite in the range of services we are offering, the delivery vehicle we propose and the opportunity as a whole and therefore permission is sought to progress to a full competitive dialogue process.

## 2.0 Overview of the Project: Scope

- 2.1 The Place Delivery Models project is applying commissioning principles to a range of Place services to determine the outcomes that Staffordshire County Council are seeking to achieve and to identify the best way of achieving those outcomes.
- 2.2 Services included within the original scope of the project were:
- Highways Infrastructure Management;
  - Highways Laboratory;
  - Highways Professional Services;
  - Country Parks Works Unit, Rangers and Rights of Way
  - Maintenance of the Shugborough Estate
  - Specialist Transport Planning
  - Environmental Specialists
  - Trading Standards
  - Scientific Services
  - Waste Services
  - Libraries
- 2.3 During the course of the project the final two services above have progressed alternative ways of achieving their outcomes and are therefore currently out of scope of the Place Delivery Models project.
- 2.4 Furthermore, at the request of Cabinet, options regarding Trading Standards and Scientific Services are being progressed as a separate project. This project (currently entitled “Business Support and Regulatory Services”) is part of the overall Place Delivery Models project, but does not form part of this business case.
- 2.5 The remaining services in scope form the “Infrastructure+” project and this outline business case presents the case for the commencement of a procurement exercise to appoint a private sector partner with whom to establish a strategic partnership for the delivery of the outcomes associated with these services.
- 2.6 It has recently been agreed by the Project Board that the Spatial Information Team will be brought within scope of Infrastructure+.
- 2.7 The project is also considering whether there are any other council services that would be adversely affected by the project or which would be attractive to the market in terms of complementing the existing scope. It has been identified that County Fleet Services may be impacted by the project and work is being undertaken to consider bringing that into scope.
- 2.8 Significant work has been undertaken to ensure that scope is expressed as functions rather than “as-is” teams or service areas as this will assist with the discussion of delivery of outcomes rather than outputs when we speak to bidders in the competitive dialogue phase of the procurement. The list of services in scope in 2.2 above has therefore been refined and agreed and this document forms the business case for the following range of functions, to be referred to as “Infrastructure+”:

### **Highways maintenance**

- Operations Management
- Routine Maintenance
- Schemes Delivery
- Streetscene

### **Improvement & Development**

- Major Projects
- Development

- Communities

**Professional Services**

- Regulation
- Structures management
- Lighting
- Highways Lab
- Rights of Way Data Management
- Environmental Specialists
- Specialist Transport Planning

**Country Parks and Rights of Way Maintenance**

- Works unit
- Rangers\*

**Grounds maintenance at Shugborough**

- Estate workers\*

\*=only part of this team is in scope



### **3.0 Business Drivers**

- 3.1** The Infrastructure+ project has a number of business drivers:
- 3.2** Staffordshire County Council's approach to commissioning places outcomes, not services, at the heart of what we do. It encourages us to focus on those outcomes that are consistent with our nine Strategic Outcomes and those that will make the most difference to our residents. In doing so there is less of an emphasis on improving how we currently do things and more of an emphasis on whether we are making the difference that we seek to make and how new approaches will help us to do that.
- 3.3** The services in scope have all come under significant financial pressures over the last few years and have delivered challenging MTFS targets. These targets are set to continue across services in Place and across the Council for the foreseeable future. Services in scope have so far met these challenges through a range of approaches, such as re-structures, a streamlining of processes and procedures and an increasing use of volunteers. The ability to meet the future MTFS targets through equivalent changes is limited and without fundamental change to the way services are delivered, achieving those targets is likely to involve some reduction in service quality. There is therefore a need to do something different.

#### **Highways drivers for change**

- 3.4** The existing highways maintenance contract with Enterprise expires on 1st April 2014. There are no options to extend this contract and there is therefore a need to ensure that we have a delivery solution in place by this date.
- 3.5** Consistent with the drive to commission outcomes rather than services and aware of the lessons learnt from the Enterprise contract, we are keen to move away from a prescriptive "input/output" type contract towards an outcomes-based arrangement.
- 3.6** The current highways service arrangements were recognised as being a leading example of innovative working when established 10 years ago and are still exemplars for collaborative working between public and private sectors. However the landscape has changed in both the public and private sectors over that time and improvements to the service are deliverable. Private sector partners have increased in capability and also the market has seen recent acquisitions so that there are a smaller number of larger providers. This means that providers have more technical capacity than historically available. Providers have also matured in terms of asset and risk management and are increasingly in a position to accept longer term performance risk and hence prepared to be contracted to deliver to an outcome specification.
- 3.7** Financial uncertainty around both capital and revenue budgets over the likely duration of a contract will, to a certain extent, reduce the ability to procure a contract based solely around outcomes but will necessitate a degree of flexibility to cope with changing circumstances.
- 3.8** There is long recognised appetite to work more closely with District Councils around the local street scene environment. The nature of the diversity of the County means that this needs to be a flexible approach and any future arrangements need to reflect and facilitate this. Enhanced working with the communities of Staffordshire in terms of local input to outcomes and work programmes whilst providing better customer information and contact are also areas for improvement.
- 3.9** Planned MTFS savings indicate that, for those highways services within the scope of the Infrastructure+ project, there are target revenue savings of £0.400m in 2014/15 rising to £0.650m in 2015/16. It is planned to achieve £0.150m of these sums in 2013/14 and these have been reflected in the table at paragraph 9.2.

- 3.10** In addition to this, the overall quantum of resource available to finance highway capital projects could be almost £14m (40%) lower than the corresponding level for the current year. (At this stage, it is assumed that there will be no additional resource available arising from initiatives around the City Deal). Therefore there is a need to examine how outcomes can be achieved in a more economic, efficient and effective manner.

#### **Country Parks drivers for change**

- 3.11** In terms of Country Parks, the environment is changing, along with the leisure demands of visitors. Over the last few years, there has been a sustained rise in the number of visitors. The economic recession and higher fuel prices mean that more people are tending to spend their leisure time locally rather than travel further afield. SCC Country Parks welcome about 3 million visitors each year. Also, access to the countryside is no longer seasonal because of climatic changes and this trend is likely to continue for the foreseeable future. This increased use is placing constant maintenance pressures on infrastructure and facilities and operational costs are rising.
- 3.12** However, the funding available for managing and maintaining the service is reducing. The Service is required to deliver £0.110m savings over the next two years which is around 7% of the net budget and there has been no significant capital investment in the Country Parks for more than 20 years. At the same time the Service will be taking responsibility for the on-going management and maintenance of Chasewater Country Park with no additional resource identified at the present time.

#### **Professional Services drivers for change**

- 3.13** As part of commitments within the MTFs, the Environmental Specialist team (which is part of the Professional Services group within scope) have an income target of £0.128m in 2013/14 onwards compared to £0.078m in 2012/13. The additional £0.050m is likely to be challenging.
- 3.14** In addition to this, there are MTFs targets of £0.200m for Built County professional services for the next three years.

#### **Medium Term Financial Strategy targets**

- 3.15** The following table summarises the MTFs position for the Infrastructure+ project:

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Highways maintenance	£0.150m	£0.400m	£0.650m
Professional Services	£0.250m	£0.250m	£0.250m
Country Parks Maintenance	£0.110m	£0.110m	£0.110m

## **4.0 Constraints and Dependencies**

**4.1** The Infrastructure+ project is working within the following potential constraints and dependencies:

- Enterprise Contract expiry: The Enterprise Highways Term Maintenance contract expires on 31<sup>st</sup> March 2014. As the contract has been extended to its maximum length, there is no option for further extension.
- EU Procurement: Contract value for Highways maintenance requires SCC to follow an EU Procurement Process. The project team includes colleagues from Staffordshire Procurement and Legal Services in order to ensure we are EU compliant.
- The City Deal: Staffordshire County Council have been successful in securing a Wave 2 City Deal; the details of this will not be known until late 2013.

## 5.0 Strategic Outcomes and Critical Success Factors

- 5.1 The project is looking for a contract arrangement which is focussed on the delivery of outcomes rather than outputs. While many of the areas within the scope of the project touch on a number of SCC's Strategic Outcomes, there are three Strategic Outcomes that the project is seeking to make a direct impact on:
- Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it
  - Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks
  - Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities
- 5.2 A further Strategic Outcome over-arches all of these:
- Staffordshire's people are involved in shaping the delivery of public services
- 5.3 The Council's core objectives in establishing this strategic partnership are:
- To maintain and improve the condition and usability of our physical assets;
  - To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership;
  - To involve communities in decisions and delivery of infrastructure;
  - To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.
- 5.4 To ensure that the project is focussed on achieving these outcomes and objectives, a set of Critical Success Factors which outline the key things the project must deliver, has been agreed. The CSF's formed the basis for the evaluation of options in the Strategic Options Appraisal and will form the foundation for the evaluation of bids in the procurement and delivery stages of the project. They will also form the basis for articulating and quantifying benefits associated with the project.

### The Place Delivery Models project must deliver:

- **Increased value and prosperity for Staffordshire through a positive impact on jobs and growth**
- **A customer focussed service which enhances customer satisfaction and the reputation of the Council**
  - **Financially sustainable and resilient services**
- **The flexibility to meet changing future demands through innovation and development**

## **6.0 Customer Insight**

- 6.1** Research has been undertaken to understand the views and perceptions of customers using some of the services in scope. This work draws on a number of existing sources of information, including national and local surveys. It is important to note that at this stage, those services that have recently been agreed as being in scope (Specialist Transport Planning, and parts of the Spatial Information Team) have not been included in this exercise).
- 6.2** The findings show that for highways maintenance, condition and safety, in general the levels of satisfaction exceed the national average. It also shows that satisfaction with specific highways scheme between January 2011 and February 2012 ranged from 67% to 95%.
- 6.3** In terms of Country Parks the findings are less about satisfaction and more about areas for improvement. Path maintenance, improved stiles and gates (in particular for those less agile), improved signposting and waymarking are amongst some of the suggestions for areas where improvement would be beneficial.
- 6.4** Customer surveys for Shugborough again show good levels of satisfaction. Face to face visitor surveys undertaken during summer of 2012 show that satisfaction levels were at 95%. In addition, many of the attractions at Shugborough, such as the Servant's Quarters, Museum Galleries and Gardens were rated excellent or good.
- 6.5** This "as-is" customer insight will be added to over the coming months and during the course of the procurement process in order that the views, opinions, issues, needs and priorities of the customers of all services in scope can be identified, explored and analysed and ultimately discussed in dialogue so that bidders can consider these views when developing their bids.

## 7.0 Preferred Option - Summary

7.1 A Strategic Options Appraisal was considered by SLT and Informal Cabinet in March 2013. This paper is presented in Appendix A. The conclusion to these presentations was a request from Informal Cabinet to present an Outline Business Case considering the most preferable features from Options 3a and 4 that could be used to optimise the achievement of outcomes. In doing so the project has also considered how The Deal might be linked to Infrastructure+. In summary, these Options are:

### **Option 3a: Split Deal Governance with Contract Management**

7.2 This arrangement keeps high end infrastructure works within The Deal but separates governance so that the County Council work is not subject to potential constraints from The Deal

7.3 It offers an alternative mechanism for the services in scope using a Management Contracting approach where the provider organises and manages discrete contracts for the services in scope and plays no part in actual delivery.

### **Option 4: Focussed Deal Delivery**

7.4 With The Deal being delivered by a Deal Delivery Partner focussed solely on delivering the outcomes associated with The Deal, regeneration infrastructure and highways improvements would be delivered through existing mechanisms of the Medium Scheme Framework contract, Property Services or other delivery partners procured on a case by case basis.

7.5 A Physical Infrastructure Partnership, as described in Option 4, would be established for the delivery of the services in scope.

### **Preferred Option**

7.6 The project team has identified Option 4, the creation of a collaborative working arrangement (a strategic partnership), underpinned by a contract with strong governance arrangements, for the delivery of the outcomes associated with the services in scope, as the most preferable option for the following reasons:

- This option allows the largest potential scope for an infrastructure partnership so that the best possible negotiation with the market can take place through procurement.
- The procurement process can allow for the contract management approach in Option 3a with the providers demonstrating the benefits of either contract management or self-delivery. In practice providers suggest a combination of the two.
- It allows SCC to retain flexibility over the scope during procurement so that the best deal can be obtained and alternatives around working with the districts can be retained
- It retains the current potential delivery for larger works through the Midlands Highways Alliance contracts which gives competition for this type of work while allowing the infrastructure contract to deliver it if beneficial.
- It allows us to focus on outcomes rather than traditional service delivery.
- It allows joint working with districts without concepts of ownership of a particular service.
- It allows the concept of an infrastructure delivery partner to Staffordshire as a whole rather than just the County Council

### **Delivery Vehicle**

**7.7** Based on an evaluation of various delivery vehicles according to how far each one would be able to contribute to the Infrastructure+ Critical Success Factors, the Project Board has agreed that the most appropriate delivery vehicle for the project is a strategic partnership.

**7.8** It should be noted that, in this instance, the term strategic partnership refers more to 'collaboration' with a private sector provider (or consortium), rather than the more generally understood legal term of 'partnership' which would imply such elements as joint and several liability. The features we would require from this arrangement are as follows:

- An arrangement that jointly agrees overall direction, outcomes to be delivered and the potential constraints on delivery (given likely changes in resources over time, priorities, etc)
- A partner that shares Staffordshire County Council's values
- Strong governance, defined in the contract. A Strategic Board, Operations Board and Management Board are suggested, but subject to dialogue:

Strategic Board	<ul style="list-style-type: none"> <li>• Quarterly - director level, probably including Portfolio holder</li> <li>• Disputes and contractual changes</li> <li>• 3 year rolling plan</li> </ul>
Operational Board	<ul style="list-style-type: none"> <li>• Monthly – Service Director/Commissioners, Contract Manager/Commercial Manager</li> <li>• Develop and review business plan delivery and KPIs</li> </ul>
Management Board	<ul style="list-style-type: none"> <li>• Monthly, sub-groups as and when required</li> <li>• Operational Performance Indicators - monitor and manage delivery, develop and consider transformation and change projects</li> <li>• Business cases for change/investment</li> </ul>

## 8.0 Commercial Aspects

- 8.1** This section forms an initial summary of the commercial aspects of the project. It is not a summary of the commercial aspects of the contract as this can only be written at the end of our dialogue with bidders. This section will be added to during the procurement process and a full commercial section included in the Final Business Case when we will have detailed information about the shape of the contract and the commercial impacts of it.
- 8.2** We are looking to appoint a private sector partner to work with us to deliver a range of outcomes associated with the services in scope.
- 8.3** We are seeking a partner with the following attributes:
- An organisation with the skills to deliver the outcomes we require;
  - An organisation of sufficient size and scale;
  - An organisation in which best practice is built into delivery;
  - A company that can show it can deliver innovation;
  - A company that can deliver excellent customer service;
  - An organisation with a strong track record of delivering quality;
  - A company that can demonstrate a commitment to training and growth;
  - The ability to deliver guaranteed savings.
- 8.4** Amongst others, we will require the following from the contract:
- Most economically advantageous proposition.
  - Market leading processes.
  - Lowest whole life cost of asset ownership.
  - Excellent customer services and communications.

### Lessons Learnt

- 8.5** In accordance with the principle of learning from experience, a lessons learnt exercise was undertaken to determine the experiential learning from Staffordshire County Council's 10 year highways maintenance contract with Accord/Enterprise/Amey.
- 8.6** The following is a summary of the findings:

<b>SCC perspective</b>	<ul style="list-style-type: none"> <li>• The performance regime was considered far too onerous, particularly the number, and range, of performance indicators (PI's). The c100 PI's have, over the course of the contract, been refined into c11 key PI's.</li> </ul>
	<ul style="list-style-type: none"> <li>• In year 5 of the contract, issues regarding flexibility and costs of running different contracts were acknowledged and a vision was created of what the future of Staffordshire Highways would look like. Strong collaborative working practices were established which had beneficial impacts on efficiency and cost.</li> </ul>
	<ul style="list-style-type: none"> <li>• The current payment mechanism employed is the cost reimbursable model under which the financial risk is largely borne by Staffordshire County Council. This is viewed by SCC as the favourable model although it does require a skilled and knowledgeable contract management team to be able to challenge the supplier and manage actual costs. This will require investment in a contract management team.</li> </ul>
<b>Enterprise perspective</b>	<ul style="list-style-type: none"> <li>• The delivery model has worked well from the supplier's perspective. The Virtual Joint Venture has enabled Enterprise achieve greater efficiency in the payment method. However, their preference would be to move to a single delivery organisation, either a true Joint Venture or a single contracted delivery entity, to help drive further efficiencies.</li> </ul>
	<ul style="list-style-type: none"> <li>• Working together under a VJV, Enterprise were able to identify process improvements, such as a move from the previous delivery model where six satellite units, with each unit having their own admin teams, being streamlined. All process were brought into a single office – all schedulers into one office with help desk staff, admin, specialists, etc, leaving just operations to be run from</li> </ul>



	each depot.
	<ul style="list-style-type: none"> <li>• The contract has been seen as a Private and public sector organisation working closely together.</li> </ul>
	<ul style="list-style-type: none"> <li>• Enterprise assert that by utilising their own supply chain, costs are reduced to Staffordshire, although it should be noted that despite the contract being based on open book accounting, there has been no detailed investigation to substantiate the claim of reduced costs.</li> </ul>
	<ul style="list-style-type: none"> <li>• As a contractor, Enterprise have been left to manage their reporting of performance and cost by benchmarking themselves against the Midlands Highway Alliance. In future benchmark exercises, the value for money schedule should include requirements to provide source data and analysis information in drawing conclusions. In addition, an independent 3rd party should be used to undertake the benchmarking, rather than the delivery partner themselves.</li> </ul>
	<ul style="list-style-type: none"> <li>• One particular area for consideration for improvements was communication. The Council were felt to not be sufficiently vocal around the good work that has been delivered over the term.</li> </ul>
	<ul style="list-style-type: none"> <li>• By their own admission, Enterprise suggested that the implementation of a structured and transparent fee agreement around the "cost +" model should be set up.</li> </ul>
	<ul style="list-style-type: none"> <li>• With respect to having a clear sense of direction from the client, Enterprise stated the need for clear, joint strategies and joint outcomes. By having an appropriately sized 'intelligent client function', a clear understanding of key objectives for both the supplier and the council can be agreed.</li> </ul>

### Soft Market Testing

**8.7** To test the commercial viability of this proposition a range of soft market testing has taken place:

**8.8** **Market Information Day:** Early soft market testing in the form of a “market information day” held in November 2012. The purpose was to test the market appetite for the range of services included in the original project scope and to discuss with the market the optimal mix or “bundling” of those services. The findings from this exercise were:

- There was interest from the market particularly around the highways contract.
- Companies suggested there were potential economies of scale from additional services being bundled together with traditional highways services.
- The market generally had a desire to be rewarded on contribution to high level outcomes as well as delivery-specific type measures, but contract arrangements would need to be of sufficient duration to allow this.
- The scope of the contract with the private sector needed some sensible basis around delivery arrangements, rather than diverse services put together for volume purposes.

**8.9** **National Case Studies:** Research into the kinds of arrangements that other local authorities have currently in place. The purpose of this work was to explore the current arrangements in other local authorities to determine whether some contractual arrangements are more appropriate or attractive to the market than others. This work has taken the form of the development of a set of national case studies capturing the key features of a range of related contracts covering services similar to those in scope for Infrastructure+. The following table outlines the findings of this study:

Local Authority	Supplier	Scope	Delivery Vehicle	Procurement Process
Suffolk County Council	Procurement	Highways Maintenance Winter Maintenance Grass Cutting Gulley Clearing	Fully Outsourced	Competitive Dialogue

		Fleet Maintenance Fleet Maintenance Street Lighting Traffic Signals		
Norfolk County Council	At PQQ stage	Highways Construction Highways Maintenance Highways Services Traffic Signals Scope in contact for ordering similar off-highway works	Strategic Partnership	Competitive Dialogue
Liverpool City Council	Enterprise	Highways maintenance Highways inspection Street lighting maintenance Street cleaning Neighbourhood grounds maintenance Social housing repairs	Non-profit distributing Joint Venture Company	Competitive Dialogue
North Tyneside Council	Capita Symonds	Highways Engineering Traffic and transportation planning Properties and facilities management Planning and building control Consumer Protection Environmental Health Services.	Strategic Partnership	Competitive Dialogue
Torbay Council	May Guerny	Call centre support Waste and recycling collections Highways maintenance Street and beach cleaning	Equity Joint Venture (80% owned by May Guerny, 20% by Torbay Council)	Competitive Dialogue
Cheshire East Council	Ringway Jacobs	Asset management Civil and structural engineering - routine and reactive maintenance and capital schemes. Traffic signals Street lighting and signs - routine and reactive maintenance and capital schemes. Winter services including fleet management and contract management of rock salt provision and related monitoring services contracts. Professional services	Fully Outsourced	Competitive Dialogue
Kent County Council	Enterprise	Routine maintenance Winter services Emergency and out-of-hours response Drainage repairs Signs, lines, barrier and streetlighting maintenance, Highways surface treatment work	Strategic Partnership that may transition to a JV	Competitive Dialogue

**8.10** Market analysis: This work has focussed on a number of key questions that the project team identified as critical to the project. The project team carried out market research with a number of major providers in the sector, along with the Highways Term Maintenance Association, focusing on discussing the following key areas:

- Payment mechanisms
- Risk / reward
- Contract structure
- Overall procurement methods employed
- Lessons learned from other 'procurements'
- Lessons learned from other 'contracts'
- Performance Framework
- Duration of contract

**8.11** The findings from this exercise are, in summary:

**Payment Mechanisms**

- Providers would rather be paid fixed rates and be allowed to manage the risks across the whole contract themselves
- Certain providers would rather not work with open book accounting for contract management
- Any payment model would need to take into account early losses in any new contract; savings could not be achieved in the first year as investment would need to be made in equipment, training, addressing previous incumbent shortfalls (if any) and transforming workloads.

**Risk/Reward**

- The transfer of risk is always a difficult process to manage and there are some that believe this shouldn't always be transferred to the provider. However, the private sector can manage risk if the project is big enough and there is an incentive to do so.

**Procurement Method Employed**

- Competitive Dialogue process is the preferred procurement route for most providers, although it was noted that this route can be time consuming.
- The dialogue process needs to be robust enough to set parameters for the service and procurement. Focus should be placed on agreeing outcomes and measures, rather than on discussing inputs or processes in great detail.

**Lessons learned from other 'procurements'**

- Price sustainability needs to be considered as part of the procurement - meaning a realistic view should be taken with respect to unduly low bids at tender stage.
- Previous procurements have been complicated by TUPE and pension-related issues; pension caps and TUPE information needs to be written into the contract.

**Lessons learned from other 'contracts'**

- Sustainability and affordability were key concerns for a number of suppliers - often the ambitions of authorities are not matched by the funding to achieve such ambitions.
- Suppliers advised against making contracts too bespoke, as this had cost implications which would be passed on to the client. A focus on activity and service delivery often made contracts more and more bespoke to each client, whereas a focus on outcomes enabled the provider to change and adapt over the term to continue to meet the clients' needs, whilst evolving its own operating model to remain competitive.

**Performance Framework**

- Suppliers were generally averse to having 'an industry' of KPIs and SLAs, preferring to rely on simple and streamlined regimes which drove behaviour to deliver.

**Duration of contract**

- Suppliers all commented that the contract would need to be of a sufficient length to provide them with time to recoup any investment made, and ensure that the market can deliver the outcomes required by Staffordshire.
- Consideration of the market, and existing contracts of a similar nature, shows that around a 10-year duration is considered to be 'about right'.

**Other**

The discussion of cost reduction included the removal of any 'dead' costs from the contract. One such example was the suppliers' uniform view that bonds were generally a pure cost, with little if any value from that cost.

- Suppliers also suggested that incentives are good mechanism by which to minimise costs. This focused on the granting of extensions to contracts in order to drive cost reductions (through decreased risk profile to the suppliers).
- Providers noted that a suitably strong retained client function would be required to guide the forward plan of work. Without this function, the suppliers all remarked that lack of clear guidance and leadership would lead to cost increases due to the high likelihood of planning gaps.

**8.12** Overall the range of soft market testing undertaken has confirmed the commercial viability of:

- The market appetite for a range of services such as ours;
- The market appetite for our selected preferred option;
- Our selected delivery vehicle (strategic partnership) and
- Our requirements of a partner

and has outlined a number of key features of the deal that SCC will seek to procure. For clarity, this business case is for the procurement of a contract with a private sector partner that will deliver the following services:

#### **Highways maintenance**

- Operations (Contract) Management
- Routine Maintenance
- Schemes Delivery
- Streetscene

#### **Improvement & Development**

- Major Projects
- Development
- Communities

#### **Professional Services**

- Regulation & governance
- Structures management
- Lighting
- Highways Lab
- Rights of Way management
- Spatial Information
- Environmental Specialists
- Specialist Transport Planning

#### **Country Parks Maintenance**

- Works unit
- Rangers

#### **Grounds maintenance at Shugborough**

- Estate workers

### **The Contract**

**8.13** The contract we are seeking to procure will have the following key features:

- It is proposed that this contract will be for a minimum of 5 years (and not exceeding 20 years). This will be discussed during dialogue. The framework and governance arrangements of the Strategic Partnership (as set out above at section 7.8 above) will be incorporated into the contract. Any contract period of longer than four years will require a Waiver from the Council's internal Contract Standing Orders.

- For clarity, the term strategic partnership does not infer a legal partnership which would imply such elements as joint and several liability.
- The contractual arrangements will include continual formal assessments of quality.
- The contract should include mechanisms to administer and incentivise the right relationship and drive the right behaviours to facilitate the best delivery of outcomes.
- The contract should have strong governance arrangements to assist with the delivery of the strategic partnership arrangement.
- The contract should deliver guaranteed on-going savings to SCC.
- The contract should include strong benchmarking arrangements so that the strategic partner is required to demonstrate a market leading cost approach.
- A flexible payment mechanism is envisaged with the right payment approach for each different type of delivery approach.
- Appropriate risk transfer should be a feature of the competitive dialogue and the contract. The general principle behind procuring such an arrangement is that risk is passed 'to the party best able to manage it'. Of course, the more that risk is transferred to the selected strategic partner, the more that strategic partner has to estimate and provide for those risks and this cost will be built into the cost of the contract.

## **TUPE**

- 8.14** It is anticipated that the Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) may apply to this contract, affecting staff undertaking activity that fall within the identified scope.
- 8.15** Informal discussions have taken place with unions to date. It is anticipated that significant engagement will be required for the foreseeable future with both and unions where necessary, staff.
- 8.16** Whilst some engagement can be done prior to contract award, a formal consultation period may be required once a preferred bidder has been appointed dependant on the detailed solution.

## **Procurement Process**

- 8.17** Careful consideration has been given to the selection of an appropriate procurement route. The following factors have been taken into account:
- Compliance with European regulations
  - Simplicity and length of process, particularly in view of the timescales associated with the expiry of the current Highways Maintenance contract
  - The flexibility to shape the deal throughout the process
  - The attractiveness of the procurement route to potential bidders.
- 8.18** This work has concluded that this procurement is best suited to a Competitive Dialogue route, for the following reasons:
- It allows us to discuss with bidders our requirements for delivery of outcomes.
  - It allows us to have an on-going conversation about the scope of the contract throughout the procurement period.
  - It allows us to discuss and develop the core values that should underpin the strategic partnership during the procurement period.
  - Potential bidders have indicated that this is their preferred procurement route.
- 8.19** Please see below for a summary of stages, objectives and timeline.

<b>Stage</b>	<b>Stage Objective</b>	<b>Indicative Timeline</b>
<b>Issue contract notice and Pre-qualification questionnaire</b>	To alert the market to our proposition and attract a broad range of bidders.	July 19 <sup>th</sup> 2013
<b>Bidders Day</b>	To articulate and sell our proposition to bidders, allow key stakeholders (e.g. Members) to meet potential partners.	30 <sup>th</sup> July
<b>Pre-qualification questionnaire return by bidders and evaluation</b>	To make an initial assessment of the bidders suitability to meet our core requirements (e.g. track record, finance) and refine bidders to take into the next stage.	19 <sup>th</sup> – 30 <sup>th</sup> August 2013
<b>Outline Solutions submission and evaluation</b>	To further refine the number of bidders. During this stage bidders are asked to outline how they will meet our requirements. This is refined through dialogue and then submitted for our evaluation.	2 <sup>nd</sup> September 2013 – 1 <sup>st</sup> November 2013
<b>Detailed Solutions</b>	This stage is to explore the next level of detail regarding the bidders offer and reduce the number of bidders to 3 to take forward into the final round of dialogue. This stage has opportunities for structured dialogue with the bidders to negotiate the detail and to give all the opportunity to submit a competitive detailed solution for evaluation.	4 <sup>th</sup> November 2013 – 31 <sup>st</sup> January 2014
<b>Notification of Preferred Bidder</b>	Our remaining 3 bidders refine the detail of their offer through dialogue with the council for submission and notification of a preferred bidder.	31 <sup>st</sup> January 2014
<b>Contract Award</b>	This is a period of due diligence and detailed contract negotiations captured in the Final business Case. It is anticipated that a decision from Cabinet will be requested in February 14	By end March 2014

### **Social Value Act**

**8.20** Appropriate consideration has been undertaken in compliance with the Public Services (Social Value) Act 2012. Consulting the public prior to the commencement of this procurement is not considered necessary. This is not to say that there will be no form of public consultation; the project is currently defining the approach to public consultation.

## 9.0 Financial Aspects

9.1 This section forms a summary of the current financial picture of the services in scope from an income and expenditure point of view. The proposition and related financial impacts will be discussed with bidders during dialogue and therefore, what is contained within this section are highlights regarding significant financial impacts.

### Income and Expenditure

9.2 At this stage it is difficult to estimate the level of savings that will be achieved through the procurement of a strategic partner for the Infrastructure+ group of services. The table below outlines the high level expenditure and income associated with the services in scope.

Service	Gross Expenditure 2013/14	Income 2013/14	Net Expenditure 2013/14
	£'000s	£'000s	£'000s
Highways Maintenance	56,424	-1,855	54,569
Highways Improvement and Development	14,408	-9,956	4,452
Professional Services	6,327	-2,692	3,635
Country Parks & Rights of Way Maintenance	1,372	-0,146	1,226
Grounds Maintenance Shugborough Estate	0,126		0,126
Total	<b>78,657</b>	<b>-14,649</b>	<b>64,008</b>

9.3 The table above includes a significant capital budget. The following table shows this budget and illustrates the pressure this budget is due to come under over the next few years.

	2013/14	2014/15	2015/16	2016/17	2017/18
	£'000s	£'000s	£'000s	£'000s	£'000s
Total Capital Budget	42,160	30,116	28,224	27,282	27,282

### Pensions

9.4 The staff in scope who may be subject to a TUPE transfer to the new partner are in the LGPS (Local Government Pension Scheme). This scheme is classed as 'Defined Benefits' (final salary).

9.5 In addition, some of the staff who transferred to Enterprise remain on the LGPS scheme, while others are on Enterprise's Citrus pension scheme. These staff may be subject to a 2<sup>nd</sup> generation transfer from Enterprise to the new strategic partner.

9.6 Any financial liabilities arising from the transfer of staff currently on the LGPS scheme or the Citrus scheme (whether they currently work for SCC or Enterprise) will rest with SCC.

9.7 As a county council we are currently exploring our position with regards to pensions and a solution for the longer term.

9.8 Feedback from the market intelligence exercise highlights that this will be a key area for negotiation during the CD process; the starting negotiating position from potential partners will be to avoid pension liabilities. In addition, this is an area that will need careful

consideration from the employee perspective. Therefore, it is essential that SCC is very clear on their negotiating position from the outset regarding pensions.

## Costs and Benefits

- 9.9** The Final Business Case will contain details of the financial impact of the contract and will detail the financial and non-financial costs and benefits associated. It is not possible to provide a detailed view of costs and benefits until later in the procurement process; however, any costs associated with the delivery of this project will need to be recouped through the savings made in the contract. Likely areas of cost include:
- 9.10** **Capita Procurement and Commissioning:** providing commercial, procurement and technical advice to the project as part of the Procurement Partner arrangement.
- 9.11** **Pensions:** As indicated above, the project is currently exploring the project pension costs. These will be added to the business case going forward.
- 9.12** **Internal resource costs:** The project is currently benefitting from a range of technical and service expertise. The project team involves support service resources from the following areas: procurement, legal, finance, HR, OD, communications, consultation and engagement and the TSU. The project also includes subject matter experts from the areas in scope. While these costs can be considered “sunk” and therefore not relevant costs from an investment appraisal perspective, there is an opportunity cost associated with the use of these resources on this project that ought to be considered.
- 9.13** The table below gives an indicative overview of the likely support service resource requirements. Depending on SCC’s approach there may also be costs associated with the back-fill of posts for individuals who are required to play a leading part in the Competitive Dialogue process:

	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Jan 13	Feb 13	Mar 13
Procurement	32	40	36	36	36	36	36	36	36	36
Engagement/ Consultation	2	2	2	2	2	2	0	0	0	0
Communications	3	2	2	2	2	2	2	2	2	3
ICT	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
Legal	20	28	28	28	28	28	28	28	28	28
<i>Property</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>	<i>tbc</i>
Finance	20	20	20	20	20	20	20	20	20	20
Human Resources	16	16	16	12	12	12	20	20	24	24
OD	8	8	8	8	8	8	8	8	8	8
HRSS	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
Policy & Performance	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
TSU	40	40	40	40	40	40	40	40	40	40
<b>Total</b>	<b>137</b>	<b>152</b>	<b>148</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>146</b>	<b>146</b>	<b>150</b>	<b>151</b>



## 10.0 Stakeholders

**10.1** This project covers a broad range of services, as set out in section 2 above and therefore has a wide reach regarding stakeholders. Stakeholder identification and analysis was undertaken early in the project to identify key stakeholders, understand the level of impact and develop a communication strategy.

**10.2** Both internal and external stakeholders have been identified and analysed according to the influence they have over the project and the impact the project has on them. A full stakeholder matrix is maintained by the project team. In summary our main stakeholders are:

### Internal

- Members of Staffordshire County Council
- Senior Leadership Team
- Operational Management Team
- Staff in the “Place” directorate
- Place Staff Forum

### External

- District Councils in Staffordshire
- Stoke-on-Trent City Council
- National Trust
- Natural England
- Forestry Commission
- Parish Councils
- Volunteers
- Trade Unions
- Customers/General Public

**10.3** Stakeholder management will be critical to the project as it progresses. We have started to engage with our critical stakeholders and a summary of the feedback is given below:

Organisation	Feedback
District Councils	<ul style="list-style-type: none"><li>• All District Councils within Staffordshire are interested in working more closely in relation to StreetScene activities. Most District Councils undertake urban grass cutting currently and some undertake tree management or works. Discussions have commenced with Newcastle Borough Council and Staffordshire Moorlands District Council about further areas for integration with a focus on locality working and financial benefits.</li></ul>
National Trust	<ul style="list-style-type: none"><li>• To be completed on receipt of feedback from stakeholders apx 30<sup>th</sup> May</li></ul>
Forestry Commission	<ul style="list-style-type: none"><li>• Recognises there are some synergies between the work SCC do and the work Forestry Commission does, especially around Cannock Chase. Keen to carry on working in a constructive partnership in that area.</li><li>• Keen to continue the current discussions around how we work together to cater for visitors through car parking, visitor centres, trails etc.</li><li>• Beneficial to both parties to continue working together, especially given the current challenging financial climate.</li></ul>

## **Community Impact Assessment**

- 10.4** Community Impact Assessments are a guide to help the council make sure that the services we provide are delivering the intended outcomes and aren't inadvertently having a negative impact on any particular group or groups.
- 10.5** While the project has not yet completed a Community Impact Assessment (this will be completed during the competitive dialogue, updated during that process and included within the Final Business Case), it is aware of the need to stay focused on our customers' and wider stakeholders' needs and to pay particular attention to any potential impact on equalities and the health agenda.
- 10.6** Over the coming months, the project team will develop a full Community Impact Assessment and will continue to update this during the procurement phase of the project. The full Community Impact Assessment will be included in the Final Business Case.

## 11.0 Management Case

11.1 To test the achievability of this project this section outlines the project management arrangements that will be used.

### Project management arrangements

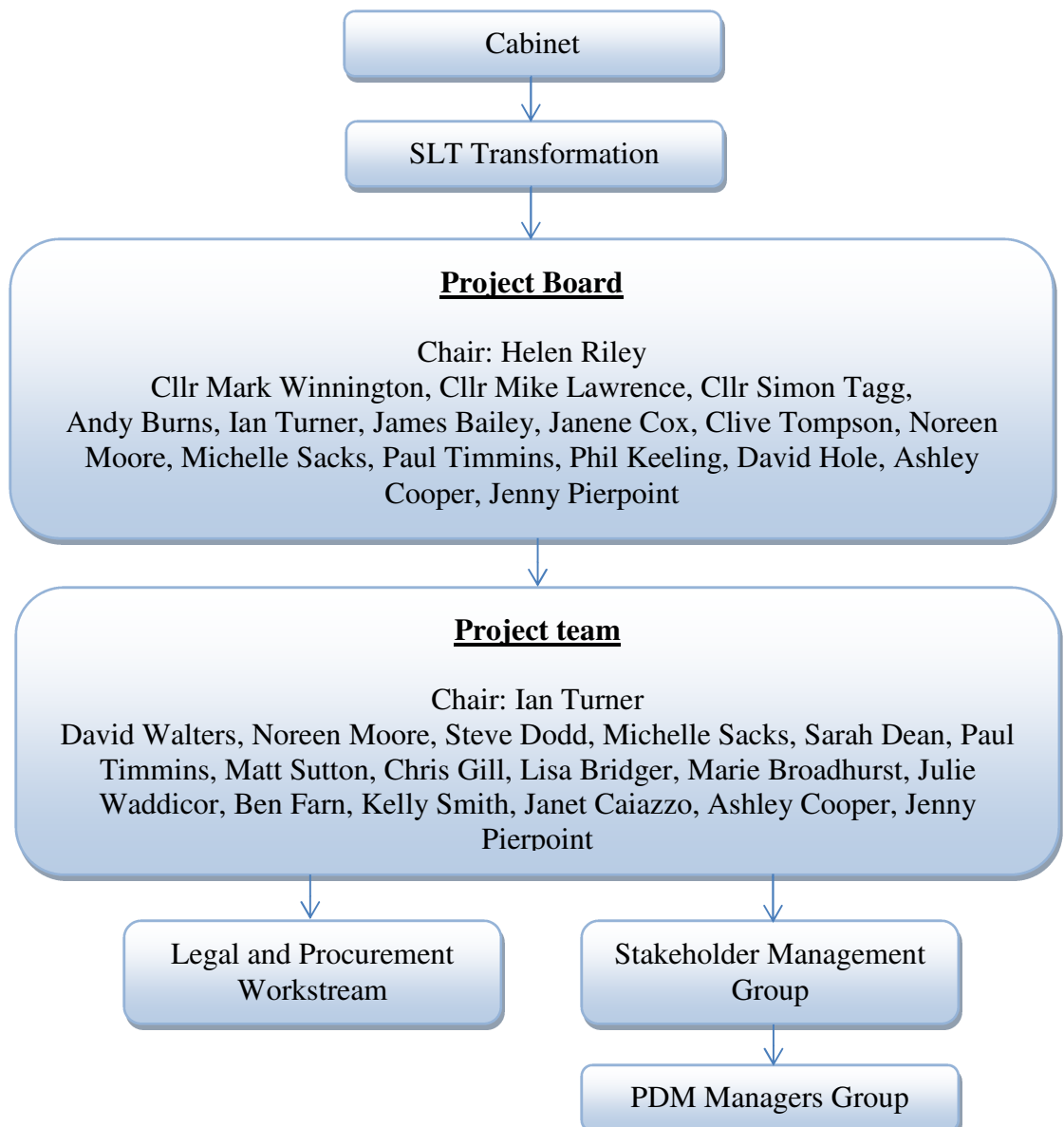
11.2 The project is being managed by the Transformation Support Unit as part of the Place portfolio of projects. The TSU provides the project assurance function for the project requiring regular project health checks, delivery reviews and status reports which give early indications of any issues and the ability to rapidly escalate these with SCC's corporate reporting structure. The TSU operates according to project management best practice.

### Project roles and responsibilities

11.3 The project has established effective governance with the required authority to facilitate timely decision-making throughout the project.

11.4 Workstream leads have been identified and are in place for all of the support services and business areas that are involved in the project.

11.5 The following diagram shows the governance of the project:



[Type text]

## Project Plan

**11.6** In accordance with best practice a high level project plan and a detailed stage plan have been produced. The stage plan for the next stage of the project covers the period from the commencement of the procurement process through to the appointment of the Preferred Bidder. Appointment of the Preferred Bidder, being a critical milestone, will also act as the end of the first stage of procurement, with approval required prior to progression to the next project stage (that being Preferred Bidder stage). The Project Plan is available on request.

## Use of special advisers

**11.7** Capita Procurement and Commissioning have been providing SCC with specialist procurement, commercial and technical advice as part of the Procurement Partner arrangement. All other resources are currently being provided in house.

## Outline arrangements for risk management

**11.8** A detailed Risk Register is managed by the Senior Project Manager which is regularly updated and reviewed as part of on-going governance arrangements. The issue and risk register conforms to corporate standards for the council. Detailed below are the key strategic risks to the Council. A full Risk Register is available on request.

Risk Description	Key Control	Mitigation	Likelihood	Impact	Score
There is a risk that the local government elections result in a different administration that is either i) a different political party or ii) has a greater level of opposition and therefore scrutiny. This could result in i) Cabinet not approving start of procurement ii) scrutiny calling in decision, with the result that procurement cannot start with sufficient time to negotiate a good replacement to the highways contract/ there is no time to re-procure the highways contract within timescales and Council has make interim arrangements.	Project Board	1. Engagement with all members in run up to election 2. Engage with relevant scrutiny committees	3	4	12
There is a risk that the reputation of the Council is damaged should the highways contract not be replaced within timescales. There is a further risk to reputation should the Council be subject to challenge.	Project Board, Stakeholder Management Group	1. Raise issue with PSLT, SLT and Members 2. Seek quick resolution to "outcomes" question within procurement minimum timescales to enable procurement to commence as soon as possible. 3. Twin track procurement preparation "at risk".	2	3	6

Risk Description	Key Control	Mitigation	Likelihood	Impact	Score
There is a risk that the level of uncertainty around future service provision and types of delivery models causes staff to leave SCC for better job security.	Project Board, PDM Managers Group	<ol style="list-style-type: none"> <li>1. Effective communications plan.</li> <li>2. Effective and strong project leadership</li> <li>3. Clearly articulated vision for the project.</li> <li>4. Change readiness assessments and plan.</li> <li>5. Effective Staff engagement and OD work.</li> </ol>	3	4	12
There is a risk that if a Competitive Dialogue process is followed the resource demands will not be able to be met in house. Should sufficient resource not be available in house we would need to appoint external resources in order to meet timescales, and would need a project budget to meet this.	Project Board	<ol style="list-style-type: none"> <li>1. Assess likely level of resources and options for that to be provided once there is further clarity over procurement strategy.</li> <li>2. Raise issue with Sponsor and Board.</li> <li>3. Discuss Resources with Resources Group and include in OBC.</li> </ol>	3	3	9
Enterprise contract cannot be extended any further. There is a risk that should the replacement contract not be in place by April 2014, SCC would have to make interim arrangement and may be subject to legal challenge. Associated financial, commercial, political, reputational and legal risks.	Project Board	<ol style="list-style-type: none"> <li>1. Raise issue with PSLT, SLT and Members</li> <li>2. Seek quick resolution to "outcomes" question within procurement minimum timescales to enable procurement to commence as soon as possible.</li> <li>3. Twin track procurement preparation "at risk".</li> <li>4. Work towards achieving Preferred Bidder by end March 2014 to minimise the likelihood of challenge and developing a robust mobilisation plan to minimise risk.</li> </ol>	3	5	15

Risk Description	Key Control	Mitigation	Likelihood	Impact	Score
Should SCC wish to minimise the risk of challenge and only agree to interim arrangements for 3 months (instead of more standard 6 months), there may be a financial implication in that the costs of rapid mobilisation would be factored into the contract.	Project Board	1.Project Sponsor to discuss with SLT	3	3	9

### Contingency plans

**11.9** In the event that this project fails, the following arrangements are in place for continued delivery of the required services and outcomes:

- All services currently delivered through Enterprise (now Enterprise/Amey): A new procurement would have to be approved by Cabinet and a new contract for the provision of highways maintenance awarded.
- All services currently provided in house: services would continue to be delivered as-is while alternative options are explored.

**Infrastructure+**



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# **Infrastructure+ Appendix E: Customer Insight**

## **Place Delivery Models – What do our customers think?**

This report provides a summary of the views and perceptions of the customers of the services that are being proposed to go out to market as part of the Infrastructure+ project. It draws on a number of existing sources of information, including national and local surveys.

### **I. Highways**

The County Council has a range of mechanisms to gather public opinion and levels of satisfaction with highway services. In this section, there is a summary of the key themes relating to highways, including the issues that are most important to local people and their current level of satisfaction with them.

#### ***What are the most important highway issues to Staffordshire people?***

The main issues that people highlighted as being most important to them, according to the National Highways and Transport (NHT) Satisfaction Survey<sup>1</sup>, were the condition of the roads (24% of responses), pavements and footpaths (18%) and safety on the roads (16%), all of which are consistent with the national picture.

The survey also asks how people feel the Council should use its budget to improve transport and highways in their area. The top three responses for Staffordshire were the condition of the roads (25%), pavements and footpaths (18%) and traffic and congestion levels (14%).

#### ***How satisfied are Staffordshire people with highways?***

According to the NHT Survey, around 53% of respondents in Staffordshire were satisfied with transport and highway services, compared to 55% nationally.

Satisfaction with the issues that are important to people varies. 39% of respondents were satisfied with the condition of the highways, compared to 35% nationally. Overall highway maintenance was comparable with national figures, but with particular issues in Staffordshire highlighted around the speed and quality of repair to damaged roads and pavements, keeping drains clear and working, dealing with potholes and pavement obstructions and general maintenance of verges, trees and hedges.

High levels of satisfaction were recorded for condition and cleanliness of road signs, speed of repair to street lights and keeping roads clear of obstructions.

Overall satisfaction with pavements and footpaths is comparable to national figures, with 59% of respondents satisfied, compared to 57% nationally. Staffordshire scored particularly highly for the provision of pavements where needed, provision of safe crossing points and drop kerb crossing points. Levels of satisfaction were lowest for pavements being kept clear of obstruction.

Road safety was the third most important issue to people, and generally people were satisfied, 63% compared to 60% nationally. Speed limits and safety of walking had the highest levels of satisfaction, whereas speed control measures, safety of children cycling to school and road safety training/education for young drivers had the lowest levels.

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<sup>1</sup> Data quoted in report is taken from the 2012 National Highways and Transport Survey



Feedback from the Highways Hotline indicates that satisfaction can vary considerably from month to month. Highest levels of satisfaction are recorded for the ease with which people can contact the Council about a highways matter (80% in March 2013), the speed with which a call was answered (69%) and the helpfulness of the person answering the phone (69%). The lowest levels of satisfaction were recorded for satisfaction with the quality of the repair (43% in March 2013) and satisfaction with overall service provided (48%).

### ***How satisfied are Staffordshire's people with highways schemes?***

Overall satisfaction with individual schemes, as measured via the Post Scheme surveys, indicates that overall satisfaction with the 18 projects surveyed between January 2011 and February 2012 ranged from 67% to 95%.

The main theme for compliments offered in the surveys was the overall level of service provided. Comments highlighted the "excellent" communication with residents, the "efficient, friendly and courteous" site teams and the overall attitude, politeness and efficiency of the workers. Others mentioned the fact that the jobs were "well organised and co-ordinated" and completed with "minimum disruption".

Complaints predominantly focused on the following themes - communication, disruption, signing, and the quality of the work. There was not always adequate information and communication in advance of the work starting or sometimes the information was incorrect, for example relating to the extent of overnight working in one instance. Other comments were about the length of time the work took, with sometimes "large breaks in time between completing work". During the work some of the signage was felt to be "inadequate" and "diversions were not very clear".

## **2. Country Parks**

Much of the available insight about customer views of Country Parks is gathered from visitor surveys for Cannock Chase Area of Outstanding Natural Beauty (AONB) and work undertaken for the Forestry Commission focused on the Birches Valley site. However, there are some general messages that can be drawn from these surveys that may be applied to country parks in general. Other sources of insight include surveys undertaken as part of the development of the Right of Way Improvement Plan and by Staffordshire Wildlife Trust, relating to their site at Wolseley.

### ***Who is most likely to visit Staffordshire's Country Parks?***

For many of the surveys considered in this report, the respondent profile was relatively young (30-45 age group). This was partly dependent on the type of activity, with cycling tending to attract younger people and walking in the older age groups. This could also be a reflection of where the surveys were conducted, with some parts of Cannock Chase specialising in cycling and mountain biking, hence there would likely be a higher number of respondents doing those types of activities.

The majority of people visiting the sites tended to live within a relatively short distance. In the Cannock Chase Visitor Survey, over half of respondents lived within 6.2km of the interview site and 75% lived within 15.1km. This was partly dependent on the activity as mountain bikers were likely to travel the furthest and walkers and dog walkers tended to be more local.

The main length of a visit was around 1-2 hours and the majority visited on a regular basis, usually either weekly or monthly.

Despite the fact that many people were relatively local, the majority arrived by car, with response rates from 75% up to over 90%, depending on the site.

Unsurprisingly, the main reasons for visiting Cannock Chase and nearby sites were walking, dog walking, cycling and horse riding. Other reasons cited by visitors to the Wildlife Trust included nature watching and photography.

For all of the surveys where the question is asked, the majority of respondents rate the experience/area as excellent or very good, with responses ranging from 89% to 95% in the surveys.

### ***What are the strengths of the country parks in Staffordshire?***

Many of the surveys asked questions around what they felt were the strengths of the area (for example Cannock Chase) or what they liked most about the area. This provides an indication of what people feel should be offered by such facilities.

One of the main strengths mentioned about Cannock Chase was its beautiful scenery and views. 63% of respondents to the AONB survey stated that the attractive scenery was their main reason for choosing to visit Cannock Chase.

The facilities that are offered at the sites are seen as a great strength and asset for the area. For example, the cycle trails and the opportunities for cycling was mentioned in one survey, as were the paths for walking. Other facilities highlighted were the car parking, Go Ape and the café and restaurant sites.

### ***What are the areas for improvement for Staffordshire's countryside?***

The different surveys highlighted a number of issues that were seen as either areas for improvement or deterrents to people accessing the countryside or visiting some of the country parks. Some of the issues raised were specific to certain sites, but they provide an indication of the issues that are important to people and that addressing them in all areas would increase overall satisfaction.

One group of issues concerned general physical improvements and ensuring that the experience was not spoiled by the state of the countryside and its facilities. This included issues such as path maintenance, improved stiles and gates, particularly for the less agile and making sure that areas were not overgrown. Litter and dog fouling were particular complaints in some areas.

Another area of improvement related to information and signposting. This applies to both the general lack of information about the sites and where to go and also in signposts and waymarking around some of the paths and trails.

Issues relating to transport were also raised. This ranged from the need to slow down traffic in certain areas and tackle inconsiderate drivers to the improvement of public transport links. Given the high proportion of people who access the sites by car and the fact that many live within a

short distance, it would be interesting to assess whether this was by choice or as there are no feasible alternatives.

The final group of issues were around the additional facilities that were available, or in some cases not available, at some of the sites. Tea rooms or general catering facilities are popular and were seen as a useful addition in some areas (although this may be about signposting people to nearby facilities). The provision of public toilets was also mentioned as well as the availability of suitable car parking provision.

### **3. Shugborough**

This section summarises the insight from visitors to Shugborough, including a face to face survey and regular ongoing questions about where people live and why they are visiting.

#### ***Who visits Shugborough?***

Every one in ten visitor that goes through the tills at Shugborough, is asked their home postcode and reason for visiting. Data for 2012 related to 1,449 visitors and indicated that the majority of visitors were local, with 64% coming from the West Midlands region, and a further 11% from the East Midlands, and 9% from the North West. The main reason for visiting the attraction was due to being a National Trust member (29% of visitors). Around a fifth of visitors said that it was a repeat visit, which provides a useful indication of quality as people would be less likely to return if they did not enjoy the experience.

#### ***How satisfied are visitors to Shugborough?***

A face to face survey with Shugborough visitors was last undertaken over the summer months of 2011. During that time 868 people completed the survey which explored their views about the attraction.

Nearly half of the visitors had found out about Shugborough via the National Trust guide book, with recommendations forming 10% of reasons for visiting.

Overall, visitors who were surveyed were satisfied with Shugborough - 95%, with a further 96% stating that they would recommend it to friends and family.

Many of the attractions at Shugborough were rated excellent or good, with the Servants' Quarters receiving the highest rating (97% rated as good or excellent). The Mansion House, Earl's Apartment, Museum Galleries, Gardens and Costumed Guides were all rated as good or excellent by 90% or more respondents.

### **4. Environmental Specialists**

Due to the nature of the work undertaken by Environmental Specialists, there are currently limited mechanisms to collecting feedback from customers. This is predominantly due to the service's mix of internal and external professional customers.

### **5. Specialist Transport Planning**

The service has identified the following as its key customers:

- Developers & Consultants
- Local Planning Authorities
- Department for Transport
- Highways Agency
- The Rail Industry
- Interest groups and members of the public
- Internal – e.g. other services in Place, Business and Enterprise County, Built County, Rural County

Currently the team receive feedback from customers on an informal basis, for example verbal, ad-hoc emails. The team is currently scoping out the potential to develop a partner satisfaction survey to collect customer satisfaction information in a systematic way. It is proposed that this is rolled out in March 2014.

## **6. Spatial Information Team**

The team predominantly provide services for internal customers. Due to the nature of the work of the team, there are currently limited mechanisms to collect feedback from customers. Any feedback is on an informal basis, for example verbal, ad-hoc emails.

In the 12 months up to May 2013, the team have responded to:

- 35 Rights of Way property services
- 332 internal requests
- 46 external queries

## **Future Engagement**

Through the data collection process, it is evident that ongoing consultation and engagement mechanisms with customers are limited. All three of the services undertake annual engagement exercises, or project based consultation – e.g. Highways Post Scheme Surveys.

It will be vital to understand from the Project Board the requirements of any engagement mechanisms post Outline Business Case, including considering the following questions:

- What do we want to achieve? What are the gaps in knowledge?
- Who do we want to engage with?
- What existing mechanisms can we use?
- What timescales does it need to be delivered within?

Currently, it is not feasible to develop a detailed proposal until the above factors are considered and agreed.



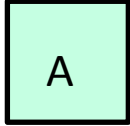
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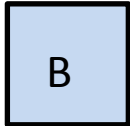
# **Infrastructure+ Appendix F: Stakeholder Register**

Group A	Group B	Group B	
All SC County Councillors	Local Authority partners (referred to in OJUE Notice):	Staffordshire Bodies:	
Cabinet Members		Staffordshire Ecological Record	
Prosperous Staffordshire Select Committee		Staffordshire Moorlands District Council	Staffordshire and Stoke Equalities Network (SSEN)
Corporate SLT		Newcastle Borough Council	Staffordshire Rural Forum
Project Board		Lichfield District Council	Staffordshire Wildlife Sites Partnership
Place SLT		Tamworth Borough Council	Staffordshire Wildlife Trust
People SLT			VAST
Group B		East Staffordshire Borough Council	SPAN (Staffordshire Public Access Network)
People Directorate (Commissioners)	Cannock Chase Council	Staffordshire Biodiversity Partnership	
Trade Unions – Unison, GMB and Unite the Union (Critical)	South Staffordshire Council	Peak District National Park Authority	
SCC Staff in scope (Critical)	Stafford Borough Council	Cannock Chase AONB Unit	
Enterprise Staff in scope (Critical)	Stoke on Trent City Council	Community/Voluntary/User Groups:	
SCC Place staff out of scope	Parish Councils:	Friends of Cannock Chase	
SCC other staff not in scope	Staffordshire Parish Council Association	Apedale Country Park Voluntary Wardens	
SCC Public Health Team	Other Local Authority partners:	Apedale Heritage Centre	
People Place Forum	Staffordshire Police	Apedale Valley Light Railway	
Media (Critical)	Staffordshire Fire and Rescue Service	Caldon and Uttoxetor Canals Trust	
North Staffs Chamber of Commerce	Staffordshire Civil Contingency Unit	Central Rivers Initiative	
South Staffs Chamber of Commerce	Society of Local Councils (Staffordshire Branch)	Churnet Valley Living Landscape Partnership	
National Trust (Critical)	Community Council of Staffordshire	Churnet Valley Railway	
Forestry Commission (Critical)	National and Regional Bodies:	Forest of Mercia	
Natural England (Critical)	Environment Agency	Staffordshire Local Nature Partnership	
Group C	Department for Environment, Food and Rural Affairs	Cannock Chase AONB Unit	
	Food and Environmental Research Agency	Shugborough Volunteers	
	National and Regional Bodies:	Trent Rivers Trust	
	ADEPT	National Forest	
	APOCOA Parking UK Limited	Staffordshire Badger Group	
	Asphalt Industry Alliance	Staffordshire Bat Group	
	Association of Commons Registration Authorities	Wildlife and Countryside Protection Group	
	Association of Local Government Archaeologists	Staffordshire, Stoke on Trent and Wolverhampton Joint Local Access Forum.	
Association of Local Government Ecologists	Group C	Members of Parliament:	
British Horse Society	Institute for Archaeology	Members of the European Parliament for West Midlands Region:	
Butterfly Conservation	Institute for Historic Building Conservation	Local Authority partners (Neighbouring Authorities not referred to in OJUE Notice): 7 Local Authorities	
Byways and Bridleways Trust	National Association of AONB		
Campaign to Protect Rural England	Open Spaces Society		
Canals and Rivers Trust	Peak and Northern Footpaths Society		
Council for British Archaeology	Ramblers Association		
Country and Business Landowners Association	Joint Local Access Forum		
GeoPlace	Royal Society for Prevention of Birds (RSPB)		
	The Woodland Trust		
	West Midland Bird Club		
	Sustrans		
	LEP		

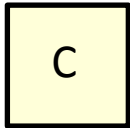
## Groups



These Stakeholders were kept informed, updated and fully engaged throughout the process. This group of stakeholders comprises executive decision-makers, those providing strategic direction and scrutiny.



These Stakeholders were kept informed, updated, involved and engaged at appropriate stages in the process. This group of stakeholders includes relevant staff, trade unions and community and other groups and bodies.



These Stakeholders were kept informed and updated as and when appropriate in the process so they are aware of what is happening on the project.

# **Infrastructure+ Appendix G: Community Impact Assessment DRAFT**



## **Leading for Better Outcomes Community Impact Assessments**

Community Impact assessments (CIAs) should be used whenever there is a policy or service change. The template will enable staff to record how they have taken account of the following essential areas within proposals;

- Strategic Priorities
- Public Sector Equality Duty
- Health inequalities
- Rural issues
- Climate change

The Public Sector Equality Duty, is a legal requirement and must be applied in all that we do, and in particular whenever there are changes.

See guidance note and frequently asked questions for further information.

### **Name of proposal:**

- Infrastructure+

### **State here which of the County Council priorities the proposal will deliver against:**

On inception the Infrastructure+ project sought to deliver against three of the original nine strategic priorities as follows:

- Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it
- Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks
- Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities

whilst also contributing to the over-arching strategic outcome:

- Staffordshire's people are involved in shaping the delivery of public services.

Following the work in early 2013 to refine these nine strategic priorities into three priority outcomes, the project can now be aligned to the first two of these:

- Be able to access more good jobs and feel the benefits of economic growth
- Be healthier and more independent.

In addition, the project has established a set of agreed core objectives, as follows:

- To maintain and improve the condition and usability of our physical assets;
- To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership;
- To involve communities in decisions and delivery of infrastructure;
- To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.

**Project lead: (s)**

- Helen Riley: Executive Sponsor and Deputy Chief Executive and Director for Place
- Ian Turner: Project Sponsor and Head of Place Delivery

**Names of other officers involved**

- A wide range of other officers have been involved in the project, both from the services areas in scope and from specialist support services.
- The Core Evaluation Team is made up of Helen Riley, Ian Turner, James Bailey (Commissioners for the Highways and the Built County) and Ian Wykes (Commissioner for the Rural County). This team has a critical role to play in terms of leading the dialogue and evaluation of submissions at PQQ, IPD1 and IPD2 stage.
- In addition to the Core Evaluation Team, Janene Cox (Commissioner for Tourism and the Cultural County), Clive Thomson (Commissioner for Transport and the Connected County) and Ian Benson (Commissioner for the Sustainable County) have also been involved in the project.
- In terms of specialist service areas, the project has involved officers from Staffordshire Procurement, the Legal Services Unit, HR, OD, Place Finance, TSU, Community Consultation and Engagement and Customer Insight.
- There has also been significant involvement from the managers and staff working in the services in scope. The Infrastructure+ Managers Group has involved all managers from the services in scope and has been responsible for a number of project deliverables and for managing communication with the members of their team.
- In addition, the Place Staff Forum has proved to be a useful feedback mechanism providing a temperature check of the readiness for change.

**Executive summary of the assessment:**

The Infrastructure+ project was driven by a strong desire across the County Council to change the way we provide services to the people of Staffordshire. In June 2013 Cabinet approved the strategic decision to proceed with the procurement of a private sector partner with which to establish a strategic partnership for the delivery of a number of infrastructure-related requirements.

The Infrastructure+ project represents an ambitious step change in the delivery of infrastructure across the county. Outcome-led and bringing together services that have traditionally been provided via very different delivery models, Infrastructure+ is attempting to harness the synergies within the scope of the project, whilst also maximising the value to be had through a different type of contract arrangement with a partner that understands our vision.

The Infrastructure+ Project seeks to achieve the following Critical Success Factors:

1. Increased value and prosperity for Staffordshire through a positive impact on jobs and growth.
2. A customer focussed service which enhances customer satisfaction and the reputation of the Council
3. Financially sustainable and resilient services
4. The flexibility to meet changing future demands through innovation and development

Forming a strategic partnership with a private sector partner provides us with an exciting opportunity to build on our success as a County Council in the provision of infrastructure related services. The Community Impact Assessment (CIA) has taken a tailored approach in capturing and analysing stakeholder engagement the wider effects of this project.

### **Signature**

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**Helen Riley**  
**Deputy Chief Executive and**  
**Director of Place**

**Date:**

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**Ian Turner**  
**Head of Place Delivery Ventures**

**Date:**

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## 1.0 The Purpose, Aims and Outcomes of the proposal

### 1.1 Purpose

With the creation of a collaborative working arrangement (a strategic partnership), underpinned by a contract with strong governance arrangements, we ('Staffordshire County Council') are looking to appoint a private sector partner to work with us to deliver a range of strategic outcomes, core objectives and critical success factors associated with the services in scope.

The Infrastructure+ project is applying commissioning principles to a range of Infrastructure services to determine the outcomes that Staffordshire County Council are seeking to achieve and to identify the best way of achieving those outcomes.

The envisaged scope of services currently undertaken to deliver Staffordshire County Council's responsibilities are listed in the table below:

**Figure 1: Infrastructure+ proposed scope**

<b><u>Service</u></b>	<b><u>Description</u></b>	<b><u>Activities</u></b>
<b>Highways Maintenance</b>	Staffordshire County Council is responsible for nearly 6000km of highway network and its associated assets. Current maintenance arrangements utilise a single contract for most highways maintenance work (the virtual joint venture with Enterprise)	<ul style="list-style-type: none"> <li>• Reactive Maintenance</li> <li>• Cyclical Maintenance</li> <li>• Bridge Maintenance and Improvement</li> <li>• Winter Service</li> <li>• Preventative Maintenance</li> <li>• Structural maintenance (renewals)</li> <li>• Traffic Signal Maintenance (currently subject to a separate third party maintenance contract)</li> <li>• Range of street lighting functions</li> </ul>
<b>Highways Improvement &amp; Development</b>	In addition to maintenance there are improvement schemes undertaken to improve safety or add capacity to the network or to facilitate new developments. This work is undertaken by a mixture of mechanisms including	<ul style="list-style-type: none"> <li>• Major Projects</li> <li>• Development Schemes S278</li> <li>• Traffic Calming</li> <li>• Junction Improvements</li> <li>• Crossing Facilities</li> <li>• Environmental Enhancements</li> <li>• Community Impact Schemes</li> </ul>

	through the existing maintenance contract with Enterprise, by spot tender or through regional framework contracts, such as the Midlands Highways Alliance.	
<b>Highways Professional Services</b>	In order to manage the work on the highways assets there is a team of in-house professional staff supported by contracted-in skills or top up resources.	<ul style="list-style-type: none"> <li>• Regulation and Highway Network Management</li> <li>• Highways Administration</li> <li>• Community Liaison</li> <li>• Development Control</li> <li>• Structures Management</li> <li>• Highways Asset Management</li> <li>• Highways Design</li> <li>• Range of street lighting functions</li> <li>• UTC and Traffic Signals Management</li> <li>• Highways Laboratory</li> <li>• Rights of Way Management</li> <li>• Rights of Way Data Management</li> <li>• Environmental Specialists</li> <li>• Transport Planning</li> </ul>
<b>Country Parks Maintenance and Rights of Way Maintenance</b>	The Rural Access team is one of three teams within the Rural County, alongside the Rural Development and Environmental Advice teams. The Rural Access Team is committed to managing and developing Staffordshire County Council's own countryside estate and the 4,400km of public footpaths and bridleways across Staffordshire for people to enjoy.	<ul style="list-style-type: none"> <li>• Works unit</li> <li>• Rangers (only part of this team is in scope)</li> <li>• Rights of Way staff (only part of this team is in scope)</li> </ul>

<b>Grounds maintenance of Shugborough</b>	The Shugborough Estate, which is managed via a 100 year lease from the National Trust, is covered by a Grade 1 Listed Parkland Conservation Management Plan and the grounds maintenance duties are covered within this by Estate workers.	<ul style="list-style-type: none"> <li>• Estate Workers</li> </ul>
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## 1.2 Aims & Objectives

The main aims and objectives of Infrastructure+ are.

**Figure 2: Aims and Objectives**

<ul style="list-style-type: none"> <li>• To maintain and improve the condition and usability of our physical assets.</li> <li>• To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership.</li> <li>• To involve communities in decisions and delivery of infrastructure.</li> <li>• To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.</li> </ul>
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The project has developed a set of **Critical Success Factors (CSFs)** which outline the key things the project must deliver. The CSFs formed the basis for the evaluation of options in the Strategic Options Appraisal and has formed the foundation for the evaluation of bids in the procurement and delivery stages of the project. They will also form the basis for articulating and quantifying benefits associated with the project.

The Infrastructure+ CSFs and their sub-factors are:

**Figure 3: Infrastructure+ Critical Success Factors**

<b>Increased value and prosperity for Staffordshire through a positive impact on jobs and growth</b>
<ul style="list-style-type: none"> <li>• Attract inward investment to Staffordshire</li> </ul>
<ul style="list-style-type: none"> <li>• Provide more and better jobs within Staffordshire</li> </ul>
<ul style="list-style-type: none"> <li>• Contribute towards an increase in Gross Value Add (GVA) across</li> </ul>



Staffordshire
<ul style="list-style-type: none"> <li>Actively encourage and support business growth</li> </ul>
<b>A customer focussed service which enhances customer satisfaction and the reputation of the Council</b>
<ul style="list-style-type: none"> <li>Ensure an appropriate level of quality as defined by customers</li> </ul>
<ul style="list-style-type: none"> <li>Improve customer satisfaction</li> </ul>
<ul style="list-style-type: none"> <li>Improve and / or enhance customer access to services</li> </ul>
<ul style="list-style-type: none"> <li>Improve the quality of communication and engagement with customers</li> </ul>
<b>Financially sustainable and resilient services</b>
<ul style="list-style-type: none"> <li>Attract investment into services</li> </ul>
<ul style="list-style-type: none"> <li>Improve efficiency and value for money</li> </ul>
<ul style="list-style-type: none"> <li>Identify and develop potential commercial opportunities where appropriate</li> </ul>
<b>The flexibility to meet changing future demands through innovation and development</b>
<ul style="list-style-type: none"> <li>Provide flexibility to meet changes in demand, environment or scope</li> </ul>
<ul style="list-style-type: none"> <li>Maximise service user involvement in the delivery of services</li> </ul>
<ul style="list-style-type: none"> <li>Promote Staffordshire's reputation as a forward thinking and entrepreneurial county; locally, regionally and nationally</li> </ul>
<ul style="list-style-type: none"> <li>Incentivise improved service levels and innovation, including new products/services, where appropriate</li> </ul>
<ul style="list-style-type: none"> <li>Maintain and develop skills and expertise</li> </ul>

### 1.3 Outcomes

There are three Strategic Outcomes that the project is seeking to make a direct impact on:

- Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it.
- Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks.
- Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities

A further Strategic Outcome over-arches all of these:

- Staffordshire's people are involved in shaping the delivery of public Services

**2.0 Those Affected: Who and Why?**

Table 4 shows the different groups affected by the Infrastructure+ project and explains why.

**Figure 4: Those affected: Who and Why?**

<b>Those affected:</b>	<b>Why?</b>
<b>Staff</b>	<p>All staff that are in scope will be affected to some degree as a result of this project. SCC will form a strategic partnership with a private sector company and some staff are likely to TUPE transfer to the provider. This may take place shortly after commencement with potential for further future transfers as the partnership develops.</p> <p>The exact detail of who will transfer has not been fully decided as the solution presents a potential significantly different way of working and it is not simply a case of transferring known existing staff groups.</p> <p>Such ambiguity will affect staff; however SCC will pursue a clear and transparent consultation process with staff and their Trade Union representatives.</p> <p>Additionally staff engagement will continue where information is shared and feedback received.</p>
<b>Residents</b>	<p>The services covered by the partnership are some of the most visible to the general public. The highways aspect presents the most challenging service in terms of public satisfaction.</p> <p>Customer satisfaction and council reputation has been identified as a key objective and critical success factor for the project.</p> <p>It will deliver improvements to customer information and response to issues, concerns and problems.</p> <p>It is also a requirement of the partnership that the public are able to be more involved and informed about the decision making process around the infrastructure both in terms of construction and maintenance.</p>
<b>External Stakeholders</b>	<p>External stakeholders will be affected by this proposal to some degree. We have developed a database of all of our stakeholders and categorized them according to the level of impact this proposal may have on them.</p> <p>Stakeholders range from those who contribute funding to the current services through the land of Shugborough to district and borough councils who have a large part to play in the</p>

	development and maintenance of physical infrastructure.
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### 3.0 Current users of this service

Table 5 provides more detail on the current users for services in scope.

**Figure 5 : Current users of the services in scope**

<b><u>I+ Service</u></b>	<b><u>User</u></b>
<b>Highways maintenance</b>  Operations (Contract) Management Routine Maintenance Schemes Delivery Street-scene	The highway environment and the services associated with developing and maintaining it affect all members of the public as it is essential to virtual all aspects of modern life.
<b>Highways Improvement &amp; Development</b>  Major Projects Development Communities	
<b>Professional Services</b>  Regulation & governance Structures management Lighting Highways Lab Rights of Way management Spatial Information Environmental Specialists Specialist Transport Planning	In addition to the above some of the professional services also affect businesses and other authorities where service are provided to them. For example the highways laboratory provides interesting services to private companies working within and outside Staffordshire as well as to other local authorities.

<b>Country Parks Maintenance and Rights of Way Maintenance</b> Works unit Rangers*	Visitors and users of Country Parks General public accessing rights of way
<b>Grounds maintenance of Shugborough</b> Estate workers*	Customers and visitors to Shugborough Estate

#### 4. Will the proposal have an impact on staff?

The creation of the strategic partnership will see the transfer of functional activity currently delivered by Staffordshire County Council to the partner organisation. Where this occurs staff employed to deliver this activity will also transfer to the partner organisation and their employer will change.

It is anticipated that organisational changes will be introduced to deliver the range of strategic outcomes, core objectives and critical success factors associated with the services in scope. As a consequence staff may experience changes to job roles and structures as the way in which work is organised changes.

Additionally, the new collaborative working arrangements will introduce new ways of working which will impact on all members of staff employed in services in scope.

##### 4.1 What does this mean for the workforce?

The table below details a breakdown of the current work force profile against the protected characteristics of age, disability, race and sex. Staffordshire County Council does not capture work force data in relation to gender reassignment, marriage and civil partnership, pregnancy, religion or belief or sexual orientation.

**Figure 6: Breakdown of current workforce profile against the protected characteristics of age, disability, race and sex**



Whilst some organisational change will be required to meet the collaborative working arrangements of the partnership and it is not anticipated this will lead to significant changes to the makeup of the current workforce profile or impact adversely on any one protected characteristics.

Where staff employment transfers to the partner organisation The Transfer of Undertakings (Protection of Employment) Regulations 2006 and the anticipated The Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 will be applied mitigating any adverse implications of a transfer of employment.

Any adverse implications of organisational changes will be mitigated through consultation with staff and their Trade Union representatives, the application of

appropriate organisational HR policies and procedures and a comprehensive approach to staff engagement.

Notwithstanding the protections afforded by employment legislation it is the County Councils intention to work with the partner to develop and agree any organisational changes prior to implementation. This will ensure due consideration is given to the impact on staff and the appropriate management of this impact in line with the County Councils values.

Staff will be supported through a managed transition process with ongoing engagement and consultation with both them and their Trade Union representatives.

## 5.0 Public Sector Equality Duty

The Public Sector Equality Duty (PSED), requires public authorities to pay “due regard” to;

eliminate discrimination; advance equality of opportunity; foster good relations between people.

### 5.1 Could the proposal impact on protected groups

The table below shows and impact on protected groups

Figure 7: Impact on protected groups

Protected groups/characteristics	Is there any potential for positive or negative impact	Could the proposal create better opportunities or minimise disadvantage?	Please detail what measures or changes will be put in place to mitigate adverse implications
Race	No		
Disability	No		
Gender	No		
Age	No		
Religion/belief	No		
Gender reassignment	No		
Sexual orientation	No		
Pregnancy/maternity?	No		
Impact on staff	Yes	The proposal has the potential to see a number of staff transferred from SCC to the private sector partner. This may have the result of protecting employment and	

		opening up additional opportunities for staff.	
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**6.0 Are there any gaps in your evidence or conclusions that makes it difficult for you to quantify potential adverse impact?**

No. The vast majority of the services in scope are well established and conform to national or international design standards. There exist challenges in terms of ensuring that use of and input into services is fully representative of the communities and sometimes minority populations but this is not a function of how the service delivery is specifically arranged.

As the exact extent of staff transfer is not known at this stage the impact in terms of numbers is not known. However even if only one person is transferred the same impacts occur and the transfer process has been explored through the procurement process and assessment of the providers capability and capacity to undertake this was assessed.

**7.0 How will you explore the proposal in greater depth?**

Service delivery is well assessed at present by visitor surveys and by national satisfaction surveys. These include the collection of demographic data so that assessments can be made to see if there are differences in terms of service perception and satisfaction by different groups.

In terms of staff issues there will be a full mobilisation plan developed for the transition stage of the project. This will be overseen by the project board. This will include suitable time to ensure that transferring staff are allowed to fully contribute to the process with opportunities to include union representation.

## 8.0 Consultation

### 8.1 Staff Engagement

The following has been done in terms of staff engagement:

Figure 8: Staff Engagement

Staff Activity	Membership	Purpose	Frequency
<b>Bidders Day - Staff Involvement</b>	Manager involvement, Commissioners, other SCC Staff	Members of the Place staff forum were invited to be involved in an open discussion with potential bidders at the start of the procurement process. This allowed them to see and hear first hand the objectives of the project and the views of the market around capability and scope.	18 <sup>th</sup> July 2013
<b>I+ Managers Group</b>	Manager Involvement	The purpose of the I+ Managers group is to provide an opportunity for Managers to engage with those directly involved with the project, raise any staff concerns and help guide the process by providing service specialist advice. The Managers group is particularly useful to keep communication flowing and share information directly.	Fortnightly
<b>Staff Forum</b>	This group is run by staff for staff throughout Place.  Currently the membership is approximately 20 colleagues	The aim of the forum is to provide an opportunity for all staff to engage and debate with decision makers and other colleagues on work-related matters, to raise concerns, to help to shape services and drive	The forum meets monthly for at least 1.5 hours



		a high performance culture that takes account of staff health, welfare and working conditions, with the ultimate aim of improving services for the people of Staffordshire.	
<b>Development of the Data Room / Service Specifications</b>	Manager involvement, Service Level Specialists	The data room holds all the relevant information regarding the bid, including technical service level specifications, project documents and any additional useful specifications.	June-Dec 2013
<b>Clarification process</b>	Manager Support	A number of staff were contacted regularly to provide support to the process. They were asked to respond to bidders technical queries and thus apply their own knowledge and expertise in order to assist the overall process.	Sept-Dec 2013
<b>Competitive Dialogue (IPD1 &amp; IPD2)</b>	Manager Involvement & Service Area Specialists	A number of Managers and officers formed part of a team involved in competitive dialogue. In both stages IPD1 and IPD2, dialogue was based around certain specialist areas.	Sept – Dec 2013
<b>I+ Bid Evaluation Process</b>	Service Area Specialists, Commissioners,	Managers were given the opportunity to read the final submissions and prepare advice for the key evaluators.	Dec-Jan 2013
<b>I+ Site Visits</b>	SCC Core Panel + Service Area Managers	The managers that had volunteered for the site visits were given the opportunity to visit 1 of the 3 bidder's sites around the UK.	December 2013

<b>I+ Final Bid Presentation</b>	Evaluation Advisors – Staff (Managers + Service Area Specialists)	This event saw the 3 bidders come in and deliver a presentation on their final submissions, followed by a Q&A.	17 <sup>th</sup> December 2013
	Professional specialists	Those staff that had volunteered to evaluate the written bids had been given the opportunity to come along, listen and pose any questions to the bidders.	

### 8.1.1 Staff briefings

- All 300+ staff in scope have been invited to attend staff briefings held in October 2013. The staff Briefings provided an overview of the project thus far, the project timeline and a political and strategic perspective from Mark Winnington, The Cabinet Member for Economy and Infrastructure and Helen Riley, Deputy Chief Executive and Director for Place.
- The 4 Commissioners (James Bailey, Ian Wykes, Clive Thomson and Janene Cox) were too involved in the staff presentations as they gave the group a project update and a reflection of the project and its next steps.
- After the presentation, staff were given the opportunity to ask questions to those involved in the project.
- 4 staff briefings were organised for staff to attend on 25<sup>th</sup>, 28<sup>th</sup> October, 1<sup>st</sup> and 8<sup>th</sup> November 2013.

**Figure 9: Attendance at Staff Briefings**

Attendance
25th Oct - 45 Staff
28th Oct - 52 Staff
29th Oct - 59 Staff
8th Nov - 50 Staff (approx.)

*Feedback from the sessions showed that:*

- 86.4% of staff understand the reasons for undertaking the project
- 64.2% of staff understand their role in making the project a success

## What worked well:

Seeing, hearing and understanding bidders perspectives  
Allaying fears, being honest and open

- Upon announcement of the preferred bidder, and as the Cabinet Paper goes live, additional staff briefings have been arranged in February 2013.
- 3 staff briefings will be held to inform all staff in scope of the process so far and the next steps.
- This will allow staff the opportunity to ask any questions to the preferred bidder and/or the key evaluators.

### 8.1.2 Staff Engagement Day

On the 11<sup>th</sup> November 2013, all staff in scope were invited to attend a staff engagement day with the three remaining bidders. The sessions were structured around a presentation from bidders followed by Q&A, with the majority of each session being Q&A. Approximately 130 staff attended.

*Feedback from the sessions showed that:*

- 98.5% of staff agree that they valued the opportunity to meet bidders
- 97.1% valued the opportunity to put questions directly to bidders
- 95.5% staff report that they have more information now than they had before the event
- 74.6% of staff have a better understanding of what the future may look like

**Figure 10: Additional Staff Consultation**

<b>Additional Staff Consultation</b>	<b>Frequency</b>	<b>Content</b>
Place Newsletter	Monthly	Latest Project Info
Helen's Newsletter	Monthly – up to October	Latest Project info from Deputy Chief Exec
Staff questionnaire	Dependent on Key milestones.	Circulated after Staff Engagement Day
Change readiness questionnaire	Dependent on Key milestones.	Varied questions posed
Direct Emails from Helen	<b>From October onwards</b>	

### 8.1.3 Trade Union Engagement and Consultation

Project Reps have had ongoing discussions with all relevant Trade Unions from early in the project (November 2012) on a formal basis through the fortnightly Trade Union Consultative Forum to facilitate the Trade Unions

representation their members interests. The Project Sponsor and HR Business Partner have ensured that Trade Union representatives are aware of and understand the concept of the strategic partnership as well as the potential impact on staff employed within services in scope. This will enable productive discussions in respect of impact and mitigation.

The Trade Unions have attended all staff briefings (June, October and November 2013) in addition to the Stakeholder Event held for staff. This provided an opportunity for final bidders to present their organisation and ideas and for staff and Trade Unions to ask questions. A specific Stakeholder Event was also held for the Trade Unions to directly meet with the final bidders.

Engagement will continue with the Trade Unions through the Preferred Bidder stage and thereafter, through mobilisation and transition, through consultation mechanisms where this is required.

## **8.2 Public Consultation**

The project team took advice from the Community Consultation and Engagement Team and developed a consultation to gather views and opinions on the outcomes that the project is seeking to achieve. As the project was part way through the procurement process by this stage the decision was taken to concentrate on asking questions around whether respondents agreed with the outcomes we are seeking to achieve through the project rather than asking whether respondents agreed with what we are doing.

- Public Consultation was launched to coincide with IPD2 (ran from 11 October 2013 to 24 November 2013)
- A Consultation report was produced in time for bidders to incorporate into their final bids.
- 32 responses were received
- 28 responses online & 4 letters

### **8.2.1 Key Findings**

- 43% of the online survey respondents were fairly supportive of the outcomes and some showed support for the new ways of working.
- 18 of the 28 questionnaire respondents answered the consultation in the capacity of a resident of Staffordshire.
- The top 3 priorities for the respondents were the: Quality of Services provided, Joined up working across service areas and Value for Money.

### 8.3 Additional Stakeholder Consultation

There has been an ongoing conversation with stakeholders throughout the project, especially those stakeholders that are considered critical and with whom the Council has key partner relationships.

Several key steps were undertaken in order to organise SCC's critical stakeholder database.

These included:

- Letters sent to stakeholders in May 2013.
- Stakeholder analysis
- A Stakeholder register was created
- All stakeholders were categorized into one of 3 main groups.
- **Group 1** received a letter to update them on the project and inform them that the consultation was open.
- **Group 2** received a letter to stakeholders not previously informed on the project, inform them that the consultation is open and welcome their participation in the consultation survey.
- **Group 3** received a letter to update on the project, inform them that the consultation is open and invite critical external stakeholders to the stakeholder event on the 12<sup>th</sup> November 2013.
- Those critical stakeholders that attended the Engagement event on 12<sup>th</sup> November are detailed below, with the necessary information.

#### 8.3.1 Stakeholder event – 12th November

- This consultation event allowed the two groups of critical stakeholders to meet each of the three bidders for a two hour session.
- Each bidder had prepared a brief presentation which focused on their business model and ideas for the bid.
- After the presentations, the critical stakeholders had the opportunity to ask the bidders questions.

*The main themes the questions were based around can be found below:*

- The future of voluntary groups.
- How their Company ensures that its Corporate Social Responsibility obligations assists and supports local communities in Staffordshire.
- Liaison strategies
- Developments of projects and the partnership structure.

**Figure 11: Critical Stakeholders Attendees**

**Critical Stakeholders that attended event on 12<sup>th</sup> November 2013:**

- National Trust
- Ramblers Association
- VAST
- Staffordshire Parish Councils Association
- Cannock Chase AONB
- Staffordshire, Stoke on Trent and Wolverhampton Local Access

**Figure 12: Neighbouring Local Authority Attendees**

**Neighbouring Local Authority Stakeholders that attended event on 12<sup>th</sup> November 2013: Representatives from -**

- **Newcastle-under-Lyme Borough Council**
- **High Peak Borough Council/Staffordshire Moorlands District Council**
- **Lichfield District Council**
- **Tamworth Borough Council**
- **South Staffordshire District Council**
- **Councillor Ruth Rosenau, Cabinet Member for Regeneration, Planning and Transport – Stoke-on-Trent City Council**

#### **8.4 Member Consultation**

Members have been significantly involved in the Infrastructure+ Project at various points of the project. It is important to note that Cllr Mark Winnington, Cllr Mike Lawrence and Cllr Simon Tagg are key members of the Project Board which meets twice a month. The responsibility of the Project Board is to have ultimate authority and responsibility for the project, ensure delivery of transition work to agreed plan and ensure that SCC's interests are represented.

All Members receive an email update every month giving them a project update and informing them of the next steps. At key points also included in Members' Bulletin.

Staff Briefings – The staff briefings held in October/November 2013 had Cllr Lawrence and Winnington present. They were able to participate in the dialogue with staff. Further staff briefings are scheduled to be held in February 2014.

Members have received a verbal update of the project through Informal cabinet which was held on 8<sup>th</sup> January 2014.

Assets and Budgets Select Committee – An initial presentation has taken place at this committee and a further session is to be planned in March or April to examine the financial aspects.

Prosperous Staffordshire Select Committee – The committee has had periodic updates on the progress of the project and will be considering the proposal in full immediately prior to cabinet in February.

Member Stakeholder Day – on the 25<sup>th</sup> November 2013, specific members were invited to attend an engagement event which allowed them to meet the 3 final bidders. The sessions lasted for two hours and after each respective bidder gave a short presentation, members had the opportunity to explore their bids further and ask any questions.

Infrastructure+ Final Bid Presentations – on the 17<sup>th</sup> December 2013, the 3 final bidders presented their final bid presentations to the Core Panel and evaluators. Cllr Mark Winnington and Cllr Mike Lawrence were both present and had the opportunity to pose questions to each bidder.

## **9. Making a decision**

As the proposal is a key decision (in terms of the value of the contract being procured and the impact on more than one district in the County) it is subject to a decision by Cabinet. This decision is scheduled to take place in February 2014.

The analysis undertaken as part of this project has informed the direction of the project itself (for example the customer insight that was undertaken at the Outline Business Case stage of the project was factored into the Outline Business Case and the later development of the procurement products.

The results of the Consultation that took place in November 2013 was analysed by Customer Insight and provided to the final three bidders for them to consider as part of their final bid submission.

### **Yes, subject to cabinet approval:**

- Staff have been involved in evaluation
- Staff involved in site visits
- Wash-up sessions
- How the above have inputted whilst evaluation has been going on
- Survey results were passed onto bidders for including in their bids
- Continued involvement with key stakeholders

## **10. Actions**

There are no specific actions required as a result of equality considerations in terms of the choice of delivery mechanism for the relevant services. The

ongoing service delivery through the strategic partnership will continue to adopt national practice in terms of improvements and maintenance of infrastructure.

## **11. Monitoring and review**

A strategic board will oversee the objectives of the partnership and set and monitor relevant outcomes and any changes to service deliver policy will be subject to impact assessments.

The strategic board will ensure the development of a set of performance management criteria

- What analysis criteria will be used for monitoring the equal opportunity effects of the proposal?
- Who will be responsible for monitoring and deciding how targets will be revised to achieve continuous improvement?

### **11.1 Social Value Act**

Social Value is now enshrined in legislation through the Public Services (Social Value) Act 2012.

The Act became law on the 8th March 2012 and for the first time, places a duty on public bodies to consider social value ahead of procurement. The wording of the Act states that the authority must consider:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
- how, in conducting the process of procurement, it might act with a view to securing that improvement.
- whether or not the community should be consulted

The project is seeking to deliver strategic outcomes which will impact, to a greater or lesser extent on the economic, social and environmental aspects of well-being.

In terms of the procurement process, the project has agreed a set of Critical Success Factors that encompass aspects referred to in the Social Value Act. These CSF's and strategic outcomes were used to shape the evaluation criteria which were used throughout the procurement process.

The procurement took the form of a competitive dialogue process. An advantage of this process over others is the ability to discuss and shape potential approaches directly with bidders so that bidders can shape their bids accordingly.

The table below outlines how the project and the procurement process itself may impact on the various areas.



**Figure 13: Project and Process Impact**

	Impact	Rationale
Economic	Positive	<p>1. The high level outcome related to the economic well-being associated with the services we are seeking to procure is:  <b>“Staffordshire’s economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it”</b></p> <p>2. The project’s Critical Success Factors were incorporated into procurement evaluation criteria. CSF’s include factors that will impact positively on economy and prosperity:  <b>“Increased value and prosperity for Staffordshire through a positive impact on jobs and growth:</b></p> <ul style="list-style-type: none"> <li>• Attract inward investment to Staffordshire</li> <li>• Provide more and better jobs within Staffordshire</li> <li>• Contribute towards an increase in Gross Value Add (GVA) across Staffordshire</li> <li>• Actively encourage and support business growth</li> <li>• There will be opportunity throughout the competitive dialogue process to discuss economic value added aspects with the bidder. For example, there will be an opportunity to discuss potential apprenticeships and other such schemes and also to explore the potential to use local suppliers and local materials.”</li> </ul>
Social	Neutral	<p>3. The high level outcome related to social well-being associated with the services we are seeking to procure is:  <b>“Staffordshire’s people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities”</b></p> <p>4. The project’s Critical Success Factors were incorporated into procurement evaluation criteria. CSF’s include factors that will impact positively on customers and give customers and the community a greater ability to shape and access services:  <b>“A customer focussed service which enhances customer satisfaction and the reputation of the Council</b></p> <ul style="list-style-type: none"> <li>• Ensure an appropriate level of quality as defined by customers</li> <li>• Improve customer satisfaction</li> <li>• Improve and / or enhance customer access to services</li> </ul>

		<ul style="list-style-type: none"> <li>• Improve the quality of communication and engagement with customers</li> <li>• We are seeking a contract that delivers guaranteed savings to the authority. These savings should avoid the need to make any changes that would be to the detriment of services provided and should enable the authority to improve the service quality and value.</li> <li>• Through dialogue with bidders we will be able to discuss social aspects of the delivery of the services in scope, such as the use of volunteers in Country Parks.”</li> </ul>
Environmental	Neutral	<p>5. The high level outcome related to environmental well-being associated with the services we are seeking to procure is:</p> <p><b>“Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks”</b></p>

Given that the assessment is for a positive impact on economic well-being and a neutral impact on social and environmental well-being, consulting the public prior to the commencement of procurement was not considered necessary.



## **11.2 Health considerations**

It is clearly understood that well maintained and valued built and natural infrastructure plays an important part in supporting peoples health and wellbeing as part of the “wider determinates of health”

The sub outcomes which sit at the heart of the Infrastructure + help articulate the benefits of the project to more general health outcomes.

The delivery of Infrastructure + will contribute directly through providing physical access to services or providing recreational opportunities such as well-maintained cycle ways, footpaths and country parks all providing health opportunities.

Volunteering also sits at the heart of Infrastructure + and the benefits of volunteering on people’s mental and physical wellbeing are also well understood.

Perhaps most fundamentally Infrastructure + is designed to help facilitate economic growth and increase skills and aspiration again all of which are important in supporting Staffordshire’s citizens wellbeing.

Public Health has been involved in the Infrastructure + project and has had the opportunity of shaping it. Through the Ecosystem approach proposed by Amey key partners such as Public Health Colleagues, The Health and Well Being Board and Clinical Commissioning Groups will all be heavily involved in shaping the delivery in the future.

As details emerge around specific operations Amey and the County Council will be updating an agreeing a Health Impact Assessment on an ongoing basis with appropriate health colleagues.

## **11.3 Climate change implications**

Sustainability sits at the heart of Staffordshire County Council, underpinning everything we do. It is considered that currently, there is insufficient detail on sustainability principles in the bid documents. As an indication, some examples of what we would expect to see in future are listed below although this list is not exhaustive. However, it is recognised that Amey have in general very good corporate sustainability and energy policies and that these were discussed in some detail during the procurement process. Therefore we would expect that Amey’s Sustainability Team liaise with the Climate Change Team at Staffordshire County Council in due course to set out how sustainability will be more thoroughly embedded in the project.

### **General Principles**

- Employee energy conservation and behaviour.
- Employee waste and recycling.
- Promotion of energy saving behaviour in the workplace.

## Carbon Reduction

- Carbon foot printing process.
- Targets and action plan.
- Energy saving best practice in highway maintenance and repair e.g. aggregate reuse, infra-red pothole repair.
- Efficiency standards for vehicles.
- Electric vehicles and charging points where appropriate.
- Re-use of waste wood from highway tree pruning.
- Energy conservation in Lighting and Traffic Signals.

## Adaptation

- Generally a more proactive approach to flood risk management.
- Include strategic planting/green infrastructure in Preventative and Structural maintenance programme for flood prone highways and gully routes. Roadside nature reserves to include consideration for flood management and shading

Will your proposal result in an increase or decrease in;

**Figure 14: Climate change implications**

	<b>Question</b>	<b>Answer</b>
1	Business mileage by officer or;	No
2	Mileage of our badged fleet or;	No
3	Mileage under contract (e.g. taxis or;	No
4	Fuel use in our building or other infrastructure (e.g. street lighting) or;	No
5	Fuel use in the building or on the sites of private sector contractors delivering a service on our behalf or;	No
6	Waste generated in the workplace	No
7.	Other	No

Visit the Climate Chang for further information.

## Publication

The Equalities Team will quality-assure CIAs, and prepare for publishing

Please return copy of the CIA to the county's Equality Team

Rashida Gilkes

Communities & Equalities Policy manager

Tel: 01785 276821

[rashida.gilkes@staffordshire.gov.uk](mailto:rashida.gilkes@staffordshire.gov.uk)

Suzanne Jenkins

Communities & Equalities Policy Officer

Tel: 01785 854553

[Suzanne.jenkins@staffordshire.gov.uk](mailto:Suzanne.jenkins@staffordshire.gov.uk)



## 12: Impact Assessment Table

Figure 15: Impact Assessment

<b>Name of Policy/Project/Proposal: Infrastructure+</b>		
<b>Responsible officer: Helen Riley</b>		
<b>Commencement date &amp; expected duration: April 2014 for up to 20 years</b>		
	<b>Impact Assessment</b>	
	<b>+ve/neutral/ -ve</b>	<b>Further information degree of impact and signpost to where implications reflected within the report/ main Assessment</b>
<b>Impact on access to more good jobs and increased economic growth</b>	<b>+ve</b>	<b>Service job growth is an objective of the solution. Economic growth and value to Staffordshire is a key critical success factor for the project. Key to the solution has been to enable the most efficient delivery of infrastructure which will support wider economic growth and therefore positively impact on jobs and growth.</b>
<b>Supporting healthier living and independence</b>	<b>neutral</b>	
<b>Impact on feeling safer, happier and more supported in and by the community</b>	<b>neutral</b>	
<b>Maximising the opportunities for a good quality physical environment</b>	<b>+ve</b>	<b>The project is seeking the best possible infrastructure and to maximise opportunities to achieve more for the</b>
<b>Maximising the use of community property portfolio</b>	<b>neutral</b>	
<b>Addressing issues affecting rural areas?</b>	<b>neutral</b>	
<b>Equalities impact</b>		
<b>Age</b>	<b>neutral</b>	<b>The main issue for infrastructure tends to be around disability. This is covered by the adherence to national standards on design that take account of best practice in relation to transport infrastructure for people with disabilities.</b>
<b>Disability</b>	<b>neutral</b>	
<b>Ethnicity</b>	<b>neutral</b>	
<b>Gender</b>	<b>neutral</b>	
<b>Religion/Belief</b>	<b>neutral</b>	
<b>Sexuality</b>	<b>neutral</b>	
<b>Gender-reassignment</b>	<b>neutral</b>	
<b>Pregnancy/maternity</b>	<b>neutral</b>	

<b>Resource and Value for money</b>	<b>Resource is largely fixed and the project has established mechanism to deliver the best value for that fixed resource. It includes opportunities to reduce the current cost of service delivery and to maximise opportunities for securing additional funding where possible.</b>
<b>Risks identified and mitigation offered</b>	<b>A project risk assessment has been undertaken for the procurement stage. Additionally the bids were required to include an assessment of service risk. These will be developed further as part of detailed business planning.</b>
<b>Legal imperative to change/implications (including the Social Value Act 2012)</b>	<b>.The existing highway maintenance contract expires in April and therefore a replacement to at contract is required as a minimum.</b>

## **Document Contributors**

The following people have contributed to the authoring of the CIA

- Ian Turner, Head of Place Delivery Ventures
- Ian Wykes, Commissioner for the Rural County
- Shelley Brough, Commissioning Manager Carers and Wider Determinants of Health
- Lisa Bridger, Place HR Partner
- Jennie Griffiths, Place HR Advisor
- Jenny Pierpoint, Senior Project Manager – TSU
- Matthew LeDoux-Deakin, Project Manager – TSU
- Dzenana Hurem, Project Support Officer - TSU





**Infrastructure+**

 Staffordshire  
County Council

# **Infrastructure+ Appendix H: Consultation Report**

# INFRASTRUCTURE+

## Consultation Report

December 2013

## Document Information

Title	Infrastructure+ Consultation Report, December 2013
Date created	November 2013
Description	This report presents the findings from Infrastructure+ Project Consultation
Produced by	Alice Walters, Research Officer Insight Team Staffordshire County Council Tel: 01785 27 8150 Email: <a href="mailto:alice.walters@staffordshire.gov.uk">alice.walters@staffordshire.gov.uk</a>
Status	Final Version
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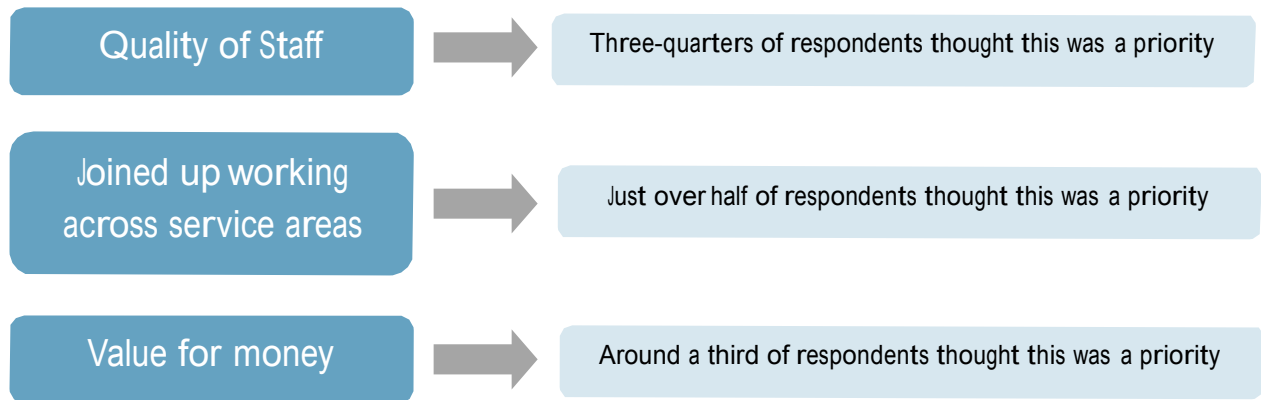
## Contents

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3. Results	4
• Questionnaire Responses	10
• Letter Response	

# 1. KEY FINDINGS

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- 43% of the online survey respondents were fairly supportive of the outcomes and some showed support for the new ways of working. However, concerns were raised about outsourcing; it was felt by some that private companies are too concerned with profit margins and would not be as dedicated to the cause as the County Council. Equally concerns were voiced about staff, in terms of current staff members being made redundant and organisations and residents losing well-established links with staff who had reams of knowledge and expertise in specific areas.
- The three main priorities highlighted by the respondents were:



- One in three thought that existing working relationships would deteriorate while just one in five felt they would either remain the same or improve. Again, concerns were raised about motivations and quality of both private sector organisations and their staff members and whether they were best placed to deliver the work.
- Half of the respondents were currently volunteering but of that group of 14, just 4 said that they would continue to do so if the service is transferred over to Infrastructure+. Reluctance to continue volunteering was largely due to the respondent not agreeing with the principle of volunteering for a profit-seeking company.
- Other comments taken from both the questionnaires and the letter responses tended to be more specific to each organisation and the concerns they had about potential impacts of the proposed ways of working. However the key theme which ran throughout was about ensuring continuity and maintaining the quality of services and the knowledge and expertise of staff.
- Specific concerns from English Heritage and the National Trust were relayed about the impact of this project on the management of the Shugborough Estate. The National Trust in particular, felt very strongly that excluding Shugborough from the project would be the best decision.

## 2. INTRODUCTION AND METHODOLOGY

---

Infrastructure+ is a new approach to delivering key services such as:

- Highways
- Shugborough Grounds Maintenance
- Country Parks
- Rights of Way Maintenance

Staffordshire County Council is looking for a new provider to deliver these services in partnership with the Council. This will result in improved services and achieve the best possible outcomes for the residents and businesses of Staffordshire.

A consultation took place in November 2013, in the form of an online questionnaire, which invited residents, businesses and community and voluntary groups to give their views on how (if at all) they think that this project will affect them as an individual or the groups they represent, what their priorities are for delivering these services and whether this project will change the way they work with the County Council. This report presents and analyses the responses to the questionnaire.

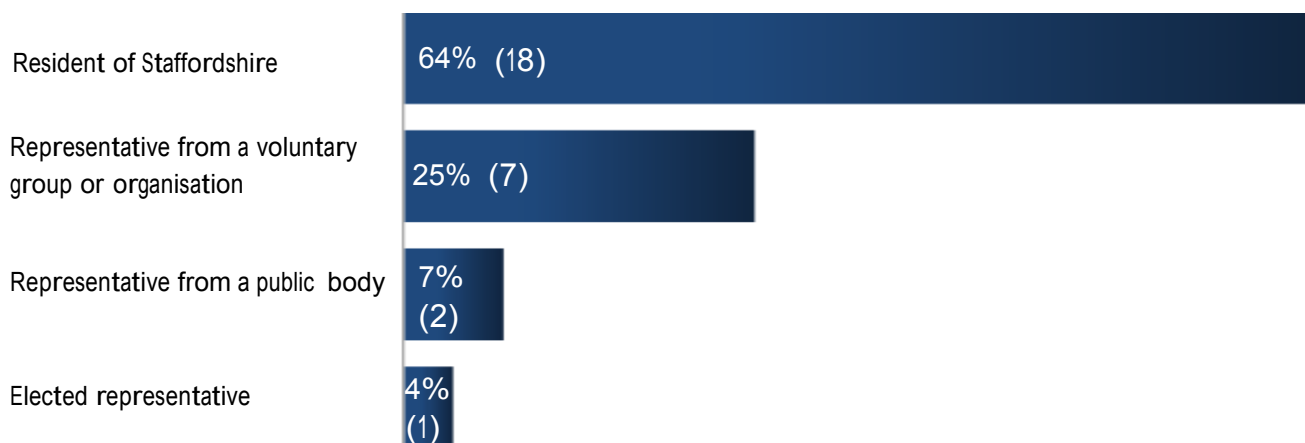
## 3. RESULTS

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A total of 32 responses to the consultation were received, consisting of 28 completed questionnaires and four letters. The responses came from eleven different organisations, namely:

- Cannock Chase Area of Outstanding Beauty Partnership (AONB) (feedback by letter)
- Churnet Valley Living Landscape Partnership
- English Heritage (feedback by letter)
- High Peak Borough Council
- National Trust (feedback by letter)
- Natural England (feedback by letter)
- Ramblers (Staffordshire Area)
- Staffordshire Moorlands District Council
- Staffordshire Wildlife Trust
- Staffordshire, Stoke-on-Trent and Wolverhampton Joint Local Access Forum
- Stone Ramblers
- Trent Rivers Trust
- Woodland Trust

18 of the 28 questionnaire respondents answered the consultation in the capacity of a resident of Staffordshire, as illustrated in the graph below.



## Questionnaire Response Feedback

This section will present each of the questions asked (which are displayed in blue highlighted boxes) and the responses given below.

The creation of Infrastructure+ will support the four outcomes below:

- To ensure that Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it
- To ensure that Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks
- To ensure that Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities
- Staffordshire's people are involved in shaping the delivery of public services

How supportive are you of our outcomes above?



Please could you tell us why?

The general consensus was “supportive of the outcomes”, which were viewed as “a lovely idea” and “sensible”. One respondent, although supportive of the outcomes listed, stated that “no mention is made of the environment as a key outcome. The environment is one of the three pillars of sustainability, along with the economy and social well being, and must be a major consideration for the future of the county”.

However, many concerns were raised over outsourcing. One respondent felt that “the public sector is better placed to complete them (the outcomes) than the private sector” while another was “concerned that the process of infrastructure+ lacks mechanisms to ensure that outcomes will be achieved.” Another felt “privatisation does not benefit the community...selling off key parts of the County Council will benefit shareholders of the successful organisation not the shareholders of the County, the residents”.

Further concerns were raised about “the future of current SCC staff who may be made redundant or taken over by the eventual partner organisation” and it was felt that this action could result in the loss of “a considerable amount of expertise in the management of infrastructure projects and the ability to carry out these projects”.

One respondent commented that “the incorporation of the Environment team into this process is, in my opinion, a mistake. The team should remain with the local government structure rather than sitting within the proposed innovation+ partnership.”

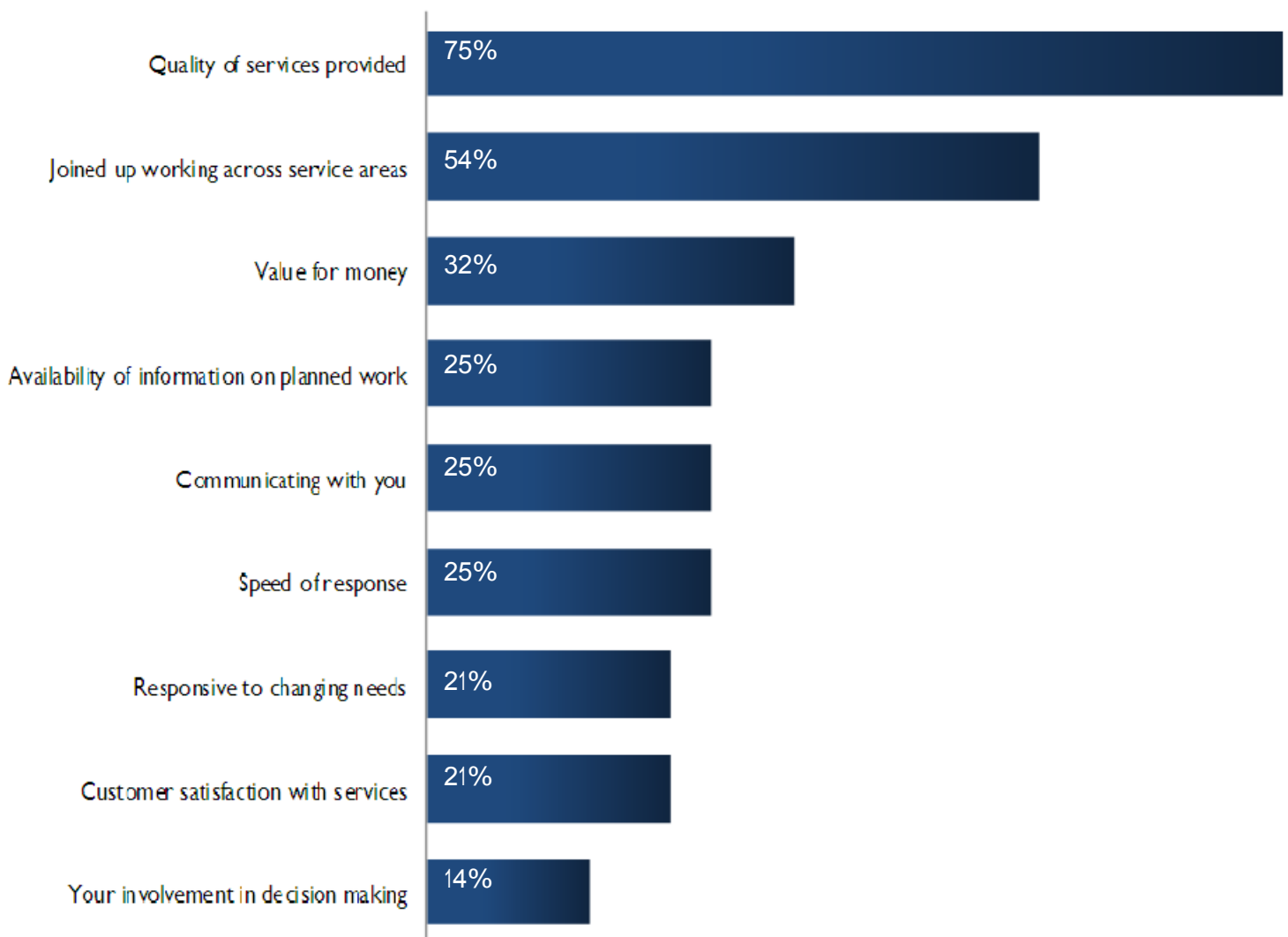
Some felt that the supporting document was “light on detail” which caused a number of questions to be raised, “what elements of the Ranger Service are to be included in the new contract? How will current Rights of Way volunteers be accommodated in the new structure?”.

Some comments were very specific to the local area, “I have reservations into how this will affect the Moorlands. its a unique landscape and this can be lost if not done with sensitive management” .

There was some support however, and one respondent saw the proposals as “a sensible way to work”, with another adding that “joining up where possible makes financial and customer service sense”. One respondent showed support for the proposals and felt that the current service was “highly inefficient”. This individual added that “major change is essential” and to focus on “user requirements and priorities” is “fundamental to the point of providing a service”.

### PRIORITIES FOR DELIVERING INFRASTRUCTURE+

Which of the Infrastructure+ priorities below are the most important for you or your organisation?  
(please tick up to 3 options)



## WORKING WITH INFRASTRUCTURE+

Having read the supporting document, do you think your existing working (or voluntary) relationship in these areas will change?

All but two of those who completed the questionnaire stated that they had read the supporting documentation to the consultation and those 26 responses are detailed below:

Not sure	Yes - Get worse	Yes - Get better	No change
42% (11)	35% (9)	12% (3)	12% (3)

Please could you tell us why?

Some felt that they were unable to make a judgement, with one respondent stating there was “insufficient information”, another saying that they “need to delve into the detail somewhat” and a further respondent saying “at present, I cannot see how the proposal will impact me.”

Others, however, expressed some very strong views, “working relationships are in the end all about people, their knowledge, willingness to provide information and professional support, within clearly agreed parameters and to further objectives..... I am concerned that your FAQ doc says.... that the only difference will be different people and logos. .... the working relationships with key people are of huge value. They are an accumulated resource for the partnership and will be time consuming to replace. They are knowledgeable and helpful and enhance the initiative hugely.....I wonder whether the same would be true under the new arrangements. There is a risk that this might not be the case.”

Some respondents had very low opinions of private organisations, questioning their motivations, “private companies DON'T CARE about people, just profit margins” and therefore their capabilities to complete the job effectively, “ can you really see private sector companies meeting with individual residents or community groups, or taking their views on board? They will just do as little as possible to get the 'job' done, not go above and beyond like public sector workers have been doing for years.”

These concerns extended to the staff within these private organisations too. Some felt that they will “not be able to deliver the same level of service as existing dedicated specialist staff” as they “might not have as good internal links, to understand the ‘big picture’ ” and “they might have less knowledge and take time to build up the knowledge base required.” Others were concerned that the “good working relationship with County Officers” might deteriorate since they “do not know whether the same staff will be retained or what the attitude and motivation of any new contacts might be.”

Concerns about two very specific subjects were also voiced and these are detailed below:

“The County Council's obligations as a land owner include the Cannock Chase Special Area for Conservation (SAC), which is a European designation, plus several country parks that are designated as Sites of Special Scientific Interest (SSSI). The legislation for these designations is complex and requires professional ecological advice on a continual basis. At present this is provided to a very high standard internally, by environmental specialists. We seek assurances that this would continue.”

“We are concerned that, if this link were broken then ecological advice would be poorly provided and / or ignored in order to save costs and effort. This is important across all services; external advice, Highways and Minerals Planning and in management of Country Parks. How will the County Council ensure that it's environmental obligations are met?”



If you currently volunteer, would you continue to if the service is delivered in partnership with a private sector organisation?

Just half of the group were current volunteers, therefore the graph below refers to 14 respondents.



Please could you tell us why?

Half of the respondents were currently volunteering but of that group of 14, just 4 said that they would continue to do so if the service is transferred over to Infrastructure+. One respondent stated that they would continue to volunteer as "we think volunteers are extremely important in the running of the community", while another said they would only do so, "as long as the fundamental aims and working practices remain the same".

Four further respondents said they were not sure, one stated that their decision would be dependent on "the quality of the support given and the relationships developed with the current staff being the main" while another said their "voluntary work is based on knowing that my efforts are appreciated and working towards the same goals as the provider". A further respondent said that they were not sure they would continue since "Infrastructure+ is incentivised to achieve...and I don't see why they should profit from my labour".

Six respondents said they would not continue to volunteer, only one expanded on their response and said "I would feel uncomfortable volunteering my time to help a private company pay its shareholder's profits".

Please use this space to share any other comments you may have about the proposals we are making to the way we deliver services and how this may impact you?

Access to the countryside, through rights of way and through natural green space, such as country parks is essential to people's health and wellbeing. Can we be assured that maintenance and enforcement of rights of way will be pursued at the current level of service when most critical attention is likely to be on highways?

A service partner is a good concept, but the wholesale transfer of quality services to a Third Party is not. This will impact on the flexibility of the services the County supplies and restrict possibilities for internal growth, keeping profits and income (the obvious key motivators for all private industry) within the Public Coffers.

I can see how delivering schemes on the ground and detailed design work can be best done in the private sector, but only if managed by internal county council staff who have residents' interests at heart. You will never get that from the private sector. If you could then you may as well privatise the whole of the council and have them run as a private business trying to make a profit, or is this the plan? Those higher up in the council who are blindly pushing this through without considering the consequences to interaction and consultation with residents and businesses should realise that if that is the way they are going then they may not be needed either...

I am concerned that the professional services are included. Ecological advice receives little mention, yet it is a vital service and CRI has been able to work with this service for mutual benefit. I am concerned that if this service is contracted out, the valuable link between this service and minerals planning in particular could be lost. The professional neutrality of such a service under 'contracted out' arrangements and potential conflicts of interest would need to be carefully dealt with.

I am a Parish Clerk and very often the Parish Council is not informed until after the event,

It is important that any currently publicly accessible sites remain open for public access.

Our concerns are that the supervision, support and the provision of materials for our rights of way operations would change.

Fully support this project.

Need to make sure that environmental issues are not ignored over economical short term gains, they are linked and improvements can only be made long term through both supporting pillars being improved.

If a bridle path/footpath was in disrepair we would go to the council.....but where and how would we report this?



It is vitally important proper regard is paid to improving and maintaining public rights of way. These play an important part in our society and the more people can be encouraged to exercise the better. We need to remain constantly vigilant because some people are all too ready to close up rights of way. A speedy response to complaints about blocked rights of way is very necessary.

No reference is made to the terms and conditions or future employment of staff and the impact upon them as people. As a colleague this concerns me.

I am aware that other LA's have tendered out their responsibilities (i.e. Stoke on Trent) and this has led to delay in service delivery and once the infrastructure in the organisation had gone there was unfortunately no turning back.

We would like to ensure that when the committee has decided on the policy, going forward, that we are given the opportunity to comment on that policy.

This process may present opportunities for bringing woodland into local community management. Community woodland is an excellent way of facilitating local community engagement with the natural environment, both to appreciate landscape and nature but also as a means to achieving better mental and physical health & wellbeing. Older people too can use community woodland projects to help mitigate the effects of social isolation.

In short, I have been hugely impressed by the 'joined up' and highly professional and helpful service from many of your officers and their positive impact, through CRI, on many issues of local significance in Staffordshire. I fear that this will be very difficult to replicate under the new arrangements which will affect the effectiveness of CRI."

This is supported in the Government Forestry Policy Statement (Defra Jan 2013) which states: 'A true and sustainable woodland culture needs to be built from the ground up and must be based on the needs, interests and enthusiasm of local people. We, therefore, applaud the work of organisations like the Tree Council, Community Forests, Woodland Initiatives Network, Small Woods Association and the Woodland Trust in supporting and promoting community action on trees and woodlands'. It contains an objective: 'Work with the sector in seeking funding for possible future initiatives aimed at developing local access, individual potential and community cohesion through engagement with trees, woods and forests'.

The Woodland Trust has a web based initiative – Community Woodland Network – which provides a wealth of information on managing, creating and funding community woodland projects.

As a horse rider as well as a walker it is helpful to be aware of work to be carried out in advance. For example, repair and maintenance is being carried out to bridges on the Manifold track but there is no indication until the work location is reached. It would be helpful to have some warning posted at access points to paths or tracks in order that the rider can decide whether to proceed or choose another route. Advance notice of works could also be circulated to user groups, e.g. ramblers association, local bridleway groups, cycling groups etc.

## Letter Response Feedback

Four organisations submitted consultation feedback via letter and this section summarises the key points from each letter.

Cannock Chase Area of Outstanding Natural Beauty (AONB) Partnership responded to the consultation by letter. The partnership felt that "since the detailed scope of the project is still unknown, our comments can only give indicators at this stage of its potential impact on the Partnership's work and responsibilities" and expressed an interest in engaging in "further discussion with the chosen contractor at an early stage.....to ensure the appropriate impact on the AONB". The partnership had already raised some questions and concerns with the bidders which were reiterated in the letter. They requested that the contract with the new provider contain the following commitments which were given by all bidders at the stakeholder's meeting:

- "Staffordshire County Council's commitment within the Cannock Chase AONB Partnership"
- "Work with the AONB Partnership and understand the provisions of the Management Plan"
- "Deliver work in accordance with the Management Plan"
- "Respect all designated areas within the AONB"

Further points which the partnership wanted to raise were:

- "Sufficient (staff) resource should be allowed by the contractor to undertake partnership working, enabling timely development and delivery of projects and access to funding"
- "Landscape scale considerations should be given to delivery of contract works. Contractors must be aware of the context and links to the wider needs within Staffordshire, including areas such as the AONB, not just piecemeal maintenance"
- "The contractor should work with "on the ground" networks to ensure informed delivery decisions and avoid duplication of effort"
- "The contractor should work with those currently involved in supporting voluntary effort. Crucially, acknowledgement needs to be made of the resource and support required to enable voluntary effort. Volunteers bring long term benefits creating more sustainable projects through local knowledge, community involvement and ownership. However, they cannot be seen as a direct replacement of employed staff. Bidders who propose a team expert to deliver this aspect of the contract should be favoured."

The letter from Natural England stated that "the work of the Environment Group is crucial to a range of partnerships and ensuring the environment is recognised in its rightful place as Staffordshire moves forward". The letter also highlighted how highly regarded and valued the current staff are by giving examples of how their knowledge and expertise has enhanced the work of Natural England; "the ecologist has a wealth of ecological experience from across the county..... (and) has played a significant leading role in progressing the Cannock Chase SAC partnership" "the Biodiversity Officer has worked on management of the SAC for 20 years and has a unique understanding of the site's history and management".

With this in mind, they stipulated that their "key concern is any threat to consistency and/or continuity" but felt that "provided the 'model' adopted by the procurement process allows skilled and experienced staff to continue the good work they do then the risk to effective partnership working with stakeholders, like ourselves, should be minimised". The letter referred to similar changes which have successfully occurred across other teams and highlighted that a "key element has been to minimise the disruption and keep the 'team' intact and functioning in a 'if it ain't broke don't fix it' type of way".

English Heritage also submitted a letter which was focussed purely on the impact of the project on the maintenance staff at Shugborough. They stressed firstly the "heritage importance" of the Shugborough

Estate and how “management and upkeep of such historic sites needs the highest quality inputs both in terms of professional specification and planning and in the skill, sympathy and understanding of maintenance staff on the ground.” The letter goes on to comment that “our own observation is that a dedicated in-house park or gardening team often delivers a higher quality outcome than can be achieved through period contractors” and consequently described their “particular concern ....is whether potential partners with the skill and experience needed to deliver high quality highway engineering works will also encompass that range of knowledge and understanding necessary for the upkeep of a major historic site such as Shugborough”.

The National Trust also expressed specific concern about the impacts of the Infrastructure+ project on the Shugborough Estate. Their letter stated that “we do not feel the long-term interests of Shugborough are best served by fragmenting its management and bringing in third parties to maintain and provide services. Instead, we strongly feel that for the estate to be run successfully, and at the same time respect its status as a grade one listed heritage asset, it is essential that a unified management philosophy is adopted and that the person in day-to-day operational responsibility has the ability to direct and influence the deployment of resources on site.”

The organisation indicated a “strong preference” that the Shugborough Estate be excluded from the project and “instead allow the staff responsible for the maintenance of the grounds, parkland, woodland and livestock enterprises to be directly accountable to the Operational Manager at Shugborough.” Reference was made to similar work recently undertaken by Coventry City Council towards the management of Coombe Park and this way of working has had a “hugely beneficial impact on the way that Capability Brown designed landscape is being managed.”



**Infrastructure+**

 **Staffordshire**  
County Council

# **Infrastructure+ Appendix I: PQQ Procurement Report**

## PQQ SELECTION REPORT

To: Helen Riley, Director for Place & Deputy Chief Executive

Report Date: 23<sup>rd</sup> August 2013

Designation: Staffordshire Procurement

Contracting Authority: Staffordshire County Council

Address: Staffordshire Place 2, Stafford, ST16 2LP

**REPORT TO  
THE  
DEPUTY CHIEF  
EXECUTIVE**

### Place Delivery: Infrastructure+

REF: PC394

#### 1.0 Purpose of the Report

The purpose of this report is to gain project sponsor authorisation of the process for the selection of economic operators, via Pre-Qualification Questionnaire (PQQ), for the Infrastructure+ procurement.

#### 2.0 Period

Up to 20 year contract in total, commencing Autumn 2014 with options to be discussed in dialogue.

#### 3.0 Value of Consideration

Up to £3.2 billion over the 20 years.

#### 4.0 Operation and Scope

With the creation of a collaborative working arrangement (a strategic partnership), underpinned by a contract with strong governance arrangements, Staffordshire County Council are looking to appoint a private sector partner to deliver a range of strategic outcomes, core objectives and critical success factors associated with the services in scope outlined as follows: -

##### Strategic Outcomes

1. Staffordshire's people are involved in shaping the delivery of public services.
2. Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it.
3. Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks.
4. Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities.

##### Core Objectives

1. To maintain and improve the condition and usability of our physical assets.
2. To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership.
3. To involve communities in decisions and delivery of infrastructure.
4. To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.

##### Critical Success Factors

1. Increased value and prosperity for Staffordshire through a positive impact on jobs and growth.
2. A customer focussed service which enhances customer satisfaction and the reputation of the Council.
3. Financially sustainable and resilient services.
4. The flexibility to meet changing future demands through innovation and development.

#### 5.0 Client

Project Sponsor – Helen Riley, Director for Place & Deputy Chief Executive

Project Lead – Ian Turner, Head of Place Delivery Ventures

#### 6.0 Submission Summary

- OJEU contract notice sent 8<sup>th</sup> July 2013, reference 2013/S 133-230432
- Electronic PQQs were invited by OJEU, the SCC Procurement website and Proactis website
- Bidders day 18<sup>th</sup> July 2013
- PQQ returned 12 noon, 8<sup>th</sup> August 2013
- 28 'interests' in total noted on the eTender system
- 6 returned eTenders: -
  1. Amey LG Limited
  2. Balfour Beatty Living Places Limited
  3. Colas / URS (unincorporated JV)
  4. Enterprise Mouchel (EM) Limited
  5. Kier May Gurney / WSP (MGWSP) (unincorporated JV)
  6. Skanska Construction UK Ltd

### 7.0 Regulatory Note

This is an EU tender and therefore all tenders were invited in accordance with County Council Procurement Regulations and Public Contracts Regulations 2006 (as amended), as amended.

### 8.0 PQQ Compilation

PQQ drafted by SCC and authorised by the Project Board.

### 9.0 PQQ Evaluation

*Selection Criteria:*

Criteria	Percentage or Pass/Fail
Annex A – Financial	Pass/Fail
Annex B – Business, Professional Standing, Risk and Quality Management	Pass/Fail and Information only
Annex C – Health and Safety & Insurance	Pass/Fail
Annex D – Equal Opportunities & Diversity	Pass/Fail
Annex E – Environmental Management	Pass/Fail
Annex F – HR / TUPE	Pass/Fail
Annex G – Case Studies	Scored 40%
Annex H – Questions	Scored 60%
<b>Total:</b>	<b>100%</b>

### 10.0 Withdrawal post-Submission

No operators withdrew their PQQs post-submission.

### 11.0 PQQ Scoring Process

All sections were evaluated between 9<sup>th</sup> and 29<sup>th</sup> August 2013. Moderation of failed submissions took place on Friday 23rd August 2013.

*Moderation Panel:*

- Paul Timmins
- Jon Waller
- Helen Riley
- Ian Turner
- John Tradewell

*Core Evaluation Panel:*

- Ian Turner
- James Bailey
- Helen Riley
- Ian Wykes

*PQQ Financial Panel*

- Phil Keeling (Lead)
- Paul Timmins (Procurement facilitator)
- Chris Gill

*PQQ Capability Panel (Scored Annex G & H)*

- Ian Turner (Lead)
- James Bailey
- Janene Cox
- Ian Wykes
- Clive Thompson
- Matt Sutton (Procurement facilitator)

*PQQ Elimination Panel (Pass / Fail Annex A – F)*

- John Challinor (H&S) Annex C
- Clive Gill (H&S) Annex C
- Ian Gough (Insurance) Annex A & AA
- Lisa Bridger (HR) Annex D
- Rashida Gilkes (Equalities) Annex F
- Ian Wykes (Environmental Management) Annex E
- Dave Walters Annex B
- Sarah Dean / Kevin Parkes (Legal) - need by exception

**12.0 Scored, and Pass / Fail Criteria**

Initially, with the exception of Balfour Beatty Living Places, May Gurney and Colas all bidders passed the Pass / Fail sections Annex A – Annex F. All other criteria were successfully scored with no issues.

**13.0 Rejection of Bidders**

Issues concerning Balfour Beatty Living Places, May Gurney and Colas were raised at moderation on Friday 23rd August 2013. All 3 bidders were initially scored as Fail due to non-compliance with the Equal Opportunities criteria. Moderation advised that all 3 bidders were to be Passed given that the weak areas of the PQQ were to be separately addressed in dialogues.

**14.0 Risks Identified to Procurement**

None identified.

**15.0 Procurement Scrutiny**

Jenny Mann (Staffordshire Procurement) (21/08/13) and Deborah Harris (Audit) (22/08/13 – 26/08/13) have both independently checked either the PQQ results and/or the evaluation sheet mechanisms for robustness. No issues identified.

**16.0 Results Summary**

The 6 PQQs were scored and ranked as follows: -

	<b>Bidders</b>	<b>PQQ % Score</b>
1	Balfour Beatty Living Places Limited	72
2	MGWSP	65
3	Skanska Construction UK Ltd	58
4	EM	56
5	Amey LG Limited	55
6	Colas / URS	50

**17.0 Invite to ITT (Tender)**

The OJEU notice includes for up to a maximum of 5 highest scoring submissions to be invited to IPD1.



**18.0 Rejection Letters**

The unsuccessful bidder will receive an 'unsuccessful' PQQ debrief letter. Note this procurement was advertised post-Remedies 2009, therefore all rejection letters require full debrief feedback. This will be issued Tuesday 27th August 2013.

**19.0 Recommendation**

- That the top 5 highest scoring bidders be invited to the IPD stage 1 via a PQQ Successful letter.

**20.0 Project Sign-Offs**

Name .....HELEN RILEY.....Project Sponsor

Signature *Helen Riley* ..... Project Sponsor

Date *23/08/2013* ..... Project Sponsor

Name .....IAN SIMPSON.....Head of Staffordshire Procurement

Signature *I Simpson* ..... Head of Staffordshire Procurement

Date *23/8/13* ..... Head of Staffordshire Procurement

Name .....PAUL TIMMINS.....Senior Category Manager

Signature *P Timmins* ..... Senior Category Manager

Date *23/8/13* ..... Senior Category Manager

**21.0 Evaluation Spread Sheet**

The final spread sheet is shown below.

Moderation have authorised the highlighted areas below as all PASSES.

PROVIDER	Pass / Fail	/ 40%	/ 60%	FINAL PERCENTAGE SCORES
	Compliance	Case Studies	Core Questions	
Amey LG Limited	Pass	20.0	35.0	55.0%
Balfour Beatty Living Places Limited	Pass	28.0	44.0	72.0%
Colas / URS	Pass	16.0	34.0	50.0%
EM	Pass	20.0	36.0	56.0%
MGWSP	Pass	28.0	37.0	65.0%
Skanska Construction UK Ltd	Pass	24.0	34.0	58.0%



**Infrastructure+**

 **Staffordshire**  
County Council

# **Infrastructure+ Appendix J: ISOS Procurement Report**

# ISOS SELECTION REPORT

To: Helen Riley, Director for Place & Deputy Chief Executive  
Ian Turner, Head of Place Delivery Ventures

Report Date: 25<sup>th</sup> August 2013

Authors: Staffordshire Procurement

Contracting Authority: Staffordshire County Council

Address: Staffordshire Place, Stafford, ST16 2LP

**REPORT TO THE  
DEPUTY CHIEF  
EXECUTIVE**

## Place Delivery: Infrastructure+

REF: PC394

### 1.0 Purpose of the Report

The purpose of this report is to gain authorisation of the process for the selection of Bidders, via Invitation to Submit Outline Solutions (ISOS), for the Infrastructure+ procurement.

### 2.0 Period

Up to 20 year contract in total, commencing Autumn 2014 with options to be discussed in dialogue.

### 3.0 Value of Consideration

Up to £3.2 billion over the 20 years.

### 4.0 Operation and Scope

With the creation of a collaborative working arrangement (a strategic partnership), underpinned by a contract with strong governance arrangements, Staffordshire County Council are looking to appoint a private sector partner to deliver a range of strategic outcomes, core objectives and critical success factors associated with the services in scope outlined as follows: -

#### Strategic Outcomes

1. Staffordshire's people are involved in shaping the delivery of public services.
2. Staffordshire's economy prospers and grows, together with the jobs, skills, qualifications and aspirations to support it.
3. Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks.
4. Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities.

#### Core Objectives

1. To maintain and improve the condition and usability of our physical assets.
2. To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership.
3. To involve communities in decisions and delivery of infrastructure.
4. To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.

#### Critical Success Factors

1. Increased value and prosperity for Staffordshire through a positive impact on jobs and growth.
2. A customer focussed service which enhances customer satisfaction and the reputation of the Council.
3. Financially sustainable and resilient services.
4. The flexibility to meet changing future demands through innovation and development.

### 5.0 Client

Project Sponsor – Helen Riley, Director for Place & Deputy Chief Executive  
Project Lead – Ian Turner, Head of Place Delivery Ventures

### 6.0 Submission Summary

- OJEU contract notice sent 8<sup>th</sup> July 2013, reference 2013/S 133-230432

- Electronic PQQs were invited by OJEU, the SCC Procurement website and Proactis website
- Bidders day 18<sup>th</sup> July 2013
- PQQ returned 12 noon, 8<sup>th</sup> August 2013
- 28 'interests' in total noted on the eTender system
- 6 returned PQQ eTenders: -
  1. Amey LG Limited
  2. Balfour Beatty Living Places Limited
  3. Colas / URS (unincorporated JV)
  4. Enterprise Mouchel (EM) Limited
  5. Kier May Gurney / WSP (MGWSP) (unincorporated JV)
  6. Skanska Construction UK Ltd
- 5 were accepted into IPD1 ISOS: -
  1. Amey LG Limited
  2. Balfour Beatty Living Places Limited
  3. Enterprise Mouchel (EM) Limited
  4. Kier May Gurney / WSP (MGWSP) (unincorporated JV)
  5. Skanska Construction UK Ltd

#### 7.0 Regulatory Note

This is an EU tender and therefore all tenders were invited in accordance with County Council Procurement Regulations and Public Contracts Regulations 2006 (as amended), as amended.

#### 8.0 IPD1 and ISOS Compilation

The IPD1 ISOS documentation was drafted by Capita, aided by Staffordshire Procurement and authorised by the Project Board.

#### 9.0 ISOS Evaluation

*Award Criteria:*

Criteria	Percentage
Quality / Technical	60
Commercial	40
<b>Total:</b>	<b>100%</b>

#### 10.0 Withdrawal post-Submission

No bids were withdrawn post submission

#### 11.0 ISOS Process

ISOS Descriptive Document and Data Room were made live on 27<sup>th</sup> August 2013. Dialogue sessions took place from 2<sup>nd</sup> September to 27<sup>th</sup> September 2013. All bidders were required to submit their Outline Solution by midday on 4<sup>th</sup> October 2013.

#### 12.0 ISOS Evaluation Scoring

Scoring took place from 7<sup>th</sup> October to 18<sup>th</sup> October 2013 via written submissions. ISOS bidder presentations took place between 9<sup>th</sup> October and 15<sup>th</sup> October 2013 were used for clarification purposes only, and not scored

Formal core evaluation panel for ISOS: -

- Helen Riley
- Ian Turner
- James Bailey
- Ian Wykes

Support/advice panel was provided by

- Capita
  - Staffordshire Procurement
  - SCC Finance
  - SCC Legal Services
- All individual scores have been collated and group scored in the presence of all evaluators and two representatives of Capita. All evaluators have signed and dated the consolidated score sheet to verify that the scores inserted are agreed and correct.
  - The manually entered figures have been transposed at the same group meeting into one spread sheet and forwarded to SCC Audit. This sheet has been signed-off by the core evaluation panel.
  - Spread sheets were peer-reviewed / tested for integrity by two representatives of Capita prior to completion of evaluations

Following evaluation and group scoring the evaluation panels and Capita agreed that no **moderation** was required

### 13.0 ISOS Written Submissions

Both the Quality/Technical and Commercial written submissions were evaluated for all Bidders. The total submissions were up to 70 pages in length per Bidder.

### 14.0 Audit

The ISOS process has been audited by Debbie Harris. The draft report does not contain any high-risk areas of IPD1. Report to formally follow this report.

### 15.0 Results Summary - Ranked

Following agreed evaluation, the 5 submissions were scored as follows: -

Rank	Bidder	Quality / Technical	Commercial	Total %
1	Amey LG Limited	40.82	28.54	69.36
2	Balfour Beatty Living Places Limited	39.43	27.43	66.86
3	MGWSP	37.76	25.91	63.67
4	EM	36.57	26.27	62.84
5	Skanska Construction UK Ltd	30.99	27.60	58.59

### 16.0 Risks and Considerations

The following Key Risks have been identified: -

- SCC Audit has completed checks of the spread sheet submission. Minor errors were detected, and have since been corrected.
- The differential between MGWSP and EM is 0.85%. Capita and the core evaluation panel are confident to proceed with de-selection of bidder 4 on the basis of the following:
  - In overall technical scores EM were lower than MGWSP in fourteen of the scoring areas, higher than MGWSP in only seven and equal in the remaining ten. This proportionality is reflected in the closeness of the scores.
  - In the higher weighting areas of routine maintenance, improvements and professional services, EM scored lower in eight of the available criteria, only bettering MGWS in two areas. The remainder were equal.
  - EM's overall price was reduced by £4.08m based on a line insertion in their submission, benefitting their commercial score by 0.2%

- EM may wish to challenge their de-selection on the basis of the closeness of the scoring. They may challenge that either they supplant MGWSP or we take through 4 bidders.
- This may then be countered by the three higher bidders countering that the IPD2 process would be unfairly open with the inclusion of a fourth bidder, thus increasing competition at a limited competition stage
- In conclusion, EM scores have been robustly assessed and a de-brief letter drafted reflecting the comments made during evaluation. Consequently the project team remain confident that the process will not be challenged.
- The inclusion of Bidder assumptions in the outline commercial evaluation has proved to be highly problematic to assess. The assumption levels made varied from bidder to bidder across a wide scope of services with the potential impact on service levels. Skanska's assumptions did not relate to current service levels in across key areas and were not supported with valid justifications. For IPD2 it is imperative that bidders are given definitive baseline data for price evaluations.

#### **17.0 Invite to ITT (Tender)**

IPD1 Descriptive Document stated that it is the Council's intention to select up to three Bidders with the highest scores at IPD Phase I to be invited to enter into dialogue at the next phase (IPD Phase II). However, the Council reserves the right to invite fewer than three Bidders to enter into IPD Phase II.

#### **18.0 Rejection Letters**

Both EM and Skanska will receive 'unsuccessful' IPD1 ISOS notices and debrief letters, scheduled for despatch on the afternoon of Friday 25<sup>th</sup> October 2013. Both letters have been drafted by Capita and have sought approval from Ian Turner. Note this procurement was advertised post-Remedies 2009, therefore all unsuccessful notices require a full written debrief to accompany them. It is anticipated that these two Bidders may seek further clarification on their scores via meetings. Both core evaluators and project team should be primed for this.

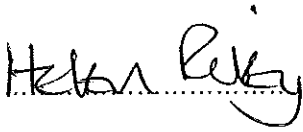
#### **19.0 Recommendation**

The core evaluation panel recommends that the top 3 highest scoring Bidders be invited to the IPD stage 2, and that letters will be despatched on the afternoon of Friday 25<sup>th</sup> October.

This recommendation was ratified at Project Board, Friday 25<sup>th</sup> October 2012.

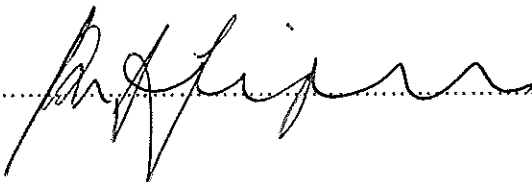
#### **20.0 Project ISOS Sign-Offs**

Name ..... HELEN RILEY ..... Project Sponsor

Signature .....  ..... Project Sponsor


Date ..... 25/10/2013 ..... Project Sponsor

Name ..... IAN SIMPSON ..... Head of Staffordshire Procurement

Signature .....  ..... Head of Staffordshire Procurement

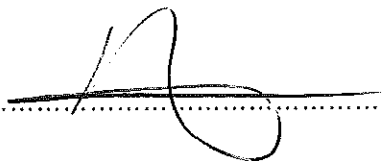
Date ..... 25.10.13 ..... Head of Staffordshire Procurement

Name ..... PAUL TIMMINS ..... Senior Category Manager

Signature .....  ..... Senior Category Manager

Date ..... 25/10/13 ..... Senior Category Manager

Name ..... MATTHEW SUTTON ..... Category Manager

Signature .....  ..... Category Manager

Date ..... 25/10/13 ..... Senior Category Manager





**Infrastructure+**

 Staffordshire  
County Council

# **Infrastructure+ Appendix K: Final Bid Evaluation Procurement Report**

## REPORT - CONTRACT RECOMMENDATION TO AWARD

**To:** Helen Riley, Director for Place & Deputy Chief Executive  
Ian Simpson, Head of Staffordshire Procurement

**Report Date:** 15<sup>th</sup> January 2014

**Authors:** Staffordshire Procurement

**Contracting Authority:** Staffordshire County Council

**Address:** Staffordshire Place, Stafford, ST16 2LP

**REPORT TO THE  
DIRECTOR FOR  
PLACE AND  
DEPUTY CHIEF  
EXECUTIVE**

### Infrastructure +

**REF: PC394**

#### 1.0 Purpose of the Report

The purpose of this report is to gain Head of Staffordshire Procurement and Project Sponsor authorisation of the process for the award of contract to the successful bidder for Infrastructure +.

#### 2.0 Period

Envisaged commencement 1st April 2014 with bidders required to demonstrate mobilisation plans with the aim of commencing on site as soon as possible from that date. The duration of the contract will be for a period between 10 years (minimum) and up to 20 years (maximum) period and extensions to be discussed and agreed through the duration of the contract and subject to performance management. Extensions may be implemented at Staffordshire County Councils discretion depending on performance which will be measured against set indicators.

#### 3.0 Value of Consideration

The agreement value is potentially up to 160 000 000 GBP "per annum". The lower end of the value of "78 000000" GBP per annum assumes the estimated spend for Staffordshire County Council only. This upper estimate of value includes an assumption of some of the services being purchased by other contracting authorities and Public Bodies.

#### 4.0 Operation and Scope

With the creation of a collaborative working arrangement (a strategic partnership), underpinned by a contract with strong governance arrangements, we ('Staffordshire County Council') are looking to appoint a private sector partner to work with us to deliver a range of strategic outcomes, core objectives and critical success factors associated with the services in scope. These are outlined as follows: -

On inception the Infrastructure+ project sought to deliver against three of the original nine strategic priorities as follows: -

- Staffordshire's economy prospers and grows, together with the jobs, skills qualifications and aspirations to support it
- Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks
- Staffordshire's people and communities can access, enjoy and benefit from a range of learning, recreational and cultural activities

whilst also contributing to the over-arching strategic outcome: -

- Staffordshire's people are involved in shaping the delivery of public services.

Following the work in early 2013 to refine these nine strategic priorities into three priority outcomes, the project can now be aligned to all three priority outcomes:

- Be able to access more good jobs and feel the benefits of economic growth
- Be healthier and more independent
- Feel safer, happier and more supported in and by their community

#### **Core Objectives**

1. To maintain and improve the condition and usability of our physical assets.
2. To reduce cost of delivering the services and reach the lowest whole life cost of asset ownership.
3. To involve communities in decisions and delivery of infrastructure.
4. To improve customer satisfaction in Staffordshire County Council and to enhance its reputation.

#### **Critical Success Factors**

1. Increased value and prosperity for Staffordshire through a positive impact on jobs and growth.
2. A customer focussed service which enhances customer satisfaction and the reputation of the Council.
3. Financially sustainable and resilient services.
4. The flexibility to meet changing future demands through innovation and development.

#### **5.0 Core Client Team**

- Helen Riley, Director for Place and Deputy Chief Executive, Executive Sponsor
- Ian Turner – Head of Place Delivery Ventures, Project Sponsor
- Ian Wykes - Commissioner for the Rural County
- James Bailey - Commissioner for Highways and the Built County

#### **6.0 Submission Summary**

- OJEU contract notice sent 8<sup>th</sup> July 2013, reference 2013/S 133-230432
- Electronic PQQs were invited by OJEU, the SCC Procurement website and Proactis website
- Bidders day 18<sup>th</sup> July 2013
- PQQ returned 12 noon, 8<sup>th</sup> August 2013
- 28 'interests' in total noted on the eTender system
- 6 returned PQQ eTenders: -
  1. Amey LG Limited
  2. Balfour Beatty Living Places Limited
  3. Colas / URS (unincorporated JV)
  4. Enterprise Mouchel (EM) Limited
  5. Kier May Gurney / WSP (MGWSP) (unincorporated JV)
  6. Skanska Construction UK Ltd
- 5 were accepted into IPD1 ISOS: -
  1. Amey LG Limited
  2. Balfour Beatty Living Places Limited
  3. Enterprise Mouchel (EM) Limited

4. Kier May Gurney / WSP (MGWSP) (unincorporated JV)
  5. Skanska Construction UK Ltd
- IPD2 commenced on the 28<sup>th</sup> October 2013 with three bidders: -
    1. Amey LG Limited
    2. Balfour Beatty Living Places Limited
    3. Kier May Gurney / WSP (MGWSP)
  - ITSFB was issued on the 5<sup>th</sup> December 2013 to all three bidders
  - Final bids were received on the 13<sup>th</sup> December 2013
  - Final bid presentations on the 17<sup>th</sup> December 2013
  - 3 compliant bids were received and evaluated: -
    1. Amey LG Limited
    2. Balfour Beatty Living Places Limited
    3. Kier May Gurney / WSP (MGWSP)

### 7.0 Regulatory Note

This is an EU tender and therefore all tenders were invited in accordance with County Council Procurement Regulations and Public Contracts Regulations 2006, as amended.

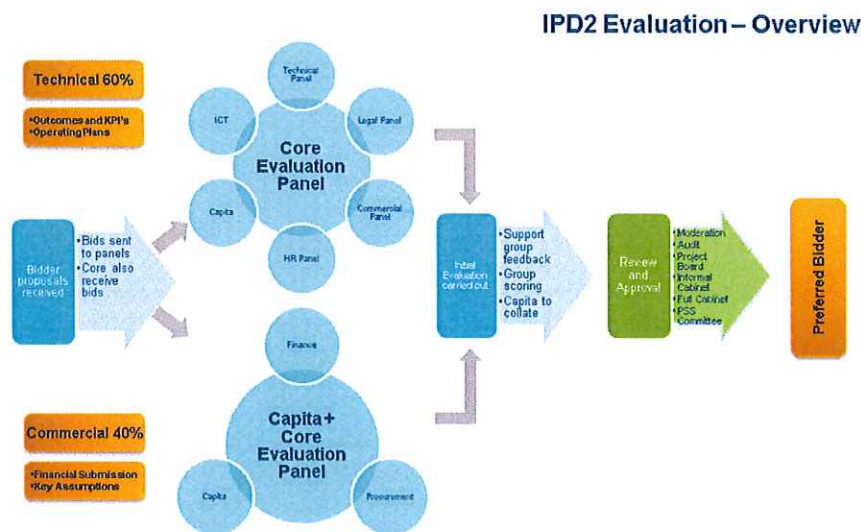
### 8.0 IPD1, IPD2 and ITSFB Compilation

Half of IPD1 and all IPD2 and ITSFB documentation was drafted by Capita, amended by the client Board and Staffordshire Procurement. The project board approved and reviewed all documentation.

### 9.0 ITSFB Evaluation

The award of this contract is based on the following evaluation award criteria: -

Criteria	Percentage
Technical	60
Commercial	40
<b>Total:</b>	<b>100%</b>



### 10.0 IPD2 Process Summary

IPD2 commenced on 5<sup>th</sup> December 2013 giving all bidders the opportunity to meet with the wider stakeholder group and Unions. Panels comprised the following: -

Core Evaluation Panel
Helen Riley - Director for Place and Deputy Chief Executive, Executive Sponsor
Ian Turner - Head of Place Delivery Ventures, Project Sponsor
Ian Wykes - Commissioner for the Rural County
James Bailey - Commissioner for Highways and the Built County

Dialogue formally closed on Friday 6<sup>th</sup> December 2013

### 11.0 Final Bid Submission Format and Presentations

Final bids were received 12.00 noon on the 13<sup>th</sup> December 2013. Bidders were required to submit a presentation summarising their offer together with a Technical and a Commercial Response which formed the basis of the evaluation submission, and a table of derogations from the draft forms of contract.

### 12.0 Final Bid Presentations and Clarifications

Final Bid presentations were conducted on the 17<sup>th</sup> December 2013 with 2 hour slots per bidder – split between presentation and Q&A sessions. All clarifications raised at the presentations and subsequently from the evaluation overall were managed via the Staffordshire Procurement electronic tendering system.

### 13.0 Results Summary

The three submissions were evaluated and scored as follows: -


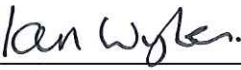



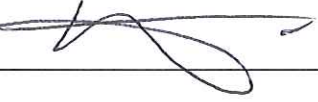

Summary				
Bidder	Commercial	Technical	Total	Position
Amey LG	39.00%	40.80%	79.80%	1
Balfour Beatty Living Places Ltd	34.44%	41.20%	75.64%	2
Kier May Gurney / WSP	35.07%	36.80%	71.87%	3

### 14.0 Recommendation

The Project Sponsor recommends that **Amey LG** Limited be awarded the contract subject to minor tweaks to finalise the contract, the SCC Cabinet approval and the successful completion of the Standstill process.

**15.0 Report Signatories**

Agreement of the above recommendation.

<b>Name:</b>	Helen Riley	Ian Turner
<b>Signature:</b>		
<b>Date:</b>	15/11/14	15/11/14
<b>Name:</b>	Ian Wykes	James Bailey
<b>Signature:</b>		
<b>Date:</b>	15-1-14	15-1-14
<b>Name:</b>	Ian Simpson Head of Procurement	Paul Timmins Senior Category Manager
<b>Signature:</b>		
<b>Date:</b>	15-1-14	15/1/14
<b>Name:</b>	Matthew Sutton Category Manager	Ian Goodwin Capita Procurement
<b>Signature:</b>		
<b>Date:</b>	15/11/14	15/1/14