



The Form of Contract for Highway Maintenance Services

HMEP Service Information

October 2016 – Version 2



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Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR
Telephone 0300 330 3000

Email: highwayefficiency@dft.gsi.gov.uk

Website: www.dft.gov.uk/hmep/index.php

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REVISION SCHEDULE

THE FORM OF CONTRACT FOR HIGHWAYS MAINTENANCE SERVICES

HMEP SERVICE INFORMATION

Ver	Date	Details	Prepared by	Reviewed by	Approved by
1	February 2013	Original Release	CWC	J Cole URS	Matthew Lugg OBE HMEP
2	October 2016	Fully updated and re-written	J Cuthbert AECOM	K Notman AECOM	Matthew Lugg OBE HMEP

This Programme is supported by the following organisations:



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FOREWORD

ABOUT THE HIGHWAYS MAINTENANCE EFFICIENCY PROGRAMME

The Highways Maintenance Efficiency Programme (HMEP) is a sector-led transformation initiative that will maximise returns from investment and deliver efficiencies in highway maintenance services. The Programme started in April 2011 with sponsorship from the Department for Transport and is intended to run until 2020.

The Programme is offering local highway practitioners benefits from different ways of working. The vision is that those involved in highways maintenance delivery (the local authorities as clients and their service providers, be they from the private or public sector) will over time adopt an ambitious and longer-term approach to enable them to:

- continuously find new and improved ways of delivering services to highway users and managing highways assets
- make use of collaborative partnerships to improve processes and outcomes
- deliver a sustainable balance between meeting the needs of highways users, improving quality and minimising costs.

The guidance and efficiency toolkits developed by the Programme have been overseen by the HMEP Programme Board comprising key personnel who support the Programme's aims and ambitions. This ensures that:

- the Programme is truly being driven by what the whole sector needs and wants ('by the sector for the sector')
- the solutions identified by the sector are relevant, realistic, repeatable, scalable and sustainable
- HMEP is benefits-led, driving true transformation of the sector with tangible efficiency gains and a lasting legacy.

As a transformation initiative, HMEP is targeting the ways that Local Highway Authorities conduct their business. It invites the sector to adopt new ways of working to deliver efficiency savings through:

- **Collaboration & Change** – looking at how alliances between authority clients and their providers can be formed to deliver efficiencies in the delivery of highway maintenance services. Other projects are looking at changing business processes and culture, for instance by applying LEAN thinking to the processes behind service delivery and how services can be streamlined to realise efficiencies
- **Procurement, Contracting and Standardisation** – advising on the routes to procurement enabling authorities to determine how their current service is aligned to current thinking and which is the best procurement option to realise their future service ambitions. It also provides the tools so that efficiencies can arise through the use of, for instance, a standardised form of contract, the most commonly used Schedule of Prices, a Method of Measurement targeted at highway term maintenance activities and a highway maintenance specification which is better aligned to the activities that Local Highway Authorities undertake

- **Asset Management** – to advocate moving away from a reactive to a longer-term approach for maintaining highways assets by providing advice to the sector in the form of updated asset management guidance supported by a life-cycle planning tool for both a simplistic and, where appropriate, more complex determination of whole-life asset costs. HMEP is also providing training specifically targeted at asset management practitioners to help them move towards an asset management approach and to adopt the new HMEP guidance and tools
- **Benchmarking & Performance** – collecting, sharing and comparing performance data on customer service/quality/cost to show how effective Local Highway Authorities are both in delivering value-for-money services and in driving targeted efficiencies.

Products and tools have been developed for each of these themes and are being designed to be interdependent, but complementary, so that authorities can maximise their returns on their investments.

ABOUT THE SUITE OF DOCUMENTS

The following suite of documents has been prepared to assist local highway authorities in preparing contract documents for a highway maintenance term service contract.

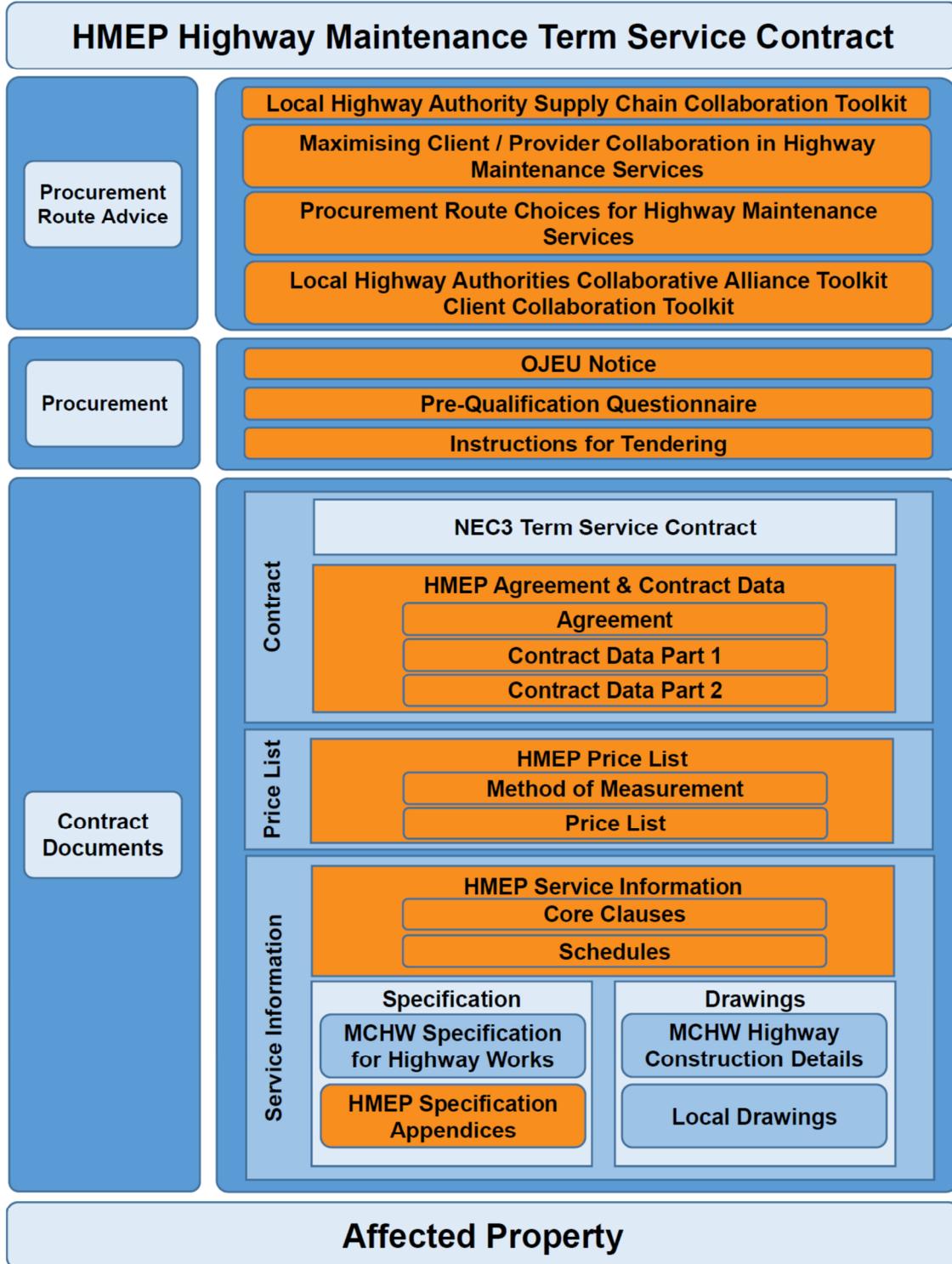


Figure 1 – Diagram of HMEP Highway Maintenance Term Service Contract Documents

The orange text in Figure 1 above indicates a HMEP produced guidance documents or model contract document. These HMEP documents are located at:

<http://www.highwayefficiency.org.uk/>

This suite of documents has been prepared as part of the HMEP Procurement, Contracting and Standardisation theme. Entering into a contract is a time consuming process to both Parties and there have been many developments in how this should be undertaken in recent years. This HMEP suite of documents compiles the current thinking around procurement and offers tools which will help with procurement of a highway maintenance term service contract.

It aims to remove the burden of preparing a bespoke contract and provides model documents based on current good practice within the sector. The documents have been prepared with the benefit of input from a number of Local Highway Authorities and Term Maintenance Contractors as well as legal and contract experts.

The suite of contract documents takes practitioners through the procurement stages from advertising the intention to procure to the contract documentation needed to formalise the contractual relationships.

These documents give local highway authority officers the guidance they need to make the right choices while maintaining flexibility to ensure the resulting contract can meet their varying needs.

Standardisation is one of the key facets of the Programme that contributes to delivering efficiencies. Local highway authorities need to be aware that any variation to these standard forms, particularly the form of contract, has to be considered carefully and may introduce the need to consult, check and seek appropriate contract and/or legal advice.

The benefit to an authority of not making changes is that there is greater understanding through the use of these common forms so that contractors will become more familiar and confident in using them. In time more competitive prices may result from reduced tendering costs, reduced mobilisation costs, reduced contractual risk and commonality of service provision requirements.

Any change detracts from the benefit of using the common forms and needs to be measured against any benefit of using a bespoke form. Every change introduced increases uncertainty which the contractor has to consider on an individual basis. This leads to an increase in tendering costs and increases the likelihood of contractors deciding not to submit a tender. Anything that generates inefficiencies and higher costs for activities would be considered contrary to the HMEP guiding principles.

HOW TO USE THE HMEP SERVICE INFORMATION

This document has been developed to provide a model Service Information for use with the HMEP suite of contract documents, based upon the guidance provided in the “NEC3: How to write the TSC Service Information”. It is envisaged that an *Employer* will use this model as a basis to develop the Service Information and will therefore amend and supplement the model as appropriate. It is recommended that reference is made to the guidance notes in that document.

It is not possible to provide a document that covers all eventualities, given the number of variations possible in the outsourcing of highway maintenance term services. The HMEP Service Information has been prepared on the following assumptions:

- A single authority employing a single contractor. The documents will need to be amended accordingly where a different procurement model is proposed. Particular attention will need to be given to the description of the Affected Property and the *Employer*.
- The *Employer* will be managing the Affected Property and issuing Task Orders to the *Contractor* to undertake work. It should be noted the NEC3 Term Service Contract without X19 assumes the *Contractor* manages the Affected Property for the *Employer* and will proposed the works to be undertaken in the Annual Plan for approval by the *Employer*.

The HMEP Service Information comprises two parts:

- Main Clauses
- Schedules

The Main Clauses have been written to be generic and are therefore appropriate to be used in most highway term service contracts without significant alteration. They have been developed from examples obtained from existing highway authority's term service contracts to cover all areas commonly encountered in such contracts.

The Schedules are where contract specific information is provided. Therefore the schedules will be bespoke and unique to each local highway authority. It is envisaged that the information for some of the schedules may be provided in standalone documents, in which case these documents only need to be referenced in the relevant schedule.

To help the compiler, example schedules have been provided in purple highlighted boxes, as below:

Example (to be deleted)

These examples have been taken from other contracts and have not been written specifically for the HMEP Service Information, so therefore are not fully compatible with the HMEP Service Information's Main Clauses. It is intended that the *Employer* will develop their own schedules, which are fully compatible with their Service Information.

The compiler should delete the example schedules from the completed HMEP Service Information and replace with their own schedules or reference stand-alone documents providing the required information.

Guidance notes have been provided throughout the HMEP Service Information, shown by a light orange highlighted box, as below:

Notes for Guidance Clause Numbering (to be deleted)

Clause numbering is based upon the numbering provided by NEC in their guidance notes “NEC3: How to write the TSC Service Information”.

Additional clauses may be added to each section using the next available clause number.

Substitute clauses may be used by deleting the existing clause and replacing them with the desired clause.

Clauses may be deleted if not required. Where clauses are deleted, it is recommended the clause numbering should remain but that the clause text replaced with ‘NOT USED’.

The Notes for Guidance should be deleted by the compiler from their completed HMEP Service Information.

Where in the HMEP Service Information the compiler is required to enter or amend specific information, it is placed in square brackets as shown below.

[Compiler to insert or delete text here].

The compiler should remove the square brackets from the completed Service Information.

The HMEP Service Information brings the Specification and Drawings into the Service Information by reference. Thus the Service Information under the Contract includes the Specification and the Drawings, as shown in Figure 1.

The HMEP Service Information is available for use in the HMEP Compiler¹. This software package guides the compiler through the preparation of the HMEP Service Information and then prepares a fully formatted and referenced document. The use of this software ensures the resultant HMEP Service Information complies with the guidance notes and is free from formatting and referencing errors. The automated formatting and referencing provides significant time savings over manual editing using traditional word processing software. Further details about the HMEP Compiler can found at:

<http://www.highwayefficiency.org.uk/>

¹ To be released late 2016

COMMENTS AND FEEDBACK

The document is provided in the hope that users contribute to its future development. The HMEP Programme Board welcomes any comments and feedback on this suite of documents so that it may be reviewed, improved and refined to give the sector the best advice possible. In particular, it will be highly beneficial if users can provide examples of documents developed from the HMEP models, which could be made available to other users for reference.

If you wish to make a comment, please send an email to highwayefficiency@dft.gsi.gov.uk with the header 'Feedback on the HMEP Suite of Contract Documents'.

SERVICE INFORMATION

SI 000 IDENTIFIED AND DEFINED TERMS

In this document the terms identified have the following meanings:

Area Network is detailed in schedule 2.

Employer's Premises comprise offices, depots and storage areas and are detailed in schedule 3.

Site is an area of the Area Network, which the *Contractor* has occupied in order to deliver the *service*.

Service Budget is the annual budget which the *Employer* has allocated to cover payments to the *Contractor* for delivering the *service* for the year.

The *Contractor's* plans are the plans to be produced by the *Contractor* as required by SI 400.

The Quality Statement is the document produced by the *Contractor* in response to the Instructions for Tenderers as part of their tender submission.

A Public Sector Body is any organisation defined as a public body by the Office of National Statistics (ONS) by reference to the European System of Accounts 1995 in accordance with EU requirements.

SI 100 DESCRIPTION OF THE SERVICE

SI 105 Description of the *service*

A detailed description of the *service* is contained in schedule 1.

SI 110 Overall objectives

The *Employer's* objectives for the *service* are described in schedule 4.

SI 200 GENERAL CONSTRAINTS ON HOW THE *CONTRACTOR* PROVIDES THE *SERVICE*

SI 201 Use of the Affected Property

Area Network

The Area Network is described in schedule 2.

The *Employer* provides access to the Area Network to the *Contractor*, as necessary to Provide the Service, subject to any limitations set out in schedule 5.

Employer's Premises

In addition the *Employer* provides the Premises described in schedule 3 for the *Contractor* to utilise to Provide the Service.

The *Contractor* enters into leases or licence for the *Employer's* Premises in the form set out in schedule 3 at the same time as entering into the contract. The *Contractor* uses the Premises in accordance with the leases or licences.

Adjoining or related property

The *Employer* provides access to adjoining or related property, as necessary for the *Contractor* to Provide the Service, subject to the limitations and constraints detailed in schedule 5 or the Task Order.

SI 205 General constraints

The *Contractor* complies with the following general constraints while Providing the Service.

Deliveries

Constraints detailed in Specification Appendix 1/17.

Noise and vibration

Constraints detailed in Specification Appendix 1/9.

Working hours

Constraints detailed in Specification Appendix 1/7.

Restrictions on the use of hazardous materials

Constraints detailed in Specification Appendix 1/23.

Storage of fuel and chemicals

The *Contractor* provides suitable facilities for the storage of fuel and chemicals to prevent unauthorised access and spillages during their storage and transfer. The facilities will include suitable measures to contain any spillages. The *Contractor* provides suitable Materials, Equipment and trained personnel to clean up any spillages of the fuel and chemicals being stored.

Pollution, ecological or environmental impacts

The *Contractor* complies with statutory requirements in Providing the Service.

SI 206 Permitted access routes to and from a Site

All traffic accessing a Site is to be routed via the M, A or B Class highway network to the closest point to the Site's access, keeping the distance travelled on lower standard highways to a minimum, unless otherwise agreed with the *Service Manager*.

The *Contractor* will take reasonable measures to prevent damage to the Area Network and any adjoining or related property resulting from vehicles accessing a Site to perform the *service*. Where damage does occur the *Contractor* will reinstate the Area Network and any adjoining or related property to its pre-works condition on completion of performing the *service*.

SI 210 Confidentiality

The *Contractor* will comply with clause ZM10 in Contract Data Part One.

SI 211 Employer's and Other's policies

The *Contractor* complies with the *Employer's* and *Others'* policies as set out in schedule 6.

SI 212 Complaints and customer care

The *Contractor* complies with the *Employer's* policy on handling complaints and customer care, as set out in schedule 6.

SI 213 Contract branding

The *Contractor* complies with the *Employer's* policy on contract branding, as set out in schedule 6.

SI 215 Security and protection of Affected Property

Refer to SI 225.

SI 220 Security and identification of people

The *Contractor* complies with the *Employer's* policy on security and identification of employees detailed in schedule 6.

The *Contractor* discloses to the *Service Manager* the names, addresses and sufficient information, including any applicable criminal convictions of which the *Contractor* is aware, about an employee, or any Subcontractor to enable appropriate checks to be made on a person before they are involved in Providing the Service. The *Contractor* discloses to the *Service Manager* any applicable criminal convictions of an employee, or Subcontractor used in Providing the Service of which the *Contractor* becomes aware during the Service Period.

If the nature of the *service* means that any employee of the *Contractor* or Subcontractor are exempt from Section 4(2) of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 the *Contractor* ensures that that employee or Subcontractor provide information in accordance with the Act and (Exception) Order about any convictions which would otherwise be deemed to be spent.

The *Service Manager* may require any employee or Subcontractor who has any current criminal convictions or are exempt from Section 4(2) of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 to be removed from the Affected Property or any other Premises owned or occupied by the *Employer*.

The *Contractor* ensures that all employees involved in Providing the Service are eligible to work in the United Kingdom.

The *Contractor* undertakes appropriate checks to confirm the identity of their employees.

The *Service Manager* may require the *Contractor* to confirm that these checks have been completed prior to the *Service Manager* giving an employee access to either their physical assets or their IT systems.

SI 225 Protection of Affected Property***Employer's Premises***

The *Contractor* is responsible for security at all of the Premises provided by the *Employer* during their occupation. The *Contractor* takes appropriate measures to prevent unauthorised access to the Premises. The *Contractor* complies with the *Employer's* security policy, as detailed in schedule 6, including measures to ensure compliance with the Data Protection Act 1984.

The *Contractor* operates a system to allow the *Employer's* Premises to be accessed outside normal working hours, as necessary in Providing the Service, while still maintaining its security.

The *Contractor* will report an unauthorised access to an *Employer's* Premises on each occurrence to the *Service Manager* within one working day. The *Contractor* will report the event to the *Service Manager* immediately when the unauthorised access could have resulted in or led to the *Employer's* data being accessed.

Sites

The *Contractor* implements appropriate measures at Sites to prevent unauthorised access to the Area Network when undertaking the *service*. The *Contractor* provides suitable measures to protect against any hazards resulting from the works to prevent injury or damage.

The *Contractor* takes suitable measures to ensure any parts of the Area Network not affected by the works are not harmed or damaged by *Contractor* or a Subcontractor.

Parts of the Area Network comprise or are adjacent to scheduled ancient monuments, sites of special scientific Interest, sites of outstanding natural beauty and other designations, as detailed in schedule 2. Additional constraints apply when performing the *service* in these parts of the Network Area, as detailed in schedule 2. The *Contractor* will not undertake invasive works upon these parts of the Area Network, unless instructed to do so in a Task Order. The *Contractor* will comply with the special requirements detailed in the Task Order.

The *Contractor* will submit details of their proposals including any protection measures to the *Service Manager* for acceptance if the *Contractor* in Providing the Service intends to use Equipment that is heavier than the designed service loads for the carriageway and structures.

SI 226 Conservation areas

The *Contractor* complies with the *Employer's* policy for working in conservation areas in Providing the Service, as detailed in schedule 6. The current conservation areas are detailed in schedule 2. The *Contractor* will comply with the special requirements detailed in the Task Order.

SI 227 Permits and licences

The *Contractor* obtains all necessary permits and licences required through legal obligation or through their own health and safety process to enable the *service* to be undertaken.

SI 230 Protection of the work on the Affected Property

Refer to SI 225.

SI 235 Condition survey

Condition surveys by the *Contractor* are not required.

SI 245 Consideration of Others

Refer to SI 800.

SI 250 Industrial relations

The *Contractor* complies with the *Employer's* and Others' policies on industrial relations as set out in schedule 6.

SI 255 Control of *Contractor's* personnel

The *Contractor's* personnel Provide the Service with consideration to the needs of all users of the highway and adjoining property. Special attention will be given to the needs of those with sight, hearing, mobility and mental difficulties.

The *Contractor's* personnel carry out the *service* in a respectable and safe standard of dress. Lewd or derogatory behaviour and language will not be tolerated under threat of severe disciplinary action. Pride in the management and appearance of the Area Network and the surrounding environment will be shown at all times.

The *Contractor* complies with the *Employer's* policy on Drugs and Alcohol, as set out in schedule 6.

SI 256 Staff competency and training

The *Contractor* ensures that all staff employed in Providing the Service meet the minimum competency requirements for their role included in schedule 7.

The *Contractor* maintains records to demonstrate that all staff employed in Providing the Service are competent persons for the role that they are undertaking either through qualification, knowledge or prior experience, and maintain their competence through appropriate training and development. The *Contractor* holds these records so they are available for inspection by the *Service Manager*.

These records will include copies of all relevant qualifications or certificates held by staff employed to deliver the *service*, in compliance with this clause.

The *Contractor* complies with the *Employer's* requirements for staff training, including joint training initiatives, detailed in schedule 7.

SI 260 Cleanliness

The *Contractor* maintains the area where they are working in a clean and tidy condition.

The *Contractor* maintains all vehicles used in Providing the Service in a clean and smart condition.

The *Contractor* takes suitable measures to ensure the Area Network is kept free of mud and other debris from the *Contractor's* vehicles in order to keep the Area Network clean and safe for other users. The *Contractor* will take suitable measures to clean the affected Area Network to ensure the safety of users, in the event of mud or other debris being deposited on the Area Network by the *Contractor's* vehicles.

SI 265 Waste materials

The *Contractor* will deal with waste materials in accordance with the Specification as referenced in SI1805.

SI 270 Deleterious and hazardous materials

The *Contractor* will deal with waste materials in accordance with the Specification as referenced in SI1805.

SI 300 **CONTRACTOR'S DESIGN**

SI 305 **Design submission procedures**

The design submission procedures will be in accordance with the *Employer's* procedures for the management of schemes detailed in schedule 8.

SI 310 **Employer's requirements**

The parts of the *service* that the *Contractor* may be required to undertake the design are as follows;

- [Traffic Management]
- [Surfacing Schemes]
- [Patching]
- [Drainage]
- [Footway Schemes]
- [Surface Dressing Schemes]

The *Contractor's* design staff will meet the job description for the different grades of design staff detailed in schedule 7.

The *Contractor* completes any design work in accordance with the *Employer's* requirements as detailed in the Specification or in the Task Order.

Where the *Contractor* is not required to undertake the design, the *Contractor* assists in the design development process. This may include advice, for example, on matters relating to the design components of the *service*, buildability, materials, construction techniques, programme, cost and risk. The aim of the advice is to reduce health & safety risks, promote sustainability, value engineering, option selection, managing risk, time and cost management. This advice will be provided in line with the *Employer's* procedures for the management of schemes detailed in schedule 8.

SI 400 **CONTRACTOR'S PLANS**

SI 405 **Plan requirements**

The *Contractor* prepares the *Contractor's* plans in accordance with the requirements in schedule 9.

SI 406 **Employer documents to be used**

The *Contractor* prepares the *Contractor's* plans based on the data supplied in the latest versions of the *Employer's* documents included in schedule 9.

SI 410 **Methodology statement**

The *Contractor* prepares methodology statements for the delivery of the *service* as required in schedule 9.

SI 415 **Work of the Employer and Others**

The *Contractor* details in the *Contractor's* plans how works will be managed to avoid conflicts with the *Employer* and *Others* working on the Affected Property as detailed in SI 800.

SI 420 **Information required**

Information to be provided as part of the *Contractor's* plans is detailed in schedule 9.

SI 425 **Revised plan**

The *Contractor* updates the *Contractor's* plans required as detailed in schedule 9.

In the event of changes to the Service Budget within the financial year, the *Contractor* works with the *Service Manager* to mitigate any negative impact on the level of *service*, due to the change in Service Budget. The *Contractor* revises the *Contractor's* plans to reflect the agreed changes.

In the event of the *Service Manager* instructing a change to the Service Information, the *Contractor* revises the *Contractor's* plans to reflect the change.

All plans will have a unique reference number and a system of recording revisions which includes a brief description of the changes.

SI 500 QUALITY MANAGEMENT

SI 505 Samples

The *Contractor* provides samples in accordance with Specification Appendix 1/5 and 1/6.

SI 510 Quality Statement

The Quality Statement is the quality plan which the *Contractor* is required to prepare in accordance with the Specification as referenced in SI1805.

SI 515 Quality management system

The *Contractor* operates a quality management system for Providing the Service in accordance with Specification as referenced in SI1805.

SI 600 AUDITS, TESTS AND INSPECTIONS

SI 605 Tests and inspections

The *Contractor* undertakes testing and inspections in accordance with Specification Appendix 1/5 and 1/6.

SI 610 Management of tests and inspections

Tests and Inspections will be managed in accordance with the Specification Appendix 1/5 and 1/6.

SI 615 *Employer's audits*

The *Contractor* grants to the *Employer* and its audit team authority to enter any premises used by the *Contractor* at any time and to have access to all correspondence, documents, books, property, employees or other records relating to the provision of the *service*.

The *Employer* may take copies of any material including computer data held by the *Contractor* relating to the provision of the *service* and as necessary to verify the delivery of the *service* in accordance with the contract.

The *Employer* normally provides 7 days' notice of such audits to the *Contractor*; however, the *Employer* reserves the right to undertake unannounced audits.

Employer's audits are additional to and do not in any way supersede the requirement for *Contractor's* audits.

Where there is data identified within Contract Data Part 2 as *commercially sensitive information*, the *Employer* will treat it as such by not disclosing it to Others; and Subcontractors or suppliers to the *Contractor*.

SI 616 *Contractor's own accreditation and internal audits*

All accreditation certificates are submitted to the *Service Manager* within one month of receipt. Reports and results from both internal and external accreditation audits will be shared with the *Service Manager* within one month of receipt.

If accreditation to a prescribed accreditation body is rescinded or a major non-conformance is identified in an audit, the *Contractor* notifies the *Service Manager* within one week of notification. The *Contractor* also provides details of the proposed remedial action plan to address the issues raised in the audit or to re-attain accreditation to a prescribed accreditation body and agrees a programme with the *Service Manager* for the remedial actions

SI 619 Mobilisation and demobilisation audits

A mobilisation audit is conducted by the *Contractor* at least [four] weeks prior to the *starting date* to ensure compliance with the mobilisation plan and to confirm all necessary systems and resources will be in place at the *starting date*. This audit is undertaken by a team independent to the *Contractor's* project staff.

The scope of the mobilisation audit includes compliance with contract requirements and progress in setting up systems and processes for the management of the contract. A report recording the audit findings will be prepared and issued to the *Service Manager* within 5 working days of the completion of the audit. The *Contractor* will take appropriate corrective actions prior to the *starting date* to address issues raised in the audit.

The *Contractor* undertakes a demobilisation audit six months prior to the end of the Service Period. This audit will ensure compliance with the demobilisation plan and that all documents, files, Equipment and any other items required to be handed over to the *Employer* or new service provider at the end of the Service Period, should be ready for handover.

The demobilisation audit will be undertaken by a team independent to the *Contractor's* project staff. A report recording the audit findings will be prepared and issued to the *Service Manager* within 5 working days of the completion of the audit. The *Contractor* will take appropriate corrective actions prior to the end of the Service Period to address issues raised in the audit. If non-compliances are identified in the demobilisation audit, the *Service Manager* may request that a further demobilisation audit is undertaken by the *Contractor*.

SI 620 Service Manager's procedures for inspections and watching tests

The *Service Manager* advises the *Contractor* of any *Contractor* audits, tests and inspection that they or their representative intends to witness. The *Contractor* takes measures to facilitate any such request.

SI700 MANAGEMENT OF THE SERVICE

SI 701 Delegation of powers

The *Employer* delegates to the *Contractor* the exercise of the functions vested in the *Employer* in accordance with the table of *Employer's* delegated statutory functions set out in schedule 8.

The limits of authority that the *Employer* has provided to the *Service Manager* are set out in the table of *Service Manager's* limit of authority in schedule 8. Any instructions issued under the contract beyond these limits of authority are to be confirmed by the *Employer*.

SI 703 Meetings

The planned meetings for which the *Contractor* is expected to provide suitable attendees are detailed in schedule 8.

The *Contractor* will be expected to support the *Employer* with suitable attendees at ad-hoc meetings related to the provision of the *service*, when instructed by the *Service Manager*. The *Contractor* will also provide relevant documentation and other information to support any ad hoc meetings when requested by the *Service Manager*.

SI 705 Management team

The proposed management structure for the *contract* including the *Employer's* management structure is detailed in schedule 8.

The *Employer's* management structure may change during the Service Period; the *Service Manager* advises the *Contractor* of any proposed changes. The *Contractor* advises the *Service Manager* in advance of any changes to the *Contractor's* management structure. Any changes to the *Employer's* or *Contractor's* key people, as included in Contract Data Part 2, shall be undertaken in accordance with the contract.

SI 710 Communications

The *Contractor* follows the communication procedures detailed in schedule 8.

SI 711 Dispute management

The *Employer* expects the Parties to take a collaborative attitude in resolving disputes to minimise abortive time and costs being incurred by all.

The Parties follow the dispute resolution hierarchy detailed in schedule 8 to resolve any difference or disputes. Any informal dispute resolution methods included in the dispute resolution hierarchy do not affect either Parties' right to use the dispute resolution methods detailed in the contract. Any informal dispute resolution method is to be completed within 2 weeks.

SI 715 Payment provisions

The *Contractor* will comply with the *Employer's* requirements for the assessment, certification, invoicing and payment of the works detailed in schedule 8.

SI 716 Forecasts

The *Contractor* will provide financial forecasts for the *Employer* for the provision of the *service* as detailed in schedule 8.

SI 717 Performance management

The *Contractor* will monitor, record and report its performance in Providing the Service against the contract performance measures (CPM) requirements detailed in schedule 8. The *Contractor's* will maintain sufficient performance records to allow all performance reporting and CPM scores to be fully audited. These records will be available for inspection and audit by the *Service Manager*. The *Service Manager* will instruct the *Contractor* to amend the performance reporting if the records do not substantiate the *Contractor's* performance reporting or CPMs scores.

SI 718 Service Period change

[The performance criteria for the possible change of the Service Period under Contract Data Clause ZM5 are detailed in schedule 8].

[OR]

[Not used]

SI 800 WORKING WITH THE *EMPLOYER* AND OTHERS

SI 801 Working with Others

This clause is written for Others (third parties) not specifically dealt with by later clauses. Examples of Others dealt with under this clause are:

- Network users – drivers, cyclists, pedestrians, horse riders, bus companies, haulage companies;
- Adjacent property owners / occupiers – residents, businesses;
- Interest groups – business representation groups, special interest groups, action groups, parish councils, district councils, MPs, MEPs etc.

The *Contractor* in Providing the Service complies with the *Employer's* policy on working with Others detailed in schedule 6. The *Contractor* undertakes all the tasks identified to be undertaken by the *Contractor* and assists the *Employer* in completing any task identified for completion by the *Employer*, such as but not limited to the provision of information and data, and attending meetings.

SI 802 Working with Others – adjacent highway authorities

The *Employer* shares administrative borders with a number of other highway authorities. The *Contractor* liaises and works with these authorities in Providing the Service to minimise the disruption to the Area Network, the neighbouring highway authority's network and the network users as detailed in schedule 2.

SI803 Working with Others – other contractors

The *Employer* has a number of other contractors which provide services within the Area Network, as detailed in schedule 2. The *Contractor* co-operates with these other contractors to ensure that their service continues to be provided in a safe, efficient and timely manner throughout the Service Period.

SI 805 Sharing the Affected Property with the *Employer* and Others

In Providing the Service under the contract, the *Contractor* complies with the *Employer's* requirements for access to the Area Network detailed in schedule 5.

SI 810 Co-operation

Refer to SI 801 to 805 and 820.

SI 810 Co-ordination

Refer to SI 801 to 805 and 820.

SI 820 Authorities and utilities service providers

The *Contractor* complies with the special requirements for statutory undertakers detailed in schedule 5.

SI900 SERVICES AND OTHER THINGS TO BE PROVIDED

SI 901 Office accommodation, depot and storage areas

The *Contractor* provides additional office accommodation, depots and storage areas, beyond the Premises provided by the *Employer*, as required to Provide the Service. Any additional office accommodation, depots and storage areas shall be in accordance with the *Contractor's* proposals included in the Quality Statement.

SI 905 Services and other things for the use of the *Employer*, *Service Manager* or Others to be provided by the *Contractor*

The services and other things for the use of the *Employer*, *Service Manager* and Others to be provided by the *Contractor* are detailed in schedule 10.

SI 910 Services and other things to be provided by the *Employer*

The *Employer* provides services and other things as detailed in schedule 10.

The *Contractor* uses any services provided by the *Employer* in an efficient and appropriate manner to benefit the provision of the *service*.

The *Employer* provides the stock of Plant and Materials listed in schedule 10 at the start of the Service Period. Quantities will be measured jointly and the condition confirmed at the start of the Service Period.

The *Contractor* provides the Plant and Materials listed in schedule 10 at the end of the Service Period. Quantities will be measured jointly and condition confirmed at the end of Service Period.

SI 915 Access to information at the end of the Service Period

Access to information at the end of the Service Period will be in accordance with the demobilisation plan.

SI 920 Equipment provided by the *Employer*

The *Employer* provides Equipment as detailed in schedule 10.

The *Contractor* will enter into lease agreements in accordance with the terms set out in schedule 10 for the Equipment provided by the *Employer*, on or before the *starting date* The *Contractor* will maintain and operate the Equipment in accordance with the lease agreements, and will only use the Equipment for the provision of the *service*.

SI1000 HEALTH AND SAFETY

SI 1001 Incident and claim notification

The *Contractor* informs the *Service Manager* of an incident resulting in reportable injuries under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR) to any person working to deliver the *service* as soon as possible after the incident (and in any event within 24 hours).

If a claim is made against the *Contractor* arising out of or in connection with Providing the *Service*, the *Contractor* notifies the *Service Manager* of the claim within 7 days of its receipt and includes full details of the claim.

SI 1002 Near miss reporting

The *Contractor* undertakes the collection of data on 'near miss' reports arising out of or in connection with the *service* and submits a monthly summary report to the *Service Manager*.

SI 1005 Health and safety requirements

The *Contractor* complies with the *Employer's* policy on health and safety, as set out in schedule 6.

SI 1010 Method statements and risk assessments

The *Contractor* prepares detailed method statements and risk assessments for submission to the *Service Manager* for acceptance for the operations listed in schedule 8 or the Task Order.

SI 1015 Legal requirements

The *Employer* is a commercial client under the CDM Regulation 2015.

The *Contractor* in delivering the *service* undertakes the role of Principal Contractor under the CDM Regulations 2015.

The *Contractor* when instructed to undertake design works as part of a Task Order undertakes the role of Principal Designer under CDM Regulations 2015.

SI 1020 Health and safety inspections

The *Contractor* arranges for at least quarterly inspections of the *service* to be carried out by their safety officer/advisor and for a written report of each inspection to be submitted to the *Service Manager*. These reports also record any other health and safety inspections undertaken.

Where other inspections for health and safety purposes are undertaken by the *Contractor* these are notified to the *Service Manager*, if remedial actions are required.

S 1100 SUBCONTRACTING

SI 1105 Restrictions or requirements for subcontracting

[Small and medium enterprises and local businesses

The *Contractor* will actively try to use small and medium enterprises (SME) and local businesses in the Providing the Service, in line with the proposals included in the Quality Statement provided in the tender submission.

Supply chain management

The *Contractor* is to manage the supply chain in accordance with the proposals included in the Quality Statement. The supply chain comprises the suppliers and Subcontractors engaged by the *Contractor* to Provide the Service. The *Contractor* manages the supply chain proactively to deliver the *Employer's* objectives for the *service*. The supply chain will:

- Never jeopardise or compromise health and safety,
- Be committed to reducing costs,
- Never jeopardise or compromise quality,
- Ensure that frequently used items of Materials and Plant are always available,
- Make a fair and predictable profit, and,
- Be engaged on back to back terms, where appropriate.]

[OR]

[No additional requirements over and above those set out in the Partnering Information]

SI 1110 Acceptance procedures

Acceptance procedures will be in accordance with the contract.

S 1200 ACCEPTANCE OF PROCUREMENT PROCEDURE (Options C and E)

No additional requirements

SI1300 ACCOUNTS AND RECORDS (Options C and E)

SI 1305 Additional records

The *Employer's* additional requirements for accounts and records for Option C and E contracts to be kept by the *Contractor* are detailed in schedule 8.

SI1400 PARENT COMPANY GUARANTEE (Option X4)

[If required, the *Contractor* completes the parent company guarantee at the same time as entering into the contract using the form in schedule 11.]

[OR]

[Not used]

SI1500 PERFORMANCE BOND (Option X13)

[If required, the *Contractor* completes the performance bond at the same time as entering into the contract using the form in schedule 11.]

[OR]

[Not required]

SI 1600 WORK CALL OFF ARRANGEMENTS

The *Service Manager* will issue Task Orders to the *Contractor* when instructing the works to be undertaken under the contract. The proposed system for the issuing of Task Orders is detailed in schedule 8.

SI 1700 TASK ORDER (OPTION X19)

SI 1705 Programme requirements

No additional requirements to CI X19.

SI 1710 Programme arrangement

The *Contractor* complies with the *Employer's* requirements for the arrangement of the Task Order programme detailed in schedule 8.

SI 1715 Methodology statement

The *Contractor* complies with the *Employer's* requirements for Task Order Methodology Statements detailed in schedule 8.

SI 1720 Work of the *Employer* and Others

Where the work of the *Employer* or Others is required to complete a Task Order the *Contractor* identifies:

- The work to be carried out by the *Employer* or Others,
- Contact details for the work and
- Its potential effect on the Task Order and programme in terms of:
 - Cost,
 - Time,
 - Additional risks,
 - Additional health and safety liabilities during the works,
 - Any mitigation measures agreed, and
 - Any residual risk to the Task Order or Affected Property.

SI 1725 Information required

No additional requirements to CI X19.

SI 1730 Revised programme

No additional requirements to CI X19.

SI 1800 **EMPLOYER'S SERVICE SPECIFICATION AND DRAWINGS**

SI 1805 ***Employer's service specification***

The *Contractor* complies with the *Employer's* Specification provided in [state document reference].

SI 1810 **Drawings**

The Contractor complies with the *Employer's* Drawings provided in [state document reference].

SCHEDULE 1 – DESCRIPTION OF THE SERVICE

Notes for Guidance (to be deleted)

A general description of the service to be carried out under the contract shall be prepared and either included in this schedule or in another document referenced within this schedule.

The following points should be considered when preparing the description of the service:

- It should be consistent with the short description of service included in the OJEU Notice and Contract Data Part 1.*
- The detailed requirements of the service, i.e. frequency of signs to be cleaned, should be provided in the relevant Specification Appendices.*
- Do not to repeat information included in other schedules within the document.*

[The description of the *service* is provided in document reference (insert document reference) provided in the data room at (stated location)]

[OR]

[The description of *service* is as follows:]

Example Description of *Service* (to be deleted)

Overview

[The Description of the *Service* – repeat what is in Contract Data Part 1.]

Expanded Scope

Core Maintenance Activities (Delete/Add as appropriate)

It is envisaged that the following highway maintenance *services* will be required on an annual basis:

- Routine maintenance of highways and footways.
- Routine maintenance of bridges and subways.
- Routine maintenance of Street lighting and lit traffic signs.
- Winter maintenance, including pre-salting, post-salting, snow and ice clearance to footways and carriageways.
- Emergency response to incidents on the highway network, including weather emergencies.

- Tree maintenance work and hedge trimming.
- Cleaning of structures, bridges and subways, including graffiti removal.
- Cattle grid maintenance.
- Drainage grip maintenance.
- Safety fencing maintenance.
- Provision, maintenance & removal of posts, bollards and other items of street furniture.
- Rural/urban (delete as appropriate) verge maintenance, grass cutting and highway weed control.
- Drainage cleansing, including gully emptying and jetting.
- Drainage installation.
- Pump maintenance.
- Hot rolled asphalt, coated macadam and stone mastic asphalt paving & surfacing of carriageways and other areas.
- Surface dressing and microasphalts.
- Anti-skid surfacing.
- Surface re-texturing.
- Kerbing.
- Patching and repair of footways, paved areas & carriageways.
- Paving and surfacing of footways and paved areas.
- Provision and maintenance of Traffic Management for third parties.
- Provision, maintenance, cleaning & removal of non-illuminated road signs.
- Provision, installation, maintenance & removal of road studs.
- Provision, maintenance & removal of road markings.
- Highway related environmental improvement activities.

Whilst this list contains the core activities, other parties may also undertake elements from the list, such as highway weed control provided by District Councils.

The *Employer* currently spends an average £xx each financial year maintaining the Affected Property and has planned spend in the first year of the Service Period as tabulated below.

*** Insert Table listing the average yearly spend over the preceding Service Period and an indicative value for the first *service* year broken down into the main components of the *service*. ***

Potential Reductions or Increases of the Core Service

The *Employer* is negotiating to transfer parts of the *service* to/from Others within the Service Period as detailed in the table below:

*** Insert Table listing the activities that are likely to transfer to/from Others and the timing for transfer during the Service Period. An example may be verge cutting or highway litter picking in rural routes/villages***

If for any reason the transfer fails then the *Contractor* will be required to fulfil these *activities* throughout the Service Period.

Other Activities

Minor capital improvement projects are required in addition to the core activities comprising:

- Capital Highway Improvement Schemes (Footways, Carriageways and works of a similar nature)
- Safety enhancement schemes
- Urban improvement schemes
- Regeneration schemes (highway related)
- Highway Related *Services* for other departments within the *Employer's* authority i.e. Parks Department, Street Cleansing etc.
- Specialist trial treatments of the footway or carriageway
- Planned Special Maintenance and/or Resurfacing schemes

The *Employer* currently spends £xx each financial year undertaking other activities and has planned spend in the first year of the Service Period as tabulated below.

*** Insert Table listing the above bullet points with their average yearly spend over the preceding Service Period and an indicative value for the first *service* year. ***

The maximum Task Order value of other activities will be restricted to £250,000, unless agreed otherwise between the *Contractor* and *Service Manager* up to £1,000,000.

Incentivised Increase in Throughput (Optional)

The cumulative value of core and other activities may vary during the course of the Service Period should the *Service Manager* agree that the *Contractor's* performance merits an increase of throughput. By agreement with the *Contractor*, the *Service Manager* may increase the cumulative value of Task Orders subject to the *Contractor* meeting performance criteria within each service year of the Service Period. The *Contractor's* performance will be monitored using CPM and satisfactory levels may result in an extension of the Service Period.

Where the cumulative value of the additional activities is likely to increase by more than 10% of the forecast for the year, the *Service Manger* will give a minimum of one month's notice to the *Contractor* of his intention to exceed the forecast value providing the additional activities can be resourced and completed within the current *service* year.]

Contractor's Design Work

The *Contractor* will solely be responsible for the design of the following *service* activities:

- Traffic Management
- Surfacing Schemes
- Patching
- Drainage
- Footway Schemes
- Surface Dressing Schemes

SCHEDULE 2 – AREA NETWORK INFORMATION

Notes for Guidance (to be deleted)

The Area Network Information needs to define the area(s) the Contractor is expected to undertake the service, including any areas outside the authority boundary where the service overlaps with neighbouring authorities.

Details of the Area Network should be summarised within this schedule or as a separate document with the detailed information referenced and included in the data room. The detailed information will include the following information as a minimum. It is recommended that as much of the detailed information held on the Area Network is shared with the Contractor during the tender process. If for any reason the data should not be used by the Contractor to perform the service then this needs to be detailed within the Service Information.

- *Schedule of all public highways and other rights of way maintained by the Employer*
- *Schedule of structures within the Area Network*
- *Schedule of drainage apparatus, traffic signing, road lighting (if covered by the contract), traffic signals (if covered by the contract) and any special Equipment (i.e. pumps etc.).*
- *Details of any agreements with other highway authorities or bodies, where the Contractor will be undertaking the service.*

[The Area Network Information is provided in document reference (insert document reference) provided in the data room at (stated location)]

[OR]

[The Area Network Information is as follows:]

Example Area Network Information (to be deleted)

1.0 Area Network

The *Employer's* Authority Area comprises all roads and footways in XX, as shown on the map below:

[*** Map to be inserted ***]

***Insert a plan that shows the nationally agreed geographical authority boundary, ***
broken down into areas or parishes as desired by the author

OR

Refer to a plan that is located within the data room showing the same information

The *Employer* also has assets outside of its authority area or is responsible for the maintenance of another's property outside its Authority Area as follows. These assets or maintenance responsibilities will be deemed to be part of the *Employer's* Authority Area for the purpose of this contract.

Location	Nature of Work Undertaken	Neighbouring Authority	Plan Reference
B001 between the Junction with Any Lane and Another Street	Winter Maintenance	Authority A	See Plan X
Sign TS 1425, Coast Road	Sign Cleaning and maintenance	Authority B	See Plan Y (location plan and detailed location plan)

2.0 Public Highways and Other Rights of Way maintained by the Employer

Details of the Area Network have been summarised below;

Road Length Summary as of XXX:

Note: all distances in Km in the following tables. Areas in brackets indicate the overall length affected by the Environmental Constraints listed in Section 6.

Area	Principal ('A')	Classified	Unclassified	C'way Total	Remote footways	Cycle ways	Total
Totals							

Breakdown by area:

i.e. Area North							
			Sub-Area				Totals
			District A	District B	District C	District D	
Principal ('A')	Urban	Single					
		Dual					
	Rural	Single					
		Dual					
Classified	Urban	B					
		C					
	Rural	B					
		C					
Unclassified	Urban						
	Rural						
	Unmetalled						
Totals							

High Speed Network

The length of high speed (50mph or more) dual carriageway is approximately XX km and is detailed in the table below:

Road No.	Location	Length (m)
A100	Wallop Crescent to Junction 4 M79	5700

Public Rights of Way

Details of the public rights of way the Authority maintains and the structures, gates etc. to be found along their route can be found on the Definitive Map Register within the data room. A summary of the urban and rural lengths of public rights of way is tabulated below.

Area	Rural (m)	Urban (m)
Totals		

3.0 Details of the structures within the Area Network

A brief summary of the type and quantity of structures is shown below. The *Contractor* is not required to undertake any cyclical inspection of these assets for maintenance purposes. This work will be undertaken by the *Employer*.

Details of structures requiring specific maintenance works to be undertaken by the *Contractor* will be described in Task Orders issued by the *Service Manager*.

Area	Road Bridges	Footbridges	Retaining Walls
Totals			

4.0 High Level Summary of Area Network Information

Cyclic Drainage Summary

The *Employer* has the following types and number of drainage assets which comprises part of its cyclical drainage maintenance activities, complete details of which are held within the data room. Full details of how the *Contractor* is to maintain these assets are described within the Specification.

Route Type	Easement	Grips <5m	Grips 5m or greater	Buddle hole	Balancing pond
	Area				
3 National Primary Route					
4 County Primary Route					
5 Secondary Primary Route					
6 Local Distributor Road					
7 Collector Road					
8 Minor Collector Road					
9 Service Road					
10 Minor Service Road					
11 Minor Lane					
16 Linking Footway or Cycleway					
Totals					

*** Note that the Specification will describe the cleaning method and frequency for all cyclic drainage maintenance. ***

Gully Summary

The *Employer* has the following types and number of gully assets which comprises part of its cyclical drainage maintenance activities, complete details of which are held within the data room. Full details of how the *Contractor* is to maintain these assets are described within the Specification.

The tables below represent the numbers of gullies in both rural and urban areas with an additional table identifying those on Primary or Secondary salting routes and those which are not on a salting route. Note that the total number of gullies in each part of the table is the same.

Area	Rural	Urban	Salting Network			Totals
			Off Carriageway	Primary Network	Secondary Network	
Totals						

*** List separately any gullies that are on public rights of way that will form part of the service. *** Note that the Specification will describe the cleaning method and frequency for all gullies. ***

Grass Verges/Areas Summary

The Employer has the following grass verges/areas which comprises its cyclical verge maintenance activities, complete details of which are held within the data room. Full details of how the Contractor is to maintain these assets are described within the Specification.

	Nearside Verge	Offside Verge	Roundabouts	Visibility Splays	Special Ecological Areas
	Area				
3 National Primary Route					
4 County Primary Route					
5 Secondary Primary Route					
6 Local Distributor Road					
7 Collector Road					
8 Minor Collector Road					
9 Service Road					
10 Minor Service Road					
16 Linking Footway or Cycleway					
Totals					

Traffic Signs

The *Employer* has the following types and number of traffic signs which comprises part of its cyclical signage maintenance activities, complete details of which are held within the data room. Full details of how the *Contractor* is to maintain these assets are described within the Specification.

Non Lit Sign Units	Signs < 1m ²	Signs 1m ² but < 2 m ²	Signs 2m ² but < 3 m ²	Signs 3m ² but < 4 m ²	Signs 4m ² or >
	Area				
3 National Primary Route					
4 County Primary Route					
5 Secondary Primary Route					
6 Local Distributor Road					
7 Collector Road					
8 Minor Collector Road					
9 Service Road					
10 Minor Service Road					
16 Linking Footway or Cycleway					
Totals					

Lit Sign Units	Signs < 1m ²	Signs 1m ² but < 2 m ²	Signs 2m ² but < 3 m ²	Signs 3m ² but < 4 m ²	Signs 4m ² or >
	Area				
3 National Primary Route					
4 County Primary Route					
5 Secondary Primary Route					
6 Local Distributor Road					
7 Collector Road					
8 Minor Collector Road					
9 Service Road					
10 Minor Service Road					
16 Linking Footway or Cycleway					
Totals					

Road Lighting

Insert details to describe the inventory of road lighting units and bollards. Complete details of the assets can be found in the data room. The work required to these assets is described in the Specification.

Traffic Signals

Insert details to describe the inventory of road lighting units and bollards. Complete details of the assets can be found in the data room. The work required to these assets is described in the Specification.

Special Equipment i.e. Pumps

Insert details to describe the inventory of road lighting units and bollards. Complete details of the assets can be found in the data room. The work required to these assets is described in the Specification.

5.0 Details of any Agreements with other Highway Authorities

The *Employer* has an agreement to maintain its assets which are located on a neighbouring authority's network or to undertake other *service* activities on the neighbouring authority's behalf as defined in section 1.0 of this schedule. Details of these agreements can be found in the data room. The *service* relating to these *Employer* assets are as described within the Specification.

6.0 Details of Environmental Constraints when delivering the *service* on the Area Network

The *Contractor* will take into account of environmental constraints that impact on him while delivering the *service* upon the Area Network. Detailed information relating to Scheduled Ancient Monuments, sites of Special Scientific Interest, sites of Importance for Nature Conservation, Environmentally Sensitive Areas, Areas of Outstanding Natural Beauty, National Parks, National Nature Reserves, Local Nature Reserves and the like within the Authority Area is all in the public domain and summarized in the table below. Those environmental constraints that are not in the public domain are set out below.

Percentage of land that designated sites cover (insert date)

The total area of the County subject to one or more designations is XXX hectares (XXX%). This table below shows the total area of land in the county covered by the different types of designated sites in (insert date).

Designations	Total Area (ha)
AONBs	
National Park	
SINCs	
SSSIs	
ESAs	
LNRs	
NNRs	

*** NFG – Author to include other potential environmental constraints that may impact on the Contractor while Providing the Service. ***

Special Verges

The Employer has a number of Special Verges that have protected flora and fauna and where there are particular management regimes in place. These sites are listed below and the Special Requirements relating to the delivery of the service can be found in the local policy statement detailed in schedule 6.

Area	Location	Type of Flora or Fauna	Management regime	Total Length Affected (m)
A	Alongside B456 from Meadow Way to Pond Lane – both sides	Wildflowers	See Specification clause (XXX)	1200m

Detailed information on the Area Network is provided in the data room which is located at (XXX)

SCHEDULE 3 – PREMISES TO BE PROVIDED BY THE *EMPLOYER*

Notes for Guidance (to be deleted)

This schedule describes details of Premises (office accommodation, depots and storage areas) provided by the Employer for the use of the Contractor in delivery of the service.

The information provided should comprise the following where this is not already included in the draft lease or licence agreement or schedule of dilapidations:

- *Name and location of each property*
- *Detailed description of each property including any buildings, their contents (desks, chairs computer hardware and software applications etc., or alternatively requirements for refurbishment) any Plant and Equipment (i.e. overhead cranes, vehicle lifts, office desks, cupboards etc.) included with the property*
- *Plans of the property, if available*
- *Any restriction on usage e.g. working hours, noise limits etc.*
- *Occupancy dates, including whether access will be permitted before the Service Period*
- *Details of any part of the property to be retained by the Employer*
- *Details of any other users of the property, including rights of access*
- *Details of services (gas/electricity/drainage) provided and details of payment arrangements*
- *Details of any health and safety issues (e.g. known asbestos)*
- *Details of any maintenance liabilities*
- *Any requirements by the Employer for the Contractor to undertake improvements to the property (e.g. upgrading Plant or Equipment etc.)*
- *Draft leases agreements for the properties detailing when the Contractor will be able to take possession, how the properties should be left upon completion of the contract or early termination.*

[The Premises to be provided by the *Employer* for the *Contractor's* use in Providing the Service are detailed in document reference [insert document reference] provided in the data room at (stated location).

The Lease or License agreements which the *Contractor* is required to enter for the *Employer's* Premises are (insert document reference) provided in the data room at (stated location)].

[OR]

[Details of the Premises to be provided by the *Employer* for the *Contractor's* use is detailed as follows:]

Example Premises to be provided by the *Employer* (to be deleted)

1.0 Office accommodation provided by the *Employer*

1.1 The office accommodation to be provided by the *Employer* is listed below:

Property Name	Location	Occupancy Dates	Outline Description	Detail Description	Lease /Licence Agreement
[Name]	[Location]	[Occupancy Dates]	[Office accommodation for 30 staff]	[Document reference and location in data room]	[Document reference and location in data room]

2.0 Depots provided by the *Employer*

2.1 The depots to be provided by the *Employer* are listed below:

Property Name	Location	Occupancy Dates	Outline Description	Detail Description	Lease /Licence Agreement
[Name]	[Location]	[Occupancy Dates]	[Office accommodation for 30 staff]	[Document reference and location in data room]	[Document reference and location in data room]

3.0 Storage areas provided by the *Employer*

3.1 The storage areas to be provided by the *Employer* are listed below:

Property Name	Location	Occupancy Dates	Outline Description	Detail Description	Lease /Licence Agreement
[Name]	[Location]	[Occupancy Dates]	[Office accommodation for 30 staff]	[Document reference and location in data room]	[Document reference and location in data room]

SCHEDULE 4 – EMPLOYER’S OBJECTIVES FOR THE SERVICE

Notes for Guidance (to be deleted)

It is envisaged that the Employer will have a business plan or similar document stating the high level objectives and future plans for the Area Network. The business plan should comprise part of the Tender. The Employer’s business plan is likely to be updated during the Service Period; any updates being shared with the Contractor. This will enable the Contractor to understand the Employer’s changing objectives and allow the Contractor to work with the Employer to develop the service to match the revised objectives.

The business plan would be expected to include high level objectives for the service such as:

- *?% reduction in non-motorised user accident statistics*
- *?% reduction in infant traffic accidents within 500m of schools*
- *?% reduction in delays at peak traffic times*
- *?% reduction in complaints about carriageway and footway defects*
- *?% improvement in the response time for CAT1 and CAT2 defect repairs*
- *?% improvement in cycle and bus use*
- *?% of all lighting units operational with a >?% improvement year on year*
- *?% reduction in the cost of the service over the next five years*

[The Employer’s objectives for the service are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The Employer’s objectives for the service are detailed as follows:]

SCHEDULE 5 – LIMITATIONS ON ACCESS TO THE AREA NETWORK

Notes for Guidance (to be deleted)

It is envisaged that the main limitations on access to the Area Network will be defined in broad terms by the Employer’s procedures to comply with the Traffic Management Act. Therefore it is recommended that the Employer’s Traffic Management Act procedures are referenced in this schedule and placed in the data room.

Where the Affected Property includes highways within an adjacent highway authority, their Traffic Management Act procedures will also be referenced and included in the data room.

It is envisaged that the Traffic Management Act procedure will detail any standard time restrictions on the access to the certain roads i.e. off peak or night time working. If the procedures do not include such information, a separate document with this information should be referenced and included in the data room.

In addition any other limitations on access to the Area Network should be detailed, such as:

- *Sporting events*
- *Cultural events*
- *Music events*
- *Business protection measures (i.e. Christmas shopping or market day traffic management moratoriums)*

The special requirements for statutory undertakers with apparatus within the Affected Property should also be included in this schedule.

[The limitations on access to the Area Network by the *Employer* are detailed in the documents listed below and provided in the data room:

Document	Data room location

The limitations on access to the Area Network by other Highway Authorities are detailed in the documents listed below and provided in the data room:

Document	Data room location

[The special requirements for statutory undertakers are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The limitations on access to the Area Network are detailed as follows:]

Example (to be deleted)

1.0 Employer’s Limitations on Access to the Area Network

The Contractor shall comply with the Employer’s policy on the implementation of the Traffic Management Act detailed in (XXXX) to be found in the data room located at (XXXX).

The following events or activities are known to impact on the operation of the highway network, thus restrict the Contractor performing the service on the dates and extents described therein. This list is not complete and further events and activities restricting the Contractors’ access to the highway network may be identified during the Service Period.

Details of Specific Events that Prevent Access onto the Network

Event	Extents over which the restriction will apply	Date/Duration
Jazz Festival	Miles Davis Road between Dizzie Gillespie Road and Billy Holiday Crescent	3 rd weekend in May (annually) over Friday, Saturday and Sunday 24 hours a day
Summer Float Parade	The streets detailed by plan SE1 in the data room	August Bank Holiday (annually) Monday 24 hours a day
Annual Road Closure to protect private rights	Promenade	Boxing Day 24 hours (annually)
ABC Marathon	The streets detailed by plan SE2 in the data room	3 rd Sunday in July (annually)
Top Flight Football Club home league and cup games	The streets detailed by plan SE3 in the data room	From 2 hours before and 2 hours after kick off

2.0 Other highway authority’s limitations on access to the Area Network

When working on other highway authority’s highway network, the Contractor complies with the relevant highway authority’s procedures for complying with the Traffic Management Act. These procedures are included in the data room located at (XXXX).

3.0 Special Requirements for Statutory Undertakers

The *Contractor* complies with the special requirements for the following Statutory Undertakers. The Special Requirements are included the data room located at XXX.

Undertaker	Contact Details
Gas	Name Address Contact: Contact Email: Contact Tel:
Telecommunications	Name Address Contact Contact Email: Contact Tel:
Water Supply	Name Address Contact: Contact Email: Contact Tel:
Electricity	Name Address Contact: Contact Email: Contact Tel:

Undertaker	Contact Details
Sewerage Services	Name Address Contact: Contact Email: Contact Tel:
Cable Services	Name Address Contact: Contact Email: Contact Tel:
Add others as appropriate	Name Address Contact Contact Email: Contact Tel:

SCHEDULE 6 – EMPLOYER'S AND OTHER'S POLICIES

Notes for Guidance (to be deleted)

All Employer policies that the Contractor needs to comply with need to be referenced in this schedule and included in the data room.

The following type of policies should be included as a minimum:

- *Handling Complaints and Customer Care (SI212)*
- *Branding of the Contractor's Offices, Cabins and Stores; Temporary Site Works; Vehicles and PPE (SI213)*
- *Security and Identification of Employees (SI220)*
- *Working in Conservation Areas etc. as listed in schedule 2. (SI226)*
- *Drugs and Alcohol Policy (SI255).*
- *Health and Safety Policy (SI1005).*
- *Correspondence with Elected Members (SI211)*
- *Freedom of Information Requests (SI211)*
- *Notification of and Procedure for Managing Third Party Claims (SI211)*
- *Asset Management Policy (SI211)*
- *Inspection Policies (SI211)*
- *Emergency Response Policy (SI211)*
- *Employer's Security Policy for Premises (SI225)*
- *Winter service Policy (SI211)*
- *Employer's Staff Training Policy (SI256)*

Any policies from other bodies, where there isn't a legal requirement to comply, that the Employer wants the Contractor to comply with should also be referenced in this schedule and included in the data room.

Note that this schedule identifies the policies which the Contractor needs to comply with. The detail of what the Contractor needs to know and adhere to when delivering the service will be detailed in the policy document which is intended to be placed in the data room.

Where the Contractor has their own policy, which is also covered by an Employer's policy, the Contractor shall ensure their policy meets with the requirements of the Employer's policy as minimum.

The *Contractor* will comply with the *Employer’s* policies detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Contractor* will comply with *Others’* policies detailed in the documents listed below and provided in the data room:

Document	Data room location

SCHEDULE 7 – STAFF COMPETENCY AND TRAINING

Notes for Guidance (to be deleted)

The Employer's minimum staff competency requirements for operational and design staff used to Provide the Service. These requirements need to be clearly defined in this schedule or in documents referenced in this schedule. Where additional Employer's or Others' policy or other documents are referenced as part of this schedule, they should also be should be referenced in schedule 6.

The Employer's requirements for staff training, in particular any requirements for joint training initiatives, should be stated in this schedule or documents referenced in this schedule and included in the data room.

[The *Employer's* requirements for staff competency and staff training which the *Contractor* will comply with are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer's* requirements for the competency and training of staff involved in Providing the Service are detailed as follows:]

Example (to be deleted)

1.0 Staff competency

All staff will have the following training:

- Health & safety
- Induction
- Quality management procedures
- Access to the highway training and CSCS accreditation
- And have access to continual professional development

The *Contractor* will ensure all their staff engaged in delivering the *service* meet the minimum competency stated for each grade of staff as listed below and as detailed in the basic job descriptions available in the data room. List:

- Trainee highway operative
- Highway operative
- Highway ganger
- Highway supervisor
- Highway manager
- Depot manager
- Store manager
- Store operative
- Plant fitter
- Fleet technician
- Fleet manager

(Table to be provided listing the competencies for each level of staff listed or to be referenced to be provided in the data room).

In addition, the *Contractor* shall engage competent design staff with experience in the following disciplines at the following levels/competency:

Level of Staff	Design <i>Service</i> / Competency Requirement					
	Traffic Management	Surfacing Schemes	Patching	Drainage	Footway Schemes	Surfacing Dressing Schemes
Trainee Technician						
Junior Technician						
Senior Technician						
Trainee Graduate						
Graduate Engineer						
Project /Assistant Engineer						
Senior Engineer						
Project Manager						
Associate Director						
Director						

The design staff will be engaged on an ad-hoc basis as directed by the *Service Manager* throughout the Service Period. CVs will be provided for all staff above as indicated.

2.0 Training

The *Contractor* will comply with the *Employer's* requirements for staff training within the *Employer's* Staff Training Policy as detailed in schedule 6.

Joint training initiatives

The *Contractor* will undertake the following joint training exercises in respect of him fulfilling the *service* or to increase awareness of policies and procedures throughout the Service Period and repeated at such times as stated:

Training required	Timing/Frequency
Contract objectives and practices Induction, <i>Employer</i> agreed working	At contract commencement and for all new starters
Explanation of joint and separate system functionality	Annually and to all new starters picking up changes in the <i>service</i> for the coming year
Safety Talks – Subject to reflect common recorded safety failings	As required unless directed otherwise by the <i>Service Manager</i>

The following types of joint training initiatives are likely to occur throughout the contract period for which the *Employer* is not able to plan the scope of any training required.

- Changes in legislation enabled by the Health and Safety at Work Act
- Changes in *Employer* policies that affect the delivery of the *service* by the *Contractor*
- Changes that affect the delivery of the *service* by the *Contractor*

SCHEDULE 8 – EMPLOYER’S MANAGEMENT PROCEDURES

Notes for Guidance (to be deleted)

This schedule is intended to include the Employer’s Management Procedures to be followed by the Contractor in delivering the service. To simplify the preparation and use of the schedule, it has been broken down into a number of sub-sections for individual aspects of the Employer’s Management Procedures. Individual guidance notes have been provided for each sub-section along with an example, where available

A - Management of the Service

A1 - Management Team

Notes for Guidance, Management Team (to be deleted)

In this section it is envisaged that the Employer will describe the proposed management structure for the contract, including for the Employer and the Contractor.

It addition it should describe how the different levels of management interact and their individual roles and responsibilities. For example the role of groups such as strategic boards and operational boards

[The Employer’s proposed management structure and procedures for the contract are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The Employer’s proposed management structure and procedures for the contract are detailed as follows:]

Example (to be deleted)

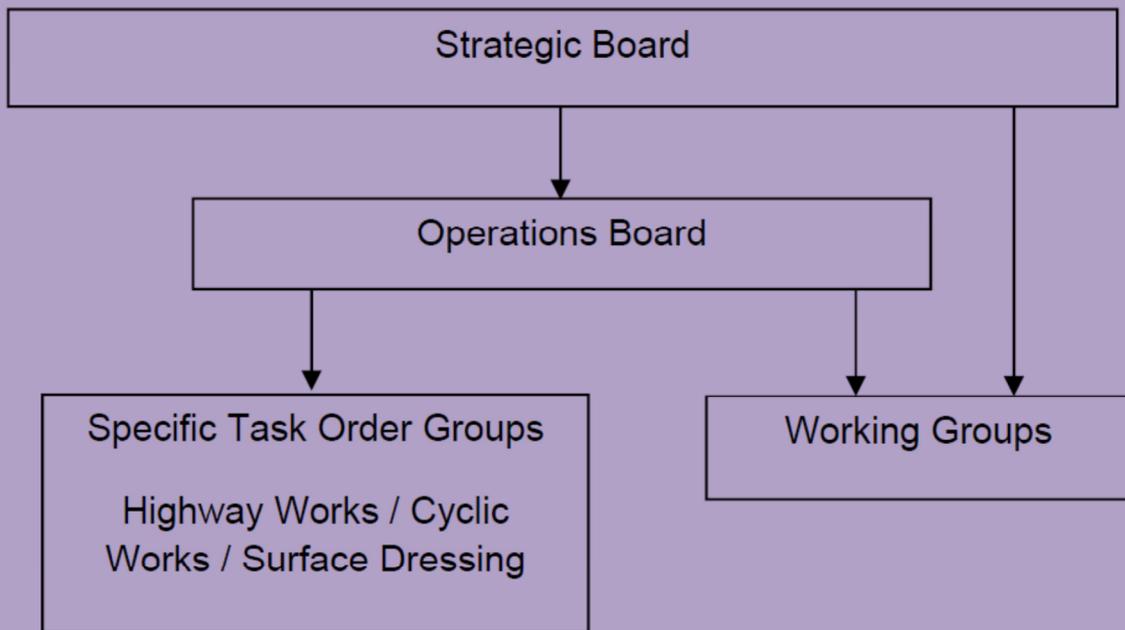
Proposed Management Structure and Procedures for the contract

The management structure is jointly developed by the *Contractor* and *Employer*. For the purposes of management during the mobilisation period the following structure is used. This structure forms the basis of the future management structure.

A three-level management structure is proposed, consisting of a Strategic Board, an Operations Board and Specific Task Order Groups.

Additional Working Groups are created by the Strategic Board or Operations Board when required.

Management Structure



Time spent by the *Contractor’s* staff on the various management teams is paid for as local office overheads.

Issues with the operation of the contract are dealt with as follows:

- Day to day issues – resolved via the relevant Contract Manager,
- Task Order issues – taken to the Specific Task Order Groups via the relevant Contract Manager,
- Operational issues – taken to the Operations Board via the *Service Manager*, and
- Strategic issues – taken to the Strategic Board via the *Service Manager*

Strategic Board

The Strategic Board has senior members from both the *Employer* and the *Contractor* to represent the interests of the Parties in respect of the strategic requirements for the delivery of the *service*.

If any person is unavailable the Party nominates an alternative and notifies the other.

Where it may add value the Parties may wish to consider inviting an independent person or body to join the Strategic Board to act in a non-executive capacity to drive and facilitate strategic thinking, collaboration, and avoid operational involvement, enhancing the Strategic Board's functions.

The *Employer's* representatives on the Strategic Board are of the level and responsibility equivalent to the Head of Planning, Transport and Engineering, a Councillor (Cabinet portfolio holder) or the Transport and Engineering Group Manager, and are able to make decisions on the coverage of or variation to the contract.

The *Contractor's* representatives on the Strategic Board are of the level and responsibility equivalent to that of the *Employer's*.

The Strategic Board monitors overall performance of the contract and establishes future policies and strategies and considers when unacceptable performance issues are escalated. The Strategic Board monitors input and performance into formulating the overall Annual and Medium Term Plans. It is anticipated that the Strategic Board meets half yearly.

The Annual and Medium Term Plans are developed or updated annually. The process broadly follows the same pattern each year but is subject to changing *service* needs. The *Contractor* appoints Contract Managers who work closely with the *Service Manager* or his appointed delegates to develop and implement an on-going action plan to create and maintain the management structure, working practices and performance measurement systems and to establish the working relationships necessary to achieve all the stakeholders' aspirations; all embedded within the plans.

Decisions of the Strategic Board are made by the majority vote of the people attending each meeting, provided that a minimum of two people from each of the Parties are present. In the event of a tied vote, the *Employer's* representatives have a casting vote.

The members of the Strategic Board act in a spirit of mutual trust and co-operation.

Purpose

The functions of the Strategic Board include:

- Provide the partnership with a strategic review and directional steer,
- Take ownership of and commitment to the success of the partnership,
- Performance monitoring,
- Provide the mechanism through which the *Employer's* strategic objectives are actioned via delivery of this *service*,
- Provide a link to Council Executive,
- Ultimate responsibility for performance management,
- Take a strategic view of the impact of relevant issues affecting the Parties,
- Develop and promote the Annual and Medium Term Plan and Target Prices,
- Monitor and review the contract Risk and Opportunity Register,
- Propose changes to the contract where this is in the interests of deriving best value,
- Drive effective performance management throughout the range of services,
- Stimulate continuous improvement in *service* planning and delivery,
- Champion effective working relationships between the Parties and with other stakeholders,
- Review operational delivery and drive a “no compromise” culture to Health and Safety throughout the organisation alongside promoting sustainability,
- Identify, recruit, develop and retain competent resources to meet the evolving needs of the *service* and
- Monitor achievement against defined programmes and milestones and ensure timely action to implement improvement.

Terms of Reference

- To ensure that the strategic direction of the partnership contributes to the partners' priorities,
- To ratify and monitor the Annual and Medium Term Plans with respect to:
 - the partnership strategy
 - the long term objectives targets,
- To instigate and review annual revisions to the Annual and Medium Term Plans,
- To oversee and promote organisational developments to maximise the benefits of the partnership,
- To approve strategic changes to the partnership,
- To approve changes to the contract,
- To ensure the delivery of quality services,
- To promote the partnership to the *Employer's* authority and the wider population,
- To provide staff development opportunity and
- To scrutinise the results of management of the Operations Board and Programme and Delivery Groups and revise targets.

Suggested Agenda

- Minutes and matters arising,
- Health and Safety,
- Review/revision of strategic statements,
- Review/revision of partnership targets,
- Review of contract performance ,
- Sanction and direct outputs from Operations Board and any Working Groups established by the Strategic Board,
- Innovation and Improvement,
- Receive presentations or demonstration of proposed or new partnership initiatives,
- Direct and monitor the Operations Board in the development of possible new initiatives or dealing with pressures,
- Review and instruct on referrals from/to Operations Board,
- Annual and Medium Term Plan updates and
- Ensure compliance with all agreed partnership practices and procedures.

Operations Board

The Operations Board is responsible for partnership operational matters. It develops the partnering relationship, the implementation of a continuous improvement programme, monitors performance and allocates schemes through the Annual Plan.

If any person is unavailable the Party nominates an alternative and notifies the other.

It is anticipated that the Operations Board meets initially monthly moving to four times a year once the contract has become established. The meetings deal with general management issues and overall programme. Additional meetings are held to suit the needs of the programme.

Purpose

- Provide the management, control and monitoring of the partnership,
- Debate, agree to and take ownership of the strategies, standards and policies for the partnership,
- Act as point of reference for the Strategic Board,
- Develop, monitor and review the Annual and Medium Term Plans,
- Monitor Performance of CPM's,
- Regularly report to Strategic Board,
- Manage compliance with the Traffic Management Act,
- Provide geographic and specialist representation for local priorities,
- Proactive agreement of high level budgets and programmes,
- Ensure collaboration and project delivery complying with programme, brief and Task Orders,
- Management of specialist's processes, procedure and performance (such as specialist Subcontractors' works etc.),
- Manage, administer and operate the *service*,
- Ensure that changes are managed in accordance with the contract,

- Administer all change referrals from the Strategic Board,
- Monitor changes and report results to Strategic Board,
- Review, manage and monitor performance of the delivery of services,
- Promote the development and improvement of the partnership,
- Consider, prioritise and approve business cases for developments to be included within the Annual and Medium Term Plans,
- Develop, publish and own the Medium Term Plan in line with the *Employer's* strategic direction and policies,
- Monitor implementation and compliance with the *Employer's* agreed strategies, standards and policies within schedule 13,
- Implement and monitor a risk management regime throughout the partnership,
- Review, approve and monitor "Continuous Improvement" initiatives,
- Discuss and escalate issues to the Strategic Board as appropriate,
- Align partnership to the *Employer's* initiatives,
- Promote the partnership to the elected members of the *Employer's* authority, public and other bodies,
- Co-ordinate staff development and
- Review contract administrative process and procedure.

Suggested Agenda

- Health and Safety,
- Minutes and matters arising,
- Partnership management and working,
- Referrals from/to the Strategic Board,
- Referrals from/to Specific Task Order Groups and Working Groups established by the Operations Board,
- Monitor performance within the partnership and report to Strategic Board,
- Operational Issues,
- Reports on specific Task Order projects and programmes,
- Monitor compliance with Annual and Medium Term Plans,
- Report findings to Strategic Board,
- Items from previous meetings (progress reports) and
- Recommend partnership developments to Strategic Board for approval.

Specific Task Order Groups

Specific Task Order Groups are responsible for managing specific Task Orders, the CPM in their areas of work and the preparation of individual Task Order plans.

Specific Task Order Groups are also responsible for contract compliance and budget and programme control.

These Specific Task Order Groups oversee the delivery of the work instructed in the Task Order.

Purpose:

- Provide the Asset Management, budgetary, programme, delivery and performance control of the partnership,
- Provide the management of the process and procedure for the individual Task Order,
- Reporting of CPM to the Operations Board,
- Regularly report issues to the Operations Board,
- Control and ensure compliance of partnership programmes with the Traffic Management Act,
- Provide link to Programme and Delivery Groups regarding day to day operational running of the partnership,
- Provide the operational management of budgets and programmes and
- Provide asset management of the partnership including forward programme and *Employer* funding.

Terms of Reference

- Implement agreed changes,
- Action all change referrals from the Operations Board,
- Formulate initiatives to promote the development and improvement of the partnership,
- Promote business cases for developments to be included in the Annual and Medium Term Plans,
- Implement and ensure compliance with agreed strategies, standards and policies,
- Operate a risk management regime throughout the partnership,
- Implement Continuous Improvement initiatives,
- Discuss and escalate issues to the Operations Board as appropriate,
- Assist the Operations Board in the promotion of the partnership to the elected members of the *Employer's* authority, public and other bodies,
- Promote and implement staff development and
- Implement changes to the contract administrative process and procedure.

Suggested Agenda

- Minutes and matters arising,
- Health and Safety,
- Partnership management and working,
- Referrals from/to the Operations Board,
- Monitor resources, quality and delivery against agreed programme and report to Operations Board,
- Control programme and budgetary issues/ operational issues,
- Project reports to the Operations Board,
- Items from previous meetings (progress reports),
- Manage specialist processes Task Orders and delivery and
- Recommend partnership developments to Operations Board for approval.

Working Groups

Working Groups are established as required by the Strategic Board or Operations Board in order to deal with on-going or specific issues or topics.

Purpose

This is defined prior to the establishment of each Working Group, by the Strategic Board or Operations Board as appropriate.

Terms of Reference and Agenda

If not set by the Strategic Board or Operations Board, the first meeting of the specific Working Group agrees terms of reference and the agenda both of which are referred back to the appropriate board for approval.

A2 - Communication Procedures

Notes for Guidance Communication Procedures (to be deleted)

In this document it is envisaged that the Employer will describe communication procedures for the contract. It should detail who, when and how communications should be undertaken. In preparing these procedures the compiler should refer to the “NEC3 how to use the TSC communication forms” for further guidance.

[The *Employer’s* proposed communication procedures for the contract are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* proposed communication procedures for the contract are detailed as follows:

(Compiler to detail within this schedule)]

A3 - Meetings

Notes for Guidance Meeting (to be deleted)

In this document it is envisaged to a list prepared by the Employer which details the following:

- *Meetings to be attended by the Contractor*
- *Subject*
- *Frequency or estimated number of meetings during the contract*
- *Expected duration*
- *Grade of attendee required*

[The meetings that the *Contractor’s* representatives are to attend as part of Providing the Service are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The meetings that the *Contractor’s* representatives are to attend as part of Providing the Service are detailed as follows:

(Compiler to detail within this schedule)]

A4 - Delegation of Powers – Service Manager

Notes for Guidance Delegation of Powers (to be deleted)

Considerable responsibility is placed on the Service Manager under the contract.

It is expected and accepted that many of these responsibilities may be better undertaken by different persons within the Employer’s or Contractor’s organisation. This schedule provides for the means for the delegation of these responsibilities to be recorded.

The Employer will identify those responsibilities he intends to delegate at the time of tender in the tables below. It is expected that additional, deletion or amendment of these delegations will occur during the Service Period and the Contractor informed of any changes by the Employer.

[The actions will be delegated to the *Service Manager*, or the *Service Manager’s* staff, by the *Employer* at the commencement of the contract are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The following actions will be delegated to the *Service Manager*, or the *Service Manager’s* staff, by the *Employer* at the commencement of the contract:

Clause	Delegated Action	Person Responsible

The *Service Manager’s* delegated functions will be reviewed and amended as required by the *Employer* during the Service Period.]

A5 - Delegation of Powers – Contractor

[The *Employer* delegates powers to the *Contractor* as detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer* delegates powers to the *Contractor* as detailed as follows:

Example <i>Employer</i> powers delegated to the <i>Contractor</i> (to be deleted)				
Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
37	Highway created by dedication			
38	Power to adopt by agreement			
41	Duty to maintain			
47	Power of magistrate to declare unnecessary highway			
48	Power of magistrate to declare highway again			
56	Order to repair			
58	Defence for non-repair			
59	Recovery of expenses due to extraordinary traffic			
60	Liability of others for alternative routes			
62	Power to improve highways			
64	Dual carriageways and roundabouts			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
65	Cycle tracks			
66	Footways and guard-rails			
68	Refuges			
69	Subways			
70	Footbridges			
71	Margins for horses			
72	Widening of highways			
75	Varying of widths			
76	Levelling of highways			
77	Alteration of levels			
78	Cutting off of corners			
79	Prevention of obstruction to view at corners			
80	Power to fence			
81	Provision of boundary posts			
82	Provision of cattle grids			
83	Removal of cattle grids			
84	Maintenance of cattle grids			
91	Construction of bridges			
92	Reconstruction of bridges			
93	Powers to make orders for private bridges			
94	Powers to enter into agreements with bridge owners			
95	Supplementary provisions as to orders for bridges			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
96	Powers to plant trees, grass etc.			
97	Lighting of highways			
98	Delegation of lighting functions			
99	Metalling of highways			
100	Drainage of highways			
101	Power to fill in roadside ditches etc.			
102	Provision of works for protecting highways			
103	Provision of posts to indicate flood water			
104	Mitigating nuisance of dust			
115	Provision of amenities on certain highways			
116	Stopping up of highway			
122	Power to make temporary diversions			
124	Stopping up of private access			
125	Further powers to stop up private access			
126	Provisions supplementary to Sections 124 and 125			
127	Stopping up access by agreement			
128	Penalty for using access			
129	Further provisions with respect to accesses			
130	Protection of public rights			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
131	Penalty for damaging highway			
132(1)	Unauthorised marks on highways			
133	Damage to footways of streets by excavations			
137	Penalty for obstruction			
138	Penalty for erecting building in highway			
139	Placing of builder’s skips			
140	Power to require owner of skip to remove or reposition it			
141	Restriction on planting of trees etc. in or near carriageway			
142	Licence to plant trees, shrubs etc. in a highway			
143	Power to give notice requiring removal of structures from highways			
144	Power to erect flagpoles etc. on highways			
145	Powers as to gates across highway			
148	Penalty for depositing things on the highway			
149	Removal of things so deposited on highways as to be a nuisance etc.			
150	Duty to remove snow, soil etc. from highway			
151	Prevention of soil etc. washing on to highway			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer's</i> policy	<i>Employer's</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
152	Powers as to removal of projections from buildings			
153	Doors etc., not to open outwards			
154	Cutting or felling of trees that overhang the highway			
161 and 161A	Penalties for causing danger or annoyance			
162	Penalties for placing rope across the highway			
163	Prevention of water flowing onto highway			
164	Power to require removal of barbed wire			
165	Dangerous land adjoining the highway			
166	Forecourt abutting highway			
167	Powers relating to retaining walls			
168	Building operations affecting public safety			
169	Control of scaffolding on the highway			
170	Control of mixing mortar etc. on the highway			
171	Control of deposit of building materials and making of excavations in streets			
172	Hoardings to be set up			
173	Hoardings to be securely erected			
176	Restriction on construction of bridges over highways			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer's</i> policy	<i>Employer's</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
177	Restriction on construction of buildings over the highway			
178	Prohibition on placing rails, beams etc. over highways without consent of the Highway Authority			
184	Vehicle crossings over footways and verges			
185	Power to install etc. refuse or storage bins in streets			
205	Street works in private streets			
210	Power to amend Specification, apportionment etc.			
211	Final apportionment and objections to it			
220	Determination of liability for, and amount of, payments			
221	Refunds etc. where work done otherwise than at expense of street works authority			
222	Sums paid or secured to be in discharge of further liability for street works			
228	Adoption of private street after execution of street works			
229	Power of majority of frontagers to require adoption where advance payment made			
230	Urgent repairs to private streets			
278	Contributions towards highway works by persons deriving special benefit from them			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer's</i> policy	<i>Employer's</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Highways Act 1980				
287	Power to erect barriers in streets in cases of emergency etc.			
289	Powers of entry of highway authority for the purpose of survey			
291	Powers of entry of highway authority for purpose of maintaining etc. certain structures and works			
Road Traffic Regulation Act 1984				
1	Traffic regulation orders outside Greater London			
2	What a traffic regulation order may provide			
3	Restrictions on traffic regulation orders			
4	Provisions supplementary to s.2 and 3			
9	Experimental traffic orders			
10	Supplementary provisions as to experimental traffic orders			
14	Temporary prohibition or restriction of traffic on roads			
15	Duration of orders and notices under s.14			
16	Supplementary provisions as to orders and notices under s.14			
23	Powers of Local Authorities with respect to pedestrian crossings on roads other than trunk roads			
32	Power of Local Authorities to provide parking spaces			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Road Traffic Regulation Act 1984				
36	Provisions as to authorising use of roads for parking			
37	Extension of powers of general scheme of traffic control			
39	Supplementary provisions as to exercise of powers under s.32-35 in England or Wales			
58	Consents for purposes of s.57(l)(a)			
59	Consents for, and provisions as to use of, parking places under s.57(l)(b)			
65	Powers and duties of Highway Authority as to placing of traffic signs			
68	Placing of traffic signs in connection with exercise of other powers			
69	General provisions as to removal of signs			
71	Power to enter land in connection with traffic signs			
72	Provision of traffic and signs on or near a road with the permission of the highway authority			
83	Provisions as to directions under s.82(2)			
84	Speed limits on roads other than restricted roads			
85	Traffic signs for indicating speed restrictions			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer's</i> policy	<i>Employer's</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
Road Traffic Regulation Act 1984				
92	Bollards and other obstructions outside Greater London			
New Roads and Street Works Act 1991				
54	Advance notice of certain works and compliance with requirements imposed by the street authority			
55	Notice of <i>starting date</i> of works and prohibition on starting works without notice except with the consent of the street authority			
57	Notice of emergency works			
60	General duty of undertakers to cooperate with respect to the execution of street works			
61	Protected Streets			
65	Safety Measures			
66	Avoidance of unnecessary delay			
67	Qualifications of supervisors and operatives			
68(1)	Undertaker to afford reasonable facilities to the street authority			
79	Records of apparatus			
80	Duty to inform undertakers of location of apparatus			
81	Duty to maintain apparatus			
83	Works for road purposes likely to affect apparatus in the street			

Statute and section number	Relevant function	Delegation of function, subject to <i>Contractor</i> working within <i>Employer’s</i> policy	<i>Employer’s</i> authorisation required in relation to exercise of function	<i>Employer</i> retains responsibility for function subject to advice from the <i>Contractor</i>
New Roads and Street Works Act 1991				
84	Undertaker and bridge or highway authority to take steps where apparatus is affected by major works			
85	Sharing of costs of necessary measures			
86	Related matters			
Cycle Tracks Act 1984				
Traffic Calming Act 1992				
Town Police Clauses Act 1847				
21	Obstruction during public processions etc.			
Traffic Management Act 2004				

A6 - Dispute Management

Notes for Guidance Dispute Management (to be deleted)

It is recommended that any non-contractual dispute management procedures are detailed in this section. These procedures are in addition to the dispute management procedures provided under the terms of the contract.

The aim of these additional dispute management procedures is to try and resolve any disputes on an informal basis avoiding the cost and time of resolving the dispute via the mechanisms available through the contract.

Either party to the contract will be able to escalate a dispute to the dispute management procedures available under the contract, if the dispute cannot be successfully resolved using the additional dispute management procedures outlined in this section.

[The dispute management procedures are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The dispute management procedures are detailed as follows:]

Example Dispute Management (to be deleted)

The following *dispute resolution hierarchy* applies to the resolution of any difference or dispute:

Stage	<i>Employer’s people</i>	<i>Contractor’s people</i>	Period for Resolution
1	<i>Service Manager</i>	Contract Manager	No later than 14 Days from the date of referral to the <i>Service Manager</i> . Failure to resolve after this date then the matter is escalated to Stage 2.
2	<i>Operations Board</i>		Once a dispute is referred from Stage 1 to the next available Operations Board the dispute has until 21 days to be resolved. Failure to resolve after this date then the matter is escalated to Stage 3. By agreement between both Parties, resolution may be extended to the next Operations Board.
3	<i>Strategic Board</i>		A dispute referred from Stage 2 shall be considered by the Strategic Board to determine next stage which may be resolution, referral back to Stage 2, or escalation to Stage 4.
4	Mediation		No later than 28 Days from the date of referral by the referring Party. Failure to resolve after this date then the matter is escalated to the <i>Adjudicator</i> in accordance with clause W2.
5	Adjudication		Clause W2 applies
6	Arbitration		Clause W2 applies

B – Scheme management

Notes for Guidance schemes management procedures (to be deleted)

The documents provided in this section are to detail the Employer’s Schemes Management Procedures, which are intended to allow the Contractor to understand how the Employer identifies, selects, designs, procures and delivers schemes. This will enable the Contractor to ascertain an understanding of when early contractor advice will be sought from him.

B1 - Scheme’s management procedures

[The *Employer’s* procedures for the management of schemes are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* procedures for the management of schemes are detailed as follows:

(Compiler to detail within this schedule)]

C – Financial management

Notes for Guidance financial management procedures (to be deleted)

In this section the additional Employer requirements for financial management procedures will be detailed in the referenced documents. These procedures should cover as a minimum the following aspects of financial management:

- *Financial forecasting*
- *Payment provision*

C1 - Financial forecasting

[The *Employer’s* requirements for financial forecasting from the *Contractor* are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* requirements for financial forecasting from the *Contractor* are detailed as follows:

(Compiler to detail within this schedule)]

C2 - Payment provisions

[The *Employer's* requirements for assessment, certification, invoicing and payment of the works under the contract are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer's* requirements for assessment, certification, invoicing and payment of the works under the contract are detailed as follows:

(Compiler to detail within this schedule)]

Notes for Guidance contract performance management (to be deleted)

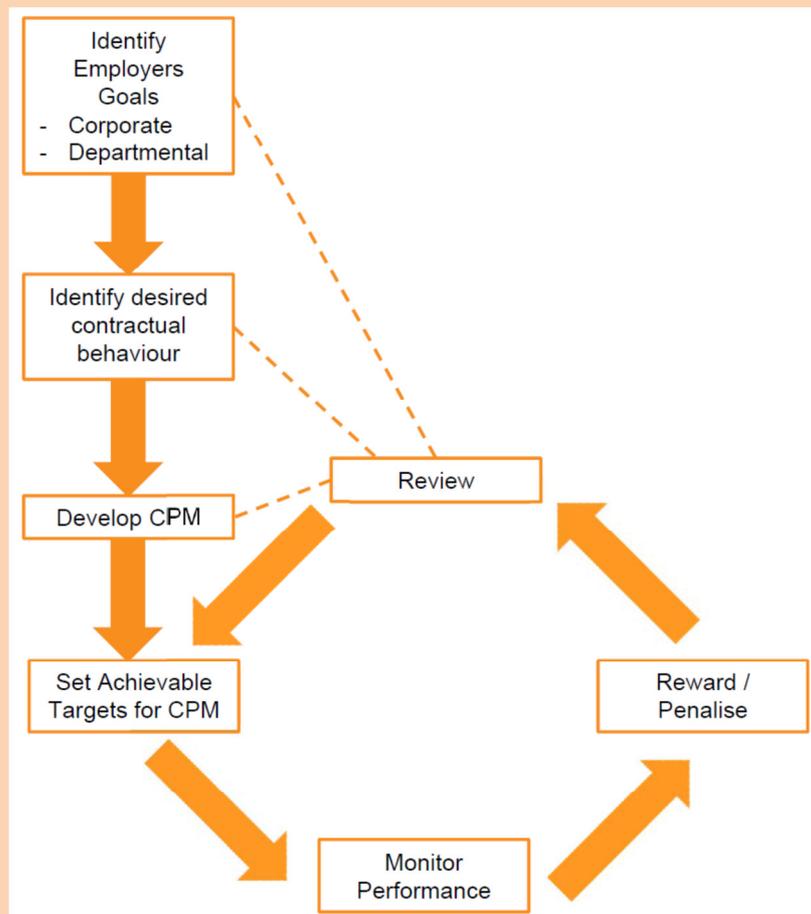
The proposals for the Contract Performance Management need to be carefully prepared to ensure that the Performance Management Procedures do truly encourage the Contractor to operate in a way that helps to achieve the Employer’s high level goals.

Contract performance can be considered on the following three levels:

- Contract performance – does the contract form / type / arrangement deliver the Employer’s goals?
- Whole team performance – does the whole team, Employer, Contractor, Service Manager and Designer(s) deliver the Employer’s goals?
- Contractor’s performance – does the Contractor’s performance deliver the Employer’s goals?

For the purposes of developing the Performance Management Procedures for the contract, the primary focus is the Contractor’s performance; however the Employer will need to consider the other element. It is conceivable that the Contractor’s performance could be excellent but the Contract performance could fail to meet the Employer’s goals.

In developing Performance Management Procedures it is recommended the following basic framework is followed:



Note: CPM is Contract Performance Measures

Employer's Goals – The main aim of a contract performance management procedure is to ensure that the contract is operated so that the Employer's high level goals are furthered by the contract. Therefore the starting point for developing any performance management procedure has to be identifying the high level Employer's goals that are relevant to the contract.

Desired Contractual Behaviour - Once the Employer's goals have been identified, the next stage is to identify the contractual behaviour or outcomes from the contract that will further the Employer's goals.

Develop CPM (Contract Performance Measures) – Once the desired contractual behaviours have been identified, a set of CPM needs to be developed that will allow the desired contractual behaviours to be measured. This needs to be done very carefully to ensure that the CPM truly promotes the desired contractual behaviour.

Set Targets for CPM – Challenging but achievable targets for the CPM need to set. This is particularly important when the Contractor will be rewarded or penalised for his performance against the targets. In some example contracts the targets are only set after the first year of the Service Period. Thus the first year's performance becomes the baseline; however there are concerns that this may not encourage good performance in the first year.

Monitor Performance – It is essential that the Contractor's and the Employer's performance is regularly monitored against the CPM. This will allow any areas of weak performance to be identified early and addressed. Only monitoring on an annual basis, for example, could allow weak performance to go unnoticed for long periods, thus delaying possible remedial action.

Reward / Penalise – In order to encourage improvements in performance it is important that good performance is rewarded and poor performance is penalised. In order to achieve this, the HMEP Agreement and Contract Data includes Clause ZM5. Under ZM5.3 the Contractor may have the Service Period extended in reward for good performance. ZM5.4 allows any Service Period extension to be reduced for poor performance.

Review – The performance management procedures should be regularly reviewed (at least annually). These reviews should include:

- A review of the contract performance
- A review and update of the Employer's goals
- A review and update of the desired contractual behaviour
- A review and update of CPM
- A review and update of CPM targets

The review needs to be done in conjunction with the Contractor, since changes to the Performance Management Procedures and the associated CPM Targets are likely to be proposed. It is important that the Contractor is fully brought into the basic principal that the contract should be delivered to meet the Employer's goals and that these goals will develop and change over the Service Period.

Thus the Performance Management Procedures also need to develop and change within reason to match with the Employer's goals. If the Performance Management Procedures and CPM Targets are not updated over the course of the contract it is likely the Performance Management Procedures will not be effectively promoting the contractual behaviour the Employer requires.

It is envisaged that any changes in Performance Management Procedures would be approved by the Strategic Board for the contract, on which the Contractor is represented.

In revising the CPM and the associated targets is important that they are SMART:

- **Specific** – target a specific area for improvement
- **Measurable** – quantify or at least suggest an indicator of progress
- **Assignable** – specify who will do it
- **Realistic** – state what results can realistically be achieved
- **Time-related** – specify when results can be achieved

D1 – Performance management

Notes for Guidance performance management (to be deleted)

Section 4a should include documents detailing the Contract Performance Management Procedures to be followed. The CPM Targets for use with Clause ZM5 should be included in Section 4b.

[The *Employer’s* requirements for performance management from the *Contractor* are detailed in the documents listed below and provided in the data room;

Document	Data room location

]

[OR]

[The *Employer’s* requirements for performance management from the *Contractor* are detailed as follows:]

Example Performance management (to be deleted)

Overview

The Term Service Contract will be linked directly to a performance framework to provide the basis for ongoing efficiency and effectiveness improvements throughout the Service Period. The performance framework is developed around the *Employer’s* corporate goals so that every aspect of the Contract is geared towards contributing to these goals. The *Contractor* shall be responsible for supporting this performance framework by means of data collection, reporting and developing action plans to rectify any issues resulting in performance below the levels stipulated in the Contract.

Extensions to the Service Periods are linked to the *Contractor* attaining the required Performance Targets stated in Section 4b, measured by Contract Performance Measure(s) (CPM). CPM shall be used to measure the performance of both the *Contractor* and the *Service Manager* whilst working together to deliver the *service*.

Performance Framework

The performance framework in Figure 1 demonstrates the clear link between the *Employer’s* corporate goals and the services provided by the *Contractor*. The corporate goals and how these are cascaded down to form contract behaviors in shown. The contract behaviors are then cascaded down to tangible, service specific ‘Actions’. It is these actions that are linked to CPM. It should be noted that the Performance Framework will be linked to the performance of **both the *Service Manager* and the *Contractor***, working together.

The diagram shows that for each of the contract behaviours, there are one or more ‘Actions’. These are the specific, service related areas that will contribute most to the corporate priorities and thus will be linked to CPM.

Figure 1 – The relationship between *Employer* Goals and CPM

EMPLOYER GOALS	CONTRACTUAL BEHAVIOUR	TERM SERVICE CONTRACT ACTIONS	
SAFER AND MORE SECURE FOR ALL	OPERATIONAL SAFETY	Improve Network User Safety	Develop and implement a programme of safety and accessibility improvement schemes
			Reduce accidents involving the public at work sites
		Improve Road Worker Safety	Follow CDM regulations and <i>Employers & Contractors</i> CDM Working Procedure, review procedures in light of changes to CDM regulations
			Obtain accurate Statutory Undertaker plant information to reduce 'strikes' that can cause injury
			Ensure compliance with method statements and H&S plans. Continually review practices
			Ensure risk assessments are routinely undertaken by suitably trained and experienced staff for all necessary activities
		Maintain the Network in a Safe and Serviceable Condition	Maintain or improve road surface condition in adherence with the Asset Management Plan
			Deliver Programme of renewal schemes
			Provide a rapid and effective response to defects
			Provide a rapid and effective response to emergencies
		Deliver a timely winter maintenance service	

Figure 1 – The relationship between Employer Goals and CPM(continued)

EMPLOYER GOALS	CONTRACTUAL BEHAVIOUR	TERM SERVICE CONTRACT ACTIONS	
MAXIMISING WELLBEING	HIGH QUALITY CUSTOMER SERVICE	Deliver a high level of Public Satisfaction	Deal promptly and accurately with customer complaints. Continually reduce the number of valid complaints
			Keep the public informed of works that will affect them
			Obtain and respond to feedback from the public
		Deliver a high level of Member Satisfaction	Consult with Members on Service Priorities
Obtain and respond to feedback from Members			
ENHANCING OUR QUALITY OF PLACE	RESPECT THE ENVIRONMENT AND SUPPORT THE LOCAL ECONOMY	Minimise Environmental Damage	Minimise the amount of construction waste sent to landfill by reusing wherever practical, maximise the use of construction waste in higher grade applications.
			Reduce the Carbon emissions required to deliver the <i>service</i> through cleaner vehicles and more efficient journeys
			Increase the use of recycled or secondary materials
		Support the Local Economy	Continually seek to increase the amount of products and materials from within (XXXX)

Figure 1 – The relationship between *Employer* Goals and CPM(continued)

EMPLOYER GOALS	CONTRACTUAL BEHAVIOUR	TERM SERVICE CONTRACT ACTIONS	
IMPROVED EFFECTIVENESS AND EFFICIENCY	EFFECTIVE CONTRACT MANAGEMENT AND ONGOING PERFORMANCE IMPROVEMENT	Continually Improve Work Quality and Service Efficiency	Prevent excessive rework and defects
			Continue to develop staff through formal training
			Reduce the amount of non-value adding activities
		Manage the Contract Effectively	Accurately forecast works costs and durations
			Process invoices and payments accurately & expeditiously
			Provide a service that complies with relevant legislation
			Ensure that contractual obligations are met
			Work efficiently & effectively to deliver the requirements and service aims of the Contract

Contract Performance Measures

The Performance Framework in Figure 1 describes the relationship between the *Employer’s* corporate goals and contract specific ‘Actions’ and related Contract Performance Measures (CPM).

Note that the Performance framework (Figure 1) covers both the *Service Manager* and the *Contractor*. Therefore, in order to ensure that all aspects of the Alliance are covered, the Performance Framework features CPM that relate to the actions of the *Contractor* alone, the *Service Manager* alone and the *Service Manager* and *Contractor* together.

Some of the CPM relating to the *Contractor’s* performance will be contractual. Contractual CPM will be used in assessing the eligibility for an extension of the Service Period under Clause ZM5.

All of the contractual CPM within the Contract will be objective, which means that they will be evidence based, not based upon an individual’s perception of performance. Some of the non-contractual CPM will also be objective, but as they may relate to the performance of the *Service Manager* rather than the *Contractor*, they shall not be used for contractual purposes. Most of the non-contractual CPM will be subjective.

CPM data will be collected from the *starting date*, but the results will **not be used for contractual purposes** until the beginning of the second full year of the Service Period.

The *Contractor* shall work with the *Service Manager* to confirm the method of measurement and data collection processes for all CPM in the Performance Framework during the Contract mobilisation period and the first months of the *service*.

Figure 2 – Contractual CPM

Title	Description
Right First Time	Percentage of orders completed without need for remedial work
'Emergency' Order responsiveness	Percentage of 'Emergency' category orders attended within the required timeframes stated in Section 11.8: Emergency Response Service.
'24hr' Order responsiveness	Percentage of "within 24hrs" orders 'started' within the timeframe required from issue of <i>Service Manager's</i> order
'7 day' Order responsiveness	Percentage of 'within 7day' orders 'started' within agreed timeframe from issue of <i>Service Manager's</i> order
'28 days' Order responsiveness	Percentage of 'within 28day' orders 'started' within agreed timeframe from issue of <i>Service Manager's</i> order
Predictability of Time	Percentage variance between agreed works start/end dates and actual start/end dates
Traffic Management Act Noticing compliance	Percentage of Task Orders implemented in accordance with the Traffic Management Act 'Works Notification' timescales
Accuracy of Payment Submission (<£5k order value)	Percentage of 'low value' Task Orders submitted for payment that are ultimately agreed by the <i>Service Manager</i> without variation to the initially claimed amount

Figure 2 – Contractual CPM (continued)

Title	Description
Accuracy of Payment Submission (>£5k order value)	Percentage of ‘high value’ Task Orders submitted for payment that are ultimately agreed by the <i>Service Manager</i> without variation to the initially claimed amount
Timely submission of orders	Percentage of Task Orders submitted by the <i>Contractor</i> within 28 days of works completed on site
Winter Maintenance Response	Percentage of salting runs completed within required timeframe
CDM Health & Safety plans	Percentage of site visits by the <i>Service Manager’s</i> representative where <i>Contractor’s</i> H&S Plan was adhered to (applicable only to works where a site specific H&S Plan or Statement has been prepared under CDM Regulations)
Accident Incidence Rate – Major Injuries	Percentage decrease, compared to the baseline year, in RIDDOR defined ‘Major’ injuries involving the <i>Contractor’s</i> workforce (which includes Subcontractors under its control)
Accident Incidence Rate – Over 3 day absences	Percentage decrease, compared to the baseline year, in RIDDOR defined ‘Over 3 day’ injuries involving the <i>Contractor’s</i> workforce (which includes Subcontractors under its control)
Site Health & Safety inspections	Percentage of work sites passing the ‘standard’ H&S inspection by the <i>Service Manager’s</i> representative
Construction waste to Landfill	Percentage decrease, compared to the baseline year, in the weight of construction waste produced in delivery of the <i>service</i> that is disposed of at Landfill or sent for incineration, per thousand pound of works delivered through the Contract
Construction waste recycling rate	Change in the percentage of construction materials (by value) used to deliver the <i>service</i> that are from either secondary or recycled sources, compared to the baseline year
Fleet CO ₂ emissions	Percentage reduction in the total mass of CO ₂ produced by the <i>Contractor’s</i> vehicle fleet in delivery of the <i>service</i> per thousand pounds of the Contract compared to the baseline year

Figure 3 - Non-Contractual CPM

Title	Description
Public Satisfaction	Level of the public’s satisfaction with the <i>Contractor’s</i> service, measured by post-work surveys.
<i>Employer</i> * Responsiveness to payments	Percentage of <i>Contractor</i> payments made by the <i>Employer</i> within 28 days of <i>Service Manager’s</i> signing of Certificate of Payment
<i>Employer</i> * Timeliness of Order Authorisation	Percentage of <i>Contractor</i> order completion submissions processed by the <i>Service Manager</i> within 28 days of receipt.
<i>Contractor’s</i> * satisfaction	Level of the <i>Contractor’s</i> satisfaction with the performance of the <i>Service Manager</i> measured by quarterly surveys
Service Manager’s satisfaction	Level of the <i>Service Manager’s</i> satisfaction with the performance of the <i>Contractor</i> measured by quarterly surveys
Accuracy of the * <i>Service Manager’s</i> Orders	Percentage variance between original ordered value of Service Activity and Task Orders and the final agreed payment.
Number of † Complaints	Number of valid complaints about the <i>service</i> received from the public and Members.
Member † Satisfaction	Level of Member satisfaction with the <i>service</i> measured by quarterly surveys.
Complaint † management satisfaction	Level of satisfaction with the manner in which public and Member complaints are dealt with by both <i>Service Manager</i> and <i>Contractor</i>
Statutory † Undertaker strikes	Number of Statutory undertaker ‘strikes’ per <i>Contractor’s</i> workforce FTE

Figure 3 - Non-Contractual CPM (continued)

Title	Description
Statutory † Undertaker strikes	Number of Statutory undertaker 'strikes' per <i>Contractor's</i> workforce FTE
Staff Development	Number of formal training days per <i>Contractor's</i> workforce FTE
Local † sourcing	Percentage by value of all materials and services procured for delivery of the <i>service</i> that are sourced locally
Work site accidents involving non- <i>Contractor</i> personnel	Number of injury accidents at works sites involving persons other than the <i>Contractor's</i> staff (i.e. the public)

* These CPM will be used to measure the performance of the *Service Manager* only and are therefore included here only as an illustration of the 'full circle' nature of the performance framework

† These CPM will be used to measure the performance of the *Service Manager* and *Contractor* together

Monitoring

The *Contractor* shall maintain fully auditable records for all the CPM for the contract.

The *Contractor* shall prepare a monthly report for submission to the *Service Manager* and the Strategic Board. This report shall detail:

- The latest CPM data
- Historic CPM data
- Trends in CPM data
- Remedial action for any native trends in CPM data or where CPM data is below target
- Any issues in collection of CPM data
- Results of *Employer* Audit undertaken on CPM data

Review

The *Contractor* and the *Service Manager* shall on an annual basis undertake a review of the Contract Performance Management Procedures. In this review the following aspects of the Contract Performance Management procedures shall be covered:

- A review of the contract performance
- A review and update of the *Employer's* goals
- A review and update of the desired contractual behaviour
- A review and update of CPM
- A review and update of CPM targets

D2 - Service Period Extensions

Notes for Guidance Service Period Extension (to be deleted)

Section 4b should include the CPM Targets for use with ZM5. These targets should be clear and achievable. The method by which the targets can be revised during the Service Period to maintain appropriate and challenging targets should be explained, including how the Contractor will be involved in setting the targets

[The *Employer’s* criteria for possible extensions of the Service Period are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* criteria for possible extensions of the Service Period are detailed as follows:

(Compiler to detail within this schedule)]

E – Health and safety

Notes for Guidance Health and Safety (to be deleted)

Since it is envisaged that the service will be instructed on a Task Order basis, the method statements at tender stage will only cover the principals of how the Contractor will manage the Health and Safety for the aspects of the service requested in this section.

The Contractor and the Employer will need to address the scheme specific Health and Safety Issues at a Task Order level.

E1 - Method statements

[The Contractor prepares method statements for the operations detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The Contractor prepares method statements for the operations listed below:

Operation	Remarks

]

F – Accounts and records (option C & E)

F1 - Accounts and records

[The *Employer's* requirements for accounts and records for Option C & E Contracts are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer's* requirements for accounts and records for Option C & E Contracts are detailed as follows:]

Example Accounts and Records (to be deleted)

The *Contractor* keeps the following accounts and records during the Service Period, and submits archived versions of the documents at the end of the Service Period to the *Service Manager*, with those parts of the records that are agreed to be commercially sensitive or subject to laws on privacy redacted.

The format of archives and archive procedure is agreed by the Strategic Board as part of the Mobilisation Plan during the mobilisation period of the contract.

Site records

The *Contractor* shall maintain site records for all task orders recording the labour, plant and material use on each Site. Site records shall record the following information:

- Labour – the staff working on Site (name, trade and grade), start time, finish time and total hours worked
- Plant – number and type of Plant on Site, hours worked per day for each piece of Plant.
- Materials – quantity and type of materials delivered to Site and removed from Site.

Open book recording of costs

The *Contractor* keeps detailed records of the Defined Cost incurred in Providing the Service on an “open book” basis, i.e. on the basis that the records of Defined Cost are maintained in a fully auditable manner and are made available to the *Service Manager* whenever reasonably required for purposes of verification in connection with the *service*. The *Contractor* keeps such records for a period of 6 years after the end of the Service Period.

The *Service Manager* and the *Contractor* agree what records need to be kept by the *Contractor* in respect of the Defined Cost and what form the breakdown takes before the date the first payment becomes due to the *Contractor*.

The *Contractor* keeps separate records of all Defined Costs incurred in relation to:

- The *service*,
- *Direct fee percentage* (Section 5 Part 3 Contract Data Part Two),
- *Subcontracted fee percentage* (Section 5 Part 3 Contract Data Part Two) and the *Contractor* provides a breakdown of the Prices and Defined Cost for the *service* at each assessment date or as otherwise provided in the contract in the form set out in schedule 7. The *Service Manager* may review the form of the breakdown during the Service Period and discuss any proposed changes with the *Contractor*. The *Contractor* complies with all reasonable requests to change the form of breakdown.
- Key Subcontractors and suppliers (as defined in the Partnering Information) shall keep detailed records of *Defined Cost* and this information shall be made available to the *Service Manager*]

If requested by the *Service Manager*, the *Contractor* keeps separate records of all Defined Cost in relation to parts of the *service* that are, for local authority accounting purposes, treated as revenue and capital funded, provided the *Service Manager* has made clear in relevant Task Order(s) which elements are to be treated as revenue or capital funded.

Location of accounts and records

The accounts and records that the *Contractor* is required to keep for this contract, shall be kept at an appropriate office located within the United Kingdom (main land)

Access to original separate vouchers and books of account

The *Contractor* provides to the *Employer* or its representatives or agents, full access to and/or details of, all original vouchers and books of account necessary to demonstrate its Defined Cost if and when reasonably requested to do so by the *Service Manager*.

The *Contractor* grants to the *Employer* or its representatives or agents authority to enter any premises used by the *Contractor* for the purpose of Providing the Service at any time and to have access to all correspondence, documents, books, property or other records relating to the provision of the *service*. The *Contractor* further agrees that the *Employer's* head of finance is entitled to receive such explanation as he or she considers necessary to establish the correctness of any matter under examination.

The Parties bear their own costs in connection with any such access unless the access reveals a material default by the *Contractor* in which case the *Contractor* reimburses the *Employer* its actual cost incurred in relation to the access and investigation.

The *Employer* may take copies of any material including computer data held by the *Contractor* relating to the provision of the *service* and as necessary to verify the accuracy of any accounting statement, charge, computation or claim made pursuant to any of the provisions of the contract.

The *Contractor* issues to the *Service Manager* within 12 weeks of the end of each Financial Year, at the cost of the *Contractor*, a certificate signed by its auditors certifying they are satisfied with the *Contractor's* financial systems in relation to the recording of financial information relating to the provision of the *service* in that Financial Year.

The *Employer* treats commercially sensitive information listed in the Contract Data Part Two as commercially sensitive and does not disclose it to Others without the *Contractor's* written consent unless required to do so by English Law.

Regular breakdowns of Defined Cost

The *Contractor* submits to the *Service Manager* at monthly intervals (commencing on the date agreed by the *Service Manager* and the *Contractor* or, failing agreement, one month after the *starting date*) a statement of its Defined Cost with a breakdown showing how it is made up together with any additional information reasonably requested.

***Service Manager's* objection to any Defined Cost**

The *Service Manager* may (acting reasonably) object to any Defined Cost incurred by the *Contractor* on the basis that the cost is a Disallowed Cost.

In the event of any objection, the Parties seek to agree the amount of the Defined Cost and if considered appropriate by either Party, meet to discuss any differences between them. Any failure to reach agreement is resolved in accordance with the Dispute Resolution Procedure.

Task Order Information

In so far as the work has been undertaken by him, the *Contractor* retains copies of all information relating to the development of the final product of a Task Order including:

- Feasibility studies
- Risk assessments
- Consultations
- Consents
- Design information, including calculations, assessments, sketches and drawings
- Costing information
- Final reports and associated information

Third Party Insurance Claims

Maintain full and complete records of highway inspections and all highway activities so as to enable the proper management of third party insurance claims against either the *Contractor* or the *Employer* as the highway authority, including as appropriate the management of the recovery of costs associated with third party claims and/or damage on behalf of the *Employer*.

G – Task Orders

Notes for Guidance Task Orders (to be deleted)

It is envisaged that all work undertaken by the Contractor under the contract will be instructed by a Task Order issued by the Service Manager. In the case of time related preliminaries and service activities a Task Order will be issued to cover these items for a period of time (i.e. the financial year).

G1 - Work call off arrangements

[The *Employer’s* procedures for issuing of Task Orders for work are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* procedures for issuing of Task Orders for work are detailed as follows:

(Compiler to detail within this schedule)]

G2 - Task Order programme

[The *Employer’s* requirements for the Task Order programmes are detailed in the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer’s* requirements for the Task Order programmes are detailed as follows:

(Compiler to detail within this schedule)]

G3 - Task Order methodology statements

[The *Employer’s* requirements for the Task Order methodology statements are detailed in the documents listed below and provided in the data room:

Document	Data room location

[OR]

[The *Employer’s* requirements for the Task Order methodology statements are detailed as follows:

(Compiler to detail within this schedule)]

SCHEDULE 9 – CONTRACTOR'S PLANS

Notes for Guidance Contractor's Plans (to be deleted)

Since it is proposed that the service will be instructed by the Service Manager using Task Orders under X19, the Contractor's Plan does have the same contractual significances as when Task Orders are not used. If X19 is not used then the Contractor uses the Contractor's Plan to propose the works he is intending to undertake to comply with the Service Information for approval by the Service Manager.

However it is considered that significant benefit can be gained by the Contractor and Employer working together to prepare the Contractor's plans, even if the contractual significance is lower.

This schedule details the Employer's requirements for Contractor's plans which are to be prepared by the Contractor.

As a minimum, it is envisaged that the Contractor should be required to prepare and maintain the following plans in conjunction with the Employer:

- Mobilisation Plan
- Annual Plan
- Demobilisation Plan

Possible other plans that the Contractor and Employer could prepare and maintain:

- Medium Term Plan (5 years)
- Service Improvement Plan
- Business Continuity Plan.
- Emergency Event Plan

The Employer documents to be referenced in the Contractor's plans should be detailed in this schedule.

[The Employer's requirements for the Contractor's plans are detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Contractor* prepares the *Contractor's* plans use the data provided in the latest version of the documents listed below and provided in the data room:

Document	Data room location

]

[OR]

[The *Employer's* requirements for the *Contractor's* plans are detailed as follows:]

Example Contractor's Plans (to be deleted)

Annual Plan

The Annual Plan is the programme for the provision of the *service* by the *Contractor* during each Financial Year prepared in accordance with the Service Information, the Annual Forward Programme of work provided by the *Employer*.

The *Employer* shall 4 months before the start of the financial year provide to the *Contractor* a forward programme of the work that it is envisaged will be issued to the *Contractor* to undertake in the following financial year. This forward programme should identify the proposed task order location, nature of the work, outline quantities and any programme constraints already identified.

The *Contractor* shall then prepare the Annual Plan based the *Employer's* forward programme for approval by the *Service Manager* at least 2 months prior to the start of the new financial year.

The Annual Plan sets out (with as much detail as it is practicable for the *Contractor* to provide) details of the *service* to be provided during the Financial Year in order to meet the *Employer's* Annual Forward Programme.

The *Contractor* shows on his Annual Plan:

- The Financial Year to which it relates,
- Details of when task order or other information is required from the *Employer*,
- A forecast of the total Price for the *service* (if Option A is used),
- The estimated total cost for the *service* (if Options C and E is used),
- Identified risk for Providing the Service and
- Any other information which the Service Information or the Strategic Board requires to be shown on an Annual Plan.

The *Contractor* then maintains the Annual Plan throughout the financial year, updating the plan as Task Orders are issued by the *Service Manager* and adding any changes to the forward programme as identified by the *Employer*. The Annual Plan shall be updated on a monthly basis, as a minimum.

Where any work to be provided as part of the *service* continues beyond the end of the relevant Financial Year, the Annual Plan identifies the extent of the work to be provided during each Financial Year.

Mobilisation Plan

If the *Contractor* has not already done so as part of his Quality Statement, the *Contractor* submits a Mobilisation Plan for acceptance eight weeks before the *starting date*. The *Contractor* mobilises in order to Provide the Service with effect from the *starting date* in accordance with the Mobilisation Plan.

The Mobilisation Plan includes the methodology for implementing the following:

- Demobilisation requirements of the outgoing service provider,
- Names of key people (organisational structure),
- Details of strategic and operational management,
- A Risk Register and allocation schedule identifying risks to the mobilisation of the contract, proposed mitigation measures, residual risks, the owners of the residual risk, and anticipated cost or time liabilities,
- The mobilisation programme,
- Preparation of an initial Annual Plan for the first full Financial Year if the starting date is part way through a Financial Year,
- Completing the delivery of the *service* for the balance of the Financial Year within the balance of the Service Budget for that Financial Year in which the *Contractor* commences Providing the Service,
- *Service* delivery arrangements, in particular identifying the requirements for statutory duties, emergency response and winter maintenance,
- Cost and value management arrangements,
- The Task Order plans and Annual Plan preparation,
- Communications guidance and protocols for staff for dealing with elected members and the public and
- The method and format of record keeping and archiving to be used during the contract.

Specific reference is made to the provision of winter maintenance *services*. This includes the following measures:

- Advance ordering of de-icing materials;
- Provision for material replacement over the winter period;
- Provision for depot storage and handling facilities;
- Provision of winter maintenance Equipment;
- Testing and calibration of such Equipment;
- Provisions for fuelling, parking and maintenance of such Equipment;
- Training of operatives including standby officers;
- Creation of winter maintenance staffing rotas;
- Provision of 24 hour welfare facilities for winter maintenance staff and
- Establishment of communications plans.

Demobilisation Plan

At the end of the Service Period, or earlier if the *Contractor's* obligation to Provide the Service is terminated in accordance with the contract, the *Contractor* co-operates in the transfer of part or whole of the *service* to the *Employer* or a replacement service provider.

Not later than 12 months prior to the end of the Service Period, or within 3 weeks of the contract being terminated, the *Contractor* provides a Demobilisation Plan setting out how he proposes to demobilise and handover the provision of the *service* to the *Employer* or a replacement *service* provider (the "Demobilisation Plan").

The Demobilisation Plan addresses the matters set out in this schedule and any other matters that the *Service Manager* reasonably requires or the Parties agree should be addressed, and provides a breakdown of costs for the whole or part demobilisation as described in the plan.

The Demobilisation Plan is prepared by the *Contractor* and issued to the *Service Manager* for acceptance. Reasons for not accepting the Demobilisation Plan are that:

- It does not enable the transfer of the *service* to the *Employer* or a replacement service provider without interfering with the timing of the *service* or impairing the effectiveness of the *service* or
- It does not comply with the Service Information.

The *Contractor* allows the *Employer* or incoming *service* provider to carry out a due diligence review to enable them to draw up proposals for delivery of the *service* after the transfer.

Access to the *Contractor's* premises and employees for this review has due regard for the confidentiality of other business and customers of the *Contractor*. The *Contractor* allows all reasonable access to its premises and employees for this purpose without charge to the *Employer*.

The *Contractor* co-operates with, and provides reasonable assistance to, the *Employer* or incoming *service* provider as necessary to allow the *service* to be carried on without disruption to the Area Network. The *Contractor* completes the actions and executes any documents and meets all other requirements to implement the Demobilisation Plan.

The *Contractor* provides the *Employer* or incoming *service* provider with any data in a viable format relating to any work-in-progress in the provision of the *service* which is necessary to enable the *Employer* or incoming *service* provider to Provide the Service.

The *Contractor* co-operates with the *Employer* and incoming *service* provider during the handover and this co-operation extends to allowing access to, and providing copies of, all documents, reports, summaries and information required to achieve an effective transition to the incoming *service* provider without disruption to the *Employer's* operational requirements.

The Demobilisation Plan includes methodology and procedures (to be provided to the *Service Manager* for acceptance) relating to the following:

- A list of the premises (other than premises owned by the *Employer*), Equipment, Plant and Materials used to Provide the Service,
- Details of premises (other than premises owned by the *Employer*), People, Equipment, Plant and Materials including,
- Whether used exclusively for Providing the Service or shared with Others,
- Whether the premises are leased or owned,
- The estimated value indicating the net book value or open market value (whichever is the lower) of any premises, Equipment, Plant and Materials used to Provide the Service (other than premises owned by the *Employer*),
- The extent to which the *Contractor* recovers the cost of any of the above items under the contract,
- The databases and archive files used to hold the *Employer's* data indicating details of size, media and location held,
- The Supply Chain used as part of the delivery of the *service* indicating the Equipment or services supplied and the volumes involved and
- The period of notice required in order for the *Contractor* to demobilise in accordance with the contract.

At the end of the Service Period or earlier termination of the contract the *Contractor* ensures that the *service* (including those parts added during the Service Period) continues until the end of the Service Period.

The *Contractor* gives all reasonable assistance to the replacement *service* provider during the mobilisation period for their contract, and co-operates when instructed by the *Service Manager*.

SCHEDULE 10 – SERVICES AND OTHER THINGS TO BE PROVIDED

Notes for Guidance services and other things to be provided (to be deleted)

This schedule should include all the services and other things the Employer will provide to the Contractor at the commencement of the contract for the delivery of the service.

These requirements should include:

- *Services and other things for the use of the Employer, Service Manager and Others to be provided by the Contractor*
- *Stock of Plant and Materials provided by the Employer at the start of the contract. The condition of the Plant and Materials will also need to be defined.*
- *Stock of Plant and Materials to be provided by the Contractor at the end of the Service Period*
- *Equipment to be provided by the Employer for the use of the Contractor in Providing the Service.*
- *Lease agreements for Equipment and Plant provided by the Employer.*

The services and other things for the use of the *Employer, Service Manager* or *Others* to be provided by the *Contractor* are detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Employer* provides the services and other things for the *Contractor's* use in Providing the Service as detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Employer* provides the *Contractor* at the start of the contract the stock of Plant and Materials as detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Contractor* provides at the end of the contract the stock of Plant and Materials as detailed in the documents listed below and provided in the data room:

Document	Data room location

The *Employer* provides Equipment for the use of the *Contractor* in Providing the Service as detailed in the documents listed below and provided in the data room:

Document	Data room location

The lease agreements for Equipment provided by the *Employer* are listed below and provided in the data room:

Document	Data room location

SCHEDULE 11 – FORM OF PARENT COMPANY GUARANTEE AND FORM OF PERFORMANCE BOND

Notes for Guidance form of Parent Company Guarantee and Form of Performance Bond (to be deleted)

This schedule should include either the Form of Parent Company Guarantee or Form of Performance Bond, depending on which the Contract is required to provide in Contract Data Part 1.

The unused option should be deleted.

PARENT COMPANY GUARANTEE

DATED [] 201_

(1) [EMPLOYER]

AND

(2) [PARENT COMPANY GUARANTOR]

PARENT COMPANY GUARANTEE

In relation to

[Highways Improvement and Maintenance Term Service Contract]

[for]

between

[Employer] and [Contractor]

THIS PARENT COMPANY GUARANTEE is dated []201_

BETWEEN:

- (1) The Council of [.....] (the “**Employer**”); and
- (2) [GUARANTOR] (registered in England and Wales under company number [.....]) whose registered office is at [.....] (the “**Guarantor**”)

NOW IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 In this guarantee where the context so admits:

The following expressions shall have the following meanings:

“Contract”
means the [Highways Improvement and Maintenance Term Service Contract for] dated on or about the date of this guarantee between the *Employer* and the *Contractor* for the provision of highways services by the *Contractor* on the *Employer’s* highway,

“Contractor”
means [insert name of Contractor],

“Expiry”
means an expiry of the Service Period as defined in the Contract,

“Service”
means the highways works and services to be provided by the *Contractor* in accordance with the Contract.

1.2 Successors in Title
The *Employer* and the *Guarantor* shall include both parties’ successors in title and assigns.

1.3 Headings
The headings in this guarantee are inserted for convenience only and shall be ignored in construing the terms and provisions hereof.

1.4 Joint Tenants
Where there are two or more persons included in the expressions “*Guarantor*” or “*Employer*” then such expressions shall include the plural number and any obligations expressed to be made by or with such Party hereunder or pursuant hereto shall be deemed to be made and undertaken by such persons jointly and severally.

2 GUARANTEE AND INDEMNITY

- 2.1 The *Guarantor* guarantees to the *Employer* that in the event of a breach of the Contract by the *Contractor* (which for the purposes of this guarantee shall include any default, occurrence or omission by the *Contractor* which results in the termination of the Contract or the determination of the *Contractor's* employment under the Contract and shall not be limited to a breach per se of any term of the Contract) the *Guarantor* shall, subject to the provisions of this guarantee, satisfy and discharge the loss, debt, damage, interest, cost or expense sustained or incurred by the *Employer* as established and ascertained pursuant to and in accordance with the provisions of or by reference to the Contract. For the avoidance of doubt the decision of a court or tribunal of competent jurisdiction or agreement reached between the *Contractor* and the *Employer* shall be binding on the *Guarantor*.
- 2.2 If the *Contractor* fails to observe or perform any of its duties or obligations to the *Employer* under the Contract (which for the purposes of this guarantee shall include any default, occurrence or omission by the *Contractor* which results in the termination of the Contract or the determination of the *Contractor's* employment under the Contract and shall not be limited to a breach per se of any term of the Contract), or if the *Contractor* fails to pay any sum, loss, debt, damage, interest, cost or expense due from the *Contractor* to the *Employer* under or in connection with the Contract, the *Guarantor* (as a separate and independent obligation and liability from its obligations and liabilities under clause 2.1) shall indemnify the *Employer* from and against all loss, debt, damage, interest, cost or expense sustained or incurred by the *Employer* by reason of any such failure or non-payment.

3 AMENDMENTS TO THE CONTRACT

- 3.1 The Contract may be modified, amended or supplemented in any way (including, but not limited to, the scope of the Service) without the *Guarantor's* consent and references to the Contract in this guarantee shall include all such modifications, amendments or supplements whether made before or after the date hereof. The *Guarantor's* liability under this guarantee (which includes the *Contractor's* duties, obligations and liabilities under the Contract as modified, amended or supplemented) shall not be affected by:
- 3.1.1 any such modification, amendment or supplement or
- 3.1.2 any invalidity, avoidance or unenforceability for any reason whatsoever or termination of the Contract or
- 3.1.3 any waiver, concession, allowance of time, compromise or forbearance given to, or made with, the *Contractor*. The terms of this guarantee shall apply to the terms of any such compromise as they apply to the Contract.

4 LIMITATION ON GUARANTOR'S LIABILITY

- 4.1 The *Employer* hereby agrees that the *Guarantor's* liability under this guarantee shall be limited to and shall not exceed the obligations or liabilities assumed by the *Contractor* under the Contract.

5 ASSIGNMENT

- 5.1 The *Employer* shall be entitled to assign the benefit of this guarantee to any party to whom it assigns its interest under the Contract but not otherwise without the *Guarantor's* prior written consent provided the *Guarantor* and *Contractor* shall be entitled to receive notice of such assignment in writing within a reasonable period of the assignment taking place.

6 DURATION

- 6.1 The obligations of the *Guarantor* under this guarantee shall be released and discharged absolutely upon Expiry save in respect of a demand made in writing by the *Employer* prior to such date. For the avoidance of doubt the establishment and ascertainment pursuant to clause 2 above of the loss, debt, damage, interest, cost or expense sustained or incurred by the *Employer* may occur subsequent to such demand which may be validly given notwithstanding any lack of particulars of breach of the Contract or of the loss, debt, damage, interest, cost or expense sustained or incurred by the *Employer*.

7 JURISDICTION

- 7.1 This guarantee and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England.
- 7.2 The parties irrevocably agree that the courts of England shall have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this guarantee or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS whereof this guarantee has been duly executed and delivered as a deed on the date stated above.

EXECUTED as a **DEED** by

THE EMPLOYER by the signatures of:

Authorised Signatory

Authorised Signatory

EXECUTED as a **DEED** by

THE GUARANTOR by the signatures of:

Director

Director/Company Secretary

PERFORMANCE BOND

DATED

20XX

[name of Contractor]

BOND

THIS BOND is made as a DEED on **[date]**

BETWEEN

[Contractor] (“the *Contractor*”), which term shall include its successors and assigns, whose registered office is at **[address]**, company registration number, **[number]**, and

[Surety] (“the *Surety*”), which term shall include its successors and assigns, whose registered office is at **[address]**, company registration number **[number]** and

[Councils name] (hereinafter called “the *Employer*”) with offices at **[address]**.

WHEREAS

By an Agreement (“the *Contract*”) dated **[date of Contract]** and made between the *Employer* and the *Contractor*, the *Contractor* has agreed to carry out certain works (“the *Service*”) in accordance with the terms and conditions of the *Contract*.

NOW IT IS AGREED as follows:

1 Bond

By this Bond the *Contractor* and the *Surety*, their successors and assigns, are jointly and severally held and bound subject to the conditions hereof to the *Employer* for the payment to the *Employer* of the sum **of £.....:00 ([sum in words])** being ten percent (10%) of the contract sum as referred to in the *Contract*.

2 Conditions

The conditions of this Bond are that if:

- 2.1 the *Contractor* duly discharges all their obligations under or pursuant to the *Contract*; or
- 2.2 in the event of the *Contractor*'s default in the discharge of any such obligations, the *Surety* shall pay to the *Employer* up to the amount of this Bond the loss and damage thereby caused to the *Employer* as established and ascertained pursuant to and in accordance with the provisions of or by reference to the *Contract*, and the *Contractor* duly discharges any remaining obligations under or pursuant to the *Contract*, this Bond shall, subject to clause 4 below, hereby be discharged, but otherwise shall remain in force.

3 Discharge

Whether or not this Bond shall be returned to the Surety, the obligations of the Surety under this Bond shall be released and discharged absolutely upon issue by the Contract Administrator appointed under the Contract of a Certificate of Completion of the Works or, if later, on the date six (6) months after determination (by effluxion of time or termination or otherwise) of the Contract, save in respect of any default, abandonment or insolvency which has occurred and in respect of which a claim in writing has been made upon the Surety before the expiry of the Bond.

4 Payment

4.1 Notwithstanding clause 2 if any of the following events occur the Surety shall pay to the *Employer* on the *Employer's* first demand the sum stated by the *Employer* up to the amount of this Bond:

4.1.1 if the *Contractor* abandons the Contract without due cause; or

4.1.2 where the *Contractor* is:

(a) a company, on the passing of a resolution for winding-up (otherwise than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all of the obligations of the *Contractor*), or a court of competent jurisdiction making an order to that effect; or

(b) a partnership, on its dissolution; or

(c) either a company or a partnership, or an individual, on ceasing to carry on its business or substantially the whole of its business, becoming or being declared insolvent or committing any act of bankruptcy or convening a meeting of or making or proposing to make any arrangement or composition with its creditors or the appointment of a liquidator, trustee or similar officer over any of its assets.

4.2 After completion of the Works the *Employer* shall ascertain the actual loss arising to it due to the event occurring under clause 4.1 and:

4.2.1 if this is less than the amount paid by the Surety under Clause 4.1 then the *Employer* shall repay to the Surety; or

4.2.2 if this is more than the amount paid by the Surety then the Surety shall pay the *Employer*, the difference between the actual loss and the said amount paid by the Surety.

5 Waiver

No alterations in the Contract, or in the Works, and no extension of time, forbearance or forgiveness, or any act, matter or thing whatsoever except fulfilment of one of the above conditions or an express release by Deed by the *Employer* shall in any way release the Surety from any liability under this Bond.

6 Assignment

Upon the benefit of the Contract being assigned by the *Employer* to any party ("the Assignee") the *Employer* shall then be entitled to assign or transfer all or any of the *Employer's* rights under this Bond to the Assignee.

7 Law and Jurisdiction

7.1 This Bond shall be governed by and construed in all respects in accordance with English law.

7.2 In relation to any legal action or proceedings arising out of or in connection with this Bond (“Proceedings”), each of the parties irrevocably submits to the exclusive jurisdiction of the English Courts and waives any objection to Proceedings in such courts on the grounds of venue or on the grounds that Proceedings have been brought in an inappropriate forum.

8 Third Party Rights

No person who is not a party to this Bond shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Bond.

IN WITNESS of which the parties have executed this Bond as a Deed the day and year first written above.

EXECUTED as a DEED by the *CONTRACTOR*

[full name of Contractor]

acting by:

.....

Director

Name:

.....

Secretary/ Director

Name:

EXECUTED as a DEED by the SURETY

[full name of surety]

acting by:

.....

Director

Name:

.....

Secretary/ Director

Name:

ACKNOWLEDGEMENTS

HMEP has revised the HMEP Service Information, as part of an on-going review and update of its procurement products, creating the 2nd Edition of the HMEP Service Information. This 2nd Edition has been prepared by the HMEP's Consultants, AECOM, based on guidance and feedback from the HMEP Review Team.

HMEP would like to extend its thanks to all those involved in the original release and continued development of its form of contract to meet the needs of the highways maintenance sector.

2nd EDITION HMEP SERVICE INFORMATION REVIEW TEAM

The HMEP Programme Board would like to acknowledge the help and support it has received from those listed below when undertaking the review of its contract and preparing this third edition.

Matthew Lugg OBE	HMEP Advocate
Gary Thompson	HMEP Project Manager
Peter Higgins	Thomas Telford
James Cuthbert	AECOM
Ashley Beighton	Bath and North East Somerset Council
Konrad Lansdown	North Somerset Council
Peter Theobald	HTMA

1st EDITION HMEP SERVICE INFORMATION

The HMEP Programme Board would like to acknowledge the input into the completion of the HMEP Service Information 1st Edition which was overseen by a HMEP Project Board comprising:

Matthew Lugg OBE	Project Board Chair & Former President of ADEPT
Gary Thompson	HMEP Project Manager
Anthony Radford-Foley	Technical Advisory Group (TAG)
Martin Duffy	Chartered Institution of Highways & Transportation (CIHT)
Peter Higgins, Andy Warrington	Institution of Civil Engineers (ICE)
Kevin Melling	Association for Public Service Excellence (APSE)
Peter Hyde	HTMA
Steven Dennis	Transport for London (TfL) – Transforming London Highways Management
Trevor Collett	London Technical Advisory Group (LoTAG)
John Reed	ADEPT
Sue Housley	Highways England (HE)
Noel Foley	Association of Consulting Engineers (ACE)

In addition to the above organisations the Board would like to acknowledge support from all the local highway authorities, contractors, support consultants and the NEC that took part in the consultations.

SUPPORT CONSULTANTS

AECOM

Jason Clarke	Project Director
James Cuthbert	Project Manager