

Scrutiny Committee

Award of contracts for highways
services

Date 20th September 2023



Somerset
Council

Introduction

The Term Maintenance contract (TMC) and Highway Lighting contract both end on 31st March 2024.

They are to be replaced by five new contracts:

- **Highway Maintenance**
- **Highway Surfacing**
- **Highway Surface Treatments (for example, surface dressing)**
- **Highway New Assets (for example new capital works)**
- **Highway Lighting, Illuminated & Electrical Assets**

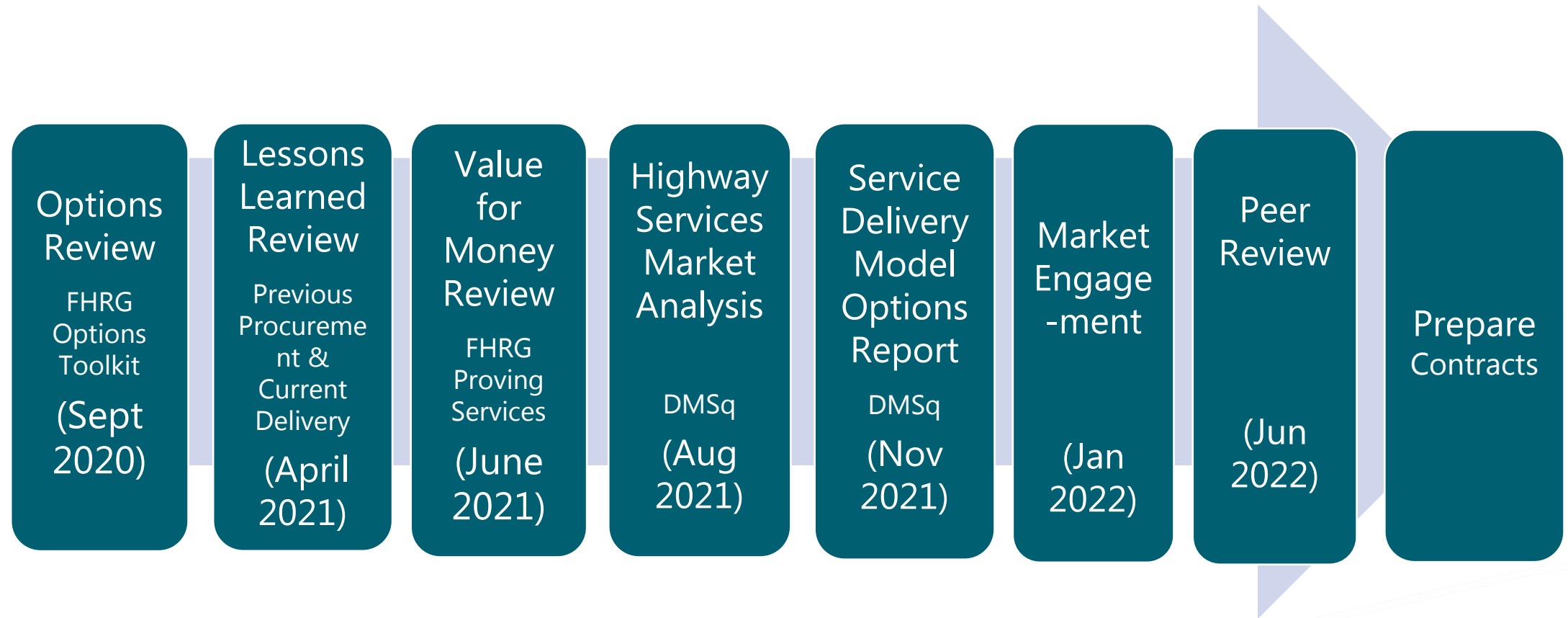
Broad Ambition for our future Partnerships & Contracts

- Covering the basics well: Quality, value for money, social value, decarbonisation & environmental improvement, informed and satisfied Customers and Communities
- Intelligent clienting and sound asset management
- Investment in our county of Somerset, and attracting external funding
- Commercial arrangements that drive genuine innovation and good relationships
- Working more directly with the supply chain
- Collaboration and shared ownership across a suite of contracts and delivery partners
- Supporting Local Community Networks (LCNs)

Commissioning Intentions

- A network that is adapted and resilient to climate change with a reduced carbon output, both in usage and maintenance, to contribute to the commitment for Somerset to be carbon neutral by 2030
- A safe, serviceable and sustainable network that is fit for purpose for all users under all conditions and supports the development of the local economy
- A service based on the intelligent client model that develops and sustains collaborative partnerships that deliver the objectives of all partners
- A flexible and agile service that attracts and retains the best people and embraces best practice and new technologies to enable innovation
- Sustain a financially resilient service that adopts robust asset management principles and delivers best value with the resources available
- Optimise service efficiency and maximise income from commercialisation and external funding
- A service that maximises social value and provides valuable local opportunities for individuals and businesses
- An informed community that has high public satisfaction and is engaged and enabled to do more for themselves

Commissioning Process



Procurement Strategy Objectives

- More control over the design and delivery. Stronger client asset management approach determining the most appropriate standards and locations for treatment.
- More direct relationship with the supply chain, reducing outsourced management of sub-contractors and enabling direct discussion about potential innovation.
- More bespoke arrangement for delivery of new asset schemes - greater cost predictability.
- Incorporate specification of a wider range of Unitary Council public realm maintenance services.
- Explicit requirements for at least a 50% reduction in carbon emissions over the lifetime of the contracts through an agreed climate change plan.
(Includes electric vehicles < 2.5 tonnes & alternative fuelled fleet for larger

Service Dimensions

**The highway network is the largest asset managed by Somerset Council by scale and value.
Large, rural character of county with diverse terrain and few large towns.**

- 6710km of Carriageway
- 2,607km of Footways
- 630km of Cycleways
- 6,187km of Public Rights of Way
- 1380 bridges with a span over 1.5m
- 154,700 road drains and gullies
- Between 18,000 – 20,000 potholes per year
- 44 – 50 Winter actions per year
- Total Asset Gross Replacement Cost (GRC) of approximately £7.5 billion
- Depreciated Replacement Cost (DRC) of £6.8 billion.



Procurement Strategy

Stronger client asset management and design function including TUPE staff.

Replace current highways term maintenance contract with:

- Smaller term service maintenance contract. 8-year term + option for 4-year extension.
- Surfacing term service contract. 4-year term + option for 4-year extension.
- Surface treatments term service contract. 4-year term + option for 4-year extension.
- New Assets framework contract. 4-year term.

Replace current highway lighting contract with wider contract for highway lighting and illuminated and electrical assets. 8-year term + options for 4-year extension.

Collaboration board to ensure collaboration and coordination across contracts.

Somerset Maintenance Depot Overview

