

TRAFFORD COUNCIL

Report to: Executive
Date: 18 September 2023
Report for: Decision
Report of: Executive Member for Highways, Environmental & Traded Services

Report Title

One Trafford Partnership (OTP) 7-year Contract Review Outcomes

Summary

The two reports now before the Executive provide an update on progress and outcomes achieved relating to the ongoing discussions and negotiations in relation to the One Trafford Partnership between the Council and Amey in accordance with a contract entered into in 2015 (Contract).

The recommendations proposed in this report reflect the progress made since the last report to Executive in December 2021.

Recommendations

The Executive are recommended to:

- 1. Note the position in relation to the negotiations conducted with Amey in accordance with the Executive's decision in October 2019 and subsequent updates in November 2020 and December 2021.**
- 2. Delegate authority to the Corporate Director of Place in consultation with Executive Member for Highways, Environmental & Traded Services, Director of Finance and Director of Legal & Governance and Monitoring Officer to agree final terms on any final negotiation outcomes relative to the outstanding issues resulting from the 7 Year Review as set out in the Part 2 report.**
- 3. Delegate to Director of Legal & Governance and Monitoring Officer to enter into legal agreements required as part of the final negotiated outcomes.**
- 4. Approve the changes, outcomes and next steps associated with the continued management and delivery of the Amey contract as a result of the 7-year review to conclude the 7-year review process.**

Contact person for access to background papers and further information:

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Background Papers:

Executive's decisions in July 2019, October 2019, November 2020 and December 2021

Relationship to Policy Framework/Corporate Priorities	The review aligns with the current corporate objectives in the Corporate Plan - Our Trafford, Our Future 2021-24 - Better Health, Better Jobs, Greener Future by reducing health inequalities, supporting people out of poverty and addressing our climate crisis
Relationship to GM Policy or Strategy Framework	No
Financial	Financial risks and affordability are a key consideration in any case for change, <u>as set out in the body of the two reports.</u> A key strategic goal from the 7-year review is to improve efficiency and value for money, plus also to be able to generate growth and income from existing and new opportunities as they arise (e.g., external funding for capital growth).
Legal Implications:	<u>The legal implications of the proposed course of action are as set out in the body of the two reports.</u> Due to the complexity of the Contract, the Council has taken and has continued to take specialist external legal advice on this process to ensure that the Council is taking the most appropriate steps and using the correct contractual processes to achieve the desired outcomes.
Equality/Diversity Implications	All implications will be considered at the point if future service delivery models are agreed and rolled out.
Carbon Reduction	Decarbonisation has been included as a key priority for the review and is a corporate priority for the Council. Prior to and during the review of the contract satisfactory progress has already been made relating to reducing carbon. A roadmap to align net zero targets is included in the review outcomes to ensure the aims and objectives of the contract going forward align with the councils' objectives.
Sustainability Implications	Services and any actions resulting from the review has taken account of sustainability requirements linked to the carbon reduction action plan included in the new partnership agreement going forward
Resource Implications e.g., Staffing / ICT / Assets	There are potential financial and other resource implications for the Council in determining future

	service delivery arrangements which are detailed in Part 2 of this report.
Risk Management Implications	Identification of risk has been a key priority for the Council in developing this case for change. It operates a strategic risk register for the overall change programme and individual work streams have their own detailed risk log and mitigation for each enabling service or service delivery block
Health & Wellbeing Implications	None
Health and Safety Implications	Services take account of health and safety requirements in their day-to-day delivery. The Council also has its own enabling work stream to ensure that compliance is met

1.0 Introduction

- 1.1 Following the report to the Executive in December 2021 Officers have progressed the comprehensive review of the contract that Trafford has with Amey for the delivery of a wide range of services delivered as part of the One Trafford Partnership (OTP).
- 1.2 This paper sets out the process the Council has followed, the outcomes of the 7-year review and proposed next steps.
- 1.3 The Part 2 Report covers the commercial aspects of the contract changes that require approval.**

2.0 Background - What is the 7 Year Review?

- 2.1 The One Trafford Partnership Contract contains a provision for a 7 Year Review of the operation and performance of the Contract.
- 2.2 The 7 Year Review is a contractual process within the One Trafford Partnership (OTP) which enables the Council and Amey (the “Parties”) to make “mid-term” improvements to the ways in which the OTP contract is delivered.
- 2.3 This review was intended to be an opportunity for the Council (and Amey) to review the performance of the Contract and to make recommendations for improvement. It was recognised that this might include changing the scope of the Contract and the roles responsibilities of each Party.
- 2.4 The 7 Year Review is a contractual process under which the Council can review and assess overall Contract performance against the criteria set out in the Contract and consider whether any improvements or alterations in respect of the services can be made. The criteria the Council may use includes a review:

- value for money delivered in the provision of any of the Services.
- service plans.
- service user satisfaction; and/or
- benchmarking of service costs and performance against other local authorities and industry best practices.

2.5 The 7 Year review is not an opportunity to fundamentally change the OTP or the “risks” that Amey manage on behalf of the Council and all changes to the OTP contract need to be mutually agreed with Amey.

2.6 However, the 7 Year Review has provided a mechanism to scope mutually agreeable, feasible and desirable solutions to re-shape the remainder of the OTP Contract and which provide a platform for better ways of working and managing the OTP Contract going forward.

3.0 Objectives of the 7 Year Review

3.1 At the commencement of the 7 Year Review a number of strategic objectives were agreed by the Executive in October 2019 that should underpin the 7 Year Review. These objectives are:



3.2 Governance arrangements were put into place to govern, manage and oversee the delivery of the 7 Year Review which included a strategic group,

officer group and themed working groups to review the contract in a managed way.

3.3 The officer group with agreement from the strategic group agreed that a themed approach was likely to yield the best combination of strategic and operational improvements to the OTP contract going forward.

- Systems and KPI review.
- Decarbonisation of the Contract.
- Waste strategy (including recycling).
- Capital Strategy.
- Highways Technical Services.
- Green spaces.

3.4 The themed areas above were identified as areas of the contract that needed review and improvement based on previous 7 years of the contract and presented opportunities for positive change.

4.0 What has the 7 Year Review provided and delivered?

4.1 The 7 Year Review process has provided a strong platform for the parties to discuss and agree areas of change and improvement to ensure the future sustainability of the OTP and the services that are delivered via the Contract.

4.2 The joint changes that have been identified also provide a stronger platform for continuous improvement and seeks to address some of the challenges that have been jointly experienced in the first 7 Years of the OTP.

4.4 During the review period changes and improvements that would benefit both parties were implemented where possible on the journey. Hence the contract has already benefited from ongoing steady improvements resulting in improved performance and delivery of the OTP contract as highlighted within the report.

4.5 Improved Systems and management structures to modernise the contract have been implemented that allows greater transparency and visibility of service delivery outcomes.

4.6 Most of the changes and improvements that have already been agreed to be actioned are in place and/or are in the process of change with other agreements including capital investment proposals and commercial changes to the contract coming online during the current financial year 2023/24. The final areas of improvement form part 2 of the report.

- 4.7 Trafford has also secured a commitment as part of an updated partnership agreement to improve the delivery of the OTP and the Parties are committed to delivering further reviews and improvements as part of updated governance arrangements.
- 4.8 As part of the updated and improved governance there is the requirement for an ongoing cyclical review of services that supports opportunities to deliver innovation that both parties can jointly explore in the delivery of OTP Contract.
- 4.9 Currently the OTP is actively exploring a range of digital opportunities following the Council's investment into CRM. Future potential areas of innovation will be looking to support the decarbonisation and climate agenda.
- 4.10 Trafford will closely monitor and seek approval where necessary on the introduction of any proposed new innovative arrangements as part of the governance arrangements to ensure that any future change and innovations will align with corporate aims of the council and will deliver contract benefits.
- 4.11 Early on in the 7-year review process alternative delivery of the Estates function was identified and agreed and hence this element of the contract has already moved back to the Council. The ongoing management and delivery of the Facilities Maintenance Service remains within the OTP but with more robust client and contract monitoring as a result of changes implemented with the introduction of the new Development and Estates Team in the Place Directorate. This change will allow better outcomes in the strategic goals of the review to be realised across these functions.

5.0 What has the 7 Year Review Changed and Improved?

- 5.1 The following section of this report summarises the changes and improvements to the OTP supplemented by Appendices where needed on each of the themed areas. Improvements that have already been delivered are also identified and where appropriate includes analysis of trends that demonstrate improvements already made and impacts delivered.

6.0 Contract Governance, Service Planning & Culture

- 6.1 The Governance arrangements that support the delivery of the OTP have been refreshed and improved by introducing new Service Management Groups with a clearer focus on performance and continuous improvement. Specific groups to monitor finance and decarbonisation have also been introduced.

6.2 Each of these groups is working with a new Terms of Reference aligned to the updated Governance structure and as detailed in Appendix A.

6.3 The new Governance groups will seek to ensure that there is:

- A clearer Annual Service Planning timetable.
- Improved transparent service governance arrangements with the provision of new monthly Service Delivery reports and Performance Dashboards to allow monthly management discussions on the service to take place.
- Performance information will be published annually as part of the annual report with monthly dashboards also to be published going forward.
- Greater transparency in Service delivery through new arrangements for open book reporting and accounting to seek more clarity in the use of resources.
- An integrated approach to the delivery of the OTP which operates flexibly and is aligned with other Council services.

6.4 Improving the culture of the OTP and how it operates and is perceived both internally and externally is key to the future success of the remaining period of the contract. Contained in Appendix A is a framework of behaviours that is expected to be reflected in the governance and delivery of the contract going forward.

6.5 These new governance arrangements went “live” in April 2023 and are already working well with the sharing of monthly reports. An example of a monthly report can be found in Appendix B

6.6 A new communication and engagement strategy has also been developed which looks to secure improvements to Customer Services and Member engagement – included in Appendix C

7.0 Waste Management Services

7.1 The 7 Year Review has focussed on:

- improving Waste Collection Service delivery so that households have confidence in the service to provide a regular collection of their waste.
- improving customer service where there are service issues and challenges.
- driving the environmental objectives of the Council in relation to waste minimisation and recycling; and

- “tidying up” a range of policy issues regarding Grey Bins, Christmas collection arrangements and CCTV.

7.2 During the period of the 7 Year Review Trafford residents have seen a substantive and sustained improvement in the performance of the Waste Collection service, after a period where service was not at the required standard.

7.3 These improvements have been underpinned:

- Amey’s investment into new IT systems which has substantively improved the transparency of service operations for managers, making it easier to respond to service disruption improving the completion of waste rounds.
- Improving and strengthening service governance and performance monitoring through new structures and reporting arrangements that has resulted in greater operational focus and improved resolutions to service challenges.

7.4 Waste Minimisation Team

The Council transferred the Waste Minimisation Team from Amey on 1st June 2023. This means the Council has greater control of the projects and campaigns delivered by this team and reduce waste arisings, the waste levy and the environmental impact of the service. This team is in the process of being strengthened further with the establishment of two more posts.

A number of changes to the delivery of waste services have been reviewed and changed as follows:

7.5 Christmas collections

Changes to Christmas Collections have been agreed as a Delegated Executive Decision in August due to the required lead in times that ensure residents are made aware of the changes in the new calendars delivered in Autumn and are included in the report for information.

Changes to green bin collections over the Christmas period

- In order to maintain adequate service delivery standards, and fulfilment of legislative obligations in respect of waste collection, the Council and Amey must prioritise the collections of types of waste based on a number of factors including the risks to the public.
- Green bins are used for the collection of food and garden waste. The green bin collection is not a statutory service.

- The low proportions of green bins presented for collection over the Christmas period means that the green bin collection is a lower priority to the other bin collections over the Christmas period.
- This type of waste collection is categorised as a 'Low priority' on the basis of minimal or no risk to the public and as such, there will be minimal or no disruption to the public if these services are suspended for a short period of time.
- In the Contract it states that green bin collections should be suspended for two weeks over Christmas to allow for the collection of those bins that would have been scheduled for collection on one of the bank holidays, as well as any additional waste that has been generated over this period.
- This element of the specification has not yet been implemented and green bin collections are currently maintained over the Christmas period.
- Overall service delivery during the Christmas period can be affected by a number of factors including disruptive weather; resource challenges; and increased household waste. In order to minimise the impact of these extenuating factors going forward, the Council and Amey have discussed options for Christmas collections, to improve the resilience of the service and reduce service disruption during this busy period.
- It is proposed that from December 2023 green bin collections will be suspended for a period of one week in between Christmas and New Year.
- The reasons for this proposal are:
 - A small proportion of green bins are presented in between Christmas and New Year and the tonnages collected are low.
 - Suspending the green bin collections for the equivalent of three working days allows the service to collect all of the other waste streams on the three working days between Christmas and New Year.
 - Allows for less disruption to collections, it minimises the need to bring collections forward to before Christmas reducing the risk of residents forgetting that their bin day has been moved to before Christmas.
 - It also allows the bin crews to have a break over the Christmas period with fewer collection days moved onto Saturdays and Sundays to "catch up" from the bank holidays.
 - Most of the other GM Authorities also reduce their food and garden waste collections over the Christmas period. The lower temperatures at this time of year make longer periods between collections more palatable.

- A worked example of how the suspension would work for 2023 is that:
- the last collections before Christmas would take place on Friday 23rd December.
- The service would be suspended on Monday 25th and Tuesday 26th December.
- All five days of refuse and recycling collections would be collected On Wednesday 27th, Thursday 28th and Friday 29th December.
- The full service would then resume on Tuesday 2nd January with collections moving back one day and the crews working one day's overtime on Saturday 6th January to collect the bins that would usually be emptied on Friday 5th January.

7.6 Implementing a charge for larger grey bins.

- In 2017 as part of the Council's savings programme, the Council agreed to implement a charge for new and replacement bins. This charge was implemented in 2018 when the new CRM system had been implemented.
- The charge was implemented for all new and replacement bins except for where the collection crews had damaged them. Food waste caddies were excluded as were larger grey bins. This has left a loophole in the process where some residents try to get around paying for a replacement bin by ordering a larger grey bin. It has also left a gap in Amey's budget for new and replacement bins as they offered the full budget as a saving in 2017.
- The Council has already made the process for obtaining a larger grey bin more robust as the waste minimisation team have conversations with households applying for larger bins and undertake waste audits where appropriate to ensure that the request is genuine.
- The proposal is to charge for larger grey bins in most circumstances, to bring this in line with the policy to charge for other new and replacement bins. The charge to the customer will also cover the exchange back to the smaller grey bin if the households' circumstances change in the future. There will be some exceptions to the charge, for example when a household requires a larger bin for a short period to manage waste generated by a medical condition.
- With the changes outlined above and those proposed for implementation we believe that we now have the right approach and infrastructure to sustain this level of performance and we have a process to drive

continuous improvement in service delivery over the remainder of the term of the OTP contract.

- The above change and increase in charges was included within the new fees and charges as part of the 2023/24 budget approvals process and will be implemented upon approval of this report.

7.7 Property Growth

- In Amey's original bid there was a provision for property growth of up to 5%. The contract was not clear how Amey could claim for additional resources for waste collections, if required, when property growth has exceeded the 5% provision.
- Negotiations have taken place with Amey to agree a process for when additional resources are required to ensure that the waste collection service can collect waste from all properties. If property growth can be accommodated within the existing resources, then no additional payment will be made. This may require rerouting of the existing waste collection rounds to accommodate property growth ensuring best value. Council officers and Amey will review property growth and capacity within the existing service to agree if the service can continue to absorb any property growth. If there is an agreement to increase resource this will meet the timescales for budget setting to ensure that the Council can plan for any future increase in expenditure.

Appendix D – gives more detail on service improvements that have resulted from the 7-year review process together with what is planned for the waste service.

8.0 **Pay & Performance Mechanism (KPI's)**

- 8.1 Monitoring of the OTP is through a number of key performance indicators (KPI) that measures a range of service outcomes and forms the pay and performance mechanism. This performance mechanism is subject to an annual review to ensure that the KPI's remain fit for purpose with the main focus of the KPI framework centred on statutory and safety requirements that need to be delivered as part of the contract. Failure to meet the required standard on the KPIs can result in financial penalties through a fee reduction.
- 8.2 The 7-year review process has focused on improving the coverage, balance and flexibility of the Pay and Performance Mechanism and KPI framework so that it incentivises better Service performance.

8.3 The 7 Year Review has resulted in a range of positive improvements including:

A. Providing a greater focus on Customer Service and the management and measurement of customer service and complaints management. For example...

- Customer Care – the number of Stage 1 & 2 complaints upheld.
- Waste – number of missed bins per 100k population.
- Highways - maintain quality of address and street data at National standard.

B. Introducing better and more robust Annual Review arrangements where both Parties can review how the Pay & Performance mechanism has worked.

8.4 The Council and Amey have agreed a process that can improve the flexibility of the operation of the Pay & Performance Mechanism by having the ability to change KPIs and introduce new measures to incentivise better performance (subject to a range of mutually agreed processes and tests that give Amey the opportunity prepare for the change).

8.5 As part of the KPI framework there is the ability to introduce Management Performance Indicators (MPI) that measure performance of other elements of the services delivered alongside the KPI's for each service. An MPI could be introduced to enable the OTP to monitor an element of the service more closely or it could be introduced as a result of a persistent issue that potentially requires intervention or improvement.

8.6 The MPI's do not carry financial incentives on performance however, the negotiations seek to introduce a mechanism whereby if an agreed MPI fails to show agreed improvement over an agreed timeframe that MPI can be brought into the KPI framework to monitor more formally with a potential financial incentive to ensure it is improved.

8.7 All KPI's and MPI's have now been agreed subject to approval by the Executive.

Appendix E contains a copy of the KPI framework for 2023/24 with the MPI's currently also being monitored.

9.0 IT Systems

9.1 The OTP has not historically been served well with effective, transparent and accessible IT systems. Effective IT systems allows access to data and transparent reporting on service delivery outcomes. The improvements in services and modernisation of services required in previous years needed to

be underpinned by evidence that an effective IT system would offer. The lack of this IT infrastructure and evidence on service delivery has hampered the management, monitoring and improvement of services during the early years of the contract.

- 9.2 The 7 Year Review process resulted in the early agreement of a substantive re-fresh of the main IT systems by Amey that will support the OTP in the remaining lifetime of the contract.
- 9.3 This agreed IT upgrade and modernisation programme represents a significant investment from Amey into the OTP (estimated to be £500k+) and should see new and upgraded IT systems operating across all Service areas.
- 9.4 Each investment option has been discussed with Amey to ensure that the OTP is supported by “best in class” IT systems.
- 9.5 An example of where the IT investment has had a positive effect on service delivery is following the introduction of Whitespace. This system has allowed greater transparency of the delivery of waste services both in the office and for the crews. The ability to have access to live data in particular in a service as dynamic as waste has resulted in major improvements in route completions and reductions in incomplete waste collection rounds.
- 9.6 Other benefits of the system includes:
- Better customer service and service information availability (including mobile) especially when reporting issues and tracking progress.
 - Better Service planning information and improved forward planning.
 - Greater transparency in service delivery and the potential for efficient management of Service Performance.
 - The introduction of new and more effective reporting capabilities (PowerBI) to improve Service Management.
- 9.7 The focus of the OTP is on ensuring that the remaining investment into the IT programme is delivered on time and in accordance with the Council’s objectives.

Appendix F – contains the roadmap on system investment.

10.0 Supporting the Climate Emergency and Decarbonisation Agenda

- 10.1 The Council have agreed a joint commitment with Amey to substantively reduce the carbon footprint of the OTP over the remainder of the contract to align with the Council’s Carbon Neutral Action Plan.

- 10.2 As part of this process Amey have identified an agreed carbon baseline that measures the current environmental impact of the OTP. This includes fuel usage, energy, transport and other contributory factors.
- 10.3 A four phase Roadmap has been agreed with Amey and a series of carbon reduction projects have already been identified that should see the OTP on a journey to net zero. (see the roadmap in Appendix G).
- 10.4 Decarbonisation is a challenging agenda given current technology and the range of service covered by the contract; investment and funding opportunities will need to be identified to support some of the projects that will be required to meet our joint objectives. The introduction of the Decarbonisation Working Group within the OTP governance will ensure that the OTP continue to monitor the carbon baseline and explore initiatives to meet the objective.
- 10.5 Some initiatives that the OTP have implemented and are continuing to explore, and trial include.
- Electric vehicles for small and medium fleet
 - Battery operated mowers, and greenspace tools and equipment.
 - Solar powered streetlights
 - Dimming and trimming of energy consumption on street lighting
 - Decluttering and removing electric equipment on signs (where possible and safe to do so)
- 10.6 Amey has its own roadmap to net zero which aims to achieve Scope 1 and 2 Net Zero by 2035 with a minimum of 80% absolute reductions on emissions and be fully net zero, including Scope 3, by 2040. Hence their commitment is a joint commitment to implement change to achieve net zero within the next 10 – 15 years.

[our-roadmap-to-net-zero-low-res.pdf \(amey.co.uk\)](#)

11.0 Greenspaces

- 11.1 The main focus of the 7 Year Review has been to introduce:
- Greater visibility and transparency of service delivery and forward plans leading to better tracking and management of contract expectations.
 - New monthly reports on Service delivery progress now in place.

- Replacement IT systems (Whitespace) in development will improve the ability to track and manage Service performance.
 - A clearer focus on supporting biodiversity linked to the climate agenda.
 - Seeking future funding opportunities.
 - Identify potential greenspace carbon reduction targets with tracking of reduction in carbon from greenspace projects, change in maintenance regimes and replacement with eco-friendly equipment.
- 11.2 These changes are being overseen by the new Governance Group for Decarbonisation who also oversee the Council's Green Space strategy to better align all Green Space activities.
- 11.3 The Council have also focused on ensuring there are clearer agreed roles for voluntary organisations (for example, Friends of Parks) to ensure that our community and volunteering efforts are put to best use and work effectively alongside Amey.
- 11.4 There has been stakeholder engagement with Friends of Parks as there is a keen interest from the group on ensuring that the contract associated with the management of greenspaces was reviewed and clarified.
- 11.5 As a result of the engagement sessions it became clear that the partnership agreement and the specification used for parks and greenspaces in the original tender process was no longer fit for purpose as it lacked clarity for each of the parks.
- 11.6 It is proposed that the specification is now removed from the partnership agreement, to be replaced with service level agreements for each of our parks, gardens and greenspaces with a schedule of walk abouts to monitor outcomes.
- 11.7 This approach serves to ensure that each of our parks, gardens and open spaces has an agreed set of measures that will allow transparency on service delivery at a local level. This approach will also allow for better adaptation and flexibility for introducing alternative sustainable ways of managing and maintaining our greenspaces with a focus on the climate agenda collaborating closely with the friends of parks groups in the process.
- 11.8 The scale, range, access and use of the parks, gardens and greenspaces is diverse across Trafford and their status and availability is seen as a key component to local communities' wellbeing.
- 11.9 There is therefore still further work to undertake on reviewing the role of our parks and greenspaces in line with the climate change agenda particularly, on

what the future maintenance and management of parks that is undertaken by the OTP will look like to achieve and contribute positively to achieving net zero by 2038.

11.10 An updated Greenspace Strategy and associated future plans for assets contained and used in our greenspaces will be developed as an outcome of the 7-year review that will look to include the following.

- A review of the revenue and capital resources and contract resources will be undertaken to allow priorities to be agreed.
- Development of a greenspace strategy that aligns with the climate agenda.
- Undertake an audit of play areas across the Borough within our parks to ensure that they are inclusive, accessible and fit for purpose for the future.
- Embed Whitespace to ensure maintenance activity adapts to the greenspace strategy outcomes.

11.11 The majority of these new arrangements are already in place and starting to drive expected benefits. We are carefully tracking other agreed commitments for example, new IT arrangements and development of an agreed set of SLAs to ensure they are effectively delivered.

12.0 Highways Technical Services and Capital Strategy

12.1 It is vitally important that we continue our inward investment strategies so that our residents enjoy modern, fit for purpose facilities and infrastructure across the Borough. A major strategic aim of the review was to improve access to additional funding and to increase capital spend that would generate longer term efficiencies.

12.2 This requires transformation and innovation in our approach by improving the arrangements for the management and delivery of capital projects so that the OTP can maximise its opportunities to attract third party funding and increase capital investment.

12.3 Areas where the partnership can introduce positive change to make this happen includes

- Making sure that Trafford is a desirable and effective place for investment in new developments with quick turnaround times for adjustments to the highway.

- Making sure that external funded projects are delivered with robust programmes, to budget with Value for Money (VfM) and in line with all applicable construction and design standards.
 - Introduce the right level of resource to ensure future funding opportunities that are available are captured and delivered within Trafford.
- 12.4 This work has already started with the integration of a newly formed Trafford Council Highways Project Management Team based in the Place Directorate that enables smoother communication and collaboration with Department for Transport (DfT), and Transport for Greater Manchester (TfGM). The team has accelerated the delivery of Mayors Challenge and Active Travel funded projects and will develop relationships with other government departments to secure funds for capital projects that meet our strategic objectives. This also includes horizon scanning and feasibility planning linked to the decarbonisation agenda.
- 12.5 This team is also responsible for ensuring effective project delivery through Amey and ensuring value for money in feasibility, design, and delivery of all highway and transport related capital programmes delivered through the contract.
- 12.6 The Council has focussed discussions with Amey during the 7 Year review on ensuring the right arrangements are in place to underpin these objectives and opportunities including:
- A clearer focus on attracting new capital investment into Trafford, both within Amey and the Council. This will include incentives for both parties, but particularly the Council, to increase the overall levels of capital passing through the contract.
 - To secure better value for money for the Council through growth in the capital managed by the OTP.
 - Increasing the threshold of capital spend within the contract for agreed activities and projects. This will enable further 'in house' construction of small parcels of work (subject to the contractual value for money tests) and speeding up construction times for minor works.
 - Incentivising inward capital from developers into the area by offering an end-to-end service for highways design and delivery associated with new developments which should speed up delivery and completion times for new developments across Trafford.

- Introducing more robust arrangements for the recovery of Council overheads by resourcing and managing capital projects.

12.7 The Council are in the final stages of agreeing these new arrangements with Amey and are subject to Part 2 of the report.

12.8 Annual plans will be agreed that show the intentions and priorities of the Technical Services Teams and the Capital investment that will be potentially realised. This will link to the councils Capital strategy and Medium-Term Financial Plan (MTFP).

13.0 What are the benefits for Residents of this 7-Year Review

The review has and will continue to deliver a range of positive benefits to Trafford Residents, including:

- Earlier identification and resolution to Service issues.
- Improved Customer Service, experience & engagement.
- Greater transparency in Service Planning of the Contract
- Improved Governance & performance monitoring.
- Increased investment into the OTP – delivering better & more efficient infrastructure.
- A focus on improving the environment through the decarbonisation agenda.
- Monthly governance arrangements in place to monitor the customer experience and to identify areas for improvement.

14.0 Consultation

14.1 Whilst there is no specific requirement to formally consult with the public on the contract various consultation and engagement with stakeholders and members have been undertaken during the 7-year review process. Feedback and areas for improvement have been acknowledged on this journey and incorporated where possible into the changes as highlighted and included within this report.

14.2 At various stages of the 7-year review process reports and updates have been taken to Scrutiny Committees to ensure that there has been an opportunity to

feedback, support and shape the outcomes of the review. The initial task and finish group meeting of the 26th of June 2017 reviewed the need to commence this process with various scrutiny updates happening following commencement of the review in 2019, culminating in the most recent scrutiny update to seek support for the overall conclusion of the review on the 12th of July 2023.

Access to the presentation to Scrutiny Committee relating to the negotiations for reference can be found here [AmeyNegotiationsUpdate_12July2023](#)

15.0 Other Options

- 15.1 The options associated with alternative delivery models for services associated with the OTP contract have been explored previously including bringing the services back in house and re-procuring a new contract and were deemed not viable following analysis, feedback and agreement with Scrutiny Committee and the Executive.
- 15.2 These other options have been considered by the Executive in July 2019 following a scrutiny task and finish exercise undertaken during 2019 that examined the potential options for the future delivery of services as outlined in 15.1. In October 2019, the Executive approved that the 7-year review option was the best way forward for the delivery of services going forward.
- 15.3 There is the option to not support the agreed changes however, there could then be a risk of abortive investment costs incurred to date being a revenue budget pressure on the Council. In addition, if changes are not agreed the contract would not be delivering optimal Value for Money and there is a missed opportunity to refresh the contract and modernise to drive up service standards for the remaining 6 years of the contract.
- 15.4 Hence the proposed 7-year review process that has been undertaken since that time was already agreed to be the most effective process to follow in order to achieve improvements for the next period of the contract.

16.0 Reasons for Recommendation (s)

- 16.1 To enable the Council to make contractual changes to the existing partnership agreement that will result in overall improvement of contract performance against the criteria set out in the agreed and updated partnership agreement and Contract.
- 16.2 To conclude the 7-year review process and continue to govern and manage the OTP contract based on the outcomes of the review and new partnership agreement.

Key Decision (as defined in the Constitution): YES
If Key Decision, has 28-day notice been given? YES

Finance Officer Clearance (type in initials) ...PC.....
Legal Officer Clearance (type in initials) ...DS.....

[CORPORATE] DIRECTOR'S SIGNATURE (electronic).....
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Exempt Information

By virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by The Local Government (Access to Information) (Variation) Order, the following information has been excluded from Part 1 of this report and included in Part 2 of the report:

- 1. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

It is considered that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Finance Officer Clearance PC
Legal Officer Clearance DS

CORPORATE DIRECTOR'S SIGNATURE 

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.