

Report to Cabinet

13 September 2023

Subject:	Professional Services Partnership 4
Cabinet Member:	Cabinet Member Environment and Highways, Danny Millard
Director:	Director of Borough Economy, Alice Davey
Key Decision:	Yes
Contact Officer:	Assistant Director – Highway Services, Robin Weare robin_weare@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given for Sandwell MBC to continue with membership of the Midland Highways Alliance Professional Services Partnership Framework (PSP 4).

2 PURPOSE OF THE REPORT

- 2.1 This report seeks approval for Sandwell MBC to continue with membership of the Midland Highways Alliance Plus Professional Services Partnership Framework (PSP 4).

3 Reasons for Recommendations






- 3.1 Membership of the Midland Highway Alliance Plus provides Sandwell MBC the opportunity to share best practice, benchmark and improve performance and deliver efficiency savings through working collaboratively together with other members.



- 3.2 Midlands Highway Alliance Plus (MHA+) was formed from the merger of three regional efficiencies groups, the Midlands Highway Alliance, the Midlands Service Improvement Group and the West Midlands Highway Alliance.
- 3.3 The new MHA + Alliance (July 2020) has a membership of 35 local highway authorities from across the Midlands and beyond.
- 3.4 The purpose of the Professional Services Partnership Framework (PSP4) is to ensure members have efficient access to consultancy services and offers good value for money through economies of scale.
- 3.5 The ability to use a 'ready-made' consultancy service framework contributes to Sandwell's Corporate Plan objectives by giving us direct access to specialist expertise, seconded staff when we need them and web-enabled collaboration tools with the associated governance and processes.
- 3.6 On 28 August 2023, the MHA + Alliance launched the Professional Services Partnership 4 (PSP4). This is the 4th generation framework following the successful PSP 1,2 and 3 frameworks. The PSP 4 contract will commence on 28th August, is expected to be in place until 2031 and with the contract end date for PSP 3 being 27th August 2023.
- 3.7 The scope of the framework enables procurement of professional services to deliver a range of Council activities. This includes highway improvements, maintenance, road safety schemes either directly or through secondments. A number of other Council teams use the PSP framework to procure specialist services. Transportation Planning, Building Services, Regeneration, Parks and Green Spaces also commission services through this framework. The commissioning of seconded professionals is particularly useful in supplementing Council expertise through cyclical and project-based peaks in workload.
- 3.8 This framework is administered through Leicestershire County Council on behalf of MHA members.



3 How does this deliver objectives of the Corporate Plan?

	<p>Best start in life for children and young people: Good, well maintained highway infrastructure will encourage more walking and cycling increasing wellbeing, improving road safety and promoting cleaner air quality.</p>
	<p>People live well and age well: The Highway environment plays an important role in the life of the community, particularly the positive opportunities that they can bring from social inclusion and interaction.</p>
	<p>Good quality Highways infrastructure will make our communities feel safe, more protected and confident in their homes and neighbourhoods.</p>
	<p>Well maintained highways bring increased economic and physical activity and reduces wear and tear and accident damage.</p>
	<p>Our highways are the arteries of our communities. They connect our residents to employment, education, local services and indeed the wider world. They enable economic growth, social mobility and are vital in ensuring good health outcomes.</p> <p>The recent Enventure survey was conducted to gain insight from residents to support Sandwell Council in the development of the budget proposals and future spending priorities. The survey found that “Maintaining Roads and Pavements” was selected as important by high proportions of respondents in both the representative survey (72%) and the online survey (79%).</p>

4 Context and Key Issues

4.1 Sandwell Highway Services currently have eleven seconded staff employed through the PSP 3 Framework to support delivery of major highway improvement and maintenance schemes such as Local Transport Plan projects, in addition to a commission for the design and project management of the Birchley Island major scheme.



- 4.2 In the financial 2022/23, the Council spent approximately £1,500,000 under this Framework agreement across a number of Council Services including Transport Planning, Building Services, Landscape Architecture as well as Highway Services.
- 4.3 It is proposed to use the PSP4 Framework to provide supplementary resource to support the delivery of an estimated £168m of new external capital funded highway and transportation programmes of work. The estimated resources needed for this planned regeneration of the Borough would result in an estimated additional annual spend of several hundred thousand per year on this framework, taking total forecast estimated spend to around £2m to £2.5m per year. The annual amount would vary depending on the phasing of schemes and programmes of work.

5 Alternative Options

- 5.1 Membership of the MHA + PSP4 framework represents the most cost-effective method of quickly providing supplementary resource for externally funded capital programmes. This flexibility in resource provision facilitates delivery of capital programmes through peaks in the investment cycle together with occasional short-term specialist commissions. The alternative would be a cycle of hiring specialists on temporary contracts and then terminating employment on completion of projects and programmes. There would also be no guarantee of continuity of involvement of the specialist staff working on partly completed projects if we did not continue with our membership of the PSP 4 framework.
- 5.2 There are other advantages to be gained by participating in this framework. It delivers benefits beyond access to specialist services. Membership of MHA facilitates benchmarking and delivers efficiency savings by collaborative working. Having access to a 'ready-made' framework contract to commission for larger projects also reduces the cost associated with the administration in tendering and obtaining market quotations for individual pieces of work.



For these reasons, discontinuing with membership of the MHA + PSP framework is not recommended.

6 Implications

<p>Resources:</p>	<p>A value of around £18m is estimated for the 8 years the framework is expected to be in place.</p> <p>Commissions through the MHA + PSP4 framework are funded almost entirely through external capital grant funding or the income streams generated by the specialist work. The commissions are funded from existing budgets.</p>
<p>Legal and Governance:</p>	<p>The principal statutory duty imposed on local highway authorities is to maintain the highway maintainable at public expense.</p> <p>The Council, in carrying out transportation, highways and infrastructure related work, will do so under the relevant primary legislation comprising the Highways Act 1980; Road Traffic Act 1974; Road Traffic Regulation Act 1984; Local Government Act 1972; Traffic Management Act 2004; and Transport Act 2000 and other related regulations, instructions, directives and general guidance.</p> <p>The Traffic Management Act 2004 imposes a network management duty on a council to manage day-to-day operational use of its highways to ‘keep traffic moving’.</p> <p>Framework Agreements that have been procured in accordance with the relevant legislation and regulations are an effective and legally compliant route to market, that helps to ensure good value and effective contract management.</p>
<p>Risk:</p>	<p>The Council has a duty to meet its legal obligations to mitigate service risks related to third party liability claims arising from accidents and injury due to condition of the highway.</p>



	The key service risk relates to third party liability claims arising from accident and injury due to condition of the highway or non-compliance with statutory obligations. The duty is not absolute, but decisions must be taken on reasonable grounds with due care and regard to relevant considerations as set out in best practice guidance 'Well-managed Highway Infrastructure'.
Equality:	There are no specific equality issues regarding the proposals contained in this report. The requirements of the Equality Act 2010 are included in the Framework Agreement Documentation to draw attention to the detail of, and the need to comply with, the Act.
Health and Wellbeing:	The Highway environment plays an important role in the life of the community, particularly the positive opportunities that they can bring from social inclusion and interaction.
Social Value:	Social Value commitments have been built into the tender evaluation criteria to ensure the successful contractor(s) complies with nationally recognised standards and contributes to the Council's Vision 2030 ambitions.
Climate Change:	Well maintained highways support climate change objectives through the supporting more activate travel arrangements, the increased use of public transport, delivery of carbon reduction savings and associated benefits outlined in the Corporate Plan.
Corporate Parenting:	Good, well maintained highway infrastructure promotes improved physical and mental health and well-being of children and young people through more walking and cycling, improving road safety and promoting cleaner air quality.

7. Appendices

None

8. Background Papers

None

