

Wiltshire Council

Cabinet

19 April 2016

Subject: Highways Peer Review

Cabinet Member: Cllr Philip Whitehead – Highways and Transport

Key Decision: No

Executive Summary

In November 2016, Cabinet agreed to an independent review of the highways service through the Highways Maintenance Efficiency Programme (HMEP) Strategic Peer Review process, which is funded and supported by the Department for Transport. The proposal was for a challenge and review process where officers and members from other authorities help an authority's highways service identify opportunities for improvement, greater efficiencies and change.

The review took place in February 2016 and involved interviews with focus groups of members, staff, customers and partners, and individual interviews with Cabinet Members and senior managers, as well as reviewing service strategies and operational plans.

The outcome of the Peer Review was very positive. An action plan is being developed for discussion with the Peer Review team, and progress on implementing the recommendations will be reported to this Cabinet in the future.

Proposal

That Cabinet notes the positive results of the recent Highways Maintenance Efficiency Programme Peer Review, and that progress on implementing its recommendations will be reported to a future meeting of Cabinet.

Reason for Proposal

There have been significant changes in the Council's Highways Service over the last few years. These include a significant increase in capital expenditure in maintenance through the Local Highways Investment Fund 2014-20, substantial reduction in revenue funding, realignment of transport funding by the central government, termination and procurement of the term maintenance contract, and several restructuring of the service since Wiltshire became a unitary council.

It is important to get an independent view on whether, after all these changes the service is fit for purpose and provides value for money to the residents.

Dr. Carlton Brand
Corporate Director

Wiltshire Council

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Purpose of Report

1. To advise Cabinet of the outcome of the recent peer review of the Highways Service.

Relevance to the Council's Business Plan

2. The Council's Business Plan has three key priorities to look after the vulnerable, boost the economy and support resilient communities. The Highways Service plays an important role in delivering these priorities.

Background

3. Since 2011, the Department for Transport has run the Highways Maintenance Efficiency Programme (HMEP) in order to create efficiencies in how highway services in England are managed. One of the initiatives resulting from this programme is to offer a Strategic Peer Review by officers and members from other authorities to help an authority's highways service identify radical opportunities for improvement, greater efficiencies and change. The review is led by Local Government Association (LGA). The objectives of the review are to:

- enhance the process of improving highways delivery to realise transformational efficiencies and change
- allow an authority to understand potential improvements set within the wider strategic context of Council operations
- inform decision-making and provide (re)assurance from fellow professionals or 'peers'
- encourage engagement, collaboration and commitment to action across the Council and service provider
- promote the sharing of good practice through peer-to-peer engagement as well as empowering individuals to collaborate across authorities

4. The review was structured to focus on four areas of the business:

Context and priority setting: This looks at assessing how the Council's delivery takes into account national and local transport policy, corporate vision, stakeholder expectations, legal and financial constraints.

Planning and performance: This covers the Council's strategy, performance, data and information, and lifecycle planning and works programmes.

Enablers: This component focusses on leadership, risk management, asset management, and performance monitoring.

Delivery: This considers programme and service delivery and procurement.

5. An initial scoping meeting was held with LGA in November 2015, and as well as the HMEP's objectives, the Council asked that the review should particularly focus on effectiveness of the service in allocation of resources, procurement and contract management, engagement with the Local Enterprise Partnership, and engagement with customers and communities.
6. The review took place between 22 and 24 February 2016 in County Hall. The programme for the review is attached in **Appendix 1**. The review team's membership was:

Lead Peer Jason Russell (Surrey County Council)

Member Peer Cllr. Nick Chard (Kent County Council)

Senior Officer Peer Owen Jenkins (Oxfordshire County Council)

Senior Officer Peer Andrew Martin (Dorset Council)

Senior Officer Peer Martin Pollard (Local Partnerships)

Senior Officer Peer Scott Tompkins (Gloucestershire County Council)

Review Manager Ernest Opuni (Local Government Support Team, Local Government Association)

Main Considerations for the Council

7. To introduce the review team to Wiltshire, a Position Statement was prepared which gave the overview of to the highways service in a local context. The statement is attached (see **Appendix 2**).
8. The findings of the review and areas highlighted for consideration were as follows:

Context and Priority Setting

9. The Council has a clear strategic vision and has been on a consistent journey for several years. There is strong political and officer leadership and there is an effective approach to achieving vision, with transition before transformation. The transition to a unitary authority has been managed effectively, and achieves a balance between county wide and local priorities.
10. Members are supportive of the service. There is a strong Cabinet Member, with cross party support and recognition of where the authority is with contract change and issues.
11. Area Boards and Community Area Transport Groups (CATGs) are effective at enabling local ownership, decision making and influence. An area where delivery has improved significantly in recent months is with regard to the smaller sites where there is localised damage and potholes. These can be particularly

difficult because they often need road closures and diversions to enable the works to be carried out safely. Programming these works, and integrating them with works by others on the network, is a challenge, but good progress is now being made.

12. Clarity is needed about how the wider Council vision and transformation cascades to the highways and transport service. It was recommended to consider the development of a clear vision and strategic outcomes for the service, linked to the Council's priorities, and supported and understood by all stakeholders. There are opportunities to align/link wider service activities (maintenance, congestion, resilience, procurement) with economic growth and social value agenda (apprenticeships, local suppliers etc.).

Planning and Performance

13. The case has been successfully made for investment in the infrastructure using an asset management approach and methodology. The development of long-term depreciation modelling for key assets has started. Opportunity to create benefits for communities from being a unitary authority has been realised through asset transfer and service delegation and communities are involved in decision making through Area Boards.
14. Consideration should be given to the development of a performance management framework to underpin delivery of strategic outcomes. This can assist in expectation management and effective benchmarking. Depreciation modelling is still to be rolled out to all assets to enable long-term prioritised lists to lead to longer term programmes. And consideration should be given to development of service improvement plans to achieve key service objectives (e.g. DfT's Band 3 self-assessment rating, winter service transformation).

Enablers

15. Harnessing the knowledge and energy in local communities has led to improved outcomes and additional funding.
16. There are many skilled and knowledgeable people in the service with a clear positive intent amongst staff and partners to ensure the service is successful. There is a positive and effective relationship between Members and Officers, with strong and capable senior political leadership which gives clear and consistent vision.
17. The service should recognise and plan for the risks associated with the significant challenges faced over the coming months, including contract mobilisation, service reviews and restructuring, and delivering a major infrastructure pipeline.
18. Highways Service has a lean organisation, reliant on key individuals in business critical roles. Consideration should be given to capacity, succession planning and development needs.
19. The service has to ensure IT systems support integration and workflow and feedback.

20. Effectiveness of the supply chain management is effective and Client role in managing new model should be examined and ensure there is a shared understanding between Members and Officers of contract and performance management.

Delivery

21. The service has managed the termination of the highways contract and the very challenging procurement of the new contract effectively. Service Delivery Teams are an effective vehicle for collaboration between the partners.
22. The Highways Service has successfully delivered LEP schemes on time and to budget.
23. Local delivery and decision making is effective, with Area Boards which have devolved decision-making and increased community involvement.
24. The reinstatement of the Parish Steward scheme, which further empowers parish councils and communities, is welcomed. The CATGs help to manage local expectations, allowing local communities to resource, influence and deliver services.
25. The service needs to ensure it fully understands the benefits and cost of each stage in the delivery process, and fully realise the potential in the supply chain and further utilisation of early contractor involvement. Contract performance management needs to be aligned with the service performance management framework and stakeholder expectations. Option for further innovation should be considered.
26. The key messages from the review team were:
 - The service has successfully overcome some significant difficulties during transition of contracts in the last few months.
 - There will need to be strong leadership and focus on the challenges you face over the coming months.
 - The new arrangements are universally welcomed, but ensure that you stay awake to the issues that are impacting on delivery.
 - Consider how shared learning/alignment with wider Council initiatives can assist the service in its development.
 - Once the operational issues are stabilised, consideration should be given to longer term strategies and sustainability, including vision and key outcomes for the service and how these will be delivered, future procurement and role of the client organisation and the capabilities needed in the future.

Overview and Scrutiny Engagement

27. Members of the Highways Contract Task Group took part in the peer review, and were interviewed by the review team as a Focus Group. Other members of Overview and Scrutiny were interviewed as well. The outcome of the peer review was reported to the Environment Select Committee on 12 April 2016, and the action plan will be reported to the Committee in due course.

Safeguarding Implications

28. Does not apply.

Public Health Implications

29. Improved management of Highways will improve safety, air quality and noise reduction and help achieve the Council's objectives in public health in several areas.

Procurement Implications

30. Any procurement implication of implementing improvements will be considered in the action plan and reported in future.

Environmental and Climate Change Considerations

31. The road network is particularly vulnerable to the effects of climate change. In the past we have seen the effects of a series of severe winters which have resulted in damage to the roads and an increase in the number of potholes. In early 2014 flooding damaged a number of roads in Wiltshire, and increased deterioration, and last winter was particularly wet causing damage to road surfaces.
32. In the longer term a more robust highway network, with roads in better condition, would require less reactive maintenance and reduced travelling to respond to potholes and localised defects. A planned maintenance regime enables the traffic disruption to be kept to a minimum. With unplanned maintenance the delays to traffic and associated fuel consumption could be considerable.

Equalities Impact of the Proposal

33. The improvements in road safety anticipated with increased investment in road maintenance would be expected to benefit all road users, but especially the more vulnerable, including pedestrians, cyclists and other non vehicle users.
34. The highway network is important to local businesses, and to public transport operators. The delays due to un-programmed maintenance and road repairs have been identified as concerns by local businesses. The high profile programme of works to address road conditions will help send the message that transport is important in Wiltshire and could help to promote inward investment and job creation.

Risk Assessment

35. There are serious risks in connection with the highways service which are effectively managed. These include the safety and reputational aspects of those killed and seriously injured on the highway network. In order to reduce these risks the Council has approved procedures in place, but in order to keep the network in safe condition it is important that the highway network has adequate investment, and the safety issues are prioritised.

36. The road condition data collected through the technical surveys is used to focus investment on those sites where there is most need and greatest risk. As well as the safety benefits this approach also ensures that best use is made of the limited available funding in order to keep the asset in optimum condition.

Risks that may arise if the proposed decision and related work is not taken

37. There are no decisions required at this stage.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

38. There are no decisions required at this stage.

Financial Implications

39. The implementation of the recommendations is aimed at creating efficiencies in the service. Any initiative requiring investment would be supported by a business case to substantiate benefits.

Legal Implications

40. The Council has a duty under the Highways Act to maintain the county's roads. The highway service procedures, policies and improvement plans ensure that this duty is fulfilled.

Options Considered

41. The Peer Review will assist the Council in considering options to improve the Council.

Conclusions

42. The Council has received a very positive feedback about the way its Highways Service is managed and delivered. The areas recommended for consideration will be taken forward to form an action plan. The review team is due to return to Wiltshire to agree the action plan. The plan and progress with its implementation will be reported to cabinet later in the year.

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Background Papers

The following unpublished documents have been relied on in the preparation of this report:

None

Appendices

Appendix 1 – Highways Peer Review Programme
Appendix 2 – Position Statement