

**Wiltshire Council**

**Environment Select Committee**

**20 March 2024**

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**Subject: Highways Annual Review of Service 2023**

**Cabinet Member: Councillor Caroline Thomas - Transport, Street Scene and Flooding**

**Key Decision: No**

**Executive Summary**

The local highway network is the largest of the Council's public assets, with a replacement value of over £5 billion. Effective maintenance is vital for residents, businesses and visitors to ensure reliable access to services and facilities across Wiltshire, and to enable sustainable economic growth in accordance with our Business Plan priorities.

The Council, as local highway authority, is assisted in maintaining the network by specialist contractors and suppliers.

An annual review of the highway service for 2023 has been prepared (see **Appendix 1**) together with a summary of the schemes delivered during the year (see **Appendix 2**).

The highways term maintenance contract with Ringway Infrastructure Services ended on 31<sup>st</sup> March 2023. Following a robust procurement exercise, the new contract was awarded to Milestone Infrastructure Ltd., and commenced on 1<sup>st</sup> April 2023. Demobilisation and mobilisation of large contracts such as this present a number of challenges and there were some initial issues with operational depots and the Parish Steward service, which Milestone have addressed.

The performance of the Council's highway consultant, Atkins, and the main highway contractors Milestone, Tarmac, Kiely Bros Ltd, and Uptons Specialised Tree Services are monitored using Key Performance indicators. Their performance during 2023 has been assessed as "good".

The ongoing extreme weather has caused significant damage to some of Wiltshire roads, particularly the prolonged winter and extreme heat experienced in 2022 and 2023. The number of pothole reports increased dramatically in January last year and the rate of deterioration has accelerated in some areas. That said, benchmarking identifies the overall condition of Wiltshire's Classified Road Network is similar to, or better than, the average road conditions in other South West highway authorities, and is better than the national average, although the condition surveys have identified a slight decline in recent years.

The Council has provided an additional £10m of funding for preventative highway maintenance, which together with increased Department for Transport (DfT) funding, has enabled an extensive programme of road surfacing and treatment to be prepared for 2024/25 to improve the condition of the roads and a provisional surfacing programme has been identified for future years (see **Appendix 3**).

### **Proposal**

It is recommended that the Committee:

- (i) endorses the Highways Annual Review of Service and confirms that the performance of the Council's highways contractors has been good during 2023.
- (ii) welcome the additional funding provided by the Council for highways activities in 2023.
- (iii) acknowledge the extensive programme of road resurfacing and highway maintenance being proposed for 2024/25, and the additional funding being made available by the Council to help support this.
- (iv) request a report on the highways service and the performance of the highways contractors in a year's time.

### **Reason for Proposals**

The highway network forms the Council's largest public asset with a replacement value of over £5 billion. It is essential that the highway network is maintained in the most cost-effective way that demonstrates value for money, including the use of asset management and whole life costing approaches to inform investment decisions, taking into account the environmental implications.

The performance of the Council's contractors, and their supply chains, are important in maintaining the condition of the highway assets and ensuring an efficient and effective highways service. Their performance is continuously monitored and is reviewed and reported annually to this committee.

**Samantha Howell**  
**Director of Highways and Transport**

**Subject: Highways Annual Review of Service 2023**

**Cabinet Member: Councillor Caroline Thomas - Transport, Street Scene and Flooding**

**Key Decision: No**

### **Purpose of Report**

1. To provide a review of the performance of the highways service during 2023, and to give an update on the performance of the contractors and suppliers involved in delivering the service.

### **Relevance to the Council's Business Plan**

2. The effective maintenance of the local highway network is essential to Wiltshire Council's Business Plan 2022 – 2032 priorities:
  - Empowered People – 'We are safe', 'We Stay Active'
  - Resilient Society – 'We ensure decisions are evidence based'
  - Thriving Communities – 'We have vibrant, well connected communities'
  - Sustainable Environment – 'We are on the path to carbon neutral'.
3. The highways and transport service has a key role to play in delivering the business plan, especially ensuring people can travel safely and easily in Wiltshire, accessing good services and facilities throughout the county.
4. The reliability of the highway network also has a significant role in ensuring sustainable economic growth.

### **Background**

5. The local highway network is the largest of the Council's public assets, with a replacement value of over £5 billion. Wiltshire Council recognises the importance of maintaining and managing its highway network efficiently and continues to make significant investment in improving the condition of its highway assets.
6. The Council, as local highway authority, is responsible for a highway network of over 2,800 miles of road, 3.9 million square meters of footway, and assets including almost 1,000 highway bridges and approximately 50,000 streetlights, illuminated signs and bollards and over 200 traffic signal controlled crossings and junctions.
7. The management, maintenance and improvement of this infrastructure requires a high level of technical expertise to meet the legal, technical, and financial challenges they present.
8. The Council employs specialist contractors to carry out work on the highway network. The use of these specialised contracts has been found to deliver improved outcomes than previous arrangements that bundled all the

specialisms into one large contract.

9. At its meeting on 14<sup>th</sup> March 2023 this committee requested an annual report on the performance of the highway service and the contractors involved in maintaining the highway network.

## **Main Considerations for the Council**

### Annual Review of Service

10. The Council's highways service is delivered by a number of contractors managed by the Council's highways and transport directorate, with the support of the Council's highways and transport consultant. A report on the delivery of the highways service during 2023 is included at **Appendix 1**.
11. The annual review identifies the service has continued to respond well to the ongoing major challenges around resources, budgets, inflation and prolonged periods of extreme weather. The schemes completed in 2023 included road surfacing, repairs, road safety improvements and structures work. The full list of schemes completed is included at **Appendix 2**.
12. In summary, during 2023 the highways service has:
  - Resurfaced 32 km of road and 2.4 km of footway;
  - Retextured 9 km of road to improve skid resistance;
  - Surface dressed 63 km of road;
  - Filled 14,891 potholes;
  - Carried out 600 bridge inspections;
  - Delivered over 180 schemes promoted through the Local Highway and Footway Improvement Groups (LHFIG).
13. The Highways and Transport Performance and Outcomes Group (POG) and Performance and Outcomes Boards (POBs) have been introduced in 2023. These have replaced the performance management framework which had previously been used to provide an overview of performance. POGs and POBs ensure more regular reporting to the Cabinet Member and Portfolio holders, as well as supporting evidence led investment decisions and agile deployment of resources as emerging priorities require, for example, following recent storm events.
14. The highways and transport service also introduced a programme of 'Highways Matters' events, attending each of the 18 Area Boards to discuss the highway issues that matter most to local communities. The programme of events is scheduled for completion in March 2024.
15. The management and monitoring of the highways contracts has continued to be through the Service Delivery Teams established for individual services. SDTs report to the monthly Contract Management meetings, which are attended by senior representatives of the main suppliers. These meetings are used to coordinate, manage, and monitor the various work programmes of the highways service.
16. Performance of contractors is assessed against each of their contract objectives using a mixture of satisfaction scoring by staff managing the contracts, and Key Performance Indicators (KPIs) set out in the contracts.

## Highways Term Maintenance Contract

17. The Highways Term Maintenance Contract provides the mechanism through which the majority of highways maintenance functions are delivered including:
- Local Highways - Safety Repairs, Reactive Service, Routine Maintenance, Cyclic Operations, Parish Stewards, Minor Works.
  - Integrated Transport - Improvement Schemes, Signing Works, Lining Works, Handrails and Barriers.
  - Public Realm Improvements – Paving, Surfacing, Street Furniture, Planting, Signing.
  - Structures - Maintenance and Repairs, Bridge Replacements, Culverts, Retaining Walls.
  - Drainage - CCTV Investigations, Repairs, New Drainage Systems, Reactive Works, Flooding response.
  - Street Lighting - Inspections, Maintenance, Repairs, Replacements, Lighting Schemes, Checking third party Christmas lighting on the highway.
  - Winter Service - Provision of Gritter Drivers, Call-outs and Standby, Vehicle Management.
  - Out of Hours Emergencies Service - Out of Hours Standby, Responding to Issues on the Highway.
  - Works Programming, Coordination and Supervision.
18. Until 31<sup>st</sup> March 2023 these services were provided by Ringway Infrastructure Services. Following a robust procurement exercise, the new contract for these services was awarded to Milestone Infrastructure Ltd., and commenced on 1<sup>st</sup> April 2023. The contract has a duration of 5 years with an option for a 5 year extension subject to satisfactory performance. The transfer of the contract to Milestone was covered by the TUPE Regulations and continuity of workforce has generally been achieved, with many previous Ringway employees transferring to Milestone.
19. An interim report covering Milestone's performance over the first 17 weeks of the contract was presented to this Committee on 19<sup>th</sup> September 2023. Initial issues with the Parish Steward service were noted and the actions taken are discussed below. Skills shortages across the construction industry and a shortage of suitable depot facilities did add to the challenges of establishing the new contract; however, Milestone has addressed these.
20. The Council's operational response to flood events has been mainly provided by the term maintenance contractor and, as well as the winter gritting operations, it has been necessary to deal with extensive damage caused by storms and high winds.
21. The performance of the contractor has continued to be monitored and assessed against the contract KPIs, and despite the initial issues is currently considered to be "good".

## Parish Steward scheme

22. The Parish Stewards scheme was originally introduced in 2005. The Stewards respond to requests for minor highway works from Town and Parish Councils and the scheme has proven to be very successful and is popular with local communities, receiving good feedback from local Councils.
23. Since 1<sup>st</sup> April 2023, the Parish Steward scheme has been delivered by Milestone as part of the Term Maintenance Contract.
24. Due to the unprecedented number of potholes experienced across the network during the changeover period of the term maintenance contract to Milestone, a decision was taken to suspend the Parish Steward program of visits to allow all available resource to be directed to pothole repairs. This resulted in some dissatisfaction with the Parish Steward service being expressed by many of the Parish Councils.
25. Further, while due diligence was undertaken during on-boarding of personnel with the new contractor, complaints were received about a lack of visibility and service provision in some areas. The programme of visits recommenced from the beginning of June with some changes of personnel; however, it should be noted that communication with some Parish Councils was not as the Council would have expected.
26. These issues were highlighted to Milestone and an action plan was developed promptly to mitigate risks and ensure service improvements. A review of Milestone's Risk Assessments and Methods of Working was carried out leading to a redrafting of these documents, and detailed briefings were then provided to Parish Stewards with the necessary clarity provided.
27. A dedicated supervisor has also been appointed by Milestone with responsibility for the Parish Stewards to provide improved guidance and support for them when undertaking their duties and to ensure improved outcomes.
28. These changes led to a clear improvement in the delivery of the service, and this will continue to be monitored closely.

#### Other Highways Contracts

29. Other contracts which currently provide specialist services for the highway service are:
  - Machine Surfacing Contract – Tarmac Ltd.
  - Surface Dressing and Micro Asphalt Contract – Kiely Bros Ltd.
  - Arborist Services Contract – Upton Specialised Tree Services Ltd.
  - Traffic Signal Maintenance – Telent Technology Services Ltd.
30. The Tarmac machine surfacing contract delivers the major surfacing works which can involve the removal and replacement of damaged road surfaces or the overlaying of existing roads with a new structural surfacing layer. Performance under the contract has been “good” with a programme of both large and smaller surfacing schemes being successfully delivered. The contract started in June 2020 and is for 5 years with an option for a further 2 years based on performance.

31. Kiely Bros. Ltd. undertake surface dressing and micro asphalt works for the Council. This involves the overlaying of roads with a thin layer of surfacing to provide essential skid resistance and seal the road surface, which increases the life of the road. As this type of surfacing has no structural strength, it is applied to roads that are still structurally sound, usually avoiding the need to unnecessarily remove and replace the surface. Performance under this contract has been “good” and a large number of sites completed to programme. The contract started in July 2020 and is for 5 years.
32. The Uptons Specialised Tree Services contract provides the maintenance and planting of highway trees. The contractor is also responsible for managing Ash Dieback. There are around 125,000 Ash Trees on or adjacent to Wiltshire’s highways. Ash dieback is a fungal disease that can quickly cause the death of an Ash tree, which if left unattended will fall. As ash trees can grow to over 30m, this can present a hazard on the highway. Performance under this contract has been good with around 3,200 dead or dying Ash trees removed from near our highways in 2023. This contract started in December 2020 and is for 12 years.
33. The Telent contract covers the maintenance, refurbishment of existing and the installation of new traffic signals. There are currently 145 signal-controlled pedestrian crossings and 65 signal-controlled junctions maintained under the contract. This contract started in July 2019 and is for 5 years with the option to extend it by up to 2 years. A one-year extension to this contract was agreed in December 2023.
34. A framework Contract for Specialist Surfacing and Associated Highway Works is also in place to provide a list of suitable contractors to bid for smaller specialist highway works at short notice, which reduces procurement costs.

#### Highways Consultancy Contract

35. The current Highways Consultancy contract with Atkins started in December 2019. It is for five years with a potential two-year extension subject to performance of which an 18 month extension has already been granted. Atkins provides a range of services and support to the highway’s teams, including the design and supervision of highway, transport, and drainage schemes.
36. Their performance is monitored using the established KPIs and continues to be good.

#### Local Highway and Footway Improvement Groups

37. The LHFIGs were introduced in April 2022 to take over from the long running Community Area Transport Groups (CATGs) to support local decision making across a wider remit with an increase in budget, supported by additional staff, following a review by the Environmental Select Committee
38. The wider remit has led to a significant increase in the number of requests with over 420 received during the year. Unfortunately, recruitment of additional staff has only been partially successful in dealing with this increase in workload, leading to some difficulties in delivering schemes and addressing concerns being raised by

the groups. Those staff supporting the LHFigs are aware of this and continue to work hard to support the groups.

### Additional funding 2023

39. Funding for the majority of highway maintenance works comes from annual grant allocations from the Department for Transport. In 2023 this included an additional grant of £3.6m to help address overall carriageway condition. To further supplement this the Council made available significant additional funding to help support highway activities. This consisted of:
- £150,000 pa over three years to tackle fly-tipping;
  - £200,000 per year for three years for white-lining;
  - £333,000 per year over three years to help prevent flooding, directed to gully cleaning;
  - £500,000 for signing strategy (replacement of life expired or damaged signs);
  - £510,000 for flyposting removal and enforcement, litter picking rural highways, cleaning multi-story car parks and communications.

### Carriageway Conditions and Additional Funding in future years

40. The overall condition of Wiltshire's Classified Road Network (A, B and C Class Roads) remains similar to, or better than, the average road conditions in other South West highway authorities and is better than the national average. However, the condition surveys have identified a slight decline in recent years and whilst the condition of the county's roads had been improving, the network was adversely affected by the prolonged extreme weather and deterioration was accelerated in some locations.
41. In response to the recent damage to the road networks nationally, the Department for Transport (DfT) has increased maintenance funding for 2024/25 with the Highways Maintenance Block and Pothole Fund (£20.7m) and the recently announced Road Surfacing Fund (£2.6m in 2023/24 and £2.6m in 2024/25).
42. To enable a significant forward work programme of preventative maintenance in the longer term, the Council has made available £10m capital funding (over 2 years) to maintain and improve the county's road network.
43. A variety of surfacing processes and treatments are used on the roads which are selected based on technical surveys and site inspections to ensure cost effective maintenance and to address identified road safety issues. The council also has robust processes in place to monitor skid resistance and to identify sites in need of treatment, which are also included in the planned programme of works.
44. An extensive programme of road surfacing and treatment has been developed for 2024/25, and a provisional surfacing programme has been identified for future years. This is set out in the Wiltshire Highways Investment Plan that is included at **Appendix 3**.

### **Overview and Scrutiny Engagement**

45. The review of the highways service is reported annually to the Environment Select Committee. The committee has also been kept informed about the



development of HIAMS and the procurement of key contracts through regular updates.

### **Safeguarding Implications**

46. None.

### **Public Health Implications**

47. The condition of roads, their surface and related infrastructure can have serious safety implications, especially with regard to potholes and skid resistance. The good maintenance and improvement of the highways network can make a significant contribution to reducing collisions particularly those resulting in death and serious injury. Roads, bridges, highway structures, signs and street lighting must be kept in good condition in order to protect the public and those maintaining the assets.

### **Environmental and Climate Change Considerations**

48. The impacts of climate change are having significant effects on the highways network with increased rainfall and associated incidents of flooding and temperature extremes causing more frequent damage to the roads, footways, and drainage systems. In 2022/23 road surfaces were damaged by very high temperatures during the summer and freezing conditions in the winter period. Such events are likely to be repeated and having robust maintenance strategies to improve the condition of the network, with experienced specialists and maintenance contractors, helps build resilience into the highway network and the infrastructure.
49. The highway service recycles a large proportion of the waste material generated by its highway operations and takes specific measures to protect the environment when carrying out maintenance and construction work.

### **Equalities Impact of the Proposal**

50. Good maintenance of the highway network, should benefit all road users, including those using public transport, and particularly vulnerable road users such as cyclists and pedestrians.
51. The employment policies of the Council's contractors are considered when considering the award of contracts. They are required to conform to the Council's Identity, and the contracts are closely monitored and managed through monthly satisfaction performance indicators.

### **Risk Assessment**

52. There are considerable risks associated with the highway network, particularly in terms of safety, environmental, financial and reputational risks. The highways contracts and Council staff provide skilled resources to ensure the successful delivery of the highways service and reduce the risks to the Council.
53. There are risk management processes in place to manage the risks associated with the highways service, which include regular liaison with service suppliers

and the effective management of resources. A risk-based approach has been adopted in line with the Well managed highway infrastructure code of practice and is incorporated in the Wiltshire Highways Safety Inspection manual.

54. Price increases because of inflation, skills shortages, and materials costs have all had an impact on delivery in the recent past as contract prices are adjusted across all the highways contracts in accordance with published indices. As the highways maintenance budgets are often fixed, less work can result. At present, prices appear to have stabilised but remain a potential issue in the longer term.
55. Throughout 2023, staffing levels, recruitment and retention has been an increasing issue. The Highways service has a high number of vacant posts with recruitment activities failing to attract suitable candidates in a competitive market. Pressures on existing staff have therefore remained very high. Research has identified a general skills shortage across the construction industry with shortages affecting Local Authorities, consultants, and contractors in equal measure.
56. To help address these issues, as well as investing in the Apprenticeship programme and learning and development opportunities to ensure succession planning, a more targeted recruitment approach in specialist Construction publications has been adopted and a bespoke landing page for Highways and Transport vacancies has been created on the Council's website. A dedicated Highways and Transport Careers Fair was hosted at County Hall, and the Directorate has also had representation at partner events, for example 'Troops into Transportation'.
57. Further recruitment campaigns and events are planned for 2024.

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

58. No specific decision is required, but it should be noted that there is a risk of increased accidents, claims and public dissatisfaction if the programme of highway maintenance and related services are not delivered effectively or are delayed.

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

59. No decision is required.

#### **Financial Implications**

60. The highway network and related infrastructure forms the Council's largest asset and has a replacement value of over £5 billion. It is important that the network is maintained in the most cost-effective way to keep it safe and ensure value for money. This includes the continued use of a whole life costing approach to inform investment decisions on highway maintenance.
61. There has been an increasing drive for improved asset management from the Department of Transport in recent years, and a failure to demonstrate the application of good asset management principles could result in reduced funding from central government in the future.

62. The recent increased funding from DfT and from the Council is clearly needed to reverse the deterioration in road conditions that has occurred because of recent extreme weather.

### **Legal Implications**

63. The Council has a duty under the Highways Act to maintain the county's roads. The highway inspection procedures, policies and asset management plans help ensure that this duty is fulfilled. The investment and improved road conditions in recent years are helping the Council meet its responsibilities regarding road maintenance and keeping the network safe.

### **Options Considered**

64. There is a need to continue to apply asset management principles to the highway network and to ensure that the performance of the contractors involved in delivering the service is appropriate to keep the network in a safe condition and to ensure value for money.

### **Conclusions**

65. The highway network forms the Council's largest asset and effective maintenance to ensure its availability is essential to the economic development of the County and safety of its users. The use of whole life costing approaches and effective asset management procedures are important to inform investment decisions.
66. The performance of the contractors delivering the Council's highway service is key in ensuring that the Council can meet its responsibilities as the Highway Authority. The current performance of the contractors is good and will continue to be monitored.

**Samantha Howell**  
**Director Highways and Transport**

Report Author:  
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March 2024

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

None

### **Appendices**

Appendix 1 – Annual Review of Highways Service 2023

Appendix 2 – Wiltshire Highways Schemes 2023  
Appendix 3 – Wiltshire Highway Investment Plan 2024/25