

# INFRASTRUCTURE OVERVIEW & SCRUTINY PANEL

TUESDAY, 6TH APRIL, 2021

At 6.15 pm

by

VIRTUAL MEETING - ONLINE ACCESS, ON [RBWM YOUTUBE](#)

## SUPPLEMENTARY AGENDA

### PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
7.	<u>HIGHWAY MAINTENANCE CONTRACT - OPTIONS FOR FUTURE SERVICE DELIVERY</u>  To receive the above report.	3 - 16

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# Highways Maintenance and Management Contract

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## Current performance and options for future service delivery

Infrastructure Overview and Scrutiny Committee  
6<sup>th</sup> April 2021

# Background

VolkerHighways Ltd are currently the service provider delivering the boroughs highway maintenance services for a period of five years (with the option of an extension for two further years).

↳ The service delivery model was approved by Cabinet in June 2016 and the contract awarded by Cabinet in January 2017.

The contract commenced on 1st April 2017 and we are now in year 5.



The commissioned service contains the following core elements:

- Highway and Bridge Inspections;
- Highway and Bridge Repairs;
- Drainage and gully clearance;
- Winter Service;
- Street Cleansing;
- Project Delivery;
- Tree Inspections.

The main contractor is VolkerHighways Ltd who have sub-contracted Street Cleansing to Urbaser, and work with Project Centre Ltd. for scheme design and delivery.

# Current performance information

- VolkerHighways Key Performance Indicators
- Road condition indicators
- Road Investment
- Resident satisfaction
- Future Options
- Partnering Opportunities
- Service improvement proposals



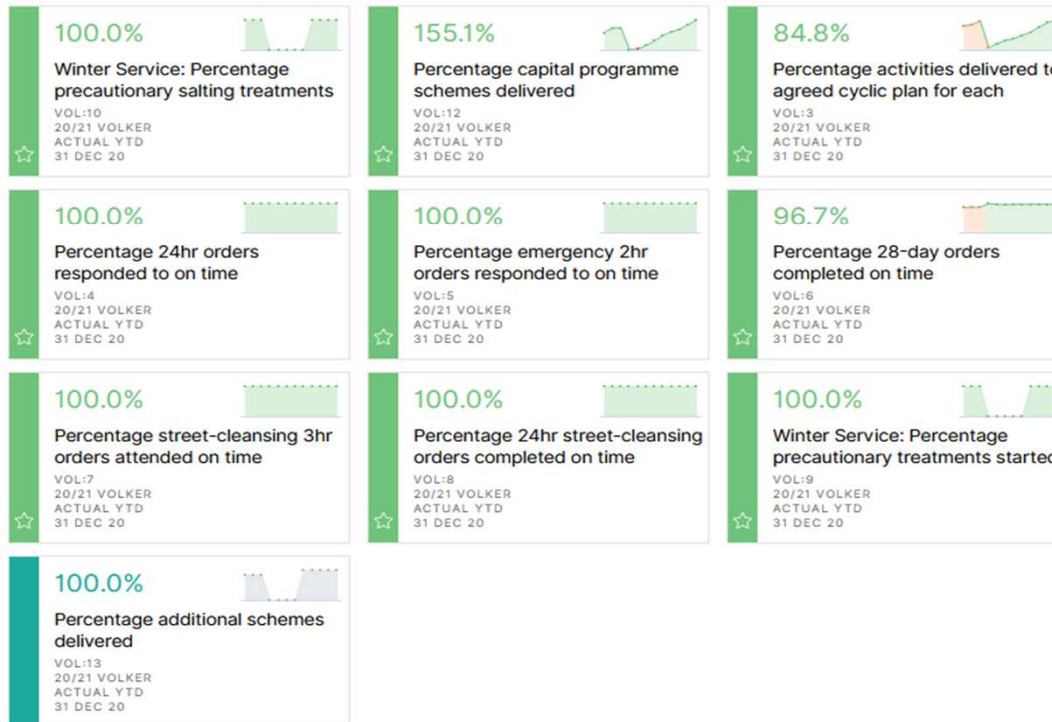
# VolkerHighways

## Key Performance Indicators

### A. Quality Management



### B. Contract Programme



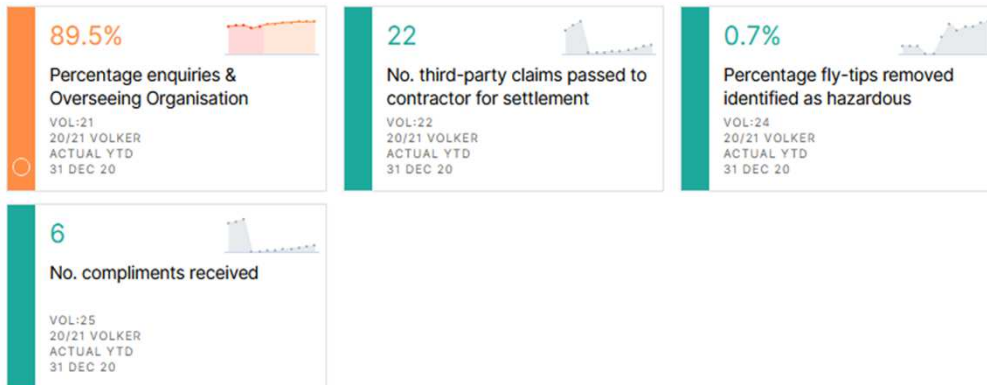
# VolkerHighways

## Key Performance Indicators

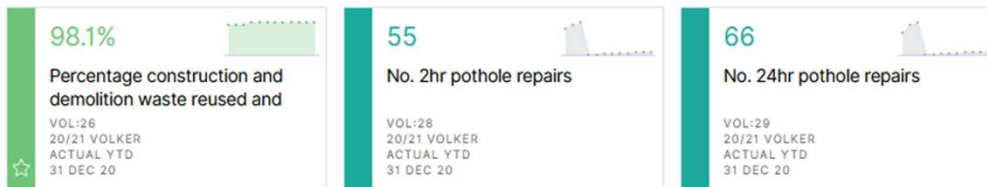
### C. Service Provision



### D. Customer Care



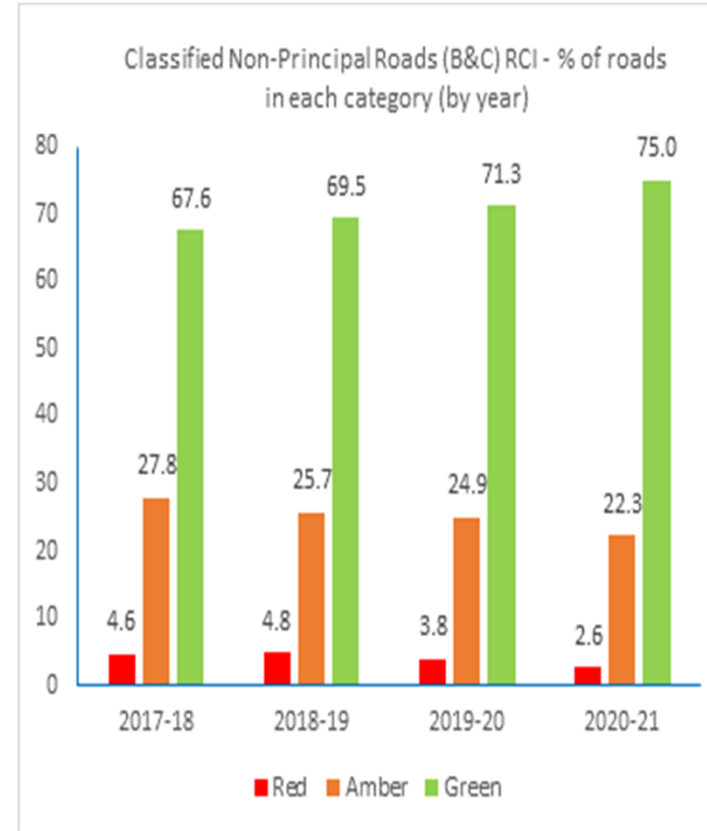
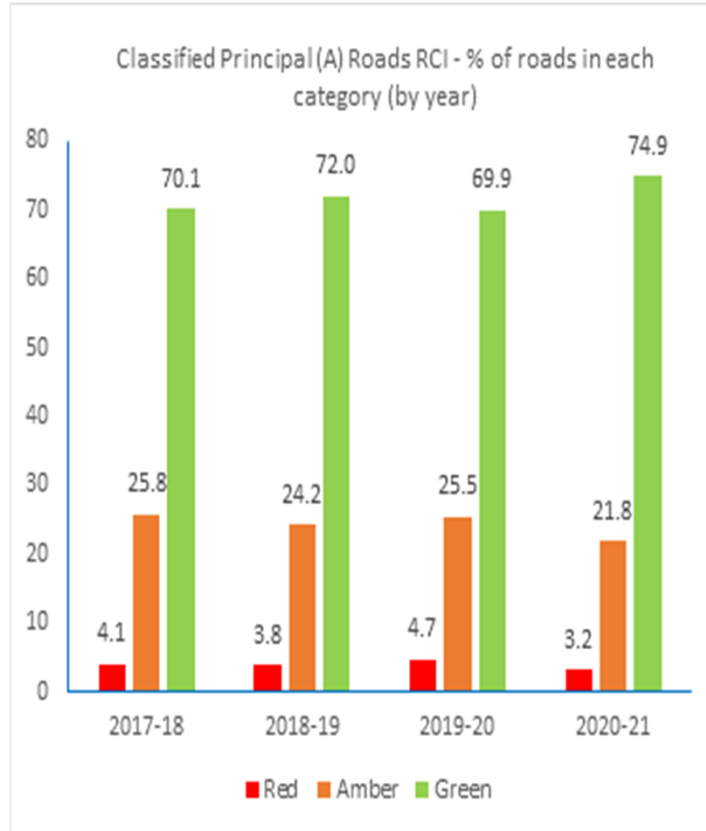
### E. Added Value





# Road condition indicators (RCI's)

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# Road Investment

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Budget Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Roads Resurfacing-Transport Asset & Safety	£ 1,568,000.00	£ 1,468,500.00	£ 1,490,900.00	£ 3,400,000.00	£ 1,900,000.00	£ 2,000,000.00	£ 1,500,000.00
Pothole Action Fund-DfT Grant		£ 70,200.00	£ 199,295.00	£ 240,900.00	£ 121,018.00	£ 1,537,000.00	£ 1,209,000.00
£965k Local Highways Fund					£ 965,000.00	£ -	£ -
<b>Grand Total</b>	<b>£ 1,568,000.00</b>	<b>£ 1,538,700.00</b>	<b>£ 1,690,195.00</b>	<b>£ 3,640,900.00</b>	<b>£ 2,986,018.00</b>	<b>£ 3,537,000.00</b>	<b>£ 2,709,000.00</b>



# Resident Satisfaction

## National Highways & Transport Survey - Highway Maintenance 2020

Resident satisfaction % by subject	RBWM 2020	National Average	RBWM vs National Average
Condition of highways	40	36	4
Highway maintenance	52	50	2
Condition of road surfaces	42	37	5
Cleanliness of roads	60	54	6
Condition of road markings	61	54	7
Provision of Drains	52	50	2
Keeping drains clear and working	48	46	2
Deals with Potholes and damaged roads	38	35	3
Undertakes cold weather gritting	59	58	1
Deals with mud on the road	51	48	3
Deals with flooding on roads and pavements	43	44	-1
Speed of repair to damaged pavements	35	31	4
Quality of repair to damaged pavements	46	47	-1
Weed killing on pavements	51	45	6
Condition of road signs	64	61	3
Cleanliness of road signs	61	58	3
Speed of repair to damaged roads	35	31	4
Quality of repair to damaged roads	41	38	3
Weed killing on and roads	54	50	4



# Future Options

OPTIONS AVAILABLE	UPDATE
Extend the contract for 2 years (like for like)	This would be compliant with procurement rules. VolkerHighways performance has been above satisfactory, which can be seen from the KPI's and customer survey data. However, as the contract has evolved over the past 5 years, there is a need to agree further improvements to service areas rather than simply extend like for like.
Extend the contract for 2 years with jointly agreed service efficiencies.	This would be compliant with procurement rules. VolkerHighways performance has been above satisfactory, which can be seen from the KPI's and customer survey data. This option allows us to address issues and make improvements to the service by putting in new more robust KPI's, in turn driving further efficiencies.
Re-procure the service on the current basis or with jointly agreed service improvement.	Discounted - this doesn't allow us the opportunity to introduce the service improvements into the contract in advance. We wouldn't be able to prove that refining the service gives added value and service improvement.
Re-procure the service on a new delivery model	<p>The current intelligence shows the contract is delivering the customer satisfaction to the set KPI's and delivers this within budget. Moreover, there is no justification for further out-sourcing of highway management services including design services and indeed, future service delivery options for Project Centre are currently under review</p> <p>Note - this option would require additional resources estimated to be £150k by way of legal, procurement and project management. It would also be challenging timescale-wise to develop a new model and conduct a procurement exercise for commencement in April 2022.</p>



# Future Options(continued)

Deliver services through a partnership / shared service solution

Appendix C sets out the current contracts in neighbouring authorities and their duration. No contracts are 'co-terminus' unless this contract is extended for a minimum of 1 year.

Note – this option would require additional resource estimated to be £150k by way of legal, procurement and project management. It would also be challenging timescale-wise to develop and agree a new partnership arrangement and joint procurement process for commencement in April 2022.

Deliver all, or elements, of the service through an 'insourced' model

The current customer satisfaction data and KPI's, show the contract is performing within the revised model.

When the revised model was introduced in 2017, the budget was reduced by £500,000. To bring services back in house would come with a cost and resource implication. This option would require additional resources to develop the new 'in house' model. The key areas which would need to be addressed but not exhaustive to are: -

- A new management support structure
- The governance
- I.T.
- Plant /vehicle fleet
- HR potential pension fund liability
- Finance

The timescale is also tight to have all these requirements in place for commencement in April 2022 and a council-wide project delivery team would be required estimated to cost £150k.



# Partnering Opportunities

Details	RBWM	Slough	Reading	Bracknell Forest	Bucks	Wokingham	West Berkshire	Oxfordshire county	Surrey
Highway service provision	VolkerHigh ways	In house team - DSO Direct Service Organisation	In house service + use of 3rd parties for some activities	3rd party - Ringway	3rd party - Ringway Jacobs	3rd party - Volker	3rd party - Volker	3rd party - Skanska	3rd party - Kier
Contract info	April 2017- April 2022 (+1+1year contract extension provision)	Only contracts for traffic and streetlights (Siemens and VolkerHighways via framework set by Wokingham	each capital project tendered separately	Oct 2014- Oct 2021 +potential 7 yrs. (already extended till 2025)	run till at least 2023 (dealt with this contractor since 2009)	2018 - 2025 + potential 3 yrs.	Oct 16 - Oct23	2010 - March 2022 (max March 2030) includes vehicle maintenance	current contract 2011 – March 2022 tender in progress, new contract anticipated 10yrs +
Value pa	£5.5m			£10m	£50m	£68m stated in OJEU	£7m	c£40m	£40m
Assessment of the potential opportunity by Highways		No, because of the in-house model	No, because of the in-house model	Timescales do not align.	potential opportunity to partner, if extend for 2 years.	potential opportunity to use their contract for certain elements of services  (not testing the marking and maybe a mark up)	Time scales align, if extend for 2 years. however, a lot of services are 'in house'.	timescales do not align	timescales do not align



# Service improvement proposals

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## **Optimisation of gully routes and mapping of drainage assets.**

Build on the work already underway, of mapping gully assets and the savings given to RBWM on waste disposal. Moving to a more sustainable delivery ensuring all gully waste is recycled. The gully fleet has been modernised with access to more resources for surveys and jetting. There are now less days off the road for fleet repairs/breakdowns and RBWM have benefited from the savings achieved by recycling and no longer paying for disposal.

## **Lower Temperature asphalts for machine lay programme – sustainable saving in reduced energy/whole life saving. Costs the same.**

Specification of lower temperature asphalts with higher WRAP content provides a more sustainable resurfacing programme. This can be incorporated into the surfacing programme.

## **First time permanent pothole repairs e.g. roadmaster/Roadmole. (<https://www.roadmole.co.uk/>) infra-red repairs.**

This will require a plan and programme of works to keep the activity fully utilised and avoid down time. Paid for trials could start once sites/locations and a schedule of work has been identified.

*Note - Still need to keep network safe for users so emergency repairs will always be required particularly out of hours.*

**Service improvement proposals**  
*Providing value for money, innovation, savings & sustainability*

## **Electric vehicles – inspector vans and potentially sweepers**

VH have several fully electric vehicles on site to undertake inspections and customer enquiry investigations in. We have trialed several alternative small tools powered by electric. Urbaser are trialing an electric sweeper in May and VH area trialing an electric truck.

## **Permitting**

Avoid restrictions on contractual restrictions, allow road space based on reduced days not extending days – cost savings and less disruption, resulting in more m2 repaired on network.

## **Rationalise Inspections/Customer service team**

To improve customer journey as well as providing efficiencies and better value for money.

Thank You

Questions & Discussion

