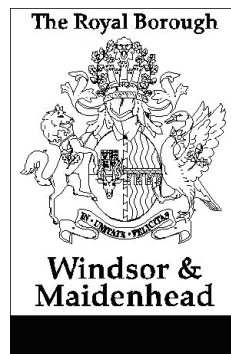


Report for: ACTION



| | |
|--|--|
| Contains Confidential or Exempt Information | YES – Appendix D (Part II - Not for publication by virtue of Paragraphs 3 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972) |
| Title | Delivering Differently In Operations & Customer Services - Highways & Transport Services |
| Responsible Officer(s) | Simon Fletcher, Strategic Director of Operations and Customer Services |
| Contact officer, job title and phone number | Simon Fletcher, Strategic Director of Operations and Customer Services |
| Member reporting | Cllr Phill Bicknell, Lead Member for Highways & Transport |
| For Consideration By | Cabinet |
| Date to be Considered | 15 December 2016 |
| Implementation Date if Not Called In | 10 January 2017 Including procurement call in (Alcatel) |
| Affected Wards | All |

Report Summary

1. This report proposes a new operating model for Highways & Transport and the award of two new contracts for highway & transport services and works.
2. It recommends:
 - The appointment of Volker Highways Ltd as the successful contractor for Lot 1 - Highways Management & Maintenance (including Winter Service, Street Cleansing and Projects).
 - The appointment of Project Centre Ltd as the successful contractor for Lot 3 – Highway & Transport Professional Services (including Highways Development Control, Flood Risk Management).
 - That Lot 2 - Traffic Management and ancillary services (including Traffic Signal Maintenance) is not awarded at this time while further work is undertaken.
 - That the remaining structure of Highways & Transport is reviewed and restructured to support the new operating model required for these contracts and the broader transformation programme across the Royal Borough.
3. These recommendations are being made to ensure the Council continues to deliver good quality, cost effective highway services for residents.
4. 31 RBWM employees would TUPE transfer into the new contract arrangements.

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| If recommendations are adopted, how will residents benefit? | |
|---|--|
| Benefits to residents and reasons why they will benefit | Dates by which residents can expect to notice a difference |
| The new operating model including the new contractual arrangements will deliver improved quality, resilient, better value for money services for residents with the opportunity for greater local involvement | 1 May 2017 |

1. DETAILS OF RECOMMENDATIONS

RECOMMENDATION: That:

- i. Volker Highways Ltd is awarded the contract to provide Lot 1 - Highways Management & Maintenance for a period of five years with the option of an extension for two more years subject to satisfactory performance each year.**
- ii. Lot 2 -Traffic Management and ancillary services is deferred pending further review of required services, budgets and value for money.**
- iii. Project Centre Ltd is awarded the contract to provide Lot 3 - Highway & Transport Professional Services for a period of five years with the option of an extension for two more years subject to satisfactory performance each year.**
- iv. The Strategic Director of Operations and Customer Services is authorised to complete the appointment process in accordance with RBWM Contract Rules in consultation with the Head of Legal Services and Lead Member for Highways and Transport.**
- v. The Strategic Director of Operations and Customer Services is authorised to review and restructure the remaining Highways & Transport service to support the new operating model , subject to approval from Employment Panel in January 2017. To be developed in consultation with the Lead Member for Highways and Transport and the Head of Human Resources.**
- vi. Cabinet consider the option of awarding the tree inspection work (optional within the Lot 1 contract) to Volker Highways Ltd. as part of the contract award.**

2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1. In March, Cabinet received a discussion paper outlining potential alternative delivery models for services in the Operations and Customer Services directorate. The paper proposed further work to define, in detail, the scale of opportunity and implications (business case) of these models, to be brought back to Cabinet.
- 2.2. In June, Cabinet received a further report which considered each business area in more detail. With respect to this business area, an outsource of services was proposed and Cabinet *'...Approves in principle and authorises procurement exercises to be implemented in conjunction with the appropriate Lead Members, the outcome of which to be brought back to Cabinet for final decisions on implementation for the: (e) Outsource of the Highways & Streetcare services, including professional services such as Rights of Way, Highways DC, Flood Risk*

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Management etc, to a commercial partner; - Appendix A sets out the overall proposal previously considered by Cabinet.

- 2.3. This report sets out the recommended operating model for Highways & Transport Services. The proposed operating model and the scope of these contracts are designed to meet the current and future needs of residents and deliver commitments embedded in the manifesto.
- 2.4. Three contract lots were put to the market in combinations of works and services some of which are currently provided by RBWM officers others by external providers. The three lots are set out in 2.5 – 2.7:
- 2.5. Lot 1 - Highways Management & Maintenance – including:
 - Highway and Bridge Inspections
 - Highway and Bridge Repairs
 - Drainage and gully clearance
 - Winter Service
 - Street Cleansing
 - Project Delivery
- 2.6. Lot 2 - Traffic Management and ancillary services – including:
 - Traffic Signal Maintenance
 - Rising Bollard Maintenance
 - Variable Message Sign Maintenance
 - Car Park Sign Maintenance
 - Urban traffic control and remote monitoring systems
 - Traffic Camera CCTV
 - Traffic Signal Projects
 - Traffic Counters
- 2.7. Lot 3 – Highway & Transport Professional Services – including:
 - Highway & Transport Policy support
 - Traffic Management & Road Safety Investigation
 - Road Safety Education & Publicity
 - Highways Development Control
 - Flood Risk Management
 - Public Transport Advice/ support
- 2.8. One bid was received per lot, each with nominated subcontractors as follows:
- 2.9. Lot 1
 - Main Contractor – Volker Highways Ltd
 - Sub-contractor – Design & Consultation – Project Centre Ltd
 - Sub-contractor – Street Cleansing – Urbaser Ltd
- 2.10. Lot 2
 - Main Contractor – Siemens PLC
 - Sub-contractor - RTEM (Traffic Counters)
 - SWARCO (Variable Message Signs)
 - CDS (CCTV)
 - ATG (Bollards)
- 2.11. Lot 3

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- Main Contractor - Project Centre Ltd
- 2.12. All three main bidders passed the pre-qualification review and were scored above the required pass mark for their quality submissions. In addition the RBWM tender evaluation team and the Head of Highways and Transport met with each supplier to clarify specific points and to be assured that the level of required service for Members and residents would be achieved.
 - 2.13. The prices submitted have been closely analysed and compared to existing service costs and as part of the proposed new operating model provide the opportunity to make significant savings (as set out in Section 4 and Appendix C).
 - 2.14. In the case of the bid from Siemens PLC for lot 2 there are a number of detailed clarifications relating to the level of service, budget implications and price hence the recommendation to defer award at present. Officers will undertake further work in this area which will be brought to the Lead Member for consideration in January 2017. In the interim, current arrangements will be retained.
 - 2.15. Subject to approval, the new contracts will be fully implemented by 1 May 2017 with some elements starting from 1 April 2017 (see section 15).
 - 2.16. Phase one of the new operating model is awarding the new contracts, focused on improved efficiency, resilience and overall service levels for residents.
 - 2.17. Alongside the new contracts, a parallel piece of work is ongoing to review and restructure the retained Highways & Transport service which will support the new operating model required for these contracts. This will ensure that contractual arrangements are well managed and provide an interface for Members, ensuring that the service remains resident focussed. Additionally, the new operating model will reflect the requirements across the Royal Borough to support the broader Transformation programme (for example: a redesigned transport team to support the 'Achieving for Children' and 'Optalis' model).
 - 2.18. The new model for Highways & Transport is illustrated in Appendix D which is attached as a Part II Appendix due to the inclusion of personal data. A report will be considered by the Employment Panel in January 2017 to consider the new operating model.
 - 2.19. In addition to delivering improved, more resilient services for residents, the new operating model overall will deliver approximately £400,000 financial saving, generated through a combination of reduced contracted costs and optimisation of the remaining service.
 - 2.20. Projected savings from the Operations & Customer Services Directorate Delivering Differently programme previously reported to Cabinet amounted to £500,000 in 2017/18. The new contracts will generate £90,000 of savings. An additional £310,000 can be achieved by optimising the remaining service.
 - 2.21. It is recognised that the new operating model represents a significant change from the current way we do business with a number of officers working for third party providers. Background information on the new recommended providers and scenarios for Member/ resident communications is set out in section 17.

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- 2.22. In summary, the new operating model protects and enhances resident services meeting customer need while delivering financial efficiencies. Therefore, it is recommended that Cabinet approves the new operating model and awards the contracts as detailed.

| Option | Comments |
|---|--|
| Retain the existing service configuration and do not let any of the three contract lots and extend existing arrangements. This is not a recommended option | The no change option would not deliver the identified savings or realise the benefits for residents and other improvements identified. |
| Let contract lots 1 and 3 then review and restructure the remaining unit to form a client & commissioning function. Lot 2 not awarded at this time. Recommended option | Based on the qualitative assessment of the tenders together with the prices this option delivers a more robust and efficient service for residents and meets the target in the medium term financial plan. |
| Note: a further option exists to award the Lot 1 contract with or without the optional tree inspection service – Members are invited to consider this option. | |
| Let lot 1 only This is not a recommended option | Whilst lot 1 independently provides a saving but by letting only lot 1 a number of staff remain employed by RBWM. This would reduce the proposal to form a Client & Commissioning Team and reduce the overall saving opportunity and service improvements for residents. |
| Let lot 3 only This is not a recommended option | Lot 3 does not independently make a significant saving but by letting only lot 3 not only is the saving not made but a number of staff remain employed by RBWM. This would reduce the proposal to form a Client & Commissioning Team and reduce the overall saving opportunity and service improvements for residents. |
| Retain professional staff and retender works and operations elements of the contracts This is not a recommended option | This may deliver contract savings but a number of staff remain employed by RBWM. This would reduce the proposal to form a Client & Commissioning Team and reduce the overall saving opportunity and service improvements for residents. |

3. KEY IMPLICATIONS

| Defined Outcomes | Unmet | Met | Exceeded | Significantly Exceeded | Date they should be deliver by |
|------------------------|-----------------|------------|-------------|------------------------|--------------------------------|
| New Contracts in Place | Beyond 02/05/17 | By 01/0517 | By 01/04/17 | N/A | 01/05/17 |

CABINET BRIEFING

| | | | | | |
|--|-----------|----------------|--------------|---------|---|
| Financial savings (2017/18) | < £390k | £390k to £400k | £400k – 450k | ➤ £450k | 31/03/18 |
| Resident satisfaction improves (RBWM ranking as measured through the National Highways & Transport Benchmarking Survey*) | Below 38% | 35 – 38% | 30 – 34% | ➤ 30% | 30/11/17 (*Survey results published in November 2017) |

4. FINANCIAL DETAILS

Financial impact on the budget

- 4.1 **Revenue:** This workstream within the Operations & Customer Services Directorate – Delivering Differently programme is projected to contribute £500,000 in 2017/18 – these contract awards will deliver £90,000 of that saving with a total of £400,000 being achieved by optimising the remaining service area. The rates in lot 1 are fixed for the first two years and subject to RPI from year 3 onward. The rates in lot 3 are fixed for the term.

| | 2016/17 | 2017/18 | 2018/19 |
|-----------|---------|----------|---------|
| | Revenue | Revenue | Revenue |
| Addition | £0 | £0 | £0 |
| Reduction | £0 | £400,000 | £0 |

- 4.2 **Capital:** The existing rates for engineering works have been in place since 2012 and would no longer apply as the term contract has expired. Although the rates in lot 1 generally provide good value compared to current market rates they do represent an increase on a number of rates we currently pay. This could have an impact on individual capital schemes where the estimate and budget were based on existing rates.

| | 2016/17 | 2017/18 | 2018/19 |
|-----------|---------|---------|---------|
| | Capital | Capital | Capital |
| Addition | £0 | £0 | £0 |
| Reduction | £0 | £0 | £0 |

- 4.3 In addition, contract Lot 1 includes an option to undertake highway tree inspections which is priced at £198k in year one (2017/18). Members are invited to consider this option which assists in dealing with the backlog of inspections on the 80,000 highway trees.

5. LEGAL

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- 5.1 The Council is open to challenge should it not follow re-procurement in line with EU Directives, the Public Contracts Regulations 2015 and the Council's Contract Rules. The recommended option removes the risk and offers additional opportunities to the Council and residents.
 - 5.2 The Council is enabled, by section 111 of the Local Government Act 1972, to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council therefore has a general power to enter into contracts for the discharge of any of its functions; including the proposed contracts set out in this report.
 - 5.3 Some of the services provided by the directorate are statutory and as such there is a need to consider the implication of Delivering Differently models on our statutory obligations. To assist this, a 'vires audit' has been commissioned so that all statutory obligations, functions and requirements are fully understood. This audit has identified no specific implications for this proposal.
- 6. VALUE FOR MONEY** - set out in the body of the report.
- 7. SUSTAINABILITY IMPACT APPRAISAL**

All sustainability requirements currently in place will continue with the new suppliers under the new operating model.

8. RISK MANAGEMENT

| Risks | Uncontrolled Risk | Controls | Controlled Risk |
|--|---|---|------------------------|
| The proposals contained in this report do not deliver expected improvements in service delivery | No improvement in service levels or customer satisfaction | A robust business case has been developed based on extensive research and scenario testing. Each stage of the process has been scrutinised fully | Medium |
| The proposals contained in this report do not deliver expected financial efficiencies. | Savings targets linked to delivery of the Medium Term Financial Plan not achieved | A robust business case has been developed based on extensive research and scenario testing. Each stage of the process has been scrutinised fully. Alternative savings will be identified within the Directorate to achieve the overall level of savings | Medium |
| Negative impact on staff morale during the transition to the new operating model | Adverse affect on delivering of services short term | Open and regular communication in place through a variety of channels | Medium |
| Lack of resource capacity to deliver the new operating model to mobilise the new contracts and develop the Client & Commissioning function | Delay in achieving customer improvements and achievement of financial efficiencies Potential impact of other Transformation workstreams across the authority | Resource capacity and capability closely monitored Short-term, task specific secondments in place Specialist support commissioned as required | Medium |
| The new contracts are not in place for April 2017 | Ad-hoc arrangements would have to be used giving less control over cost and quality | This is mitigated by the endorsement of this report and the award of replacement contracts | Medium |

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9. LINKS TO STRATEGIC OBJECTIVES

- 9.1 The Council's corporate strategy seeks to improve customer satisfaction and deliver lower cost services.
- 9.2 Successfully delivering the outcomes of the new operating model will directly support the Council to deliver against these ambitions for residents.
- 9.3 In addition, a range of commitments within the manifesto are supported or delivered through the delivery of the new operating model which are set out in Appendix C.

10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION - N/A

11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

- 11.1 A list of staff eligible for TUPE was provided by RBWM and our incumbent contractors Amey LG Ltd, Veolia ES (UK) Ltd and Jacobs U.K and was included in the tender documents for the relevant contract lot. Thirty three RBWM employees are identified in lots 1 and 3 and final details of staff to be transferred under TUPE will be subject to further discussion between RBWM, the incumbent and new contractors.
- 11.2 23 RBWM employees are identified to transfer to the Highways Management & Maintenance contract (Volkers). 8 RBWM employees are identified to transfer to the Highway & Transport Professional Services (Project Centre). 1RBWM employee was identified to transfer to the Traffic Management and ancillary services (Lot 2 but will be retained by RBWM at this point).
- 11.3 In some cases RBWM and existing contractor staff would transfer to nominated sub-contractors. For example RBWM design staff identified to transfer into lot 1 would not transfer Volker but to Project Centre who also would have staff transferred for lot 3. Veolia staff working on street cleansing would transfer directly to Urbaser. Jacobs staff delivering bridge services would transfer directly to Project Centre also.

12. PROPERTY AND ASSETS

- 12.1 The tender for lot 1 allowed for bidders to provide a price for providing their own depot facility. The cost in the tender return from Volker Highways Ltd of c£300,000 for this provision is an avoidable overhead as the Royal Borough has a depot facility in Stafferton Way, Maidenhead and a smaller facility at Priors Way, Maidenhead along with the depot at Tinkers Lane, Windsor. These are used by our existing term contractors and could be used to run the new Highways Management & Maintenance contract (lot 1) including for street cleansing (as existing) and winter service (as existing). This is our recommended approach and is reflected in the overall savings figure.

13. ANY OTHER IMPLICATIONS

- 13.1 Parish Councils and other stakeholders are already fully engaged in promoting local schemes throughout the consultation and development of the capital programme. These schemes represent the majority of work put through the current contract.

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- 13.2 In order to develop this further, Parish Councils have been engaged through this tender process including input into the specification and the new contracts include provision for Parish Councils and other stakeholders to either utilise them for their own schemes or influence the way Council works are undertaken in their areas thus supporting the localism agenda. In addition Parish Councils will be involved in ongoing high level management of the contracts. This would enable them to be better informed and to take a bigger role in future decision making.
- 13.3 More specifically, they could commission us to have work undertaken on their behalf or use the Participatory Budget process to seek additional funding for highway and footway work to be carried out through the contract.
- 13.4 Winter Service provision in the new contract will continue to build on links with Parish Councils, schools and other local stakeholders to support community involvement (e.g. local grit bins).
- 13.5 Provision was made in the contract specification for tree inspections at the request of Members to gauge the market price for this activity. The tendered price from Volker for this service would be £198,000 each year. There is currently no budget allocated to this therefore additional financial provision would need to be agreed by Members if RBWM were to take up this service.

14. CONSULTATION

- 14.1 Staff impacted by this proposal will be formally consulted in line with HR policy and procedures.
- 14.2 The timing of the TUPE process will be crucial. This needs to commence straight after the call in period in the New Year. This is essential if the 1 May deadline is to be achieved. If any part of the TUPE process is delayed the RBWM staff will not be able to transfer until a later date.
- 14.3 In parallel to the mobilisation of the contracts, the remaining unit structure will be reviewed. Any implications will be presented to Employment Panel at a later date.
- 14.4 This report will be considered by the Highways, Transport & Environment Overview & Scrutiny Panel with comments reported to Cabinet for consideration.
- 14.5 Parish Council representatives have been consulted as part of the proposals.

15. TIMETABLE FOR IMPLEMENTATION

| Date | Details |
|-------------------------|--|
| March 2016 | Delivering Differently discussion paper |
| June 2016 | Service specific proposals approval in principle by Cabinet to develop detailed operating model. |
| August to October 2016 | Contracts out to market place |
| November/ December 2016 | Tenders evaluated / recommendation prepared |
| December 2016 | Report to Cabinet seeking approval to award contracts, commence review of the remaining service and move to implementation phase |
| January to April 2017 | Mobilise contracts |
| January to May 2017 | Employment Panel, staff consultation/ TUPE |

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| Date | Details |
|--------------|--|
| | lead in |
| 1 April 2017 | New contracts commence. Contractor staff TUPE transfer |
| 1 May 2017 | RBWM staff TUPE transfer and new operating model commences in full |

16. APPENDICES

Appendix A - Service Proposals (considered by Cabinet – June 2016)

Appendix B – Manifesto Commitments

Appendix C – Cost Analysis and Comparison

Appendix D (Part II) – New operating model for Highways & Transport

17. BACKGROUND INFORMATION

17.1 New Provider Proposed Service Provision:

17.2 Volker Highways Ltd

Volker are a well known large engineering contractor with a head office in Hoddesdon, Hertfordshire. They have experience of local authority term maintenance contracts including the Central London CVU partnership, West Berkshire and Medway. They would operate out of RBWM existing depot facilities in Tinkers Lane and Stafferton Way and would hot desk with the RBWM client and other contractors to deliver the service with a focus on residents.

Their design partner Project Centre, will provide design services and RBWM design staff in lot 1 would TUPE transfer to them directly and work from a combination of their office in Slough (alongside lot 3 staff) at the depot with Volker and hot desk with the RBWM client. They will be working nearby and available to work collaboratively on this contract.

Their street cleansing partner, Urbaser will also collocate at our depot to facilitate a fully integrated service.

17.3 Project Centre

Project Centre is an experienced transport consultancy, with around 95% of their client work focused on Local Authorities. At the Royal Borough of Kensington & Chelsea, Project Centre has been delivering Highways and Transportation services with a fully embedded seconded team since 1992.

Project Centre has knowledge of the local area – including a number of team members living in the Borough itself or neighbouring areas.

As of December 2016, their parent company (NSL Services) head office will be based in Slough and Project Centre will have a highways and transport team based at this office. This would be the main base for RBWM staff that TUPE transfer to Project Centre. That said, the intention is clearly that staff regularly collocate and hot desk with the RBWM client and other contractors to deliver the service with a focus on residents.

17.4 Example scenarios for stakeholder communications

a. The Lead Member liaises with the Head of Service or senior officers regarding key matters for service delivery such as budgets, meeting targets and

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delivering the manifesto. In the new operating model this would still be via the Head of Service and now the Client Commissioning team.

- b. A Member liaises with RBWM engineers regarding the design or progress of a scheme normally via the Head of Service or team leaders. In the new operating model this would be via the Head of Service or Client Commissioning team who can arrange for engineers from the provider to liaise directly with Members.
- c. A resident contacts the CSC who obtains a response from officers to relay to the resident. In the new operating model the CSC would go straight to the providers staff for a response in exactly the same way.

18. CONSULTATION (MANDATORY)

| Name of consultee | Post held and Department | Date sent | Date received | See comments in paragraph: |
|-----------------------|---|-----------------------------|---------------|--|
| Internal | | | | |
| Cllr Phillip Bicknell | Lead Member for Highways and Transport | 16/11/16 | 17/11/16 | No further comments |
| | | 29/11/16 (Revised draft) | 01/12/16 | Approved |
| Alison Alexander | Managing Director/ Strategic Director Adults, Children and Health | 16/11/16 | 17/11/16 | Throughout the report (finance; trees and new structure) |
| | | 29/11/16 (Revised draft) | | |
| Russell O'Keefe | Strategic Director of Corporate & Community Services | 16/11/16 | | |
| | | 29/11/16 (Revised draft) | | |
| Rob Stubbs | Head of Finance & Dep Director of Corporate & Community Service | 16/11/16 | 17/11/16 | 2.21 |
| | | 29/11/16 (Revised draft) | 01/12/16 | Finance clarifications |
| Simon Fletcher | Strategic Director Operations & Customer Services | 16/11/16 | 16/11/16 | Throughout the report Report approved |
| | | 29/11/16 (Revised draft) | | |
| Anna Trott | Strategy & Performance Manager | 16/11/16 | 17/11/16 | No comments |
| Ben Smith | Head of Highways & Transport Services | 15/11/16 | 16/11/16 | Throughout the report |
| Lyn Hitchinson | Procurement Manager | 16/11/16 | 17/11/16 | Report Summary |
| Mark Lampard | Finance Partner (Operations) | 16/11/16 | 17/11/16 | 2.21 |
| Michelle Dear | HR Partner (Operations) | 16/11/16 | 17/11/16 | Report Summary and Section 11 |
| Terry Baldwin | Head of HR | 16/11/16 | | |
| | | 29/11/16 (Revised draft) | | |

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| Name of consultee | Post held and Department | Date sent | Date received | See comments in paragraph: |
|--------------------------|---------------------------------|-----------------------------|----------------------|---|
| Shared Legal Solutions | Legal Partner | 16/11/16 | 17/11/16 | Section 1 (iv) and Section 5 |
| | | 29/11/16 (Revised draft) | 30/11/16 | Part I / Part II elements reviewed - agreed |

REPORT HISTORY

| | |
|-----------------------|----------------------|
| Decision type: | Urgency item? |
|-----------------------|----------------------|

| | | |
|----------------------------|--------------------|------------------|
| Full name of report author | Job title | Full contact no: |
| Simon Fletcher | Strategic Director | 01628 796484 |

Appendix A - Service Proposals (considered by Cabinet – June 2016)

| Proposal 5 | | Highways & Streetcare Services | |
|--|---|---|--|
| Proposal | <p>Outsource</p> <p>Here the Council wants a third party to provide the service to it but seeks no surplus share - simply the maintenance of service quality, management of the service and the delivery of savings.</p> | | |
| Rationale | <p>Outsourcing this function to a professional service orientated organisation that has good experience in the local government sector is a well established and traditional approach that a number of authorities have taken.</p> <p>This is a competitive market place and moving to a professional service-oriented organisation would potentially drive up service standards and is likely to deliver significant cost savings, particularly due to being a “first time” outsource.</p> | | |
| Current structure / | 61 FTE | | |
| Current costs | 16/17 Gross Expenditure £7,231,000 (excluding Parking) | | |
| Saving identified | 2017/18 | £500k | |
| | 2018/19 | £0k | |
| | 2019/20 | £0k | |
| | Total | £500k | |
| Questions | | | |
| What opportunities does this change create? | <p>This option will ensure that service provision to residents will be maintained whilst achieving the identified saving requirements. It is possible that service standards may be enhanced through the use of a well established and experienced service provider to the local authority sector.</p> <p>This solution will result in a transfer of risk associated with the design, build and cost of highways schemes and projects being transferred from the council as is current to the contractor implementing the actual schemes etc.</p> | | |
| Why not retain the service area in house? | Nothing would change with this option and the current cost of service delivery would remain with no contribution would be made to the required savings. | | |
| Could we retain services but optimise by restructuring? | <p>Yes, but the council could not deliver the required level of savings through this route and ultimately would have to reduce service levels in other areas or Directorates as a result.</p> <p>Alternatively, driving out savings through retention of the service would require a reduction in the quality / range of services available.</p> | | |
| Is there an opportunity to share services with others? | Shared services have been considered by the Berkshire Chief Executives group and relevant teams previously but no appetite has been identified to combine resources in this area. | | |
| Will the council lose flexibility through this option? | <p>The council currently enjoys a high level of flexibility in this service area, particularly in respect of scheme development. This is a high cost arrangement. Complete outsourcing could change this to a level that is more proportionate to schemes that can have long lead in times.</p> <p>This would be incorporated into the contract specification to ensure service standards are maintained for residents and the council is not subject to contract change charges for service enhancements and developments.</p> | | |
| How will the council control service delivery by a third party? | It is proposed that the council retains a small expert team to operate as an intelligent client function monitoring the delivery of the contract. This would ensure value for money and that services meet both residents and the council's needs. | | |

CABINET BRIEFING

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|--|--|
| <p>Is the council in a position to trade services to others?</p> | <p>The market place for this service area is highly competitive with a significant number of large well established companies trading in this space. The council is not well placed to successfully win bids for new business and contracts against such providers and as such this option is not considered viable.</p> |
| <p>What impact will this change have on residents?</p> | <p>No change to service accessibility or provision to residents.</p> |
| <p>What impact will this have on staff in the service?</p> | <p>A number of the council's officers will be eligible for TUPE transfer to the third party provider and will continue to provide services to the council.</p> <p>As with most service change and the delivery of more efficient services there will unfortunately be some redundancy. This will avoided where possible with reductions sought through natural turnover and voluntary redundancy in the first instance.</p> |
| <p>What risks are the associated with this?</p> | <ul style="list-style-type: none"> • Potential change in current levels of flexibility in respect of scheme development; • Potential cost implications for service change or enhancement if specification is not robust; • Possible staff morale issues associated with change. |
| <p>How will we procure this change? / How do we get from today's service to this new model?</p> | <ul style="list-style-type: none"> • Assessment of the market place indicates that a single procurement exercise incorporating two lots would be the most favourable approach. • Lot 1 would comprise the term contractor type services e.g. design and build functions (the implementation of roads and significant repairs), street inspections & repair and street cleansing. • Lot 2 would comprise professional highway services e.g. Traffic & Road Safety, Flood Risk/Drainage/SUDS and Scheme PR & Consultation |
| <p>What is the timeframe for implementing this change?</p> | <p>Cabinet has previously given authority to undertake a competitive procurement process for the Highways & Transport service. This contract will be let within year and prior to 31 March 2017.</p> |

Appendix B – Manifesto Commitments (Highways & Transport)

| Ref. | Commitment | Expected Outcome | Supplementary notes |
|------|--|--|--|
| 2.1 | Maintain increases in locally funded spending on roads and pavements | 10% increase in locally funded spending on roads and pavements by April 2019 (2011-2015 spend as baseline). | Need to demonstrate that local taxpayer capital contributions to the roads and pavements improvement programme have been maintained. This doesn't necessarily include national grant funding. |
| 2.2 | Develop and maintain cycle routes | Minimum 3 new cycle routes opened / extended by April 2017. | Existing cycle routes should be well maintained and new cycle routes should be explored and delivered where they are achievable / desirable. The Cycle Forum should play a part in this prioritisation within budgets. |
| 2.3 | Seek improvements (e.g. extensions and frequency of services) to bus routes across the Borough | Improvements to 3 bus routes by April 2018 5% increase in satisfaction levels with bus services by April 2019 | The council needs to work in conjunction with local bus operators to improve the existing bus network. This can be through increasing the frequency of bus services or by extending routes to go further than current destinations amongst others. |
| 2.5 | Work with utility companies to improve the quality of road and pavement repairs | Reduced over running road works by 10% and reduce the number of complaints relating to the quality of utility company repairs by 10% | Cabinet paper on streetworks permit scheme being presented March 2016 |
| 2.6 | Continue to review and reduce unnecessary traffic lights | 4 unnecessary traffic signals removed by April 2019. | Further work is needed to find and implement new measures to remove further unnecessary traffic lights in the borough to improve traffic flow. This also includes a more conscious effort to avoid the use of traffic lights wherever possible in new schemes in favour of mini roundabouts / other measures. |
| 2.7 | Continue to improve bus stops and work for accurate real time arrival information | 45 bus shelters supplied with real time information displays by April 2017. Bus information accessible on 2 additional platforms by April 2019. | Following on from the work last year to replace the bus shelters, this manifesto pledge seeks to make further improvements for instance by providing additional shelters / seating where appropriate. The importance of working with local bus providers to ensure that buses have trackers is critical. Moving from simplistic electronic timetable information to providing real-time arrival information is a priority. |
| 2.8 | Work with schools to keep them open during adverse weather | 100% of Borough schools (who have requested them) supplied with grit bins by October 2016 | As in the previous manifesto, working closely with Headteachers and Governing bodies to ensure that schools remain open during adverse weather events is crucial. Children and parents both suffer |

CABINET BRIEFING

| | | | |
|-------|---|---|---|
| | | | when schools choose to close rather than make every effort to stay open and the borough should assist schools to achieve this. |
| 2.9 | Ensure flood schemes and maintenance are delivered on time to better protect homes and highways | 95% of flood schemes and maintenance delivered on time | More robust project planning is required to ensure that flood/drainage schemes are implemented to timetable and not slipped from year to year. |
| 4.11 | Work with communities to manage flood risk | Well informed communities with an increased ability to manage flood risk and respond to flood events. Four new initiatives implemented by December 2017. Local Flood Risk Guide in place by April 2017. | On-going partnership working with Parishes to develop local flood plan. |
| 6.8 | Promote closer working with Parish councils, devolving powers by mutual agreement | A wide range of service devolved to Parish Councils by April 2017 via a range of incentivised opportunities. | Delivering differently project complete. Action plan to be agreed with Parish Councils. |
| 10.13 | Improve access into the town centre for pedestrians | 10% increase in Maidenhead town centre footfall by April 2019 (compared to April 2015 baseline) | Whether this is from the station, or from the north of the A4, walking to and from the town centre should be made easier and attractive. Where barriers exist innovative ways should be found to overcoming them. |
| 12.5 | Build a roundabout at the junction of the A329 and B383 | Roundabout constructed by April 2018 | Self explanatory. To be incorporated into the Infrastructure Delivery Plan |
| 12.6 | Consult and consider traffic calming measures in the area e.g. in Sunningdale at Chobham Road | Traffic calming measures consulted on and installed (if requested) by April 2017. | Working up options to assist with traffic in Sunningdale in consultation with the ward councillors and residents and the wider community eg. Parish council etc. |

CABINET BRIEFING

Appendix C – Cost Analysis and Comparison

| | Current budget | | Tender cost (adjusted) | Difference | |
|------|----------------|-----------------|------------------------|------------|--------------------------|
| | £ | Note | £ | £ | Note |
| LOT1 | 4,015,000 | | 3,925,000 | - 90,000 | SMALL MARGIN - ACCEPT |
| LOT2 | 250,000 | to be finalised | 790,968 | 540,968 | TOO EXPENSIVE = HOLD |
| LOT3 | 520,000 | to be finalised | 518,664 | - 1,336 | BROADLY SIMILAR - ACCEPT |