

SCRUTINY FINDINGS REGARDING THE HIGHWAYS CONTRACT

To: **Cabinet**

Date: **15th December 2009**

From: **Environment and Community Services Scrutiny Committee**

Electoral division(s): **All**

Forward Plan ref: **N/a** *Key decision:* **No**

Purpose: **To outline the findings from scrutiny of the Highways Contract on the 10th November 2009.**

Recommendation: **Cabinet is asked to agree the following recommendations:**

- (i) Performance benchmarking for the Highways Contract should be expanded to other Local Authority areas, including non Atkins contracts**
- (ii) Countywide performance information should be disaggregated to District level**
- (iii) Future performance reports to include comparator information regarding third party compensation claims**
- (iv) Targets to reduce carbon emissions are identified for future years**
- (v) Work should be undertaken to further investigate the reasons for relatively high costs, where they exist, and to respond accordingly**
- (vi) Cabinet should keep track of the slowdown in efficiencies achieved**
- (vii) Satisfaction levels of staff operating contracts on behalf of Cambridgeshire Highways to be monitored**
- (viii) The mechanisms to enable Members to provide local intelligence to Cambridgeshire Highways should be strengthened**
- (ix) Cabinet consider exercising a more defined role in the management of Cambridgeshire Highways**

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1.0 INTRODUCTION

- 1.1 Cambridgeshire Highways is a partnership between the Council and Atkins that delivers the Highways Services Contract. The Contract was initiated in 2006 and the Environment and Community Services Scrutiny Committee scrutinises the performance of the contract annually.
- 1.2 The Scrutiny Committee received an Annual Review for 2008/09, the Business Plan for 2009/10 and a confidential annex providing performance benchmarking information against two substantially similar Atkins contracts, at its meeting on the 10th November 2009. The Committee had a number of comments about the Contract, which it decided to bring to the attention of Cabinet. The remaining sections of this report represent a summary of the Committees' findings.

2.0 PERFORMANCE INFORMATION

- 2.1 The Committee acknowledged that it is problematic to compare the performance of the Highways Contract with Highways arrangements elsewhere as different approaches are often taken across the country.
- 2.2 Nonetheless, the Committee believes that it is important to compare the performance of the Contract against both similar Atkins contracts and *other arrangements*, where possible. Members agreed that this additional intelligence would support performance management of the contract by Cabinet, officers and Atkins and would facilitate more effective scrutiny by the Committee.
- 2.3 Further, the Committee noted that performance information is currently provided only at county level and that it would be advantageous to have the countywide performance information disaggregated to District level. This would provide Members with a greater understanding of the factors relevant to their ward.
- 2.4 Members also raised concerns about significant levels of third party compensation claims. Again, it is recommended that comparator information is provided in future reports to put these figures into context.
- 2.5 It was noted that the carbon footprint of Cambridgeshire Highways in 2008 was 1188 tonnes of CO₂. This was a benchmarking year and it was explained that Atkins have a corporate target of 5% reduction per annum. However, information about targets for Cambridgeshire were not evident in the Plan and Members would like to see this in the future.

3.0 COSTS AND SAVINGS

- 3.1 The Committee noted that performance information indicates that the Council pays more for some services (and less for others) than comparator

authorities. The Committee feel that work should be undertaken to further investigate the reasons for any relatively high costs and to respond accordingly.

- 3.2 The Committee were advised that the savings achieved during 2008/09 amounted to £166,628 whereas savings achieved during 2007/08 amounted to £658,010. Members expressed concerns about the slowdown in achieving savings, and recommend that Cabinet keep track of this.

4.0 PEOPLE AND CULTURE

- 4.1 The Committee were advised that Cambridgeshire Highways has undergone structural change, and that staff satisfaction levels had been monitored and shown to improve. However, Atkins sub contracts a portion of its work and the Committee recommends that the satisfaction levels of these staff should also be surveyed.

5.0 MEMBER INVOLVEMENT

- 5.1 The Committee discussed the levels of Member involvement with Cambridgeshire Highways. The suggestion of Members providing local intelligence about issues arising in their wards was welcomed by officers and Atkins, and it is recommended that this area be strengthened.
- 5.2 It was also noted that there is more Cabinet Member involvement in the management arrangements of Atkins contracts with other Local Authorities. The Committee therefore recommends that the Cabinet consider exercising a more defined role in the management of Cambridgeshire Highways.

6.0 SIGNIFICANT IMPLICATIONS

6.1 Resources and Performance

The recommendations within this report aim to strengthen performance management arrangements and to facilitate improved scrutiny of Cambridgeshire Highways.

6.2 Climate Change

Recommendation iv aims to provide clarity about the performance of Cambridgeshire Highways in meeting targets associated with Climate Change.

- 6.3 There are no significant implications under the following headings:

- Access and Inclusion
- Statutory duties/Requirements and Partnership Working
- Engagement and Consultation

Source Documents	Location
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<ul style="list-style-type: none"> • Highways Contract Annual Performance Review, ECS Scrutiny Committee, 10th November 2009 • Minutes of the ECS Scrutiny Committee meeting on the 10th November 2009 	307, Shire Hall, Robert Jakeman (01223 699143)
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