

Highways & Transport Service Resource Update

To: Highways and Transport Committee

Meeting Date: 08 March 2022

From: Steve Cox, Executive Director Place and Economy

Electoral division(s): All

Forward Plan ref: 2022/057

Key decision: Yes

Outcome: To provide committee with an update on resource planning across the Highways & Transport Service.

Recommendation: Committee is recommended to:

- a) note current resource pressures and challenges;
- b) note progress since this matter was last reported to this committee on the 7 December 2021;
- c) agree to extend existing interim arrangements shown in Appendix B from 1 April 2022;
- d) agree to procure 21 new interim workers from April 2022 to a maximum expenditure of £2M shown in Appendix C;
- e) agree to procure further interims should further permanent staff leave or to fill short term pressures covered from existing salary budgets or capital projects from April 2022;
- f) support the proposals seeking to resolve resource pressures and challenges over the medium to long term;

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1. Background

- 1.1 Cambridgeshire County Council recognises the importance of its highway infrastructure which includes 4,500km of highway with an asset value of £12 Billion. The Council also recognises how an effectively developed, maintained and managed network contributes to the achievement of the Council's corporate goals.
- 1.2 Following the Place and Economy restructure during the Summer 2021, and a subsequent senior leadership recruitment campaign, the service operates under the leadership of the Director of Highways and Transport who took up the role in November 2021, over three service areas headed up by three Assistant Directors for Transport Strategy and Network Management, Highway Maintenance and Project Delivery.
- 1.3 The three service areas are structured with 250 establishment posts in total, with a current vacancy rate of 25%. Due to the high number of vacancies, and the drive to continue to deliver Council priorities, the service has been reliant on an increasing number interim and consultant workers, either secured through recruitment agencies or frameworks that are available to the Council. At this current time the number of interim workers are:
- Transport Strategy and Network Management four number
 - Highway Maintenance two number
 - Project Delivery 23 number

Note: The Project Delivery Service includes the Local Highway Improvements Team and emerging Consents Team, detailed later in the report.

- 1.4 Project Delivery, which is currently managing approximately 40 major infrastructure projects valued in the region of £170M, has a particular high reliance on interim and consultancy services, including the Interim Assistant Director role. Whilst this is not an ideal situation and efforts are being made to recruit permanent staff replacements, these interim arrangements have contributed to the significant improvement of performance across Project Delivery, as reported to the December 2021 committee.

2. Main Issues

- 2.1 Due to a skills shortage across the industry, it is becoming increasingly challenging to recruit permanent staff at every level, including qualified engineers and project managers. Research has concluded this challenge is being reflected nationally including at neighbouring councils.
- 2.2 The problem has been exacerbated by in recent times by Brexit, a buoyant housing market and a significant number of large scale infrastructure projects, including those promoted by government including HS2, which have been absorbing talent and building pressure in the industry. Although there are challenges across the sector, there is particular pressure in qualified civil engineers, and staff associated with Project Management for major infrastructure projects.

2.3 Interim workers and consultancy staff in general demand higher rates of pay than permanent staff, but without the benefits that permanent employees receive, for example, sick pay, annual leave allowance and pension contributions. The Council can also terminate contracts with interims usually at one week notice period, providing greater flexibility to react to changing project demands and react to any performance matters. During 2021/22 the Council has terminated contracts with nine interim workers in relation to demand and performance issues, with current interim workers retained operating at a high standard.

Progress

2.4 The Project Delivery service ran a recruitment campaign from November 2021. The campaign included nine roles seeking up to 25 new staff, intended to reduce the high reliance on interim workers and consultants. Despite the campaign being open for four weeks, targeting national engineering publications, local media as well as digital and social media. 20 applications met the criteria for interview, of which 13 worked for the Council, and seven were external candidates. Three of the external candidates withdrew from the process, resulting in only four external candidates being interviewed. Following interviews in January 2022 nine candidates were appointed that already worked within Project Delivery or the wider Highways and Transport Service. Three external candidates were appointed from the four interviewed, all of which had existing relationships with the Council. Although the external response was disappointing, the internal appointments will support development and progression of existing staff, something the service very much promotes. The outcome of this campaign, further demonstrates the challenges Councils are facing to recruit into this sector.

2.5 Following the appointment of the Assistant Director Transport Strategy and Network Management, a restructuring was undertaken including significant changes to the Road Safety Team in late 2021, this included the creation of an Active Travel Strategy Officer. In February 2022 the confirmed new structure resulted in six vacancies, which are subject to a recruitment campaign that is currently underway. This is a different market to the recent campaign undertaken by Project Delivery, so the Council is hopeful of a more positive outcome.

2.6 In addition to these major campaigns, there have recently been some smaller recruitment campaigns undertaken including the recruitment of Programme Managers and Programme Project Officers to support the roll out of the Power IT project management system across all of the Highways and Transport Service, and the recruitment of an Administration Assistant within the Business Support Team. The recruitment of the Assistant Director Project Development role is currently underway with final interviews scheduled for mid-March 2022.

2.7 During this same period from early December 2021 to mid-February 2022 seven number permanent staff left the Highways and Transport service, or are working their notice period to leave. The reasons the seven staff left the service included retirement and new opportunities, which have resulted in a net decrease in permanent staff, despite the recruitment campaigns over this period. For this reason the reliance on interim and

consultancy support across the Highways and Transport service has not been reduced, but increased and re-allocated within the Highways and Transport service.

- 2.8 The newly appointed Assistant Director of Highway Maintenance, has been familiarising himself with the service since taking up the role in late November 2021. As with Project Delivery and Transport Strategy and Network Management, it has been concluded that the Highway Maintenance service will benefit from a review of service delivery, processes and the staffing structure to align with the recently re-structuring of Project Delivery and Transport Strategy and Network Management services, ensure efficient delivery of the Council's priorities. This will include the assessment and procurement of appropriate technologies to improve efficiencies and further relieve pressures on staff resources, including pressures from the demanding consents programme. It is proposed that progress on this service development process will be discussed and reported through the Highways Improvement Board.

Consents Team:

- 2.9 The Council, working in partnership with Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority, has funded a core Consents Team within the Council from September 2021 to end March 2022. To date this new team sitting within Project Delivery, has delivered the following benefits:

- Programmed consent and Nationally Significant Infrastructure Projects (NSIP's) impacts for resources and key risks over short to medium term;
- Established a Programme Board since October 2021 reporting into Highways and Transport and the Planning Assistant Directors;
- Developed a cost recovery model with the Corporate Finance team;
- Negotiating Planning Performance Agreements (PPA's) with various scheme promoters
- Project managed current Development Consent Orders (DCO's) regarding Public Examination, PPA's, consultation, legal agreements and stakeholder engagement
- Engaged with District Council's to ensure a joined up approach including for the A428 DCO, and negotiated cost recovery for some services provided by the Council;
- Engaged nationally including the Planning Inspectorate NSIP Reform Initiative, to raise the profile and resource demands on local authorities relating to consents;
- Engaged with Members via committee and a Consents Members Working Group from February 2022;

A high-level programme of consents for Cambridgeshire is provided in Appendix A.

- 2.10 Regarding the Planning Inspectors NSIP Reform Initiative, initial findings from December 2021 report state "*Local Authorities are rarely set up to be able to respond effectively to a DCO application prior to its inception and therefore officers are often pulled in to respond to a DCO on top of their 'day job'.* Whilst this may be manageable

for a single NSIP there are increasing numbers of local authorities expecting multiple, overlapping NSIPs with as many as ten at one time being quoted. In these instances, Local Authorities need to be confident that they will be resourced properly and have more certainty about recovering the cost of their input.” The Council is actively participating in this reform programme, and is seen as emerging best practice in terms of how the Council is pro-actively dealing with the consents programme in Cambridgeshire. Several authorities have contacted the Council, regarding the core consents team as an example of best practice, despite the team only being in operation since September 2021.

Next steps

- 2.11 A second attempt to recruit permanently into the Assistant Director Project Delivery post is underway supported by an external recruitment agency, who will actively encourage suitable candidates to apply for the role.
- 2.12 An in-depth review of the Highways Maintenance service is underway and will include engagement with Members, stakeholders and a staff consultation process to ensure that knowledge and experience of the service is taken in to account during this process. Progress will be discussed and reported through the Highway Improvement Board. It is anticipated that a new structure would be in place by Autumn 2022.
- 2.13 Following embedding of the new roles and resources in the Project Delivery service during March and April 2022, a subsequent recruitment campaign will be undertaken, seeking to replace any remaining sustainable posts, currently filled by interim and consultancy resources. This requires some forward planning of projects, to ensure the roles will be required on a medium to long term basis. Where there are short term pressures, and projects being completed in 2022, consideration will be given to retaining interim and consultancy services to close out these projects.
- 2.14 The Council will progress negotiations with the with Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority regarding funding the core Consents Team to 2024/25, enabling a more sustainable team to be formed to manage the consents programme for the medium term.
- 2.15 Existing interim and consultancy arrangements will be reviewed across the Highways and Transport service, and where necessary this will be extended, refined and increased from the 1 April 2022, to ensure service delivery can be maintained for the short term. This will include reliance of interims for Project Delivery, the core Consents Team including Project Managers and the Local Highways Improvements Team until such services are replaced by permanent staff recruited by the Council.
- 2.16 Historically many interim workers were appointed by a Direct Award through existing contracts and frameworks, which although is contractually compliant is not fully compliant with the Council’s current Procurement Rules. These interim roles are listed in Appendix B. These interim workers are covered by an internal waiver exemption that was put in place for expediency and to ensure service delivery, which expire at the end

of March 2022. Due to the ongoing pressures, it is proposed to extend these waivers from 1 April 2022 to enable these interim workers to continue delivering their services to the Council, until they are replaced. Since September 2021 any new interim workers have been procured by a fully compliant Procurement Process, and the new process is now being established across the Highways & Transport service for the appointment of interim workers working closely with the Council's Procurement Team.

- 2.17 There are also some emerging pressures within the Highways Contract and Commissioning Team and the Highways Asset Management Team which will require some additional interim worker support for the short term. In addition to these identified pressures, there may be further demand on interim workers during the short term, depending on the outcome of the current recruitment campaign into the vacant Road Safety and Active Travel roles and within the Highways Development Management Team which has a very high workload. Further interim worker demand may result within the Highway Maintenance service generally should more Council staff leave, prior to the new structure being approved in Autumn 2022, and the subsequent recruitment campaign. All interim arrangements will be funded from existing vacancies, cost recovered with partners or charged to capital projects as far as possible, and where such costs have been factored into current cost forecasting for projects.
- 2.18 Several attempts have been made to fill the interim roles using Opus, the Council's partially owned recruitment agency, however due to the specialist nature of the technical roles this has been unsuccessful. The Central Procurement Team is now supporting the procurement of 21 vacant roles via an alternative recruitment agency. The procurement will take place using framework agreements with the final decision on which yet to be made. The maximum expenditure on these roles, over a 12-month period, is approximately £2M. Approval is therefore being sought to award a contract with an alternative recruitment agency and framework to fill the interim posts from April 2022. The roles being sought currently are shown in Appendix C.
- 2.19 Appendix B and C show the current position, however if the Council lose more permanent staff, or are unable to recruit on a permanent basis, this will increase the current demands for interim workers in the year 2022/23, and the Council will need to rely on increased interim workers to ensure service delivery for the short term in addition to the requirements set out.
- 2.20 The service recognises the challenges to permanently recruit and retain staff, which have been evidenced within this report. In addition to the proposals within the report, to respond to this pressure the service will:
- Engage with professional networks, associates, recruitment experts and other Councils, seeking innovative ways to recruit aspiring beyond conventional recruitment;
 - Ensure existing staff are supported and developed, including upskilling through work-based learning, sponsored academic learning and where appropriate aligned with development programmes with professional institutions including the

Chartered Institution of Highways and Transportation and Institution of Civil Engineers;

- Develop a “Grow our Own” programme within the service aligned with the Council’s apprenticeship programme, where the Council seek to create posts to recruit applicants who show potential to develop, such as local school and college leavers, graduates, mature students and those seeking a change in career. Using the Apprenticeship Levy, develop them through on-the-job training and off-the job formal learning to gain a nationally recognised qualification, targeted to meet areas of challenge within the service;
- Recognise that for certain programmes or periods of time there will be a requirement to operate a mixed economy workforce, bringing in consultant and interim workers and specialist support when required.

3. Alignment with corporate priorities

3.1 Communities at the heart of everything we do

Development and maintenance of the highway network, and associated infrastructure, improves links and travel between communities.

3.2 A good quality of life for everyone

Provision, development and maintenance of infrastructure, including the highway network allows residents and visitors to move around the county freely, supporting the economy and access to services including recreation and leisure. Additionally, it encourages healthy journeys including those by public transport and non-motorised use, such as walking, cycling and equestrian.

3.3 Helping our children learn, develop and live life to the full

Provision, development and maintenance of infrastructure, including the highway network helps children to access schools and leisure services. It also promotes non-motorised users including cycling and walking with the accompanying health benefits. The Council will develop training programmes at from school leaver entry to graduates, that will encourage Cambridgeshire’s children to seek careers in the Highways and Transport sector.

3.4 Cambridgeshire: a well-connected, safe, clean, green environment

Provision, development and maintenance of infrastructure, including the highway network allows residents and visitors to move around the county freely, supporting the economy and access to services. Additionally, it encourages healthy journeys including those by public transport and non-motorised use, such as walking and cycling reducing carbon emissions and use of the motor vehicle.

3.5 Protecting and caring for those who need us

NA

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The intention is to recruit permanently into all vacant sustainable roles, supported by some use of interim workers, experts and consultancy services. Where this is not possible, service delivery will be maintained by interim, expert and consultancy services.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

Recruitment will be undertaken aligned with the Council's recruitment policy. Appointment of interim workers and consultancy services will be undertaken compliant with rules and policy, and/or compliant with framework and contractual requirements.

4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category

4.4 Equality and Diversity Implications

Recruitment of permanent staff or interim workers will be compliant with Council policy. The development programmes mentioned in the report will target making the service's workforce more diverse and reflective of the County of Cambridgeshire.

4.5 Engagement and Communications Implications

NA

4.6 Localism and Local Member Involvement

NA

4.7 Public Health Implications

NA

4.8 Environment and Climate Change Implications on Priority Areas

This is not a key decision, nor are there any significant implications within this category

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes

Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council’s Monitoring Officer or LGSS Law? Yes

Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact? Yes

Name of Officer: Elsa Evans

Have any engagement and communication implications been cleared by Communications? Yes

Name of Officer: Sarah Silk

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Sue Procter

Have any Public Health implications been cleared by Public Health Yes

Name of Officer: Ian Green

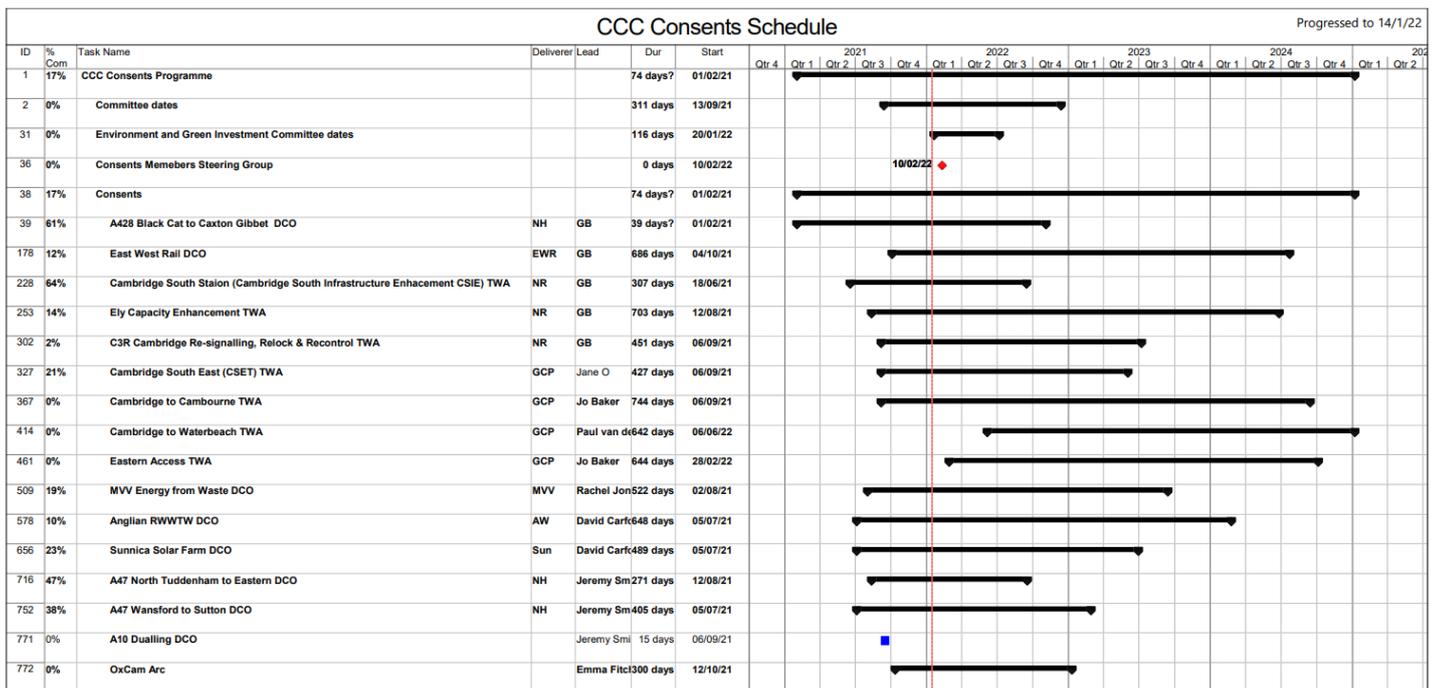
If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer? Yes

Name of Officer: Emily Bolton

5. Source documents guidance

5.1 None

APPENDIX A: The Consents High Level Programme



APPENDIX B: Current Interim Worker Roles secured via direct awards

Job Title	Charged to	Start date
Assistant Director Projects	Major Capital Projects	25/09/2020
Project Manager	Various capital projects	23/11/2020
Project Manager	Chisholm Trail & Wicketsheaf Crossroads	04/01/2021
Team Leader	Major Capital Projects	08/02/2021
Project Manager	Wisbech Access Strategy / March projects / St Neots	22/03/2021
Commercial Consultant	Major Capital Projects	29/03/2021
PMO Programme Manager	Major Capital Projects	14/06/2021
Project Manager	March Major Projects & FHS / St Neots FHS Project	19/07/2021
Consents Lead	Core Consents Team	01/09/2021
Consents Scheduler	Core Consents Team	30/08/2021

APPENDIX C: Proposed New Interim Workers Roles for 2022/23

Job Title	Charged to	Start date
Pavements Engineer	Various services- call off as required	01/04/2022
Project Manager	Major Capital Projects	01/04/2022
Team Leader	Major Capital Projects	01/04/2022
Project Manager	A14 100% re-charge time to HE	01/04/2022
Project Officer	March Major Projects & FHS / St Neots FHS Project	01/04/2022
HDM Engineer	Highways Development	01/04/2022
Project Manager	Local Highway Improvements	01/04/2022
Project Manager	Local Highway Improvements	01/04/2022
Project Engineer	Local Highway Improvements	01/04/2022
Project Engineer	Local Highway Improvements	01/04/2022
Assistant Engineer	Local Highway Improvements	01/04/2022
Assistant Engineer	Local Highway Improvements	01/04/2022
Framework Manager	Contracts and Commissioning Team	01/04/2022
Assistant QS	Contracts and Commissioning Team	01/04/2022
Programme Manager PMO	Programme Management Office- Major Projects	02/04/2022
Programme Officer PMO	Programme Management Office- Major Projects	02/04/2022
Assets Information Officer	Highways Maintenance	01/04/2022
Project Manager 1	Charged to Consent Sponsors via PPAA	01/04/2022
Project Manager 2	Charged to Consent Sponsors via PPAA	01/04/2022
Project Manager 3	Charged to Consent Sponsors via PPAA	01/04/2022
Highways Engineer- DCO	Charged to Consent Sponsors via PPAA (Nat H/ways)	01/04/2022