

## Highways & Transport Committee 7 September 2021

### Appendix B: Finance Monitoring Report - Interim Workers for P&E 2021/22

Cambridgeshire County Council has continued to be successful in attracting funding for long standing and ambitious projects to support sustainable growth. This has created a significant forward programme of capital projects. The Highways and Transportation service are commissioning works in excess of £50million annually, including the annual highways capital delivery programme.

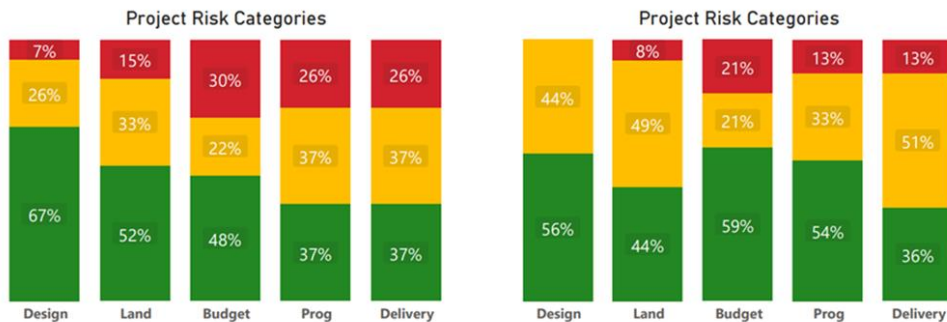
During the Summer of 2020 an internal review of Highway Capital Delivery was commissioned to understand the effectiveness of capital programme management and the overall control environment. Findings led to consideration as to common themes where project design and delivery could be enhanced. Additional projects were also investigated, to identify any recurring themes for improvement within the service. The reviews highlighted a significant forward programme and multimillion pound projects and that includes new roads, bridges, junctions and ambitious schemes to transform how people travel. The expectations for expeditious delivery, the complexity of multiple stakeholders and varied funding arrangements require talented teams, the broadest support network of specialist consultants and delivery mechanisms, and clear processes from inception to completion.

The review underlined the importance of continuous improvement to the skill base of teams involved in all aspects of Project Delivery, how teams are aligned and grouped, and the best ways to maintain the energy and support to staff to overcome scheme complexities.

Resulting from this, some of the services delivered, particularly relating to the delivery of major capital infrastructure projects, have a high reliance on interim workers, which has in part led to significant improvements in how the Council is currently performing relating to Project Delivery, as demonstrated in the charts below:

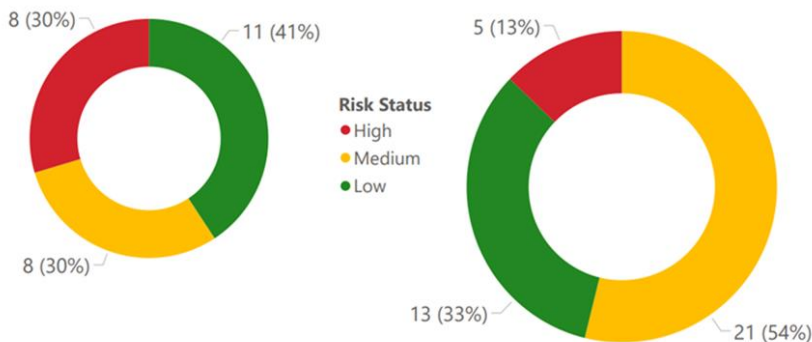
Risk Status across 27 Projects 19 February 2021

Risk Status across 39 Projects 18 June 2021



Overall Project Risk Status

Overall Project Risk Status



## Highways & Transport Committee 7 September 2021

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During the financial year 2021/22 to end August the Highways and Transport Services has spent £808,000 on 20 number of interim workers.

Interim workers in general demand higher pay rates 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 eight interim workers in relation to demand and performance issues.

The interim market is in high demand particularly relating to major infrastructure delivery where we are competing both locally and nationally, where most agencies and suppliers are complaining of high demand but lack of suitably skilled and resourced interims to meet current and forecast demand. Due to fast changing projects demands, to cater for peaks and troughs in workload, access to specialist skills and resources, the majority of the interim resources to support with Project Delivery were secured at short notice, on direct awards with a variety of specialist agencies, frameworks and suppliers. It should be noted that the Joint Professional Services Frameworks was not available when the majority of our interim workers were taken on.

Although progress has been made to move and procure four interim workers procurement compliant processes such as the Opus supplier framework or the Joint Professional Services Framework, the remaining 16 require a waiver from the Councils Contract Procedure Rules to be retained.

Following the conclusion of the Place and Economy restructure in June 2021, the subsequent recruitment campaign for the Director of Highways and Transport and three Assistant Director roles that were concluded in August 2021, structures and job descriptions are being finalised for the three key service areas of Highways and Transport being: Transport Strategy and Network Management, Highway Maintenance and Project Delivery.

The three service area Assistant Director leads are engaging with human resources, over restructuring, some of which require further staff consultations, prior to commencing recruitment campaigns over coming weeks and months, endeavouring to fill all vacant roles, which if successful will remove/reduce reliance on interim workers. It should be noted that there are challenges to secure staff on a permanent basis who are suitably qualified and skilled across the sector, with some neighbouring authorities also running similar recruitment exercises in 2021, which will impact on the ability to recruit into vacant posts.

That said, the service recognises the need to reduce reliance on interim workers, where the core of Project Delivery and projects teams will ideally comprise of permanent core staff, topped up with expert and specialist skills ideally through frameworks, such as the Joint Professional Services Framework to deal with peaks and troughs and access to specialists.

Depending on notice periods of incoming permanent staff, it is unlikely roles will be taken up until early 2022, therefore it is proposed to extend the existing 20 interim workers primarily involved in Project Delivery from September 2021 to the end March 2022, at an estimated cost of £1.142M primarily charged to capital projects, on the understanding interim workers will be replaced earlier whenever possible. A significant proportion of the £1.142M would be required to fund the 20 staff, should they have been in permanent posts over the same period.

Of these interims, due to existing agency, framework and supplier contracts, it is proposed that 16 number interims require waiver extensions up to the 31 March 2022, enabling established interim workers to be retained until they are replaced over the next 7 months.

## Highways & Transport Committee 7 September 2021

### Appendix B: Finance Monitoring Report - Interim Workers for P&E 2021/22

#### Consents Team

There is an urgent pressure to resource for the following statutory consents heading to Cambridgeshire to address infrastructure deficits and support growth in the region.

These are presented in expected order of submission, but it is recognised these may shift in accordance with promoter/delivery body programmes that are being established.

NSIP	TWAO
<p><b>A428</b> - Highways England – Black Cat to Caxton Gibbet: (LIVE)  <b>Solar Farm</b> – Sunnica - Burwell: (imminent)  <b>MVV Energy from Waste</b> – (December 2021 DCO submission)  <b>Relocation of Waste Water Treatment Works</b> - Anglian Water (currently out for consultation on 2 out of 3 timetable)  <b>Access to Wisbech</b> (Road and Rail potential moving forward)  <b>East West Rail</b> - East West Rail Company (preferred route 2021/22   securing development consent 2022-2024)  <b>OxCam Arc – MHCLG initiatives</b> (consultation 2021/22)  <b>A10 Dualling</b> (timeline uncertain)  <b>Fens Reservoir</b> (timeline uncertain)</p>	<p><b>Cambridge South East Transport</b> – GCP - High Quality Public Transport scheme (ASAP)  <b>Cambridge to Cambourne</b> – GCP - High Quality Public Transport scheme (ASAP)  <b>Cambridge to Waterbeach</b> – GCP - High Quality Public Transport scheme (2023)  <b>Eastern Access</b> – GCP - High Quality Public Transport scheme (TBC)  <b>Ely Area / Ely North</b> – Network Rail 2021 consultation / 2022 preferred options / 2023 TWAO</p>

The Council will assemble a dedicated Project Consents Team, as a centre of expertise, with a remit to lead and co-ordinate the consenting of the above schemes across the Council, including effective pre-application dialogue with scheme sponsors and promoters, and supporting the statutory consents process:

The Consents Team will bring specialist knowledge of NSIP/TWAO, and associated requirements/processes, providing prompt responses to promoters. The three core priorities of the consents team will be:

- Schedule/Programme DCO/TWAOs and identify forward plans for input
- Secure Planning Performance Agreements with scheme promoters for full/ongoing cost recovery
- Support the Council through live A428 enquiry

A Consents Team is seen to be the best way of doing this, in time to be fully funded by the scheme promoters. This will be subject to agreement with the scheme promoters. Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority who are scheme promoters, have agreed in principle to forward fund, which requires formalising and confirming through funding agreements.

Due to immediate pressures the proposal is to initially provide a Consents Team comprising of four well qualified interims with considerable DCO/TWAO experience, reporting into the Assistant Director Project Delivery, until end December 2021. Two of the interims are via direct award requiring further procurement waivers, plus ad hoc specialist support from the Joint Professional Services Framework, when required, at a forecast cost of £174,184 to end December 2021.

## **Highways & Transport Committee 7 September 2021**

### **Appendix B: Finance Monitoring Report - Interim Workers for P&E 2021/22**

This work to December 2021 will allow the Council to fully understand the impact on wider resources across the Council, and the ability to secure agreements with the various sponsors including the Greater Cambridge Partnership and Cambridgeshire and Peterborough Combined Authority to cost recover the Council's costs, and secure a sustainable team to meet longer term requirements of consents.

#### **Summary:**

This report sets out the short-term proposals to December 2021 relating to interim workers across the Highways and Transport Service, and it is proposed that a report will be presented to this committee later in the Autumn, providing an update on the recruitment campaigns, reduced reliance on interim workers and the development of a permanent self-funding Consents Team from 1 January 2022.

#### **Conclusion:**

The Executive Director of Place & Economy, in consultation with the Chief Finance Officer, is of the view that this is the expedient option to ensure that service delivery is maintained, and brings this procurement approach to the attention of the Committee through this Appendix B.