

**Report of the Executive Director Growth & Sustainability
and the Executive Director Core Services
to the Overview and Scrutiny Committee (OSC)
on 7th February 2023**

HIGHWAYS PEER CHALLENGE - OUTCOME AND ACTIONS

1.0 Introduction

1.1 The purpose of this report is to inform the Overview and Scrutiny Committee of the key findings arising from the Highways Peer Challenge and to provide an update on the progress of the action plan developed in response to the feedback received at the end of the review.

2.0 Background

2.1 The Council (BMBC) invited the Local Government Association (LGA) to undertake a peer review of specific elements of the authority's Highway's function in September 2022.

2.2 For clarity, the process is part of the LGA's support of sector led improvement and not an inspection. The peer challenge approach involves a team of experienced officers and members spending time with another council as 'peers' to provide challenge and share learning. Participating councils receive a comprehensive report and recommendations from the peer team and then identify their own action plan to respond. The peer challenge team consisted of:-

- Deputy Chief Executive and Executive Director Commercial at North Lincolnshire Council
- Cabinet Member for Inclusion, Youth, Schools & Transience at Blackpool Council
- Assistant Director, Highways, Transport & Planning at West Sussex Council
- Highways Project Manager at Kent County Council
- Local Government Support Team, Local Government Association

2.3 The peer team considered the following four thematic areas including a range of specific sub topics:-

- 1) Financial aspects, including value for money
- 2) Customer aspects, including engagement and interface with members and customers and the maturity of the service's strategic partnerships/collaborations
- 3) Process aspects, including alignment with the council's plan for regeneration and overall condition of the network
- 4) People aspects, including the culture of the service and effectiveness of the service's leadership and management practices

2.4 In advance of the on-site peer challenge the service prepared a position statement to provide the team with background information in relation to the four key areas outlined above. They also provided a number of key documents and strategies for background information.

2.5 The team spent three days in Barnsley, during which they:

- Spoke to more than 40 people including a range of Council staff together with Councillors and external partners and stakeholders.
- Gathered information and views from more than 25 meetings.
- Collectively spent more than 150 hours to determine their findings – the equivalent of one person spending more than six weeks in Barnsley.

2.6 Overall, the team found Barnsley has a huge ambition for the borough, clearly outlined and linked to the Barnsley 2030 Vision. Current Highway activity is integrated and aligned to council priorities and officers throughout the service are empowered to make and deliver change. There is a strong Medium

Term financial Plan underpinning the Highway investment strategy and strong Senior Management and Political support. The review concluded that although there is uncertainty and significant structural headwinds (i.e., the pressure on care services) on the horizon, the service has the capacity to evolve and anticipate change.

3.0 LGA Highway Peer Review - Key Recommendations

3.1 The peer team made a number of key recommendations, suggested in the context of a well-run, focussed Highway service. The key recommendations are outlined below followed by a summary of the work undertaken so far to address these:

- a. **Review the structural alignment of highway related services:** Through historic restructures and the subsequent re-location of traditional Highway related functions (i.e., Highway Development Control, Highway Design, Sustainable Transportation) it is clear that a re-alignment of these areas from Regeneration & Culture (Business Unit 4) to Environment & Transport (Business Unit 6) would realise strategic and operational benefits whilst also maximising the strategic input value of the Highway's and Engineering service.

Action: The Executive Director Growth & Sustainability has instigated a functional review of highway centric services across the Growth and Sustainability directorate which has recommended that the Sustainable Transport service be transferred from Regeneration & Culture (BU4) to Environment & Transport (BU6) by the end of the 2022/23 financial year. This target date has been met and the Sustainable Transport group are now a part of the Environment & Transport service portfolio.

- b. **Better utilisation of external benchmarking datasets:** Although internal performance monitoring and measurement was considered a strength by the Peer Review team, the use of external benchmarking metrics is not well developed.

Action: The Highway service takes part in the annual National Highways & Transport Network (NHT) Perception Survey. This year the survey was sent to 3,300 households across Barnsley with 707 responses received. This represents an overall response rate for Barnsley of 21.4% compared with the national average of 22.8%. The survey covers a range of aspects related to Highway's & Transport in local authority areas.

In August 2022, the highway service submitted a core dataset return to the Association for Public Service Excellence (APSE). The Highway service is reviewing the benchmarking results within our prescribed "family group", which gives an indication of our relative performance against other unitary local authorities.

This year's results from both surveys are under review and will be discussed as part of the wider Transformation Review, scheduled to take place in 2023/24.

- c. **Long term programming of capital investment:** Traditionally, the Highway's & Engineering service prepares an annual capital maintenance programme which is submitted to Cabinet. This annual look forward is a historic approach, partly driven by the lack of long-term visibility of maintenance funding from the Department for Transport (DFT) but mostly through the reality that programmes which look beyond a 12-month horizon are more susceptible to change due to the progressive deterioration of the Highway network.

Recently, through the amalgamation of DFT maintenance funding streams into the City Region Sustainable Transport Settlement (CRSTS), a five-year funding settlement has been agreed and accepted by the Council. The CRSTS consolidates funding from the previous allocations of the Highway Maintenance Block, Potholes Fund and the Integrated Transport Clock. (Cab. 2.11.2022/12).

Action: The surety of a five-year funding agreement enables the Highway & Engineering service to develop indicative maintenance programmes beyond the traditional twelve-month horizon. This will be explored further as part of the 2023/24 Highway's Capital Maintenance Report.

- d. Communication with front line:** The Peer Review Team highlighted an inconsistent approach with regard to how corporate and operational updates are directly communicated to front line operatives. It was recognised that this is a common issue across service areas with large operational workforces and that there is no single method to remedy this. The service has been asked to look at how this can be addressed for Highways and Engineering operatives with a view to developing tools and method which can be utilised across the wider Business Unit.

Action: Progress against this specific issue has been ongoing for around 18 months following the recommendations made by a cohort of officers undertaking the Future Leaders Programme. Following the initial data gathering with staff and site visits the following actions have been delivered:-

- Digital screens have been rolled across Smithies Depot including key areas where operational staff spend time;
- Regularly updated and refreshed messaging now also appears on these digital screens;
- All notice boards have been refreshed and updated to include key corporate messaging;
- “On-the-go” resources (i.e. leaflets and takeaway sheets) are more readily available and specific collection points have been created;
- A working group has been created to explore how electronic messaging can be cascaded to operational staff who do not have routine access to a lap-top or PC.

- e. Strengthening the relationship between the service and Elected Members:** The Peer review team highlighted that the complexity and variety of “highway” related services often leads to a degree of confusion and misinterpretation as to where certain responsibilities for highway related activities sit within the Growth and Sustainability directorate. This in turn leads to frustration, wasted effort and a degree of service inefficiency which should be addressed.

Action: Whilst the transfer of the Sustainable Transport Group to the Environment and Transport Service will bring all major “highway” related service areas into one area, it will not directly affect the transparency of where highway related service responsibilities rest. Both highway centric service areas (Strategic Transport and Highway’s & Engineering) will seek to develop “core offer” documents which will clearly set out their distinctive responsibilities.

Work is also ongoing to improve the overall response times and customer experience associated with requests which are received via the Members Enquiries Inbox. A cross party working group has already been established and has met twice to discuss issues and develop solutions.

The Environment and Transport Service Tracker update e-mail, which is issued weekly to all Elected Members, and recently extended to local MPs, has been improved and refined to include:-

- A weekly summary status of all Environment & Transport’s key service areas including, Winter Maintenance, Road Safety, Streetworks and Reactive Highway repairs;
- A weekly summary of all roadworks taking place across the Borough, by all parties including utilities and our own services; and
- A weekly update of the key elements of the annual Highway’s Capital Maintenance Programme.

4.0 LGA Highway Peer Review – Identified Service Strengths

4.1 The LGA Peer review not only identifies areas for consideration and potential improvement but also areas of strength and resilience. The Peer Review team were quick to note that preserving the latter was as important as addressing the former. The following summarises the key findings in this area;

- Barnsley has a huge and clear vision for the borough which is clearly outlined and linked to the 2030 Strategy;
- Barnsley has a clear borough identity which is being taken advantage of;
- There are good relationships, and a positively regarded delivery record, with the South Yorkshire Mayoral Combined Authority – “you do well and are well positioned to punch above your weight not only in the sub-region but nationally”;

- Senior Management are bought into and keen to deliver the overall vision for Barnsley;
- Highway's activity is integrated and aligned to Council priorities;
- Annual works programme for Highways delivery are clear and longer-term work programmes exist for related areas;
- Asset Management approaches are being utilised with industry software to support decision making;
- Clear evidence of internal KPIs in place and that these are being utilised;
- Leaders at every level – empowering staff to makes change. This is particularly strong at middle manager level;
- Recognition schemes are in place and used regularly – Thank you letters, Shout-Out's, etc;
- Career grade apprenticeships are working well at Smithies Depot;
- Training opportunities are well regarded by staff;
- Well-resourced communications team with a dedicated Highway's lead is in place;
- Staff exhibit high levels of commitment and loyalty to Barnsley;
- Depth of experience of front-line staff;
- Strong relationship between the Customer Service Team and the Highways Service;
- The service shows a pragmatic approach to “getting things done”;
- Work delivered by our front-line teams is of a good standard.

5.0 Peer Review Action Plan

5.1 In addition to the key recommendations, throughout the LGA Peer Review feedback summary, a number of additional areas for consideration were made. In order to address all of the points raised, a comprehensive action plan is being developed based on four improvement themes. The Executive Director: Growth & Sustainability and the Service Director Environment & Transport have made this a priority to take forward and it will be subject to regular challenge and review. The four thematic areas include:-

- 1) Context & Priority Setting
- 2) Planning & Performance
- 3) Enablers
- 4) Delivery

5.2 The following paragraphs provide a summary of the additional work undertaken under each key theme to address all the peer review suggestions:

5.3 Context & Priority Setting

- Develop core offer documents to better outline service responsibilities.
- Review the current financial model to ensure it is still fit for purpose.
- Focus and accelerate work which contributes to carbon reduction / net zero outcomes.

5.4 Planning & Performance

- Develop our approach to utilising external benchmarking indicators to drive service improvement.
- Develop maintenance plans beyond the current 12 months horizon.
- Review Key Performance Indicators and ensure they are still fit for purpose.

5.5 Enablers

- Review and develop plans for improving communication distribution to front line teams.
- Undertake skills reviews and develop training plans to address gaps.
- Horizon scan for industry leaders and best practice to drive continuous service improvement.

5.6 Delivery

- Work with supply chain partners to risk manage inflationary cost pressures.
- Develop manager tools for recognising and celebrating success.

- Review service structure identifying opportunities to strengthen succession planning and identify single point failures.

6.0 Future Plans & Challenges

- 6.1 A Peer Review Action Plan, which includes learning from the action planning carried out on December 14th, 2022, is being developed by the service. This will help shape the broader Transformation Plan for the Highway's and Engineering Service which is being developed in parallel.
- 6.2 With regards to delivering change across the service, leaders will need to ensure that we maintain momentum around staff engagement, ensuring that future organisational changes are planned well in advance and carefully communicated to staff in a way that meets the need of the change being undertaken.
- 6.3 The service has a finite resource to undertake the breadth of improvement actions that have been identified. Statutory and safety critical work demands will always take priority over available resources, and this may have a detrimental effect on the initial timescales being developed as part of the action planning work. Resourcing plans will be developed in parallel, but they are subject to the availability of additional financial support. It is envisaged that support from a range of internal service areas (Finance, Communications, Human Resources, Organisational Development, Procurement, etc) will be required to facilitate the level of change required.
- 6.4 There are still a large number of competing initiatives taking place across the Highway's and Engineering Service which will need to be prioritised to ensure progress against the Peer Review Action Plan is made. This will need to be an important feature of business planning going forward.

7.0 Invited Witnesses

- 7.1 The following witnesses have been invited to attend today's meeting to answer questions from the committee:
- Matt O'Neill – Executive Director Growth & Sustainability, Growth & Sustainability Directorate, BMBC
 - Paul Castle – Service Director, Environment & Transport, Growth & Sustainability Directorate, BMBC
 - Matt Bell – Head of Highway's & Engineering, Growth & Sustainability Directorate, BMBC
 - Ian Wilson – Service Manager, Highway Delivery, Growth & Sustainability Directorate, BMBC
 - Cllr James Higginbottom, Cabinet Spokesperson for Environment & Highways

8.0 Possible Areas for Investigation

- 8.1 Members may wish to ask questions around the following areas:
- Did the peer review highlight any unknown issues or were the findings in line with the organisation's self-assessment?
 - Which of the positive findings are you most proud of and why?
 - What are the main obstacles to improvement and how will you overcome them?
 - What does the next 5-10 years look like for the organisation?
 - What change management principles will you be using to ensure a smooth transition to 2030?
 - How are officers empowered to make and deliver change?
 - What are the main strategic risks that could affect the service over the next few years?
 - Is the action plan deliverable and affordable and do the benefits outweigh the cost?

- When do you expect all the actions to be embedded and what will governance look like?
- What strategic and operational benefits do you expect to realise as a result of realigning services?
- What do you consider to be your 'critical success factors'?
- What is benchmarking data telling you? How does the service compare to statistical and regional neighbours?
- How do you think the services is perceived by the public and what impact does that have on staff morale? How can perceptions be improved?
- What support is available to ensure the physical and mental wellbeing of employees given the ambitions being delivered by a significantly reduced workforce?
- How might residents be affected by the planned changes to the organisation?
- What can elected members do to understand and support the work of Highways?

9.0 Background Papers and Useful Links

City Region Sustainable Transport Settlement – Revenue Funding Report to Cabinet:-
<https://barnsleymbc.moderngov.co.uk/ieListDocuments.aspx?CId=135&MId=8488&Ver=4>

Barnsley 2030 Strategy:-
<https://www.barnsley.gov.uk/services/our-council/barnsley-2030/barnsley-2030-strategy/>

10.0 Glossary

APSE	Association for Public Service Excellence
BMBC	Barnsley Metropolitan Borough Council
CRSTS	City Region Sustainable Transport Settlement
DfT	Department for Transport
KPIs	Key Performance Indicators
LGA	Local Government Association
NHT	National Highways & Transport Network
OSC	Overview & Scrutiny Committee

11.0 Officer Contact

Jane Murphy/Anna Marshall, Scrutiny Officers
Scrutiny@barnsley.gov.uk

23 January 2023