

Local Members' Interest
N/A

Prosperous Staffordshire Select Committee - 6 March 2015

Infrastructure+

Recommendation

- a. That the Prosperous Staffordshire Select Committee note the progress on implementation of the Infrastructure+ contract and comment on the proposals for governance, performance management and suggest how the committee would like to be involved in ongoing scrutiny of the partnership performance.

Report of Mark Winnington Cabinet Member for Economy and Infrastructure

Summary

1. The committee was consulted prior to the award of the Infrastructure+ contract to Amey PLC at its meeting on 12th February 2014.
2. The committee is asked to note the progress on the implementation of the partnership to date.
3. Previously the committee asked to be kept informed about developments in relation to the other services in scope outside of traditional highway maintenance.
4. The committee also asked to be involved in the governance of the contract. At that time the arrangements were still under discussion. This has developed in to a working model and the committee now has the opportunity to specify the information it would like to receive and the input it would like to have.

Report

Background

Contract mobilisation

5. The contract with Amey was signed on 15th August and the initial services to be delivered were mobilised and commenced on 1st October as originally planned.
6. Members may recall that the contract always allowed for the delivery of highway maintenance and construction functions to replace the previous term maintenance contract. The procurement process we undertook included the potential for additional services to be delivered through the contract subject to demonstration of better value and service.

7. During the period between announcement of Amey as the preferred bidder and the contract completion, two work streams looked at network management type functions and highway design services.
8. These were chosen as sensible things to decide upon prior to mobilisation so as to be able to include them and if appropriate mobilise alongside the maintenance and construction functions.
9. The business cases for the Network Control hub and the Design Hub are available as background documents.
10. The new contract therefore became responsible for the following services on 1st October.
 - a.Reactive Highway Maintenance
 - b.Cyclical Highway Maintenance
 - c.Winter Service
 - d.Highway Construction Schemes

And from the business cases:

- a.Highway Network Management
 - b.Highway Inspections
 - c.Highway Design
11. This mobilisation process involved the transfer of just over 100 County Council employees to Amey as well as over 200 employees and operatives from Enterprise to Amey. Although Amey's parent company bought Enterprise they are still two separate legal entities as far as the implementation of this contract is concerned.

Retained Function

12. As part of the mobilisation process we put in place the organisational structure for the Council's management of the partnership. We thought it critical to make sure that the respective organisational structures were developed together.
13. The County Council has three managers responsible for different parts of the contract all reporting to James Bailey Commissioner for Highways and the Built County. The areas of responsibility for these managers are,
 - a. Highway Asset Strategy – responsible for maintenance type activities
 - b. Highway Developments and improvements – responsible for new construction and improvement works

- c. Highways Regulation and Governance – responsible for overall network management including third party work and overall contract governance and performance.

14. Within the regulation and governance team are compliance inspectors who work across all work areas to monitor and investigate quality control issues.

ICT Systems

15. As part of this process there has been an implementation of a new ICT system for the recording of highway defects and management of the operational process referred to as the Amey Standard Operating Model (SOM).

16. Ongoing is the implementation of a new asset management system and the transfer of data from previous systems to the ones proposed by Amey in their bid.

17. The implementation of ICT has been programmed to allow operational procedures to continue with as little disruption as possible. There remain some activities to be transferred to new systems but these should be complete by May 2015. This is with the exception of the Street Lighting PFI ICT system which is part of a separate process as it doesn't form part of the Infrastructure+ contract.

18. One of the requests from members had been better feedback to members and the public on issues reported to us. We have a long term ambition to integrate this with the council's customer relationship management program LAGAN. In the meantime we have implemented this through the SOM software.

19. This means that currently people reporting defects who provide an email address are notified that the issue has been logged then when it has been inspected or reviewed and if appropriate where work has been requested and finally when it is complete.

20. People reporting problems are given an explanation of how the issues has been dealt with for general enquiries and a work reference number for issues where repair works are required. Currently this works number can be looked up on the internet and a description of the work requested and the priority given can be seen.

21. Our next stage of development is to add this information in to the email rather than people have to look it up on the web site.

22. In addition to this we are in the process of holding a number of sessions with members where they can see the operational control room in action and see how issues are logged and dealt with. We are then showing members what information is available for both reactive and programmed works. We will be asking members to give us direction on what information they would like to receive and what should be made available more widely to the public and parish councils.

Other Services

23. As mentioned previously there is scope within the infrastructure+ contract to include a further wide range of services. We are now in the process of evaluating those other services to see how they can be improved within the partnership whether that is by

provision by Amey or by improved partnership working or indeed by other delivery mechanisms.

24. No decisions have been taken on any of these other service areas yet. The timetable for an initial appraisal of options is May. The following services are part of the process.
- a. Professional Services; (elements considered separately, but detailed within one report)
 - i. Lighting contract management
 - ii. Intelligent Traffic Systems (ITS) Management and maintenance
 - iii. Environmental Specialist Service provision
 - iv. Transport Planning
 - v. Road Safety
 - b. Highways Laboratory
 - c. Community Liaison (short and long term options)
 - d. Partnership working with the District Councils and City Council
 - e. Management of Rights of Way
 - f. Management of Country Parks
 - g. Shugborough
 - h. Data Management
25. The exception is Shugborough which is at present undergoing a feasibility analysis of the whole management of the estate.

Governance Arrangements

26. The governance arrangements for the partnership were largely outlined during the procurement process. It comprises a three tier structure as follows,
- a. Strategic Partnership Board made up of:
the Cabinet Member for Economy and Infrastructure, the Cabinet Support Member for Highway and Transport and the Deputy Chief Executive and Director for Place from the County Council. Representing Amey are the Local Government Division Managing Director, the Business Director and the Commercial Director.
 - b. Operational Commissioning Board made up of:
four officers who are heads of service for the services in scope of the partnership and four senior managers from Amey.

c. Project Delivery Teams

There are several groups made up of the operational management.

29. In addition to this we are in the process of establishing Outcome groups. The basis of these is to inform the partnership about its development activities and influence how and what it delivers. We have a priority list of issues to be informed by outcome groups these are:
- a. Social Value
 - b. Volunteering
 - c. Environmental
 - d. Customer Information/Involvement.
30. The arrangements and responsibilities of the respective groups are included in the contract and the relevant section is available as a background document.
31. In addition to these partnership arrangements both the parties have their own organisational decision and monitoring systems. Decisions on behalf of the County Council will be taken with existing delegated powers and responsibilities. This means that these governance arrangements do not bypass the existing decision making process of which this committee forms a part.
32. The committee is encouraged to suggest how it would like to be involved in the monitoring of the performance of the partnership as a whole and the contract.

Performance Management

33. A two tier system of performance measures has been developed and is in the process of being implemented. An initial suite of Key Performance Indicators has been agreed for reporting to the Strategic Partnership Board. A number of these indicators are only collected annually as they are based on national surveys for comparison purposes.
34. The suite covers the following areas:
- a. Customer Satisfaction
 - b. Financial
 - c. Health, Safety and Environment
 - d. Partnership Growth and Benefits
 - e. People and Staff
 - f. Service Performance.
35. There is still development work to do to enable all of them to be collected but the initial draft reports of these measures are included as an appendix.

36. In addition to these are a suite of operational indicators which are reported to the Operational Commissioning Board. These are geared towards the ongoing management of the service delivery with the headlines being reported in the KPIs as the service performance.
37. As mentioned previously there are specific posts in the County Council structure responsible for quality auditing. The partnership has been established to be self regulating in terms of quality control and so this function is an auditing function to give confidence that the systems in place do give the required level of quality. It is intended that this resource be flexible to be targeted towards areas that require rectification or development.
38. Future performance reports will include information on quality issues arising from these audits.

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Appendices/Background papers

*Appendix 1
Key Performance Indicators*

Background Documents

*Background Document 1 - Network Control Hub Business Case
Background Document 2 - Design Hub Business Case
Background Documents 3,4 & 5 - Governance arrangements extract from Contract*