

Southend-on-Sea Borough Council

Report of Executive Director Neighbourhoods and Environment

To

Cabinet

on

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Report prepared by:

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Highways Restructure Funding Request

Relevant Scrutiny Committee
Place Scrutiny Committee
Neighbourhoods and Environment
Cabinet Member: Councillor Woodley

A Part 1 (Public Agenda Item)

1. Background

- 1.1 A restructure of the service has been developed with an objective of ensuring best value, and that the service is meeting Council wide aspirations and priorities. The new proposed structure draws together teams previously part of Highways and Civil Engineering, into the Traffic & Highways Team.
- 1.2 To achieve the objectives, a range of revised job descriptions have now been through the Evaluation & Confirmation process, with agreement reached on the role salary grades and associated costs.
- 1.3 This report is requesting the additional funding required to support the new structure.
- 1.4 As expectations and demands on the service change, a new project to review how the service operates continues. This proposal will enable the Council to match its people resources to the new demands and ways of working. A core feature of this new structure is empowering teams and appropriate delegated tiered management to make timely and informed decisions.
- 1.5 To ensure key corporate priorities are achieved it remains imperative that the resources available are properly targeted and aligned to deliver better outcomes, including achieving best value.
- 1.6 It is anticipated that with additional investment, the Council will be better placed to achieve its aspirations in respect of the road network, including planning for growth, exploring revenue generating opportunities and identifying areas where savings can be made.

2. Recommendations

That Cabinet:

- 2.1 Approve the increased budget to fund the new service in line with the Council's Vision and Aspirations. This investment will ensure that the views and needs of our customers, residents and businesses are at the heart of the service.
- 2.2 The additional request for funding to support the new structure in 2020/21 will be met from the business transformation reserve with future year's expenditure being incorporated as part of the budget setting for 2021/22 onwards

3. Service changes

- 3.1 The new service will remove the large number of temporary management arrangements including the use of agency/interims, officers on fixed term contract and acting up arrangements. It will increase capacity and expertise, providing a more robust structure to support the delivery of the changing demands on the service. A key focus of the new team structure will be understanding the existing service needs, identifying and implementing new commercial opportunities. As part of the restructure there will be a need to recruit some interim support to ensure the service continues to operate whilst key posts are recruited. This will be limited and released at the earliest opportunity.
- 3.2 The structure will see an increase from 61 to 76 FTE posts to support the statutory duties the Council must deliver in regard to highways requirements. The service has in recent years been under resourced which has resulted in difficulties delivering core functions in a timely and efficient manner.
- 3.3 The Council, as the highway authority, has a statutory duty to protect and assert the rights of the public to use and enjoy the highway network (roads and paths). The Highways Enforcement team will deal with all highway obstructions (but not parking and movement related contraventions, which are investigated by the Civil Parking Enforcement team) and offences relating to temporary structures and other items on the highway.
- 3.4 The new structure also focusses on providing additional Engineers to support the delivery of the multitude of civil engineering projects that are required for the regeneration of Southend. Engineers are in high demand globally and Southend has in recent times struggled to retain officers. As such the career graded structure that has been proposed is designed to support, attract, and retain suitably qualified and experienced Engineers.
- 3.5 The Council undertakes a range of functions in terms of Major Project, Highways and Traffic activities. Over recent years there has been a number of changes to positions within this service area, functions have moved into different arrangements and there have been shifts in demand. It has become necessary to review the current structure to ensure it continues to meet demand and provide an effective service to the community.

- 3.6 The purpose of this report is to request additional funding to support the proposed changes that will ensure the Council is able to deliver its vision and priorities by effectively managing, realigning, and deploying resources effectively.
- 3.7 The proposals are part of the Council's wider agenda and supports the five priorities for Southend;
- Pride & Joy
 - Safe & Well
 - Active & Involved
 - Opportunity & Prosperity
 - Connected and Smart
- 3.8 Throughout the lifetime of this new service there will be a need to recruit additional Graduate Engineers who will be associated with specific projects. These officers will be solely funded through capital funds and will not have an impact on the core revenue budget.
- 3.9 The enforcement policy is expected to propose a significant increase in highway enforcement activity. It is anticipated that this could be self-financing through the generation of enforcement revenue. This assessment and conclusion will be driven by a comprehensive strategic review as existing enforcement is not currently delivered efficiently or effectively. The current arrangements fail to meet the demands and expectations of the borough.
- 3.10 As already referenced, the Council has had difficulty in retaining Engineers which has put a strain on the delivery of multiple projects to time and within budget. The new structure increases engineering capacity and proposes a career graded approached and training arrangements to support Southend in attracting and retaining the required knowledge and expertise.

4. Options

If the additional funding is not approved; it must be noted that:

- the service will not be able to deliver robust enforcement which is strongly required as the damage being caused on the highway by the public should be discouraged and where necessary costs of damage recovered. This includes the management of utility companies who are digging up our roads and pavements
- the service will not be able to carry out its statutory duties in a timely and efficient manner
- there is a high risk of turnover of engineers that could delay and also increase the costs of major schemes being implemented
- there will be a need to review the expectations of service delivery and non-statutory duties may not be undertaken in a timely fashion.

5. Financial Implications

The current structure contains 61 FTE's at a total cost of £2.839m. Of this amount, £1.187m is budgeted to be charged to the capital programme (42%).

If the new structure of 79.7 FTE's was to be recruited at the bottom scale point for all roles, the cost would be £3.740m. At the highest scale point the value would be £4.273m.

Of this amount, a proportion will be expected to be charged to the capital programme and a separate piece of work is underway to estimate this. However for comparison, if 42% was expected to be capitalised again then the revenue increase in the budget would be £570k at the lowest scale points and £880k at the highest. The roles in this new structure will also create an opportunity to collect income via enforcement which currently isn't undertaken due to a lack of resources.

The interim staff required whilst the new structure is embedded and any additional resource for new appointments in 2020/21 will require funding from the business transformation reserve and a sum of £150,000 is being set aside for this purpose.

The additional full year revenue costs of the new structure from 2021/22 will form part of the budget setting for that year and will be in the region of circa £570k to £880k

6. Legal Implications

The new structure will help the Council to deliver its statutory powers and duties in respect of the road network, particularly where liabilities for damage or loss rest with the Council, as Highway Authority.

7. People Implications

N/A

8. Property Implications

N/A

9. Consultation

In line with the policy and process; consultation with those affected by its proposals and their Trade Union representatives in a fair and meaningful way will be undertaken.

10. Equalities and Diversity Implications

It will be important as the Council's Policy approach is developed, that proposals are subject to appropriate equalities and diversity impact assessments to ensure that the key principles of a safe, fair, consistent and transparent service are adhered to.

11. Risk Assessment

N/A

12. Value for Money

The proposals to create a more resilient and permanent structure that covers Major Projects, Traffic, Parking and the Highways Service will provide a more responsive, resilient, effective and efficient service. The introduction of the revised structure will also provide clear responsibilities and accountabilities, together with improving productivity and efficiency of delivery to provide better value for money for the public purse.

13. Community Safety Implications

N/A.

14. Environmental Impact

N/A.

15. Background Papers

None.

15. Appendices

None