

# Highway Maintenance and Management Services in Partnership



A report from Overview & Scrutiny





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# Preface

By Cllr Jerry Evans, Chair, Transport, Environment and  
Regeneration O&S Committee

In June 2010, Birmingham City Council commenced a 25 year partnership with Amey to manage and maintain highways across the city. It is the first Private Finance Initiative (PFI) scheme of this scope and scale. We commenced this Scrutiny Review a year into the partnership, to analyse how improvements were being delivered at a local level.

It is clear from our findings that the new arrangements are delivering real improvements at the local level, through unprecedented investment in our highway network and associated assets. However with a contract



## Summary

The 7<sup>th</sup> June 2010 saw the start of a 25 year partnership between the City Council and Amey. In essence, this means that Amey is contracted to ensure that the road network is functioning, safe and available for use; the City Council remains as the Highway Authority, Traffic Authority and Street Authority.

One year after the start of this partnership, the Transport, Environment and Regeneration Overview and Scrutiny Committee agreed to undertake a Scrutiny Review of Highway Maintenance and Management Services in Partnership. The key question the review sought to answer was:

How are the new highway maintenance partnership arrangements delivering improvements at the local level?

In general, we found that the new arrangements are delivering real improvements at the local level, through unprecedented investment in our highway network and associated assets, and through a better understanding of that network to enable more effective and efficient management.


We recognised the scale and complexity of the contract, the fact that it is unique in this country and that it means a new way of working for our city. The statistics provided about activity during the first year of operation (up to May 2011) show the extent of that activity:

- 60km of roads and 190km of pavements resurfaced, including 7,000 potholes repaired;
- 30,000 trees pruned;
- 2,600 street lights installed, including LED lighting and remote control sensors;
- 48,000 miles of roads gritted (1,200km of roads gritted each night during bad weather) and 1,200 grit bins filled and placed around the city;
- Over 60,000 calls and enquiries received from members of the public and over 3,000 Councillor enquiries received.

Over and again, the critical importance of partnership was emphasised. Generally we found that the partnership is working very well. However, there are ways in which it can be strengthened.

**Amey's role** is to improve the road network in Birmingham so that it meets national standards. There are four key parts to the contract that Amey is required to carry out:

- Core Investment Works: refurbishing the network, 2010-15;
- Life-Cycle Works: end of life asset replacements, 2015-2035;
- Maintenance Works: routine and reactive maintenance throughout the life of assets;
- Network Management: managing activity on the network, including response to priority issues

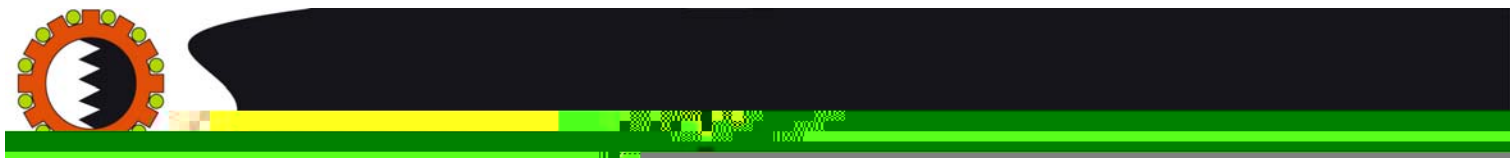


As maintainer of the infrastructure assets, the risk relating to third party claims and liability has been transferred to Amey, although this does not absolve the City Council of criminal responsibility. With the transfer of liability for claims there is an incentive for Amey to carry out repairs effectively and as soon as possible, as well as to manage claims that are made.

Amey has been praised by most of our witnesses for the work that has been carried out so far. There have been some problems, but this was perhaps inevitable given the volume of the work and timescales involved. Most importantly, Amey have shown a willingness to rectify issues when requested to do so.

A recurring issue however was about communication and we have made some recommendations around improving notification times to residents, and in getting information to Councillors. We also believe there should be meaningful consultation on the planned capital works programme with the public, to assist in building a strong relationship between residents and Amey. Amey does undertake local consultation at a community level through its Highway Stewards; however, we recommend that Amey should also carry out direct consultation on the five year capital programme with members of the public.

**The City Council** has two main roles in relation to the partnership: firstly they are the “client” within the contract, and as such must ensure





	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R05</b>	<p>That the Cabinet Member for Transport, Environment and Regeneration, working with Amey, provide all Councillors with clear guidance on the ability to dim/increase brightness of street lighting, in particular:</p> <ul style="list-style-type: none"> <li>• How this will be utilised;</li> <li>• Who will make the decision and who can request it (and how);</li> <li>• How other agencies, in particular the Police, will be involved to assist in other priorities such as crime prevention.</li> </ul>	Cabinet Member for Transport, Environment and Regeneration	March 2012
<b>R06</b>	<p>That the Cabinet Member for Transport, Environment and Regeneration works with Amey to commence consultation with Constituency Committees annually in November of each year (with effect from November 2012) for programmes effective from the following June.</p> <p>Amey should carry out direct consultation with members of the public (e.g. Ward Committees, local exhibitions).</p>	Cabinet Member for Transport, Environment and Regeneration	November 2012
<b>R07</b>	<p>That the Cabinet Member for Transport, Environment and Regeneration work with Amey to ensure that Ward Councillors are kept informed of changes to the programme on a monthly basis.</p>	Cabinet Member for Transport, Environment and Regeneration	June 2012
<b>R08</b>	<p>That the Cabinet Member for Transport, Environment and Regeneration explores ways in which continued improvement can be made to communication with Councillors. This includes:</p> <ul style="list-style-type: none"> <li>• Appropriate performance information;</li> <li>• Results of customer satisfaction surveys.</li> </ul>	Cabinet Member for Transport, Environment and Regeneration	September 2012
<b>R09</b>	<p>That the Cabinet Member for Transport, Environment and Regeneration work with Amey to extend and embed processes relating to notifying both residents and Councillors about:</p> <ul style="list-style-type: none"> <li>• Tree removals;</li> <li>• Tree replacements (including location)</li> </ul> <p>as part of the 2012-13 Tree Maintenance Programme</p>	Cabinet Member for Transport, Environment and Regeneration	June 2012



# Highway Maintenance and Management Services





## 1.3 The Report

1.3.1 Chapter 2 begins by providing contextual information in relation to the partnership, including the background to the decision to enter into the contract and the associated benefits and risks of the new approach.

1.3.2

## 2 Context: Background

### 2.1 Why a Partnership Approach?

- 2.1.1 The partnership approach is funded through a Private Finance Initiative (PFI) – see box below for further information.
- 2.1.2 The proposal to look at a PFI mechanism to fund the highways maintenance service originated in the Best Value Review of that service carried out by the City Council in 2000/2001. That review recognised that a major cash injection was needed to restore the highway asset to a fair and reasonable standard. Later in 2001, an Audit Commission inspection of the Highways Maintenance Service reported that the Council was providing a “fair”/1 star service that was unlikely to make step change improvement. They also recommended that project plans be drawn up for the implementation of a PFI, or for delivery of essential improvements should PFI funding not be achieved.



## 2.2 The Decision Making Process

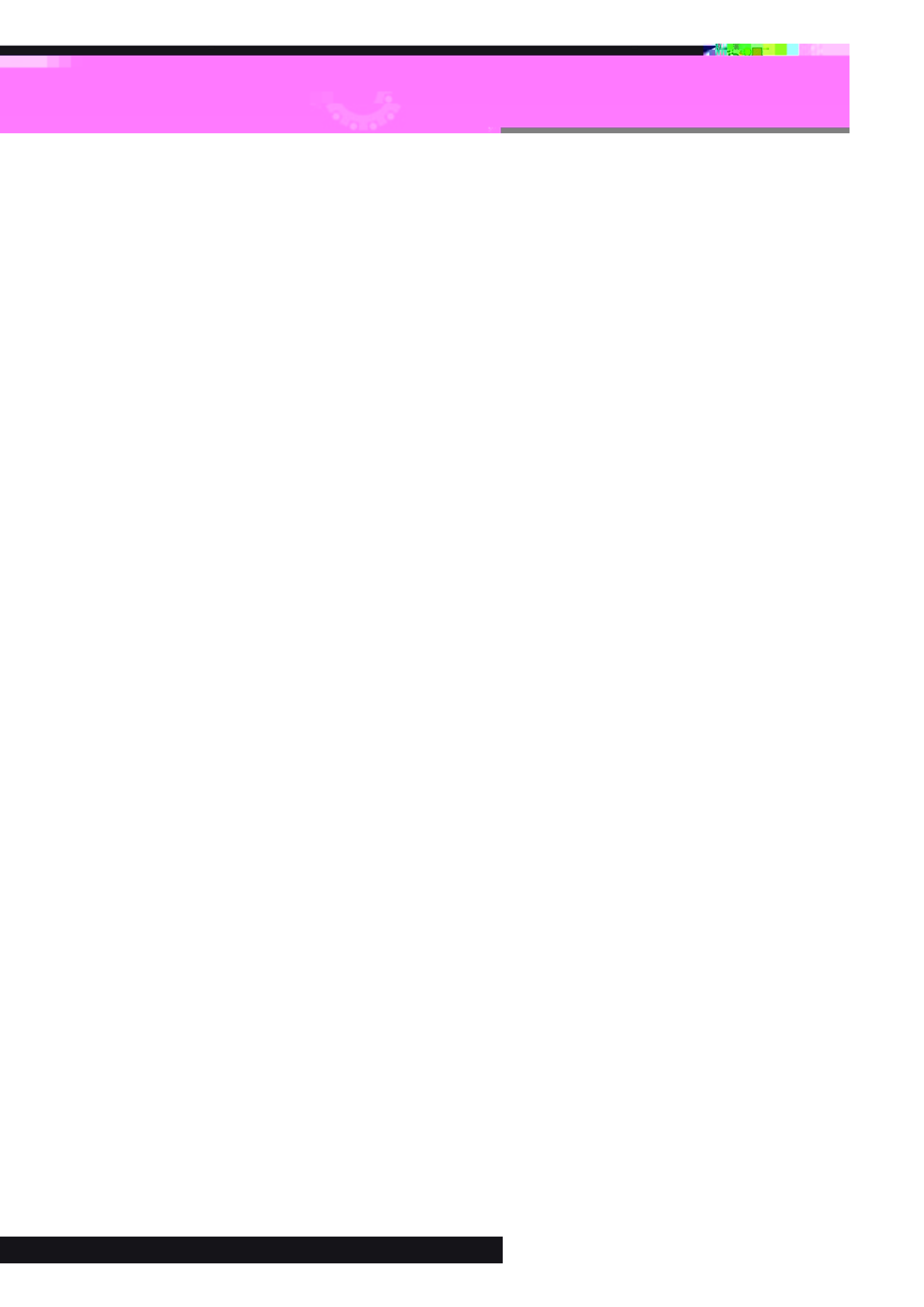
### The Initial Stages

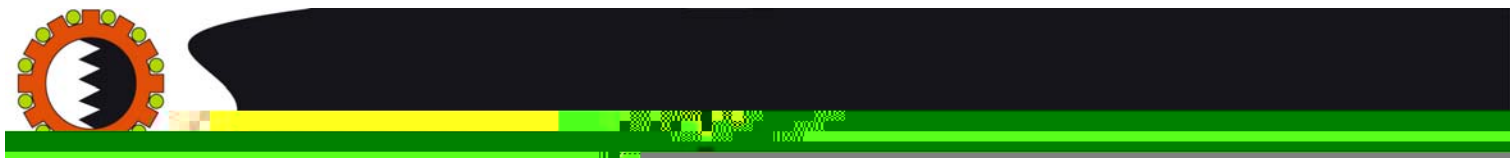
2.2.1 The first political approval for work which could lead to a PFI was given by the then Executive Committee on 23<sup>rd</sup> March 2001. Later that year, an outline business case for the Highways Maintenance and Management Service to seek funding through a Private Finance Initiative was submitted to the Department for Transport (DfT).

2.2.2 In November 2003, the Cabinet agreed to accept the award by the DfT of PFI credits for a future Highways Maintenance and Management Service. This would entail committing to a 25 year contract and expenditure of over £2bn. That decision was "called in" by the Co-ordinating O&S Committee on the gov(O&S)hdrs thv(O&S)ta

ate was held(1.1( )-5.4(at a meeting of )-5.4(the Ci-62470008702498479954818803150.002

2.2.5 Members of(TJ)0 the Reviewup consideredch services would be included in the scope of the contract. A list was drawn up with advice on wat shoulde included and exclud. The concerns over what could be included and what should be exclwider questiegarding the impact of a PI contract on services users and demotic representtives. At tat ti "mechanisms ... to ensure that local Councillors and residents were able to influence these services ... were still being worked up."







## Local Contractors

2.3.4 Around 90% of suppliers engaged by Amey have operations in the West Midlands and around 88% of the contract annual spend is with these local companies.

## Local Employment

2.3.5 The significant investment in the road network and related assets requires a substantial number of people to carry out, manage and audit the improvements. When the contract was set up 237 City Council employees were transferred under TUPE into the new partnership; a further 28 from other organisations. Since then further employees have been recruited to reach the total level of resource required to carry out the work. Amey's current headcount for the contract is 534.

2.3.6 As part of the recruitment drive, Amey has proactively worked with Birmingham City Council, Skills Funding Agency and Jobcentre Plus to engage local unemployed people and promote access to jobs and training. A monthly steering group works together to ensure local people benefit from training and employment opportunities.

2.3.7 Amey has also taken the decision to employ apprentices; all recruited locally from young people unemployed for over six months. Some of these young people had already benefited from the Future Jobs Fund scheme. The partners developed an assessment centre to select trainees. Assessment included a number of processes such as written, numerical, team exercises and a structured interview. All apprentices have access to the gold award of the Duke of Edinburgh scheme. Around 20% of new employees are apprentices or were long term unemployed.

2.3.8 As a result of working together and targeting unemployment 'hot-spots', the partnership put 100 unemployed people through an assessment centre: 72 were employed and 18 apprentices taken on. Amey has locally recruited four graduates to the project, three of whom were unemployed.

## Risk and Liability

2.3.9 Under the contract, the City Council remains as Highway Authority, Street Works Authority and



2.3.12 Now that the contract is in place, the City Council is receiving the PFI credits from the Government, and must use these to pay Amey the Unitary Charge payments which are stepped up incrementally as it meets its milestones (see section 3.4). The City Council must ensure these payments are met (otherwise risk interest on the missed payments and breach of contract).

## Road Safety

2.3.13 Amey notes the “very strong links between standards of highway maintenance and road safety” and states that the service contributes to the reduction in the risk of road traffic collisions and other potential injury accidents in the following ways:

- Improved Surface Condition – removal of carriageway potholes and footway trips provides a direct reduction in accident risk;
- Road Marking Renewal – new road markings improve driver awareness of road layout and the presence of hazards and directly affect driver behaviour;
- High Friction Surfacing – the repair / renewal of “anti-skid” surfacing reduces braking distances significantly and can reduce the impact speed of vehicles to below the critical limit of 30 mph;
- Improved Lighting and Signage – brighter lights that are more reliable both in lighting columns and road signage add to the visibility of highway features for drivers;
- Drainage Services – the repair and regular cleansing of road gullies reduces the risk of standing water on road surfaces and hence the potential for “aquaplaning” is reduced.

2.3.14 The highway inspection teams look out for deficiencies in the highway network that can present hazards. Amey also provides an Incident Response: the provision of incident vehicles that attend



## 3 Context: The Contract

### 3.1 Scope of the Contract

- 3.1.1 The contract requires that Amey improves the road network in Birmingham so that it meets national standards but also allows for any enhancements or additional treatment the City Council requires. Any new build (assets



## Key Inclusions and Exclusions

Amey provides services in relation to:

- Project Roads: carriageways, footways, ve

## 3.2 Amey's Role

3.2.1 There are four key parts to the contract which Amey is required to carry out:

- Core Investment Works: refurbishing the network, 2010-15 (with Street Lighting upgrades continuing to 2032);
- Life-Cycle Works: end of life asset replacements, 2015-2035;
- Maintenance Works: routine and reactive maintenance throughout the life of assets;
- Network Management: managing activity on the network (on behalf of the City Council under the Highways Act), including:
  - Response to priority issues / defects;
  - Winter maintenance (gritting) services;
  - Traffic management around its own works and co-ordinating works undertaken by others on the highway.

### Core Investment Works

3.2.2 The core investment period (CIP) spans the first five years of the contract and will account for around £350m of capital expenditure by Amey.

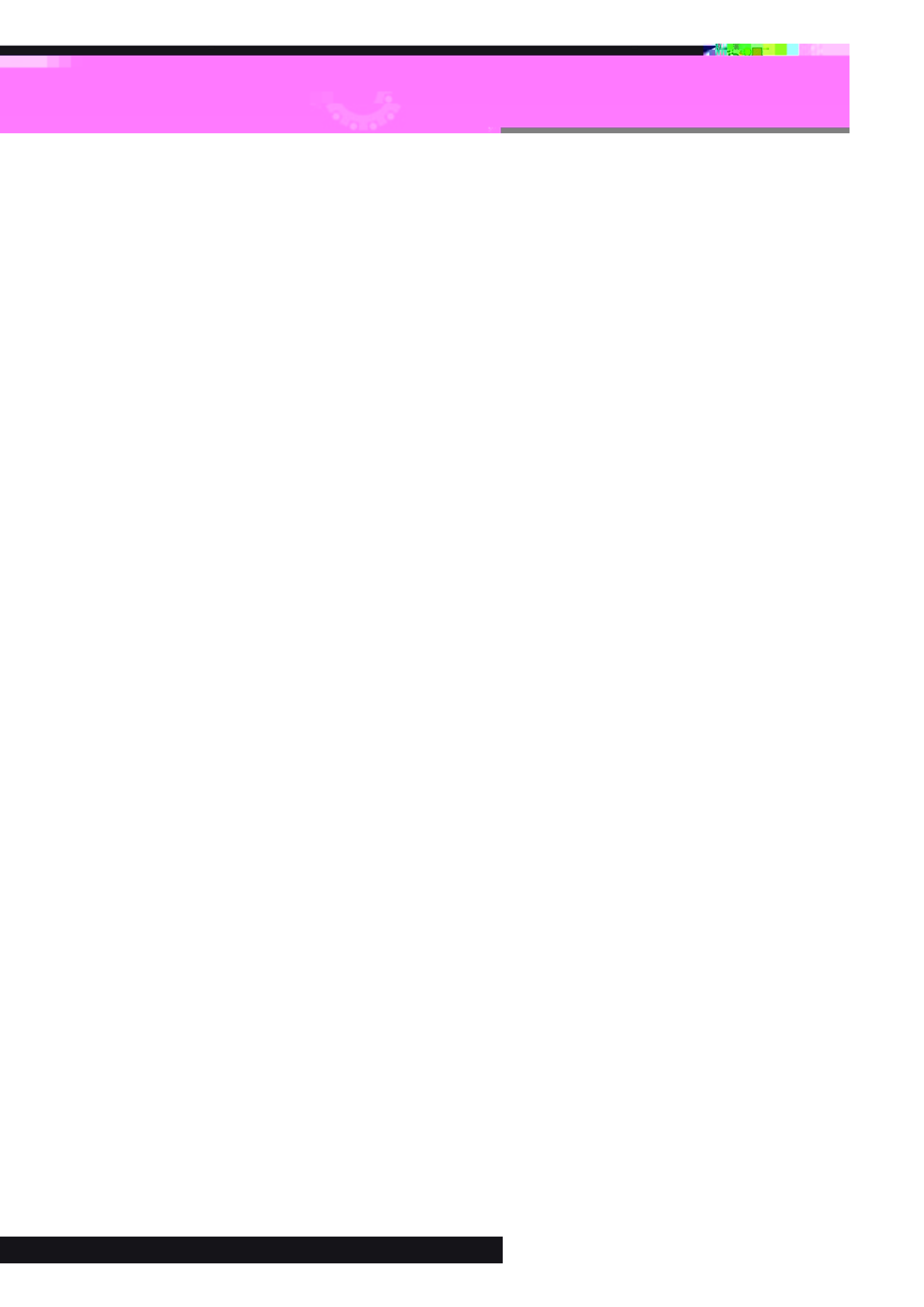
3.2.3 Amey is carrying out investment to tackle the worst first. As above, the work will be organised into 10 Constituency Districts, plus District 11 (City Centre) and District 12 (strategic road network). By the end of the five years, all Constituencies will meet a consistent, reasonable standard. The type of work to be carried out includes:

- Improving the condition of carriageways and pavements so that they meet the required levels. Amey is required to deliver a "fair" average condition with no "failed" sections (see Appendix B: Network Condition Indices). This will not mean that there are no defects but through proactive maintenance and timely intervention these will be less likely and less severe. Over the CIP, around 1,100 km (of the total length of 2,547 km) of carriageway (40%) and around 750 km (of the total length of 4,923 km) of footways (15%) will be treated;
- Replacing around 41,000 street lighting columns – about half of those in the city – including upgrading the light output to comply with British / European Standards and installing equipment to enable the Council to monitor and manage energy use more effectively;
- Refurbishing the three main City Centre Tunnels with modern safety equipment;
- Strengthening works to bridges, so that there is a larger network in the city capable of carrying 40 tonnes live loading;
- Refurbish the Urban Traffic Control system to modern standards and ensure no traffic signal controllers are more than 15 years old;
- Pumping Stations: Refurbishment of mechanical and electrical equipment.



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- 3.2.4 The five year programme for this work has been published, and is updated periodically.<sup>4</sup> The programme is determined by a mixture of condition surveys, inspections and consultation with Councillors and key stakeholders. These are continually updated to ensure that there is a current picture of asset inventory and condition. Other factors taken into account when determining the programme include when the City Council carries out new build works as the Highway Authority, when statutory undertakers (e.g. utilities) are planning to work on a road and the classification of





- Emergency Planning and Business Continuity – developing Business Continuity Plans in line with changes in legislation and new delivery mechanisms, acting as the Winter Maintenance Client Management Function (including ensuring that weekly Cabinet Member / City Council Briefings take place when required).

## Traffic Management

3.3.5 The City Council retains its role as the Traffic Authority and as such has responsibility to ensure movement on the highway. The Traffic Management team provides guidance on the application of the City Council's role as the Traffic Authority processes for day to day management of traffic on the highway. They approve:

Road closures;

Traffic management arrangements in relation to Amey and utility street works.

## Street Services Division: PFI Contract Management Team

3.3.6 The newly created client function is charged with contract governance, compliance, audit and assurance. There is a lot of complex activity within the contract, and this team build knowledge of the contract and its consequences. This enables them to help people understand the contract, how to interpret it and the context they now need to operate in. It has also included a number of essential functions being put in place to manage the contract, including recording contractual notifications and approvals.

3.3.7 They also undertake performance management, ensuring the correct payments are made under the contract and ensuring the appropriate recording of data.

## Other City Council (Non-Highways) Service Areas

3.3.8 Other City Council service areas border the contract



- Reporting of faults through the Contact Centre;
- Service Provider self-monitoring;
- Audit and inspection by the client;
- Independent certification by WS Atkins.

3.4.2 Assessment of the contract is not based on “inputs” (e.g. how much time/money Amey spend resurfacing roads) but on “outputs” (e.g. are Birmingham’s roads being maintained to agreed standards). This means, for example, that if Amey or one of its contractors carries out work below standard, Amey has to rectify that at no extra cost



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- The time they are made aware of it; or
  - The time that they should have become aware of it (i.e. if they were scheduled to inspect and didn't, it is the time that they should have inspected it).
- 3.4.9 Performance is monitored principally by Amey with a requirement to report to the City Council. Amey submit monthly monitoring reports, including a summary of the monthly contract adjustment values.
- 3.4.10 There are additional financial adjustments for failures to report performance correctly and for not meeting performance targets. For example, for every Category 1 defect on the highway that Amey does not attend and make safe within an hour of it being reported to Amey, an adjustment is made reducing the monthly payment to Amey. The incentive is to remedy defects within the specified timescale.
- 3.4.11 There are a number of performance indicators – in total over 1,300 performance items are monitored in a highly complex, resource intensive operation involving:
- Individual rectification periods per performance target;
  - Individual adjustment periods per performance target (the rate at which subsequent adjustments are made);
  - A multiplier mechanism by adjustment period, meaning that adjustments increase the longer they remain unrectified.
- 3.4.12 Amey records the data and identifies failures and the corresponding deductions. The City Council's client team checks the records and agrees the adjustment level.
- 3.4.13 At contract commencement, a backlog of 'live' priority defects and non-essential maintenance work was given to Amey. Many of the lower priority items had a moratorium period for financial adjustments. This did not mean that Amey was not responsible for carrying out maintenance, but provided a reasonable period for Amey to identify problems without being at unreasonable financial risk.
- 3.4.14 Notwithstanding that, the City Council's client function did identify some issues with footway works carried out in the early stages of the contract. An audit was carried out and as a result a significant number of footway schemes required additional works to be undertaken prior to them being accepted as complete; and the process for footway works was amended to allow the City Council to see plans at an earlier stage.
- 3.4.15 The City Council has made a number of performance adjustments and has demonstrated that it is managing the contract appropriately through a range of formal and informal processes. However, it is worth noting that the overall level of adjustment represents a small proportion of payments to Amey and the shortened mobilisation period for the contract (only 32 calendar days) is an important consideration. Amey responded positively to these issues. A number of meetings take place regularly at various levels to identify and resolve areas that need to improve.

## 4 Findings: Carrying Out the Work

### 4.1 Introduction

- 4.1.1 The Committee has gathered a range of views of the partnership over the first 18 months of its operation. Undoubtedly the volume of work on the public highway being carried out has increased far beyond that of previous years. That has brought real improvements to the city's streets, but has also – partly due to the speed at which work had to commence – raised some concerns. We will explore some of those



4.3.2 This is important as the highway is not a static environment and this must be managed within the contract. There are contractual mechanisms to account for continual additions and subtractions to the inventory of assets that Amey maintains.

## “De-cluttering”

4.3.3 There are a number of assets – signs, bollards, benches etc – on the highway. Over time, these can accumulate and do not routinely get removed as highway use changes (e.g. a sign/pole left where once parking restrictions were in place). These assets currently form part of the inventory for which the City Council is paying.

4.3.4 The basic aims of de-cluttering are to remove any infrastructure items that:

- Are redundant (e.g. No Waiting at Any Time plates, which are no longer required);
- Are surplus to requirement (e.g. additional signage that is not necessary to meet standards);
- Can be dealt with more efficiently (e.g. mounting signs on existing columns rather than on separate poles).

4.3.5 The surveys and inspections Amey must carry out means it is in a good position to recommend to the City Council removal of such assets. This is provided through two annual reports:

- The *Network Integrity Report*, identifying opportunities to modify the layout of the network, including poorly sited, incorrect, confusing or redundant Traffic Signs and Road Markings;
- The *Network Safety Improvement Assessment Report*, identifying works to improve the safety

4.6.5

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4.4.2 We received a number of submissions from Councillors about the quality of work being done on some highways and footways. Generally views were mixed: most roads were seen to be done to a high standard, however we were given examples of poor road repairs. We brought the following examples to Amey's attention, and the following responses were received:

- Subcontractor covered up stopcocks whilst resurfacing footway – there was a significant delay in getting the subcontractor to rectify this. On bringing this example to Amey's attention, they instructed the subcontractor to return to the site and rectify the issue;
- Joints in a concrete road were sealed to stop water ingress but some joints were left slightly low, resulting in increased noise levels. The subcontractor has now rectified this.

4.4.3 Amey is responsible for the risk of managing its supply chain. As part of resolving these and other concerns raised by the client function, Amey has undertaken to put in measures including closer supervision of subcontractors to ensure a good standard of work is achieved.

### **Five Year Programme and Maintenance Schedule**

4.4.4 Our evidence gathering did reveal the need for better information to both Councillors and residents on why some streets are prioritised over others in the five year programme.

4.4.5 We were informed that Amey employed 50-60 crews to carry out maintenance work. These are based both on the condition surveys and inspections. Regular inspections are necessary as the condition surveys can become out of date quite quickly, particularly where potholes are concerned. A couple of concerns were noted regarding potholes: firstly that sometimes different crews attended to potholes in the same road, and secondly that residents observed contractors circling potholes with paint so residents then thought work to repair them was imminent, but then the work was not done for many months.

4.4.6 Partly this can be explained by the difference in severity of the pothole: potholes are classified using a risk matrix developed specifically for Amey's work in Birmingham from the guidance in the Highway Code of Practice. The different categories and response times are set out in Appendix C.

4.4.7 Category 1 defects (e.g. where the pothole is of a size and location to put both the probability and impact of an accident as very high) should be attended within one hour. At that initial visit, the site will be made safe either with barriers or a temporary repair. At our request, Amey examined the response times to 1,166 Category 1 emergency pothole reports (the total number received between 1 March and 31 July 2011), which showed an average response time of 28 minutes.

4.4.8 Other potholes are added to the list of works and an Enquiry Inspector will visit site and use the risk matrix to determine the category of the defect. The response times for these non-emergency defects can range from 7 days to 12 months dependant upon the safety risk that it presents to highway users.

### **Footway Crossings**

4.4.9 A major source of complaint throughout this Scrutiny Review related to footway maintenance works and the provision of footway crossings (dropped kerbs).



- 4.4.10 When Amey undertakes footway maintenance works in a road, they offer residents the opportunity to install a footway crossing at a discount. Footway crossings must be approved by the City Council (by the Street Scene team in Highways). Therefore residents must have sufficient notice to apply for a quote (and to obtain planning permission for a driveway if necessary).
- 4.4.11 The standard City Council process (i.e. for “new build” requests – those not taking place where Amey are working) for installing a footway crossing includes the promise that a quote (or reason for non-approval) will be sent within 10 days; and that the dropped kerb will be installed within six weeks (unless trees or utility works are needed, which will take a minimum of eight weeks longer).
- 4.4.12 Amey’s process runs parallel to this. The Customer Charter states that if a road is to be resurfaced, Amey will write to residents at least one week beforehand. During our evidence gathering, we learned that Amey had agreed to aim to provide notification two weeks beforehand.
- 4.4.13 However, neither timescale is enough to enable residents to apply for footway crossings. Footways to be resurfaced are set out in the five year plan, but no timescale other than the year is included and it is unclear how residents are to be notified about the programme’s existence.
- 4.4.14 Amey has noted the issue and taken steps to resolve it. The design process is being accelerated so that scheme details are available three months prior to works commencement. It is intended then, that an advanced notice of footway refurbishment can be given to provide a longer lead-in time for residents to make decisions about their requirements. In addition, a process for managing the requests for discounted footway crossings has been created and refined. Amey have put in place dedicated resources to handle the volume of requests and assess the feasibility of the footway crossings. A finance system for accepting payments was also created. The assessment of whether a property can have a footway crossing will become part of the “Walk and Build” process.

## 4.5 Street Lighting

- 4.5.1 Street lighting will be replaced both as part of the core investment works (to be completed within the first five years of the contract) and as part of ongoing routine maintenance. The first thing to note is the significant increase in volume of street light replacement. As stated earlier, 2,600 street lights were installed in the first year, including LED lighting and remote monitoring and control equipment.
- 4.5.2 There are approximately 94,000 street lights in Birmingham and approximately 41,000 are to be replaced by 2015, with over 10,000 columns per annum being replaced between 2011 and 2014. A minimum of 24,000 of the remainder of street lighting columns will be replaced from 2015 to 2032 and all other street lights will be refurbished to the same high standards. The five year programme sets out which streets are to have the lighting upgraded, and in which year.<sup>6</sup> This is more than the yearly average of recent years – under an enhanced City Council capital programme for 2009-10, 1,200 street lights were replaced.

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<sup>6</sup> [www.birmingham.gov.uk/highways-works-programme](http://www.birmingham.gov.uk/highways-works-programme)



4.5.3



## Quality of the Work

- 4.5.10 Amey reported high levels of resident satisfaction with the new LED lighting from their customer surveys:
- 86% think the brightness level is about right;
  - 90% like the new lights;
  - 84% think the houses are now safer as a result of the new lighting;
  - 89% think the roads are now safer as a result of the new lighting.
- 4.5.11 These results reflect feedback that we received informally. Nonetheless, there were one or two cases of residents complaining that the lights were too bright and shining into residents' homes (conversely other residents complained that the reduction in light "spill" meant that light no longer reached their properties).

## Five Year Programme and Maintenance Schedule

- 4.5.12 The criteria for installing new lighting are set out in the contract, namely the height of the column, the light on the road (is it sufficient for that classification of road?) and other sensitivities. The aim is to ensure the network is lit to national standards.
- 4.5.13 The light and signals team based at Thimble Mill Lane work mainly on the maintenance of existing stock. They deal with approximately 200 repairs a day, including the lights themselves and lighting columns (we learnt that between five and ten are knocked down in accidents each week). Five night monitors (night scouting staff) are out every night to identify faulty lighting.
- 4.5.14 The programme seeks to take into consideration where lighting had been installed recently. However, as with footway and carriageway works, it was not always clear to Councillors or residents why some streets are prioritised over others. We received details of one example where roads that had new street lights erected prior to the contract were included in the five-year programme as the inventory had not been updated prior to the contract. These were subsequently removed from the programme, though this took some time.
- 4.5.15 Members of the Review Group also questioned whether Amey and the City Council work with the Police to programme enhanced street lighting where there are crime hotspots. Amey told us that they use crime and perceptions of crime data to compare Constituencies and Wards of the city, there was as yet no mechanism for highlighting more localised "hotspots". Amey could therefore work with the Police to respond to local areas of concern.

## 4.6 Trees in the Highway

- 4.6.1 Under the new contract, Amey are responsible for managing Birmingham's highway tree stock of 74,000 trees, and for keeping the city's highways and footpaths substantially weed-free. Managing the tree stock includes planned removal of basal growth (growth from the base and/or trunk of a







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were going to be removed, but only basal growth work was planned.<sup>8</sup> Evidence to our Review Group included examples where trees have been cut down without notification to local Councillors.

- 4.6.9 These issues were also flagged in the results of Amey's survey. When asked about tree notifications, 75% of those surveyed did not receive notification or felt the level of information provided was not enough.
- 4.6.10 Where trees are dangerous and need to be removed urgently, this is understandable; however not all the trees that are removed are dangerous and in most cases residents and Councillors could receive information prior to the work. Amey recognise the sensitivity of this issue and have since amended their procedures. A new tree removal notice has been developed, which gives contact details for anyone who may be concerned about the loss of the tree. This is attached to each tree two weeks ahead of felling. Letters have been revised and include the reason for the work.
- 4.6.11 Where trees are removed from the Project Network by Amey (for whatever reason) they have to replace such trees having regard to the species and location of the tree that is to be or has been removed. However, they will not necessarily be replaced in the exact same location, if deemed inappropriate, nor will it be a "like for like" replacement of species. There are a number of reasons for this, including not being able to put a new tree where a diseased tree had been, the presence of utility apparatus or the suitability of species for that highway.
- 4.6.12 The feedback we received suggested that Councillors and residents were not being told where replanting was taking place. Amey have told us that they have now set up a process to notify all Councillors of new planting. All replanting will be in the public highway and is planned so as to maintain total tree numbers in each ward. The annual planting programme (up to 1,800 trees for 2011/12 season) will be made available to Councillors.
- 4.6.13 Due to the high number of services and other infrastructure in the highway (including the increased number of footway crossings), new planting locations are limited. There is national guidance on where trees should be placed in relation to utilities which aim to ensure that trees are not damaged or made unsafe when utility companies have to excavate to access pipes or cables.
- 4.6.14 Amey work to the National Joint Utilities Group Volume 4 guidance<sup>9</sup>, which set out "dos and don'ts" in order to protect roots. This means the "prohibited zone" in which no excavation can take place is one metre around the tree trunk. Activity is further restricted, though not prohibited, around a further one metre.

## Tree Replacement Policy

- 4.6.15 A question was raised during the evidence gathering as to what the tree replacement policy was: should Amey be replacing trees on a "one for one" basis or "two for one"?

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<sup>8</sup> Issues raised at the Leisure, Sport and Culture O&S Committee, 8<sup>th</sup> June 2011

<sup>9</sup> NJUG Guidelines for the Planning, Installation and Maintenance of Utility Apparatus in Proximity to Trees – Issue 2

4.6.16 Both Amey and City Council officers were clear: the contractual requirement for trees on the public highway is to replace them on a "one for one" basis. This is as stated in the City Council's Tree Management Policy provided to Amey at the time the PFI agreement was signed. Amey is obligated to ensure that, as a minimum, the current number of trees on the highway network is not reduced throughout the contract term unless prior written consent has been obtained from the City Council.

4.6.17 In June 2009, Cabinet approved a revised Tree Management Policy which discharged Recommendation 12 of the Leisure, Sport and Culture Overview and Scrutiny Committee report of February 2006 which stated "That the current Tree Management Policy Statement (insofar as it affects street trees) be revised and included in the 'Best & Final Offer' HMMPFI documentation." This policy contains the following three "Street Tree Specific Commitments":

- Every tree removed (for whatever reason), to be replaced with two new trees planted in the highway as near as is reasonably practicable to the original location;
- Undertake an annual street tree 'fell and replant' programme giving consideration to age, condition and suitability of trees to their location;
- Designed planting schemes to provide a minimum of two replacement trees for every one removed as part of highway improvement projects.

4.6.18 The Committee were told that the first of these relates to specific removal of a tree in all circumstances other than general tree maintenance. Where the work that Amey does is general tree maintenance, i.e. the "annual street tree 'fell and replant' programme", the two for one does not apply in these circumstances. The final Street Tree Specific Commitment refers to new build / improvement schemes.

## 4.7 Recycling

4.7.1 We have already noted the environmental advantages of the street lighting replacement programme. Further benefits can be seen in Amey's approach to waste management. Excavated



## 4.8 Safety on the Highway

- 4.8.1 The expected impact of the contract on road safety has been noted in Chapter 2. However, there are also the safety issues related to carrying out the works.
- 4.8.2 Members heard how Amey is working to a "Target Zero" health and safety management initiative that aims to have no injury or lost time accidents arising from its works. Every Amey manager working on the contract undertakes to spend time each month on a Visual Felt Leadership (VFL) tour of operations. These tours ensure that all managers get to meet staff from every part of the project and to discuss openly how health and safety risks are understood and managed. Council officers are invited to attend the tours. This has helped to develop and share a culture of openness and collaboration and brought management and operatives closer together.
- 4.8.3 Amey operates a "Silence is Consent" near-miss reporting system. The philosophy is to encourage all employees to report near misses so that potential accident trends can be identified. This 1 .2(62)8i5( )

# 5 Findings: Building the Relationships

## 5.1 Introduction

- 5.1.1 The previous chapter described our findings in relation to the physical improvements being undertaken. But as all parties recognised, the key to making this work is partnership.
- 5.1.2 Firstly, we will explore the health of the partnership itself: the relationship between Amey and Birmingham City Council, which comprises the formal “Highway Maintenance and Management Services in Partnership”.
- 5.1.3 However, equally important is the relationship between the partnership and the public: the residents and workers of Birmingham who use the highways. We will explore this both through the direct relationships between the partnership and the public, and through their elected representatives, local Councillors.

## 5.2 The Partnership: Amey and the City Council

- 5.2.1 The formal relationship at the heart of the partnership – that between Birmingham City Council and Amey was said by both parties to be in good health. Both sides recognised the enormity and complexity of the contract and all its implications, and both sides said they had experienced a big learning curve.
- 5.2.2 The complexity is reflected in the relationship between Amey and the City Council: the City Council must balance ensuring that the contract is delivered and working with Amey as a partner to ensure that it can be delivered. The importance of partnership was emphasised by Amey, who told us that the contract needed to operate within a partnership otherwise it could become very inflexible and constraining with regards to meeting the diverse and changing needs of the City Council and customers. Both sides have shown a willingness to work together to reinforce a strong partnership ethos.
- 5.2.3 This partnership ethos is extending beyond the Highways service to other parts of the City Council (as discussed in Chapter 3). There are now regular discussions to ensure that services are delivered without duplication. For example, environmental services (such as street cleaning) are co-ordinated with Amey’s work and there is ongoing work to manage interfaces on highway change. Strong relationships have also been developed with Leisure Services, developed through the establishment of joint working initiatives such as “Britain in Bloom”.



## 5.3 The Partnership and the Public

### Satisfaction Surveys

5.3.1 Customer Satisfaction Surveys were designed by Amey in conjunction with Birmingham City Council in a simple format to encourage a high return rate. The surveys were sent to all households on one road per Constituency for each service area. Surveys were also sent to 50 addresses where residents had reported an emergency during the last year. The questions were worded slightly differently for each road surveyed, depending on which service had been carried out.

5.3.2 The return rate was 16%, which was considered a success by Amey compared to previous surveys completed in the city. The return rate was poor with regard to Winter Maintenance.

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## Highways Customer Charter

5.3.4 The City Council have published a Customer Charter, which sets out service standards for both City Council services and those provided by Amey.<sup>11</sup>

5.3.5 One of the areas covered in the Charter is notification of works. The five year programme sets out the year in which work on a particular street is expected to take place. This is periodically updated in line with the latest inspections, monitoring the asset condition. When the work is actually due to take place, the Highways Customer Charter states that:

We will write to you at least one week beforehand, explaining the work to be done and telling you who to contact if you have any queries.

5.3.6 Amey told us that notice is given by means of an e-mail to the respective Ward Councillors, followed by a letter posted to properties in the direct vicinity of the works and erection of street signs for the travelling public. Generally these notice periods have been met, but on several occasions, where late changes to the programme have been necessary, sh



# Highway Maintenance and Management Services in Partnership

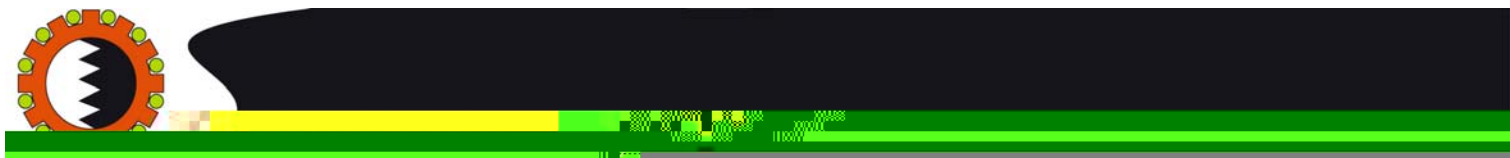
## Reporting Faults

5.3.10 Both members of the public and Councillors can report any issues to Amey through the City





5.3.14







# Highway Maintenance and Management Services in Partnership

therefore agreed a programme to allocate £900,000 for a programme to deliver a significant number of small highway schemes based on local Wa

# 6 Conclusions and Recommendations

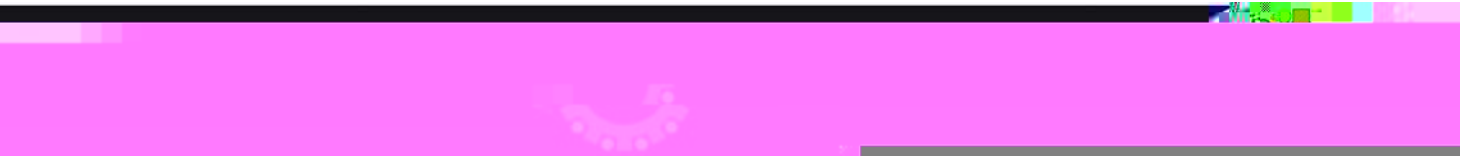
## 6.1 Introduction

6.1.1 This Scrutiny Review was commenced one year after the start of a new partnership with Amey which transferred to Amey the responsibility for managing and maintaining all carriageways, footways and associated highway assets in Birmingham. The partnership marked a new way of working, and the start of a massive public investment in highways. The emerging improvements had been widely welcomed, but concerns had been raised by some Councillors during the first year of the operation. The Transport, Environment and Regeneration O&S Committee therefore asked:

How are the new highway maintenance partnership arrangements delivering improvements at the local level?

6.1.2 In general, we found that the new arrangements are delivering real improvements at the local level, through unprecedented investment in our highway network and associath





	Recommendation	Responsibility	Completion Date
R01	<p>That the Cabinet Member for Transport, Environment and Regeneration works with Constituency Chairs to put in a process to ensure that all Project Officers proposing changes to highway infrastructure:</p> <ul style="list-style-type: none"><li>• Fully assess the revenue implications; and</li><li>• Identify the resources to meet those implications</li></ul>		



# Highway Maintenance and Management Services in Partnership







- 6.3.14 Amey does undertake local consultation at a community level through its Highway Stewards who engage directly with communities and give the opportunity for members of the public to comment on works proposals and works delivery. This is done on a 'street by street' basis once works are due to start on street.
- 6.3.15 Amey should also consider direct consultation with members of the public to build up a strong relationship. However, there is currently no means of direct input into the capital programme. The programmes are currently taken to Constituency Committee meetings for discussion; however these are not always well attended by members of the public. In some cases, Ward Committees would be a better option, though we accept that this would require considerable additional resource from Amey. Local exhibitions may also be considered as a way of getting the message out to residents. This is not to suggest that public consultation replaces the current process of developing the highways programmes, rather that this should be another source of information for Amey in determining the best way forward, as well as a means of publicising what's happening and building relationships.

## 6.4 Cross Partnership Issues

- 6.4.1 Some of the issues raised during the Review related to both parties. Three issues were prominent in our evidence gathering: the promotion of the benefits of the contract, working with local Councillors and the use of the City Council's Contact Centre.

### Benefits

- 6.4.2 Some of the benefits resulting from these new arrangements are well advertised, others not so well, and we suggest that more promotion of some ancillary benefits could be advantageous.
- 6.4.3 The partnership has brought wider benefits to the city: better roads mean increased safety and the increase in activity has seen an increase in employment. There are also important advancements being made, such as in the use of LED lighting, which can be managed and monitored remotely. Birmingham is one of the first local authorities in the country to install these lights, wh6.4.3





# Highway Maintenance and Management Services in Partnership

- 6.4.9 Also as discussed above, Ward Councillors play an important role in keeping residents informed and answering residents' queries about work on the highway. For this reason, it is important and beneficial to keep Councillors informed about any proposed work or changes to the programme. We accept that changes to the programme will happen and that changes must go through a process of "contract change" and be approved by the City Council. However, it puts Councillors in a difficult position if they inform residents of work which does not materialise. Councillors in particular should be kept informed on a regular basis. Amey provides updates, usually on a weekly basis, to the City Council in the form of a change log. This is posted on the City Council website – not weekly – but on a frequent but irregular basis.<sup>15</sup> Members should have access to this information on a weekly basis.
- 6.4.10 Equally important in ensuring Councillors are appropriately involved is to ensure they are fully aware of progress, e.g. performance monitoring and customer satisfaction. Clearer mechanisms to share appropriate information with Councillors should be considered.
- 6.4.11



## Trees

6.4.12 Issues around trees related to the clarity of information provided. Whilst this has improved during



# Highway Maintenance and Management Services in Partnership

The Customer Services function, service areas and the Contact Centre are not working together effectively enough to deliver services to citizens in Birmingham.

- 6.4.18 A corporate response to these issues is being prepared (at the time of writing). Both Highways and Amey have expressed a willingness to attend joint meetings and resolve these issues at a service level. There are regular meetings chaired by the Strategic Director of Environment and Culture to keep this agenda top priority – and progress is being made.
- 6.4.19 However, in particular with regard to Highways, all sides need to understand the consequences of the transfer of risk: Amey bear the risk of the consequences of activity on the highway. They would therefore, understandably, prefer as much direct contact with customers as they can, in order to manage this risk directly.
- 6.4.20 The key is that both the Contact Centre and partnership with Amey have received considerable public investment in order to improve services and the customer experience. Where this is not happening, where efficiencies could be improved, all options should be considered.

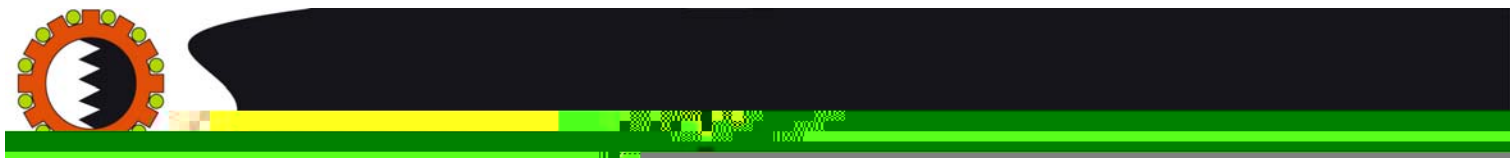
	Recommendation	Responsibility	Completion Date
<b>R10</b>	That the Cabinet Member for Transport, Environment and Regeneration and Deputy Leader expedite the resolution of outstanding issues relating to highway reporting through the Contact Centre (and website) in recognition of the particular circumstances of the Highways Maintenance and Management contract. This should include exploring giving Amey more direct contact with the customer.	Cabinet Member for Transport, Environment and Regeneration; and Deputy Leader	September 2012

## 6.5 Progress with Implementation

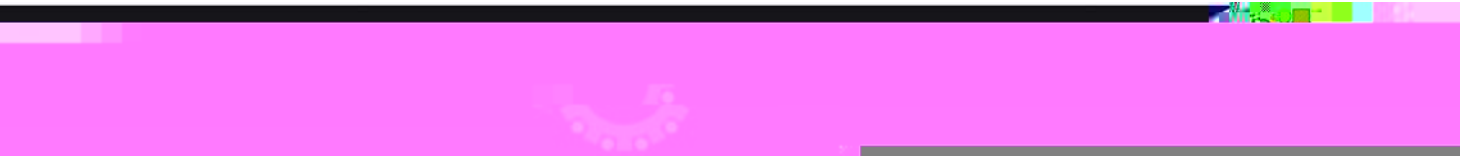
- 6.5.1 To keep the Transport, Environment and Regeneration O&S Committee informed of progress in implementing the recommendations within this report, the Cabinet Member for Transport, Environment and Regeneration is recommended to report back on progress periodically. This will be carried out through the established tracking process.

	Recommendation	Responsibility	Completion Date
<b>R11</b>	Progress towards achievement of these recommendations should be reported to the Transport, Environment and Regeneration Overview and Scrutiny Committee in July 2012. Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.	Cabinet Member for Transport, Environment and Regeneration	July 2012











## Appendix C: Potholes Repair Matrices

### Matrix for Pothole Classification

		Probability				
		Very	Low	Low	Medium	High
Impact	Negligible	1	2	3	4	5
	Low	2	4	6	8	10
	Noticeable	3	6	9	12	15
	High	4	8	12	16	20
	Very High	5	10	15	20	25

Category	Score	Time
Category 2e	(1 - 2)	No action at present; monitor
Category 2d	(3 - 4)	Programme repair in 6 to 12 months
Category 2c	(5 - 9)	Programme repair 3 to 6 months
Category 2b	(10 - 12)	Programme repair in 28 days
Category 2a	(15 -16)	Programme repair in 7 days
Category 1a	20	Programme for repair within 1 day
Category 1	25	Make Safe in 1 hour