

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting17th May 2012

1. Title of Item/Report

Highways Task & Finish Review

2. Record of the Decision

Cabinet considered a report that presented the findings of a Task and Finish Review of the Highways Service.

It was explained that the review had been officer led, however, the Regeneration and Transport Select Committee had received regular progress reports and supported the final recommendations.

Members were informed of the methodology employed by this review. Cabinet noted that a key part of the review had been to unpick the true cost of delivering highway related activity by considering the detailed budget arrangements within Technical Services and Direct Services. It was noted that the Council spent close to £9 million each year.

It was explained that the Highways budget had traditionally been set up to reflect a Client/ Contractor split with Direct Services recovering costs through an internal recharge mechanism. Efficiencies could be achieved if this internal mechanism was eliminated and Cabinet was provided with an appendix which reflected how the Highways budget would look if this was the case.

This revised budget format allowed the review team to target efficiencies without issues being clouded by an internal charging mechanism.<br

Members were provided with details of arrangements associated with works undertaken by an external contractor and noted a summary describing key budget areas.

An appraisal of the budget areas was undertaken and a number of potential reductions were identified and formed the basis of the review's recommendations to Cabinet.

Cabinet noted that officers and the Regeneration and Transport Select Committee had produced the recommendations in the context of the Council's statutory responsibilities, residents and business expectations, whilst recognising that the Council needed to make savings in order to meet efficiencies, to meet the needs of the Medium Term Financial Plan.

It was noted that the Select Committee strongly supported the inclusion of a recommendation that would enable officers to undertake work to investigate invest to save opportunities associated with highway revenue operations.

RESOLVED that efficiency opportunities identified within this review be achieved by the following mechanisms:

1. a target saving of approximately £150K be achieved in the structural maintenance budget which was used for major resurfacing works by external contractors.
2. a target saving of approximately £150K would be achieved in the scheduled maintenance budget which is delivered by Direct Services and targets footpath resurfacing schemes and structural patching of the highway.
3. a target saving of approximately £100K would be achieved in the inspection and management costs associated with delivering highway services across Technical and Direct Services.
4. in addition further target savings of approximately £100K will be considered in the areas of bridge maintenance (including the Transporter Bridge), vehicles, specialist surfacing operations, bus shelter maintenance and responsive core maintenance work.
5. £25K reduction from the core maintenance work programme which was delivered by Direct Services and targeted responsive repairs to pot holes and defects.
6. a business case for 'invest to save' opportunities associate with Highway revenue spend was explored as part of the Council's Value for Money Programme.

3. Reasons for the Decision

As part of the Council's EIT programme a review of highway related services had been carried out to identify opportunities for efficiencies in

revenue support. The review has concluded the opportunity to save around £500K per annum if the above recommendations were implemented

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

None

7. Date and Time by which Call In must be executed

By no later than midnight on Friday 25 May 2012

Proper Officer
21 May 2012