



Financial Performance and Contracts Committee

11 March 2019

Title	Highways Recruitment and Resourcing
Report of	Commercial Director
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix 1: Vacancy and appointments log
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Summary

This report seeks to address concerns raised regarding the recruitment and resourcing issues being experienced within the Re Highways service. It also includes an overview of the risk management measures implemented since November 2018.

This report has been requested in response to a referral from Environment Committee (28 November 2018) in relation to item 9, Quarter 2 (Q2) 2018/19 Environment Performance Report, which resolved that management of risk OP014 regarding insufficient resources within the Highways service be referred to the Financial Performance and Contracts Committee for further assessment. In conjunction with the referral, the Environment Committee also stipulated that the responsible officer should submit a paper detailing the measures implemented towards managing risk OP014.

Officers Recommendations

That the Committee:

- 1. Note the measures implemented to address the resourcing issues in Highways.**
- 2. Note the level of progress to date and the ongoing work to address the recruitment shortfalls.**

1. WHY THIS REPORT IS NEEDED

- 1.1 At the November 2018 meeting the Environment Committee determined that the risk of insufficient resources within the Highways service be referred to the Financial Performance and Contracts Committee for follow-up.
- 1.2 The Environment Committee also requested that a paper be submitted by way of update and reassurance on how the risk of insufficient resources within the Highways service (OP014) is being managed.

2. REASONS FOR RECOMMENDATIONS

2.1 Background

- 2.2 The Development and Regulatory Services (DRS) contract places a specific obligation on the Service Provider (Re) to ensure that it maintains an appropriate level of suitably trained and experienced staff necessary for the performance of the relevant services.
- 2.3 As part of the contract management process, Re has kept the council updated regarding the level of resourcing within the Highways service. Concerns were raised regarding the relatively high level of vacancies operating within the service, which rose to 25% in Q2 2018/19, largely due to ongoing difficulties in recruitment.
- 2.4 In recognition of the risks associated with potential understaffing within the Highways service and the high level residual score (16), the risk was escalated to the corporate risk register in Q2 2018/19. A series of control measures were agreed and are being routinely monitored via the Highways Contract Management Meetings (CMMs).

2.5 Mitigations and Actions

- 2.6 In view of the ongoing recruitment and resourcing and other challenges reported by Re, the council introduced enhanced contract management processes. The CMMs are now chaired by the Strategic Director, and Re has developed a Service Improvement Plan. Additional issue-based meetings are also held including a focus on Recruitment.
- 2.7 The council and Re have been working closely together on recruitment issues. The inability to replace the previous Service Director for Highways, who left in 2018, led to an agreed interim solution. Re has appointed an interim Business Director who is accountable to the Operations Director for implementing the actions that form part of an improvement plan addressing service concerns including recruitment. This support role provides additional capacity to the existing Highways management structure, including to the Associate Director who will be accountable for the day to day service delivery and be the interface with senior stakeholders in the council.
- 2.8 Re has continued to focus efforts into recruitment to the vacant posts, and there have been other key appointments as detailed within Appendix 1.

- 2.9 An analysis of Q3 2018/19 data shows that there were four leavers in the period and five new starters which shows a positive direction of travel. This trend will continue to be monitored and the risk remains under active review and remains at 16.
- 2.10 The vacancy and appointments log is attached at Appendix 1. Table 1 shows that there are 15 posts being actively recruited through a number of agencies as at w/c 2 February 2019. Six of which have shortlisted candidates for interview. Table 2 provides details of the 18 posts that have been filled since October 2018. The vacancy level has reduced to 18% from 25% in Q2 2018/19.
- 2.11 The council continues to work with Re to address the underlying recruitment issues.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 The effectiveness of the risk management measures will continue to be managed via the Highways Contract Management Meetings in the first instance. The Strategic Director for Environment reserves the right to introduce new measures on Re, to the extent that the Re contract facilitates such actions.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan.
- 5.1.2 Relevant council strategies and policies include the following:
- Corporate Plan 2015-2020
 - Corporate Plan - 2016/17, 2017/18 and 2018/19 Addendums

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 There are no additional staffing, ICT or property implications at this stage. The recruitment review will detail any additional resource requirements for the council, if at all.

5.3 Social Value

- 5.3.1 None in the context of this report.

5.4 Legal and Constitutional References

- 5.4.1 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts

Committee as including being responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council's major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

5.4.2 The content of this report is in line with these Constitutional responsibilities.

5.5 Risk Management

5.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Any high level (scoring 15 or above) service/joint risks are added to the corporate risk register and reported to the relevant Theme Committee, as well as to Policy and Resources Committee, as part of quarterly performance reporting.

5.6 Equalities and Diversity

5.6.1 The Equality Act 2010 outlines the provisions of the Public Sector Equality Duty which requires Public Bodies to have due regard to the need to:

- a) Eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The broad purpose of this duty is to integrate considerations of equality into day to day business and keep them under review in decision making, the design policies and the delivery of services. There is an on-going process of regularisation and de-clutter of street furniture and an updating of highway features to meet the latest statutory or technical expectations.

5.7 Corporate Parenting

5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

5.8 Consultation and Engagement

5.8.1 Not applicable.

5.9 Insight

5.9.1 Not applicable.

6. BACKGROUND PAPERS

- 6.1 Q2 2018/19 Environment Performance Report and Draft Minutes (noting referral of OP014 to Financial Performance and Contracts Committee), Environment Committee, 28 November 2018
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CIId=695&MIId=9478&Ver=4>