

HIGHWAYS AND TRANSPORT REVIEW- INFORMATION PAPER FOR OVERVIEW AND SCRUTINY

24th MARCH 2015

Background

The Highways and Transport Service is delivered jointly through Wokingham Highway Alliance. The Alliance is an informal partnership between WSP, Balfour Beatty Living Places (BBLP) and Wokingham Borough Council. Both WSP and BBLP deliver services through term contracts. Both contracts started in April 2008 and have terms of 10 years with up to a 5 year extension.

WSP provide white collar and BBLP blue collar services (generally). WSP staff work to a specification of services that need to be delivered. This is at an agreed cost subject to inflationary increases based upon a set of staff costs. The majority of the specification is delivered by staff working from Shute End. Additional services can be procured through a system of work briefs utilising an agreed set of rates.

The existing arrangements provide the authority with a range of technical expertise that it would be very difficult to replicate in house. This has provided us with the ability to resist external challenges on engineering matters.

The existing contractual arrangements invest all intellectual property associated with the service in the authority.

Review

A project group has been set-up to review the options for delivery of the service post April 2018. The objectives of the review are as follows:

- 1 To understand the options available for delivery of the service
- 2 To understand the pros and cons of the different methods of delivery
- 3 To evaluate the costs of each method of delivery
- 4 To determine the most effective method of service delivery

The list of services included in the review is based on those listed in the original OJEU notice. The review has also been informed by a recent review by an external consultant, Neil Birkbeck Ltd.

Options for service delivery to be considered by the review are:

- a. Outsource the whole service to the private sector
- b. Insource the service (white collar element)
- c. Framework contract with many suppliers
- d. Insource the whole service (white and blue collar)
- e. Extend existing contracts(incorporating potential contractual/operational efficiencies)
- f. Explore Joint Service with other local authority/ies

A project plan is currently being developed, working back from the contract end date of 2018, and an update on progress at appropriate points in the project will be brought back to this meeting. Any initial views from the Committee are welcomed.