

Future Highways Model: I&S Briefing

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The FHM - how did we get here?

2018/19

FHM developed
Improvements Areas
identified

2020/21

FHM Waypoint Review
↓
FHM - March 2021 Cab Report

2019-20

Toddbrook
Floods
Covid

Year	Band 1	Band 2	Band 3
2015/16	100%	100%	100%
2016/17	90%	100%	100%
2017/18	60%	90%	100%
2018/19	30%	70%	100%
2019/20	10%	50%	100%
2020/21	0%	30%	100%

Source: Department for transport

2015-16

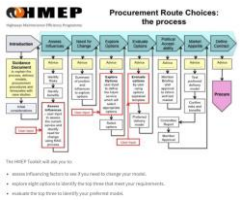
DfT Incentive Fund

2018

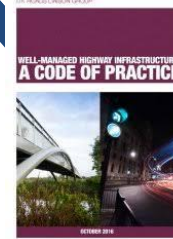
Join FHRG
VfM Assessment

2018

Enterprising Council
Highways = Early



2015
HMEP delivery
model toolkit

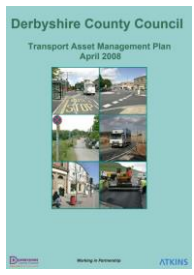


2016

New Risk Based CoP

2017

DCC Highways
Reorganisation
Commenced



2008
HAMP/TAMP



2005
Well Maintained
Highways

2010

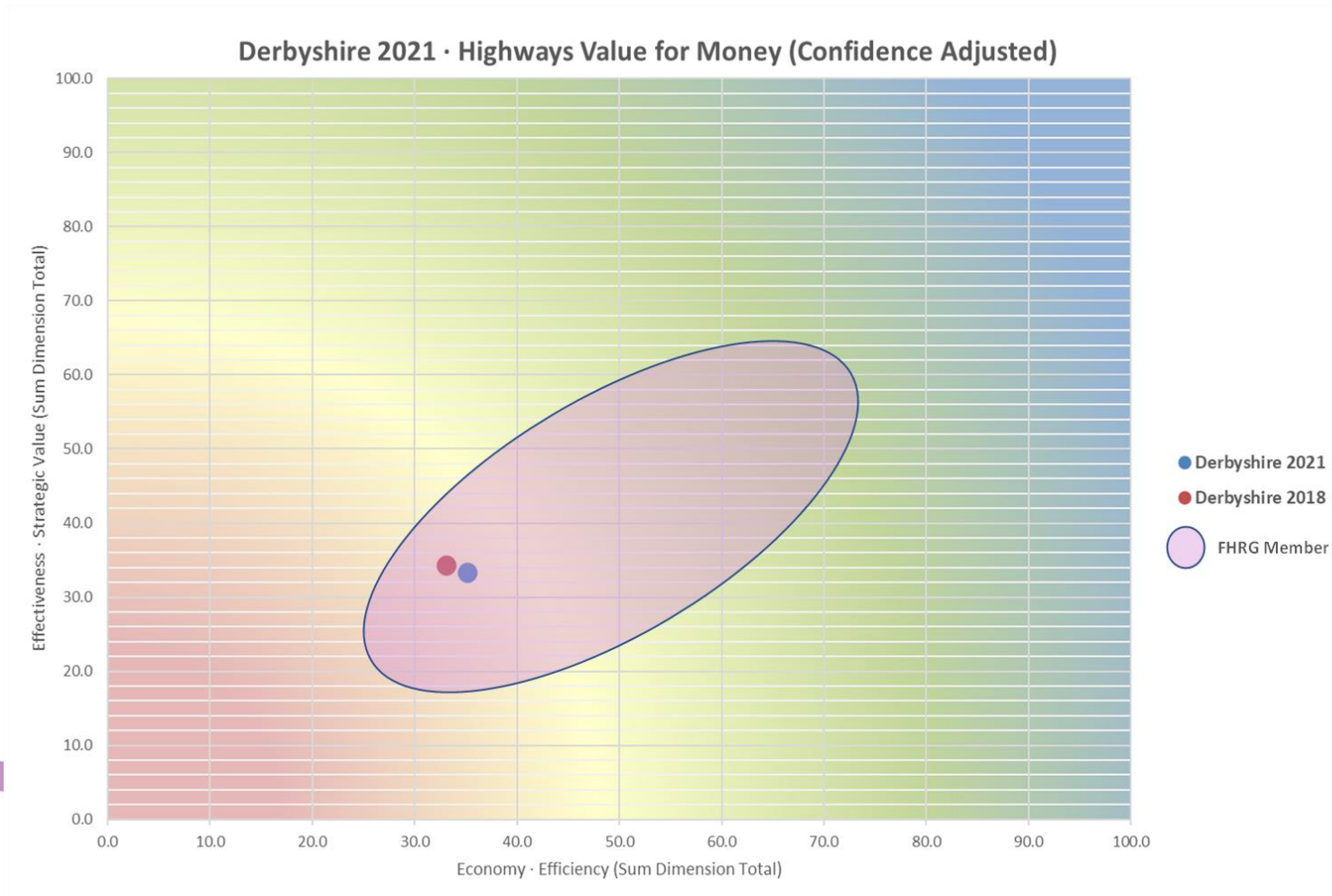
Austerity begins
Forced Efficiencies
Staff & Budget
Reductions



The FHM - how did we get here?

- **Previously the FHM change was constrained by circumstances, crises & lack of resourcing (financial & staffing)**
- **Failing Capital Programme**
- **30 FHM improvement groups established with some impact**
- **VfM benchmarking exercise evidence 2018 & 2021**

VfM Position 2018 & 2021



Rationale for Change – Waypoint Review undertaken by Proving Services 2021

- **The current service is unsustainable.**
- **The new CRM system may not address the problems with enquiries and complaints.**
- **Unmanaged, rushed outsourcing will not address the delivery of the capital programme.**
- **Better costs analysis will reveal serious financial management issues.**
- **Services shortfalls will become increasingly apparent to Members, citizens and served communities.**
- **Significant change is required...OBC developed**

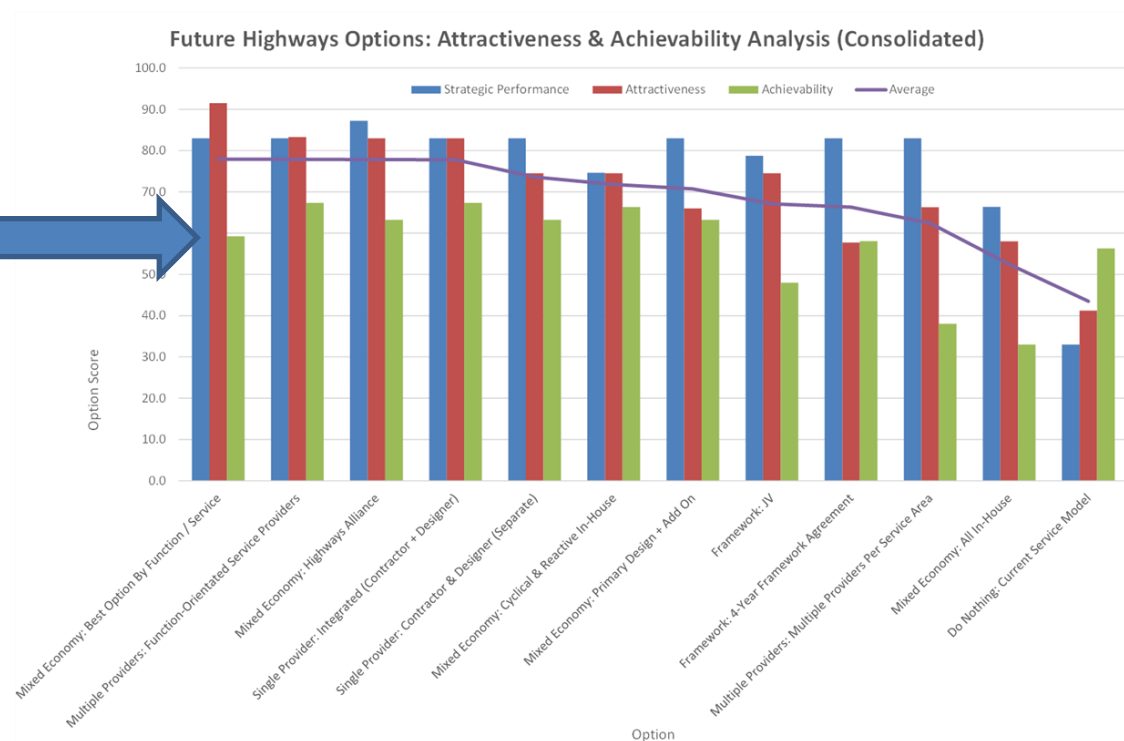
Programme Objectives

- **Replace ineffective services tinkering with a robust “mixed economy” operating model, delivering best practice.**
- **Create clearly delineated client and delivery (provider) functions and roles, with integrated leadership.**
- **Establish a distinct function for executive and political briefing, engagement and priority setting.**
- **Deliver improved structures, reporting and accountability.**
- **Enable the commissioning of alternative function providers.**
- **Manage budgets and operating costs at a functional level.**
- **Replace the current evolved, vague structures with defined functions.**
- **Aim to deliver significant business benefits**
- **Review, upgrade and / or replace current depots and remote offices.**

Programme Objectives

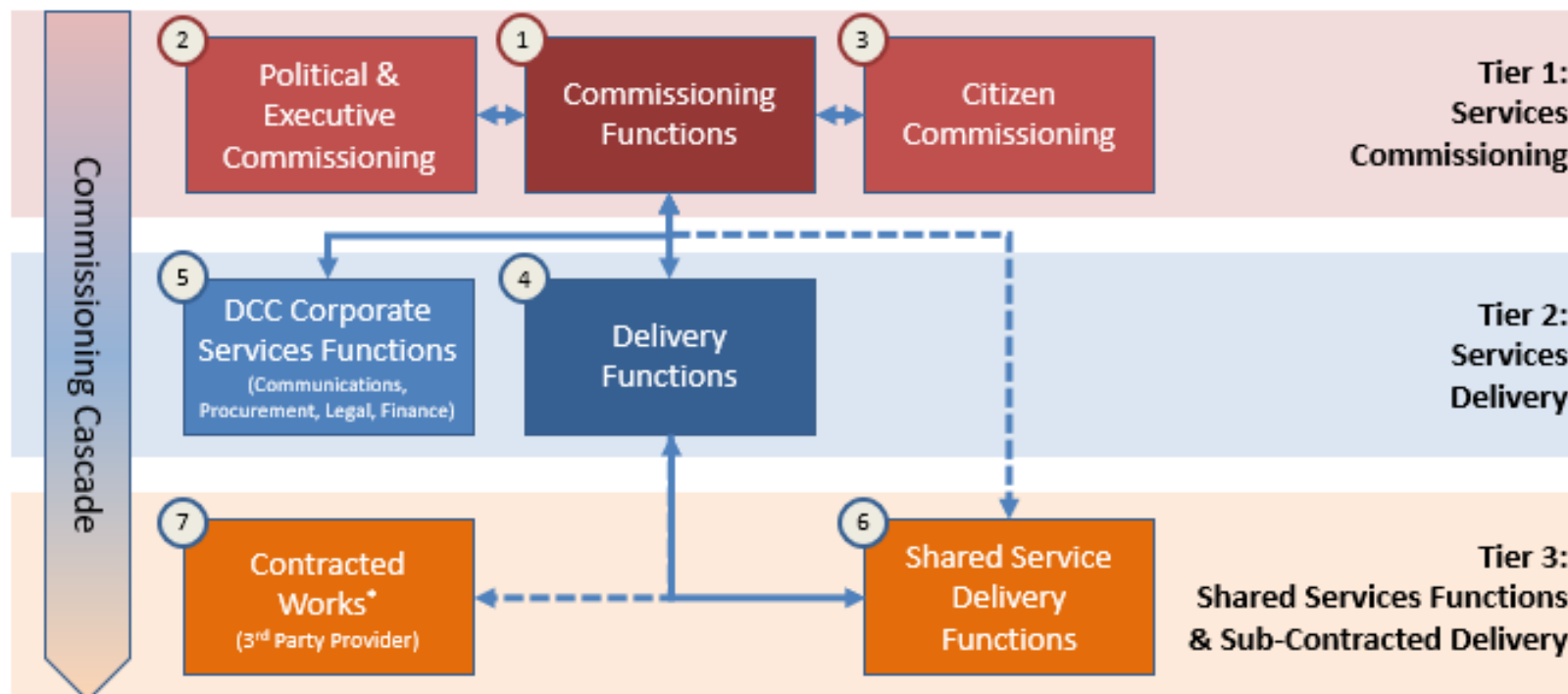
- Comprehensive assessment of options considered that :
 - Aligned with DCC priorities and goals
 - Provided demonstrable delivery of VfM and are
 - Achievable

**Mixed Economy
Option = best
option**



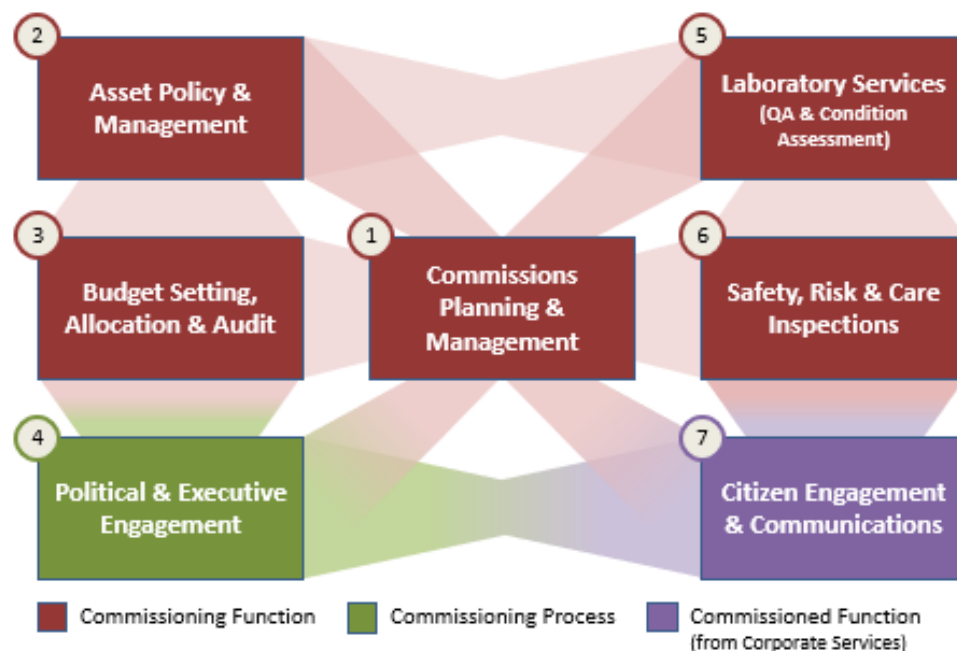
Outline Business Case

The Future Highways Model (FHM) Cascaded, 3-Tier Commissioning



*Where applicable.

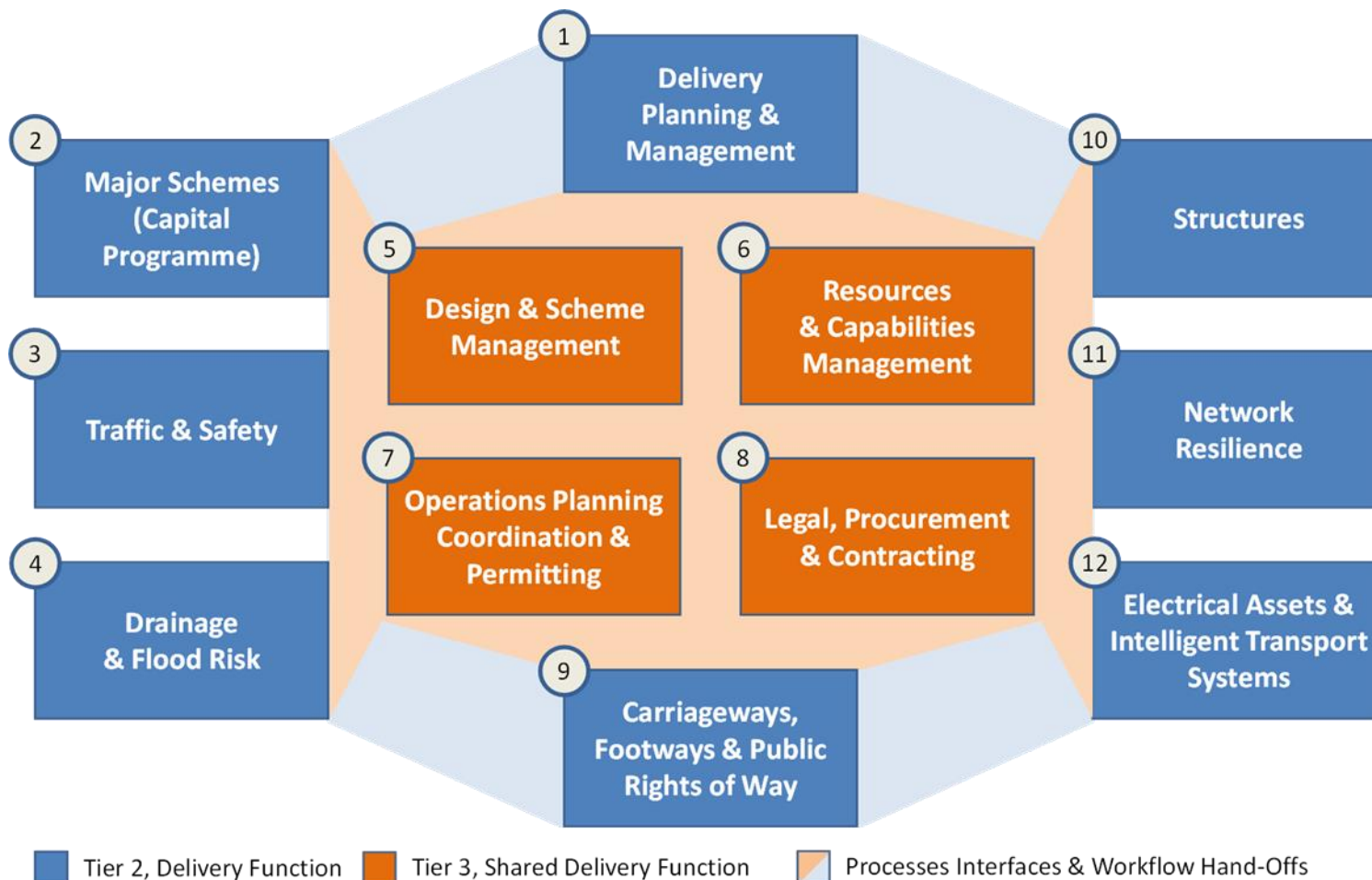
Commissioning Functions (change plan pending)



- Agree priorities with the executive, the portfolio holder(s) and Members.
- Assess citizen needs and asset conditions and allocate budgets.
- Establish and maintain the Asset Policy and the standards applied on the network.
- Manage and align the resources of the service (capabilities and capacity) to ensure the service is able to meet the changing demands.
- Commission “provider” functions* accordingly, ensuring all functions are accountable for delivering and sustaining value for money.

*Including in-house, corporate and external provider functions.

Service Delivery Functions (change plan pending)

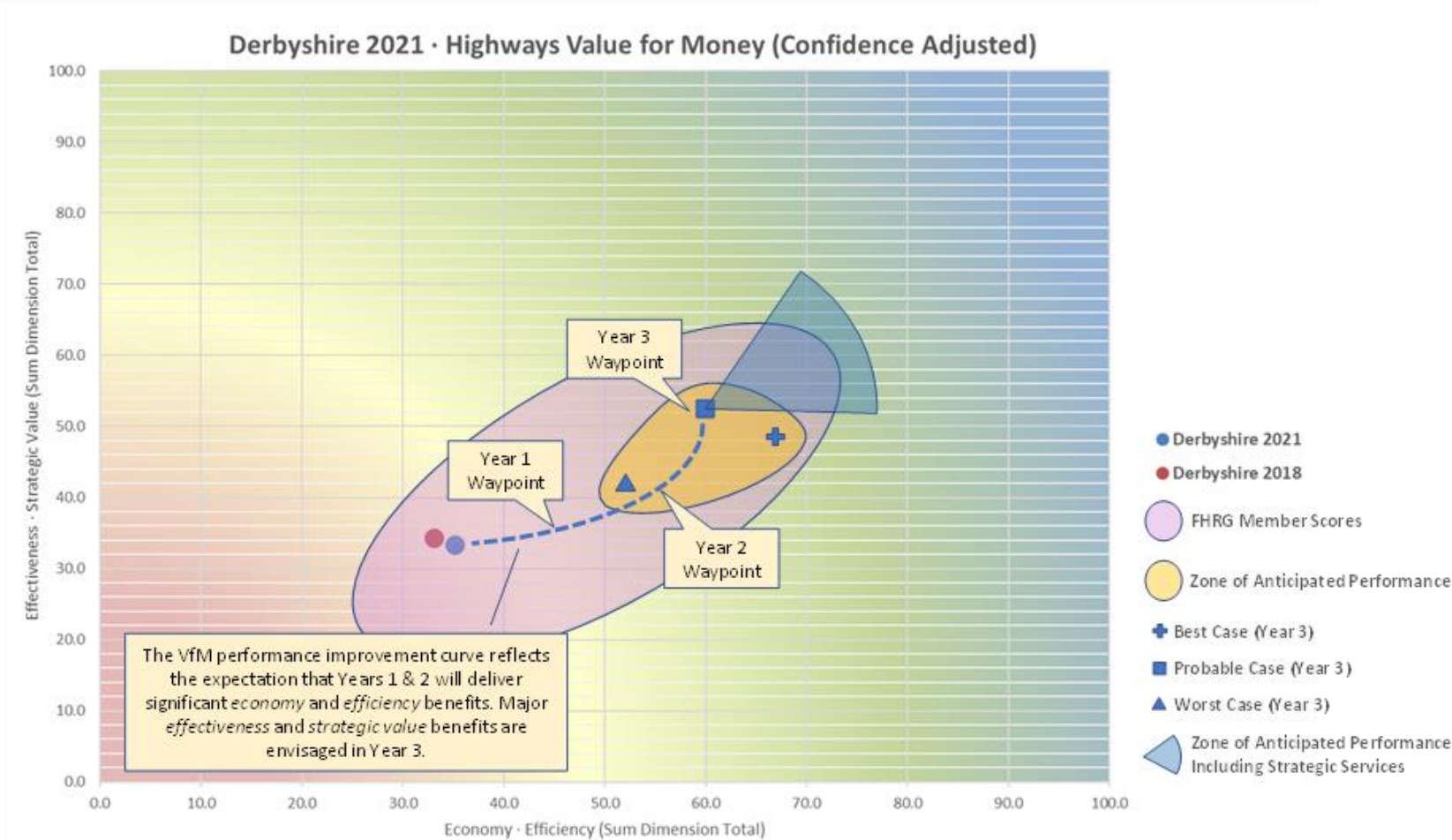


Outline Business Case

- **New role-specific commissioned functions (instead of abstract structures) with:**
 - Clear function specifications
 - Agreed JDs and resources
 - VfM framework and targets – service and function level
 - Financial reporting framework
- **New ‘shared services’ functions**
 - Providing common services to role specific functions
- **Alignment with our strategic objectives and goals i.e.**
 - Safety and Network optimisation
 - Resilience and Innovation
 - Supporting the local economy and effective stakeholder engagement
 - Sustainability.....Resourcing.....Value for Money.....
- **Demonstrates that there are significant benefits across all of the following 4 dimensions :**
 - Finance
 - Performance
 - Stakeholder
 - Sustainability

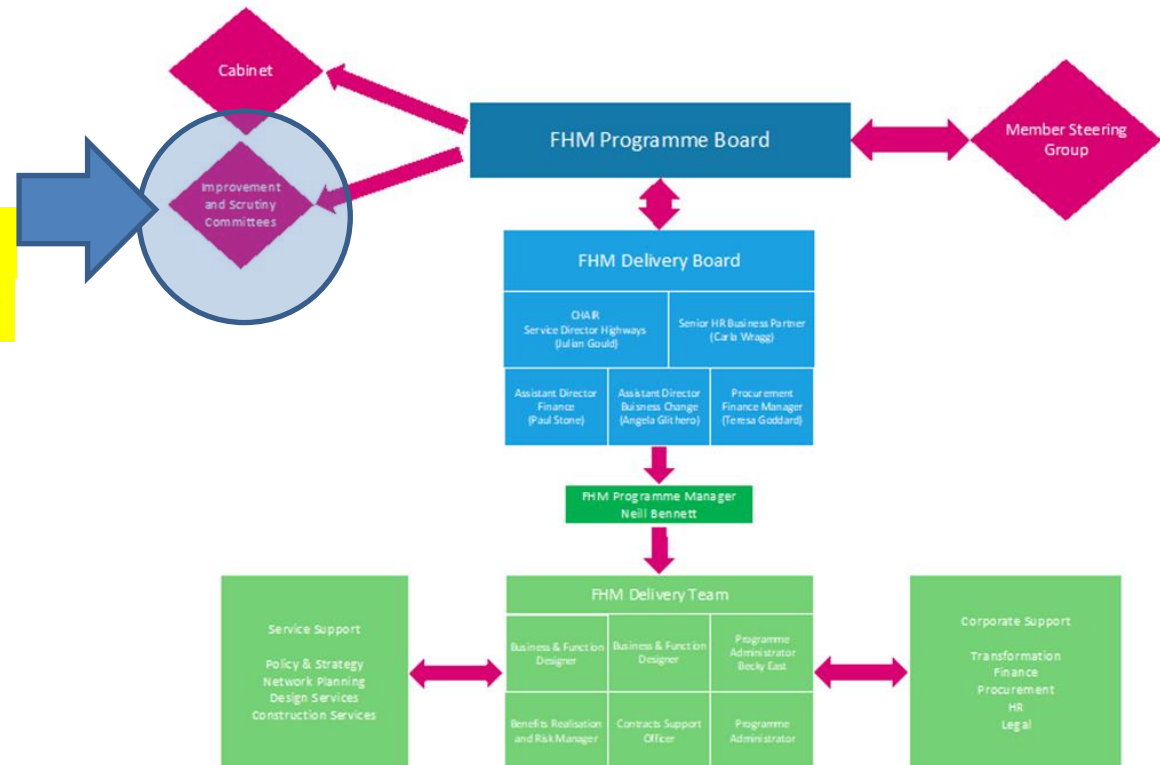
Outline Business Case

Projected VfM Position



Progress & Next Steps

- **OBC Approved at FHM Programme Board – 13/8/21 ✓**
- **Governance**
 - PB & DB – in place ✓
 - Members panel - to be developed
 - I&S – this session and to be further developed



Progress & Next Steps

- **Resourcing**
 - Recruitment to FHM programme delivery team ✓
 - HR people plan – in development ✓
- **Financing**
 - FHM programme funding identified ✓
 - Finance deep dive – planned ✓
- **Change Plan**
 - Functional area descriptions/specifications – underway ✓
 - Focus on Commissioning functions and
 - Highways Structures – template to cascade through functional areas
- **Risk Management – workshop 17/9/21 ✓**
- **Communications and Engagement – in development ✓**

Role of I&S

- **I&S part of FHM governance**
 - FHM - Still at an early stage of implementation – 3 year programme post OBC approval
 - Regular I& S review and feedback on FHM implementation?
- **Questions...**