

State of the Market Survey 2009

Highways, Street Lighting and Winter Maintenance



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State of the Market 2009

APSE conducted an on-line survey during January and February 2009. A series of questions were asked covering a range of issues of interest to those officers and councillors responsible for highways, street lighting, winter maintenance and related issues. 79 responses were received from local authorities throughout the UK. This report identifies the key findings of the survey.

Results from the survey

1) How do you expect the budget for the highways, street lighting and winter maintenance service to change over the next 12 months?

Answer Options	Highways Number (%)	Street lighting Number (%)	Winter Maint. number (%)	Total number (%)
Increase	16 (21.9%)	12 (16.7%)	5 (7.6%)	33(15.6%)
Stay the same	36 (49.3%)	41 (56.9%)	55 (83.3%)	132 (62.6%)
Decrease	21 (28.8%)	19 (26.4%)	6 (9.1%)	46 (21.8%)
Total	73	72	66	211

Out of 211 individual responses, 62.6% thought budgets would remain the same over the forthcoming year, whilst 15.6% thought they would increase with the remainder 21.8% expecting smaller budgets.

Most volatility was expected in highways services with winter maintenance budgets expected to remain closer to current levels than highways or street lighting. Clearly it is difficult to know precisely how the economic downturn and Government spending plans will influence the level of budgets over the coming year, other than to say there will be a squeeze on all budgets.

2) Do you expect the service to remain in-house over the next 12 months?

Of the 71 responses received with regard to the highways service, 90% expected the service to continue to be delivered in-house over the next 12 months. It is expected that this reflects the good standing that highways services are currently held in.

In terms of street lighting services, over two thirds of respondees (48 of 71) expected the service to be delivered by an external provider within 12 months.

Of the 67 responses relating to winter maintenance services, nearly 90% expected the service to be delivered in-house over the next 12 months.

Clearly some of these services will be externalised at present so the picture does not reflect one of change over the 12 months but rather a comparison of deliverers. A number of street lighting schemes are already being delivered under PFI. There will be different arrangements in each council with some councils working with mixed service delivery arrangements including the client and design function being in-house with the operational element being delivered by the private sector.

3) Has your organisation completed Job Evaluation?

There were 79 responses to this question and 59.5% said they had been through job evaluation.

4) Has Job Evaluation affected wage costs?

Of the 47 which have completed job evaluation, 40% answered that there had been an increase in wage costs as a result of job evaluation with 9% claiming a significant increase. 12.7% noted that the wage bill had stayed virtually the same whilst 5.1% noted a decrease in the overall wage bill with none claiming a significant decrease.

5) Are you having trouble recruiting or retaining operatives or technical/managerial staff? (over the past 6 months)

Answer Options	Highways Number (%)	Street lighting Number (%)	Winter Maint. number (%)	Total number (%)
Yes, trouble recruiting operatives	10 (16.9%)	9 (14.3%)	4 (8.7%)	23 (13.7%)
Yes, trouble recruiting technical/managerial staff	13 (22%)	15 (23.8%)	5 (10.9%)	33 (19.6%)
Yes, trouble retaining operatives	3 (5.1%)	2 (3.2%)	2 (4.3%)	7 (4.2%)
Yes, trouble retaining technical/managerial staff	4 (6.8%)	6 (9.5%)	3 (6.5%)	13 (7.7%)
Yes, trouble recruiting and retaining operatives	3 (5.1%)	3 (4.8%)	2 (4.3%)	8 (4.8%)
Yes, trouble recruiting and retaining technical/managerial staff	8 (13.6%)	10 (15.9%)	4 (8.7%)	22 (13.1%)
No	18 (30.5%)	18 (28.6%)	26 (56.5%)	62 (36.9%)
Total	59	63	46	168

The recruitment and retention of staff depends on a number of factors which have increased recently as councils come together in re-organisation and as individuals feel uneasy about moving jobs in the economic downturn. However some trends have emerged from the responses and these show that:-

- there are a large number of councils/services having no problems with retention or recruitment
- the retention of operatives and technical/managerial staff is not a significant issue
- recruitment is a more significant issue with recruitment of technical /managerial staff being a bigger problem than recruitment of operatives

Comments received noted a range of views. One council noted that retention was not a problem but getting experienced staff was nearly impossible. Another highlighted that the situation with recruitment has changed dramatically with the credit crunch and that recruitment is now not a problem whilst another who was having problems retaining engineers and recruiting bridge engineers now sees this as less of a problem again due to the current economic climate. Other councils are working under a recruitment freeze.

6) Do you feel staff absence levels are acceptable?

Answer Options	Highways Number (%)	Street lighting Number (%)	Winter Maint. number (%)	Total number (%)
Yes	26 (57.8%)	29 (64.4%)	28 (73.6%)	83(64.8%)
No	19 (42.2%)	16 (35.5%)	10 (26.3%)	45 (35.2%)
Total	45	45	38	128

Out of all responses, over a third felt that the level of sickness was not acceptable. Clearly tackling absence is difficult but it would be expected that all those councils who are unhappy with the rates of absence would be taking significant action to address the issue.

Comments received highlight a number of issues including the introduction of pro active return to work interviews and improved monitoring, including home visits; issues relating to TUPE transfer and Single Status; and improved absence levels due to effort put into attendance management;

7) Do you run an apprenticeship scheme?

Answer Options	Highways Number (%)	Street lighting Number (%)	Total number (%)
Yes	19 (42.2%)	12 (27.9%)	31(35.2%)
No	26 (57.8%)	31 (72.1%)	57 (64.8%)
Total	45	45	88

Apprenticeships are more common in highways services than in street lighting services but still only a third of councils have apprentices of any sort.

The average number of apprentices is approximately 3.5 per council.

The inclusion of a requirement for an apprenticeship scheme in contracts, the push for more apprenticeships across the board and the desire to grow your own staff has pushed apprenticeships up the agenda. However councils with apprenticeship schemes are still in the minority.

8) What is your training budget?

The size of the training budget will be linked to the size of the council and the service delivered so comparison is not too helpful, however the smallest budget was £1,000. The majority did have a defined training budget as normal practice would dictate. It was interesting to note that some services did not have a specified budget for training. Others noted that they get training as required, that they are allocated an element of the corporate training pot or that it is funded out of their trading account.

9) What is the average age of your operational staff?

The average age of operational staff for highways services is 44 years old (based on 29 responses), for street lighting the average age is 45 (27 responses) and for winter maintenance the average age is 42 (8 responses).

Of all responses, there was none which identified the average age as in the 20's and only five which said the average was in the 30's. Thirteen responses identified the average age for operational staff as being in the 50's. Although only a small proportion of councils appear to be having trouble recruiting operational staff, (see question 5) the fact that the majority of councils do not run apprenticeship schemes suggests that there will be a requirement for staff as older staff retire with some councils being unable to replace them, certainly the more skilled, from within their own ranks.

10) How are your services currently delivered?

Answer Options	Highways Number (%)	Street lighting Number (%)	Winter Maint. number (%)	Total number (%)
In house - combined services	23 (48.9%)	24 (47.1%)	26 (61.9%)	73(52.1%)
In house - client/contractor split	12 (25.5%)	11 (21.6%)	11 (26.2%)	34 (24.3%)
Externally provided	8 (17.0%)	13 (25.5%)	4 (9.5%)	25 (17.9%)
Arms length organisation	1 (2.1%)	0	0	1 (0.7%)
Joint venture company	3 (6.4%)	3 (5.9%)	1 (2.4%)	7 (5.0%)
Total	47	51	42	140

A large majority of highways, street lighting and winter maintenance services are delivered in house (76%) with only 18% provided by externally organisations. Client contractor splits within councils still provide a significant proportion of services of responses received. There is a mix of arrangements with some officers being in house and operatives external, services supplemented by framework contracts and some elements of the service delivered in house whilst others are externalised.

11) Do you currently sell your services to organisations external to the council?

Answer Options	Highways Number (%)	Street lighting Number (%)	Winter Maint. number (%)
No and not considering it for the near future	22 (50%)	13 (29.5%)	26 (65%)
No but considering it as an option in the near future	8 (18.2%)	4 (9.1%)	2 (4.5%)
No but likely to start doing it in the near future	1 (2.3%)	0	1 (2.5%)
Yes and expecting to continue	12 (27.3%)	26 (59.1%)	9 (22.5%)
Yes but not expecting it to continue long term	1 (2.3%)	1 (2.3%)	2 (5%)
Total	44	44	40

Councils selling their services outside of their own organisation is not new and the fact that relatively large numbers of councils in this survey do so highlights the alternative sources of work open to them. A further 14 councils are actively considering taking it forward in the near future. Out of 128 service responses, just under 40% are working for other organisations.

12) Where do you see growth areas for the service over the next 12 months?

Responses to this question included

- energy reduction measures for lighting, energy efficiency, sustainability
- structural testing, use of materials, light column replacement, traffic lights,
- highway reactive maintenance, carriageway permanent patching, proactive maintenance
- development of new skills in traffic management
- town centre redevelopment
- seeking private sector work, offering maintenance contracts to health/other public bodies or local companies, housing and HRA funded functions
- collective arrangements,
- drainage, Pitt review, flood alleviation, drainage infrastructure
- network management, local/residential pavement works, capital schemes , new roads
- matching asset management to maintenance spend, AMP,
- winter maintenance,
- streetworks act

A number of respondees thought there would be no growth areas.

13) Where do you see areas where work may decrease for the service over the next 12 months?

Responses to this question included

- planned maintenance, minor improvement works, re-surfacing, risk management works
- less traffic calming work, enhancement schemes, capital works, long term active maintenance
- definitive footpaths, kerb and footway improvements
- lighting improvements, street lighting replacement schemes
- working for other council departments
- reduction in cyclic routine maintenance frequencies
- impact as a result of new housing developments being shelved
- the requirement for further efficiency savings would have an impact on all services

A number of respondees thought there would be no reduction and work levels would remain the same.

Street Lighting

14) What is your council's approach to lamp replacement within your street lights (burn to extinction, planned replacement or other)?

19 of the 36 responses noted that they have planned / bulk replacement programmes in place with a further 3 noting that there will be planned replacement as part of PFI schemes. 13 councils operate a burn to extinction policy. One council operates a mixed approach.

15) Does your council scout for failures?

There were 40 responses to this question and only one council stated that it did not scout for failures. The frequency with which scouting took place did vary and examples of the variety include permanent nightshift covering the city in a 12 week cycle whilst another councils arrangement is to use mobile security staff but not very effectively. There are 1, 2 and 3 weekly and monthly cycles, some of which are more frequent in winter.

One council is looking at removing the current scouting arrangements it has in place.

16) How does your council track energy usage (by half hourly metering, estimated annual consumption or other)?

25 councils use estimated annual consumption whilst only 4 use half hourly metering. 2 council's supplies are constantly monitored; 3 have unmetered supply arrangements; and 1 is tracked monthly on actual returns.

17) What is your council's target time for restoring street lights to working order (in days)?

The most popular target for restoring lights is 5 days with 17 councils noting this as their target. The shortest target is 1 day whilst the longest is 9 days. 7 councils had 3 days as their target and 4 had 7 days. The average for all responses is 4.6 days.

18) Which energy supplier do you use?

A variety of power providers are used including

Scottish Power and EDF (8 councils), NPower (5), Scottish and Southern (3), EON, Scottish Hydro and Southern Electric (2), EME, South Wales Electricity and United Utilities (1). 1 council uses a spot contract so the supplier varies.

19) What is the length of your current energy contract?

Contracts last for a variety of time spans from 6 months to 5 years with the most being for 3 years. Some have the option of 1 year extensions and not all are for a multiple of a year with examples being for 6, 8 and 18 months. One council operates without a contract.

20) When does your current energy contract end?

As expected contracts end at various times with for example 6 finishing in September and October this year. There would appear to be further room for collaboration on purchasing although geographical distance would make this more difficult.

Winter Maintenance

21) Have the orders you placed for salt to cover winter maintenance over 2008/09 been met by your suppliers?

Answer Options	Number (%)
Orders met in full	15 (40.5%)
Order partially met with our full knowledge of shortfall	17 (45.9%)
Order partially met without our full knowledge of shortfall	1 (2.7%)
Significantly less delivered than ordered with our full knowledge of shortfall	3 (8.1%)
Significantly less delivered than ordered without our full knowledge of shortfall	1 (2.7%)
Total	37 (100%)

Of those who responded to the survey, nearly 60% of councils received less salt than they ordered over the winter. The situation regarding the extreme weather conditions and the available levels of salt are well known. The issue is to clarify the extent of the shortfall and to learn it. Four councils received significantly less salt than they expected whilst the orders from 18 other councils were only partially met. There was a lot of media coverage at the time about communication between suppliers and councils but the survey results show that only 2 councils of 37 were not kept fully informed by their supplier

22) What type of salt do you use (pre wet, dry or other)?

By far the majority of those councils responding use dry salt (22 councils) whilst a small number use pre wet

23) What size of salt do you use (10mm or 6mm)?

22 councils use 6mm whilst 8 councils use 10mm.

24) How do you purchase salt supplies (jointly with other authorities, via Highways Agency, independently, via consortium such as YPO or other)?

Although the majority of councils responding to this questions buy salt jointly with other councils or in consortia (15 councils), there is still a significant number (13) who purchase independently – either because they are unaware of the benefits to be gained from joint procurement or because they feel these benefits are outweighed by the advantages they gain from purchasing on their own.

25) Which company supplies your salt?

Of the 28 responses 9 were supplied by Cleveland Potash, 15 by Salt Union and 2 by Salt Sales. 2 councils receive suppliers from more than one supplier.

26) Would you be interested in being involved in a salt sharing brokerage with other local authorities in future?

37 councils responded to this question and of those 23 said they would be interested in a salt sharing brokerage with other local authorities if the need arose in future. APSE will put arrangements in place to facilitate such a brokerage and notify all interested parties should the need arise in future.

27) Do you have any suggestions for how councils or suppliers can act to avoid salt shortages in times of very bad weather in future?

A range of suggestions were received in response to this question. The largest number of responses mentioned the need to maintain higher stocks earlier in the season with the possibility of minimum agreed stock levels. Storage facilities for bigger stocks is a major issue but this was not addressed as fully. Suggestions included the use of industrial premises empty as a result of the recession for storage, the building of bigger barns and larger storage capacity in general. There were comments on better planning both by councils and suppliers, improved communication and more use of long term forecasting. Other suggestions included better collaboration between councils and with trunk road agents and the use of a variety of suppliers.

Establishing regional salt stocks for councils and the Highways Agency was also suggested and as was better collaboration on a regional level.

One response identified poor driving as something which needed attention and recommended better driving and less salting.

The Association for Public Service Excellence

APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area please email enquiries@apse.org.uk.

Our national advisory groups include:-

Efficiencies, procurement and service transformation	Building cleaning
Parks, horticultural and ground maintenance	Roads, highways and street lighting
Waste management, refuse collection and street cleansing	Social care
Local authority, police and fire authority partnerships	Citizen engagement
Leisure management and community venues	Vehicle maintenance and transport operations
Workforce strategy and employee relations	Community safety and security
Housing, building maintenance and construction	

