

**By:** Bryan Sweetland, Cabinet Member – Environment, Highways & Waste  
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**To:** Environment, Highways & Waste Policy Overview & Scrutiny Committee - 14th March 2012

**Subject:** Member Highway Fund – Operational Review

**Classification:** Unrestricted

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**Summary:** **This report updates Members on the operational progress of the Member Highway Fund to date and highlights areas for improvement.**

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## **1. Background**

- 1.1 The Member Highway Fund (MHF) was introduced in Kent in 2009. In the original Member Highway Fund pack the (then) Cabinet Member highlighted its purpose as:
- 1.2 “Money for the highway should not be spent for spending’s sake. Every penny should be directed towards an identified problem. Kent Highway Services carefully prioritises its funding across the county so that issues of highest need or merit are tackled first. But sometimes this may mean that locally important problems miss out. The Member Highway Fund is a way to address that, allowing Members to identify local issues that officers can then provide advice on appropriate solutions and costs, within the framework of existing policies”. *NB. This point requires future clarification, due to recent policy changes and spending prioritisation.*
- 1.3 A number of protocols were set in place in 2009 and then updated in 2011 in order to provide some regulation of the use of the fund and to ensure compliance with County Council policies, and democratic process. These include approval by the Cabinet Member for the expenditure of funding, and clarification that the fund is to resolve local highway issues, that proposals must comply with existing KCC policies, must contribute to KCC’s overall objectives and represent value for money. It was also approved that each member would not be charged an investigation fee for their first four applications in the year but pay full costs on subsequent applications. To cover resource costs an overhead charge of 15% would be applied to the £25,000 each year, meaning each Member has £21,250 to spend on works.

## **2. Member Highway Fund Operational Progress**

- 2.1 The MHF has now been in operation for nearly 3 years and good progress has been made to commit to date £5.8 million to local highway schemes and projects. Approximately half of this money has been committed in the last 12 months.
- 2.2 A total of 1,197 schemes have been designed by Highways & Transportation in this period. The most popular scheme category has been the installation of new or improved pedestrian crossings, where £874k has been spent. Almost £400k has also been used to fund changes and improvements to local speed limits and £318k spent on traffic management/ calming schemes. MHF has also funded 54 vehicle activated signs, 150 salt bins and 93 new dropped crossings, 18 local bus services, 8 cycle path schemes, and significant financial contributions have been made towards Road Safety education and enforcement campaigns. A full breakdown of scheme types, numbers and costs can be found in Appendix 1.
- 2.3 As part of the restructuring of the Highways department a dedicated MHF Team was set up in July 2011 to assist Members in committing and spending their Funds. The team consists of 12.5 FTE's and is currently supplemented with 3 additional staff. The team structure can be seen in Appendix 2. This team has processed 458 applications to date and assisted Members in committing 40% of the total three year budget for the MHF in the last six months. Appendix 3 shows a graph of the recent profile for the commitment of the MHF and Appendices 4 & 5 show the total amount Members have individually committed.
- 2.4 The majority of the MHF applications are currently progressed through the 6 area engineers. This means that each engineer is responsible for dealing with 14 members each (there is some regional variance). Each engineer has to deal with on an average 64 applications per year, which range from simple contributions to larger complex schemes. This allows on average an engineer to spend less than 3 working days per application from inception to delivery.
- 2.5 In September 2011 Enterprise started as the new Highways Contractor and is responsible for the delivery the MHF schemes requiring highway works. As of the end of January 2012 nearly £700k of works orders has been placed with Enterprise with a further £1.4m to be placed for currently committed schemes. To date, approximately £270k works have been completed.
- 2.6 The recent Highway Tracker Survey of County Members indicated that 69% of Members are satisfied with the overall process of the Member Highway Fund. Concerns have been raised about communication and time taken to deliver schemes.

## **3. Communication**

- 3.1 The current communication strategy employed by the MHF team to ensure Members are kept informed of progress of their schemes is:
- 3.2 **Area Engineers** - Each Member has a dedicated area MHF engineer to progress their schemes (as shown in Appendix 2). Members have direct

access to their area engineer by phone, e-mail and face to face meetings. In the event of absence, each area engineer is supported by a supervisor who can keep County Members up to date on their schemes.

- 3.3 **Technical Support** - The MHF team has 2 technical support officers who can be contacted directly for current spend updates, overview scheme updates and the progress of any contributions to other projects.
- 3.4 **Update Reports** - Members are issued with a monthly update report of their schemes including current spend. This is not intended to be a detailed report, and any technical or detailed information should be sought from the area engineer or supervisor. Area Engineers also provide an overview report for each JTB meeting.
- 3.5 **Member surgeries**– Are held on the first Tuesday of every month at the Members desk in Sessions House, between 9:30 and 12:30. This is a drop-in service in order to exchange documents, get the latest updates on schemes, and an opportunity to discuss any scheme related issues.
- 3.6 Work has begun on an automated computer system to support engineers in producing more accurate and timely reports. This system should reduce the amount of time spent by officers on administration of the MHF freeing more time to support Members. It is also proposed that this system will allow Members to access information on their MHF schemes via the internet.



#### **4. Time Taken to Deliver Schemes**

- 4.1 The total time required to deliver a scheme from the initial approach by a Member to construction on site is determined by various processes, some of which are statutory.
- 4.2 The MHF application process itself is required for the County Council to approve the Members individual applications and spending. However, this process does not provide instantaneous decisions, and is subject to the usual rules of scrutiny. Inspection, investigation, outline design and Cabinet Member approval itself can take up to four months to complete. This timescale can become even greater if the Member approval form is not returned in a timely manner. Currently over 75% of Member approval forms are returned over 8 weeks from their receipt.
- 4.3 Once a scheme has been approved by the Cabinet Member detailed design, statutory consultation, contractor mobilisation and road permitting are required prior to a scheme beginning on site. There are other seasonal factors that may extend the time for delivery such as work near schools or in other traffic sensitive areas, and/or works that rely on good weather such as surfacing and lining. Even a relative minor scheme requiring the minimum statutory consultation can then take another four months to deliver. A typical scheme will take on average 10 to 12 months from initial application to construction following current procedures. Contributions and minor schemes while avoiding consultations and complex design still require approval and processing which again will take between 4 and 6 months.

- 4.4 Further significant factors influencing time scale is the current compression in workload and time lost on abortive applications. As explained earlier in the report 40% of the three year budget for the MHF has been committed in the last six months. While additional resources have been made available, the processing of such significant volumes of applications in such short time scale means additional delays are inevitable.
- 4.5 The scale of abortive work has also had a significant impact on delivery times. 17% of all applications received and investigated by the MHF team have been cancelled. This equates to over 3 years worth of lost staff hours since MHF was launched. The main reasons for a scheme being cancelled were:-
- There were not enough funds to implement all the applications submitted.
  - The scheme could not be progressed due to safety issues or unsuitability of the site.
  - After getting the scheme designed through the MHF alternative funding for the scheme was sought.
  - The local community did not support the proposal.
- 4.6 To reduce the time taken to deliver MHF schemes it will be necessary to ensure that applications are submitted as early as possible in the year to avoid a compressed work load. The scale of abortive works needs to be reduced and a quicker more efficient process needs to be introduced especially for smaller schemes.

## 5. Recommendations

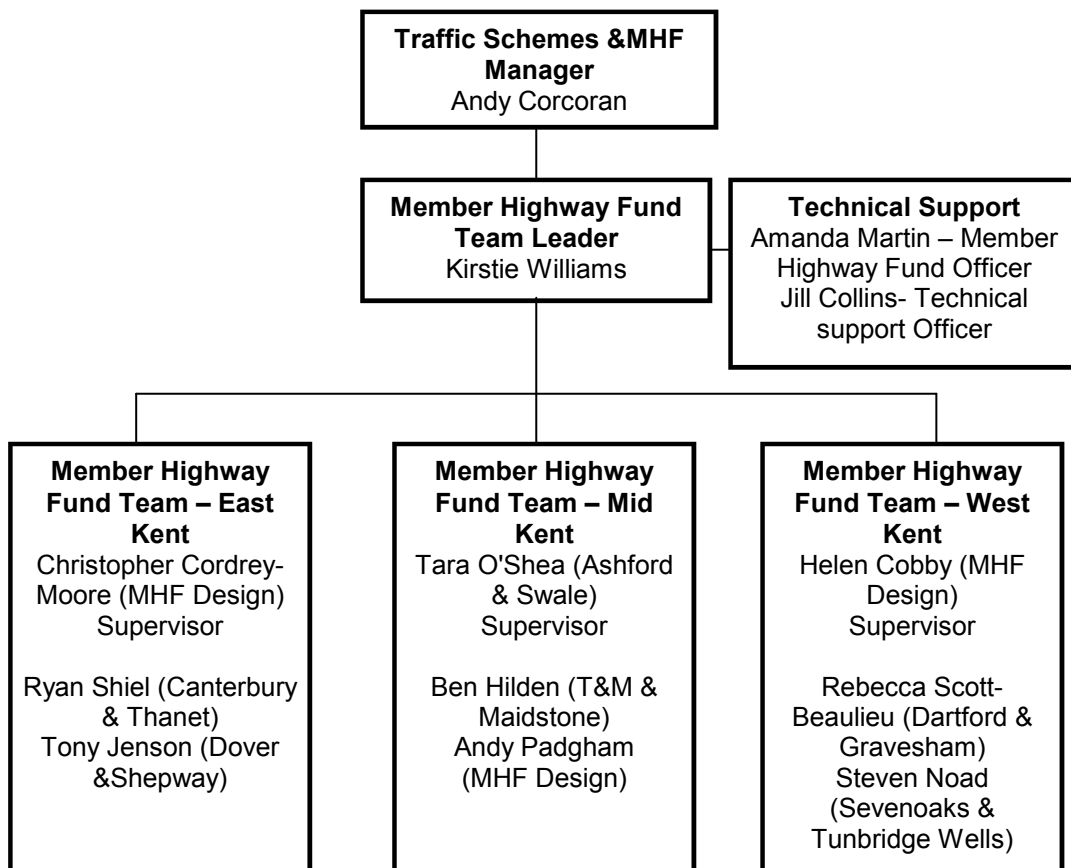
- 5.1 That an informal Members group be set up by the end of March to discuss the issues raised and report back to the Cabinet Member with suggested improvements on how the MHF operates.

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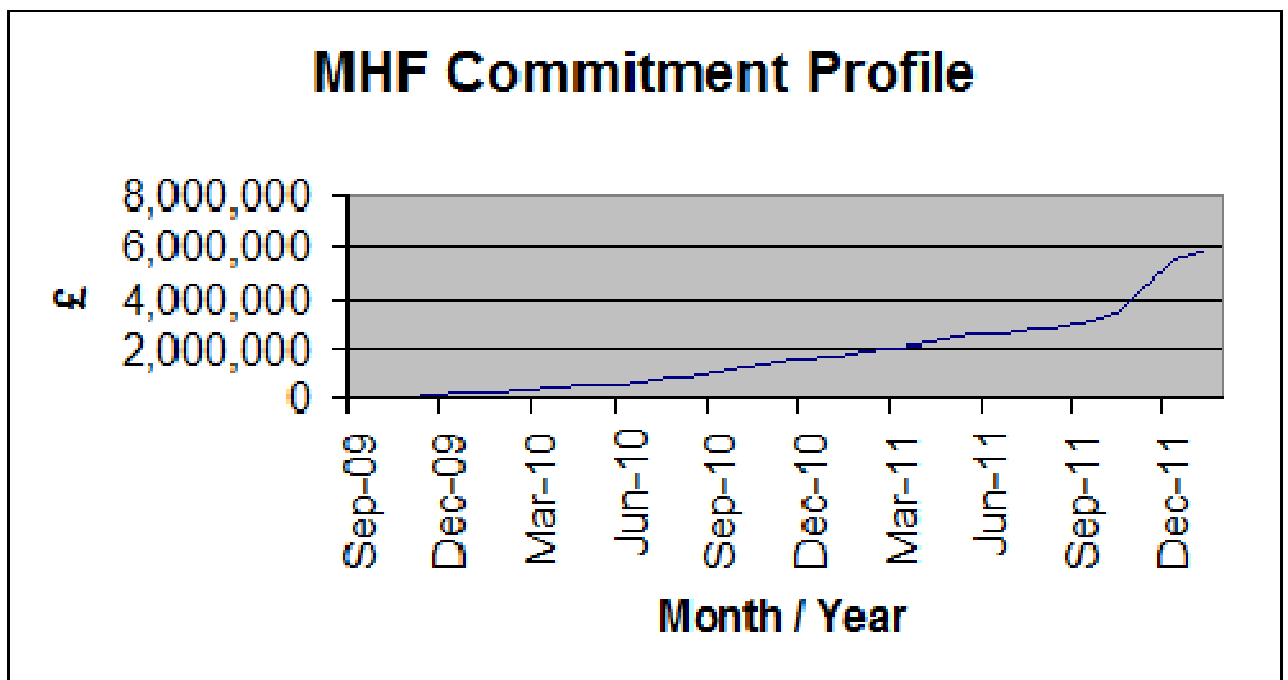
## Appendix 1 - A full breakdown of scheme types, numbers and cost.

Type of scheme	No	East Kent	No	West Kent
New / improved Lighting schemes	12	133,084	4	47,190
Traffic speed surveys and investigations	2	2,021	6	66,226
Interactive signs	26	107,972	29	163,173
Contributions to support local bus services	11	86,227	7	18,034
New Bus shelters and improvements to bus shelters	9	78,211	24	152,376
Salt Bins	57	32,190	97	54,327
Salt bag provision			3	8,731
Snow blowers			6	7,800
Speed limit changes and gateway improvements	25	244,646	21	149,224
Dropped Kerbs	41	63,901	52	53,355
New footways / improvements to existing footways	25	237,557	40	384,040
Resurfacing Carriageways	17	271,182	15	233,815
New / Improvements to pedestrian crossings	24	320,190	30	553,801
Traffic Management / traffic calming schemes	11	112,370	23	206,037
Street scene Improvements	28	173,388	44	210,150
Signing and lining schemes - Non parking	32	90,726	27	62,132
Signing and lining schemes - Parking	19	48,861	29	115,981
Junction improvements	5	38,428	5	59,394
Vegetation and planting schemes	7	46,110	29	193,152
Drainage Improvements	2	15,146	3	7,700
Road Safety schemes - Education and Enforcement	8	40,200	17	45,255
Cycle schemes	3	16,153	5	61,411

## Appendix 2 – Current MHF Team Structure

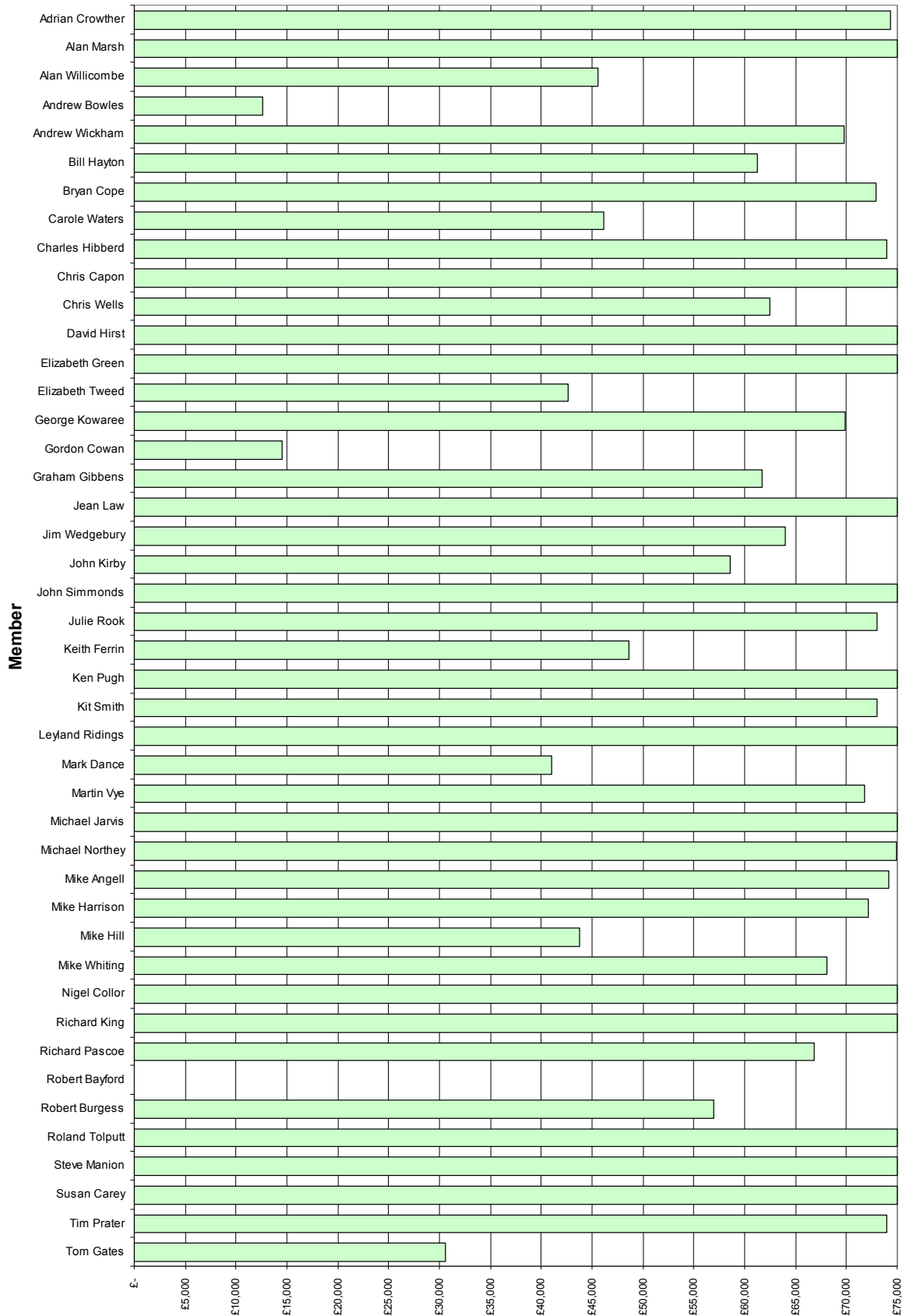


## Appendix 3 – MHF Commitment Profile



## Appendix 4 – Funding Committed by Member (East Kent)

### Funding Committed by Members (East)



## Appendix 5 – Funding Committed by Member (West Kent)

### Funding Committed by Members (West)

