

NOTES of a Meeting of the Cabinet Scrutiny Committee's Informal Member Group on the Kent Highway Services' Business Plan held on Wednesday, 3 October 2007.

PRESENT: Mr R Truelove (Chairman), Mr C J Law and Mr S J G Koowaree.

ALSO PRESENT: Mr R F Manning, Lead Member for Environment, Highways and Waste; Mr Geoff Harrison-Mee, Director; and Mrs Caroline Bruce, Resources and Development Manager, Kent Highway Services, Environment and Regeneration Directorate.

OFFICER: Mr S C Ballard, Head of Democratic Services.

1. Kent Highway Services' Business Plan 2007/08

Terms of Reference

- (1) The Informal Member Group had been established by Cabinet Scrutiny Committee at its meeting on 23 May 2007 to examine the Kent Highway Services' Business Plan for 2007/08.

KHS Transformation Programme

- (2) Mr Manning explained that, during 2007/08, as well as delivering its Business Plan, KHS was also implementing a major Transformation Programme which had been agreed by Cabinet. Regular reports on progress with the Transformation Programme were made to the Highways Advisory Board
- (3) Mr Law asked to be provided with a copy of the proposed new KHS organisation structure (**Action: GH-M**). In answer to concerns expressed by Mr Law, Mr Harrison-Mee said that new structure was intended to make KHS much more responsive to the public, local County Councillors, District Councils and Parish Councils. KHS had already formed an Alliance with its consultants and contractors. This partnership arrangement allowed greater flexibility which improved delivery and performance. Policy continued to be set by KCC, but was influenced by the knowledge of national and international best practice which the other Alliance members were able to contribute. Mr Harrison-Mee accepted that introduction of the Alliance and the new KHS structure were only the first steps. There was also a need to change the culture of KHS to ensure that management and staff were much more customer-focused. Part of this process would involve the introduction of measurable objectives for managers. Mr Harrison-Mee estimated that it would take 2-3 years to get all the improvements in place. Nevertheless, the regular public satisfaction surveys were already showing increases in public satisfaction; the most recent survey being the first where the result had been net positive.
- (4) Mr Truelove said that he felt that the Joint Transportation Board (JTB) system could be improved. In his view JTBs needed to involve the public; needed to have some decision-making powers; and KHS officers needed to brief themselves better for JTB meetings.

KHS Strategic Objectives

- (5) Mr Harrison-Mee and Mrs Bruce explained that the seven strategic objectives for KHS set out on page 1 of the Business Plan were set by Cabinet on the advice of the Highways Advisory Board and taking account of the duties imposed on KHS by legislation. The seven strategic objectives were broken down into a series of core business objectives. In response to questions from Mr Truelove, Mr Harrison-Mee said that, although not mentioned explicitly, environmental impact and achieving greater equality of access were implicit in the strategic objectives.

Relationship between Strategic Objectives and Budget

- (6) Mr Harrison-Mee explained that budgets were not directly related to the strategic objectives. Instead, the budget was built up against a hierarchy of priorities, in which the key element was maintaining safety. Meanwhile the Business Plan was prepared in accordance with the agreed corporate template. Nevertheless, the Business Plan did perform the function of linking the corporate vision for KHS to the individual action plans of KHS staff.

Performance against Targets set in Key Performance Indicators Section of Business Plan

- (7) The IMG received the latest report (30 August) to the Alliance Board on KHS's performance against the key performance indicators set out in the Business Plan. Comments about particular indicators were as follows (using the numbering in section 6 of the Business Plan).

1 *Emergency and Hazard Repairs*

Mr Harrison-Mee explained that the measurement of the percentage of repairs completed on time was made simple through use of an electronic system. A random 10% of repairs were checked for quality by Highway Inspectors.

2 *Street Lighting Faults*

Mr Harrison-Mee explained that the recent big improvements in the time taken to repair street lights resulted from the investment by KHS of additional resources in this area. However, the figures could still be affected by the performance of EDF, the electricity supplier.

3 *Road Casualties*

Mr Harrison-Mee reported that the 2010 target for reducing child casualties was expected to be met by the end of 2007/08. The problem with this target was that it was expressed as a percentage when the absolute numbers were very small, so one additional casualty could have a big impact on the percentage target figure.

Mr Manning said that it was also difficult to identify whether improvements in casualty figures resulted from direct actions by KHS (eg road improvements) or as a result of extraneous factors (eg driver behaviour, road safety advertising campaigns, etc).

4 *Effect of Road Works*

Mr Harrison-Mee pointed out that, although the figures for April-August 2007 were good, this part of each year was a quiet period for road works. Most works were carried out in the autumn.

6 *Journey Times*

Mr Harrison-Mee said that a number-plate recognition system was being installed on cameras in Maidstone and Canterbury to allow journey times through those towns to be measured. He explained that KHS worked closely with District Councils to co-ordinate actions to improve journey times, but a key problem was that traffic volume was increasing by 2% pa, while few new roads were being built because funding could not be made available.

Mr Truelove commented that the school run was a major factor in urban traffic congestion, and suggested that the impact on congestion should be taken into account whenever decisions on the siting of new schools were made.

9 *Press coverage*

Mr Harrison-Mee explained that positive press coverage (some of which was generated by KHS itself) was important because it had a significant effect on the public's perception of KHS, as reflected in the public satisfaction surveys.

10 *Enquiries from Public*

Mr Harrison-Mee said that the total number of enquiries was increasing because KHS had made huge efforts to publicise its contact numbers.

Mrs Bruce said that this was an area where culture-change could bring about a big improvement. Some staff had good technical expertise but needed to be more customer-focused.

Mr Law said that he had found the old divisional breakdown of time taken to deal with service requests useful. Mr Harrison-Mee said that this breakdown was still produced and he would supply a copy of the latest figures to Mr Law (**Action: GH-M**).

19 *Staff Satisfaction*

Mrs Bruce reported that the results of the most recent staff survey showed a surprisingly high level of satisfaction considering the changes facing staff as a result of the Transformation Programme.

Mr Truelove asked whether, when service improvements occurred, staff were thanked for their efforts. Mr Harrison-Mee said that this was an area where he hoped to make improvements. KHS had tended to rely on a

cascade briefing process for giving feedback to staff but this was not entirely satisfactory. This year though, progress meetings on the Transformation Programme for all senior KHS managers had been held every 8 weeks and this had provided a helpful means of giving feedback.

28 *Bus Journeys*

Mr Harrison-Mee reported that, in addition to the big increase brought about by the introduction of the Freedom Pass, local bus passenger journeys were increasing in all parts of the County except Ashford.

Conclusions

(8) The IMG:-

- (a) noted KHS's seven strategic objectives but suggested that it might be helpful in future to put the objectives in priority order and to monitor them in relation to improving equality of access and environmental impact criteria;
- (b) expressed concern about:-
 - (i) the lack of budget detail in the Business Plan;
 - (ii) the apparent absence of any attempt to align budgets with objectives;
 - (iii) the lack of linkage between the Business Plan and actual operations, particularly with respect to performance against targets;
- (c) welcomed the general improvements in performance against the key performance indicator targets;
- (d) recommended that the Highways Advisory Board should continue to regularly monitor progress with KHS's Transformation Programme;
- (e) noted that a change in the culture of KHS management and staff was required in order to ensure the success of the Transformation Programme.