Department
for Transport

Local Authority Capacity and Capability Research Report

OGL

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1. Executive summary

The Department for Transport (DfT) commissioned Local Partnerships to conduct research to better understand the capacity and capability of local authorities (LAs) in planning and delivering local transport. For clarity, capacity relates to the number of staff available to plan and deliver transport projects, and capability refers to the skills, knowledge, and experience to deliver new projects and maintain the transport networks.

The research was conducted into two stages. Stage one involved an online survey, designed following exploratory focus groups. Its purpose was to gather quantitative data on what affects authorities' capacity and capability, how they plan, budget, and bid for funds, and what support they would find most useful. Stage two involved qualitative in-depth interviews, to gain a richer understanding of the survey findings.

The survey was sent to 88 local transport authorities covering all of England except London, with responses received from 46 authorities covering all English regions, incorporating County, Unitary and Combined Authorities.

Eighteen local transport authorities were selected to take part in the in-depth interviews, based on their responses to the survey. These authorities represented a range of self-rated capacity and capability levels, as well as a mix of all regions, authority types and sizes.

It is important to note that despite achieving responses from over fifty percent of local transport authorities, sample sizes for the survey were small. Caution is needed when interpreting the results, especially when looking at subgroups.

Perceptions of capacity and capability

Overall, authorities rated both their capacity and capability to deliver local transport positively. However comparatively, capability was rated much more positively than capacity. These ratings appeared to be linked to authority type and transport team size.

- A vast majority of authorities (91%) rated their capability as being very or fairly good, in comparison to just over half (54%) rating their capacity this way.

- Larger transport teams tended to rate their capacity and capability more positively than smaller teams.

- Combined Authorities tended to rate themselves most positively, followed by County Councils and then Unitary Authorities.

- Many authorities mentioned the size and experience of their transport team, as well as the availability of funding to bid and deliver projects, as being important factors in determining their capacity and capability.

Recruitment, retention, and skills

Authorities tended to have many vacant posts within their teams, and often struggled to recruit and retain staff with the specialist transport skillsets required. A range of factors contributed to these difficulties.

- Staff recruitment and retention was felt to affect capacity and capability to deliver local transport.

- Most authorities had a number of vacant posts in their transport teams, however this varied by authority type. County Councils had the highest vacancy rates, followed by Unitary Authorities and then Combined Authorities.

- Large majority of authorities reported difficulties in recruiting staff with key transport skills, including transport planners, transport modellers, and civil engineers.

- Staff retention was felt to be slightly less difficult than recruitment.

- Reasons for these difficulties included there being few potential applicants, local government salaries and work programmes being less competitive than the private sector, and the typical fixed-term nature of roles being unattractive.

Use of external resources

Authorities used a mix of internal and external resource to deliver their projects, typically using external resource to deliver certain elements of projects which they did not have the capacity to deliver internally. External resource was accessed in a range of ways.

- Most authorities reported using external resource to supplement their teams.

- Roles typically resourced externally included transport modelling, economic appraisal, and business case development, as well as scheme costing, design and delivery.

- The most commonly used mechanisms to access external resource were local or regional frameworks and strategic partnerships or outsourced contractors.

- Authorities' ability to act as 'intelligent clients' to external resource was felt to be an important factor in improving their capacity.

Local transport planning

A majority of authorities had Local Transport Plans (LTPs) and felt they were important, however, many reported struggling to set aside capacity to carry out strategic planning. Consequently, many authorities did not have a pipeline of deliverable transport schemes.

- A vast majority of authorities felt LTPs were important for setting out transport policy

- Twenty-six percent of authorities reported publishing a Local Transport Plan in the last two years, and 46% reported publishing one more than five years ago.

- Many authorities struggled with capacity to carry out strategic transport planning, develop a pipeline of projects and respond to ad-hoc funding opportunities at the same time as delivering their day-to-day work.

- Not having an up-to-date LTP was associated with limiting the pipeline of schemes, which has knock-on effects on authorities' ability to access funding and deliver enhancements to local transport.

Bidding for central government funding

Most authorities bid for central government funding at all relevant opportunities. A range of factors played into authorities' decisions as to whether to bid or not. Some felt that it would be more useful for DfT to support them to improve their bid quality, rather than bidding more frequently.

- Sixty-three percent of authorities reported usually bidding for funding, 28% bid at every opportunity, and 9% bid around half the time.

- Reasons for not bidding at every opportunity included a lack of capacity, funding opportunities not aligning with authorities' priorities, bidding timescales being too tight and not having a prepared pipeline of 'bid-ready' schemes.

- Many felt that capacity funding, a simpler bidding process and a more relaxed bidding timeframe would encourage them to bid more frequently.

- Some pointed out that despite bidding frequently, their bid quality was not always high. As such, they would welcome support to improve their bid quality rather than frequency.

Support to enhance capacity and capability

Overall, authorities were satisfied with the current guidance provided by DfT, but also felt that a wide range of other potential support options would be useful to help improve the capacity and capability.

- A vast majority of authorities were satisfied with the level of guidance provided by DfT, particularly guidance regarding economic appraisal, transport planning tools, and monitoring and evaluation.

- Potential support options that authorities felt would be most useful to improve their capacity and capability included constructive feedback on bids, access to good practice and case

studies, templates, shared lessons learned on bidding and funding programmes, and guidance documents.

- Authorities also suggested that funding for bidding and pipeline development would be useful, as well as changes to the bidding process, and enhanced DfT engagement for specific funding competitions.

2. Introduction and method

Background

The Department for Transport (DfT) commissioned Local Partnerships to conduct research to improve understanding of the capacity and capability of local authority transport teams.

The main objectives of the research were to:

- Understand the key factors that affect authorities' capacity and capability to deliver local transport (excluding heavy rail and Strategic Road Network related infrastructure)
- Understand the extent of any issues
- Understand the factors that make one authority more capable than another
- Identify the authorities that require the most support
- Identify a range of possible solutions

The research was intended to help DfT identify how they can better support authorities to plan and deliver good quality and effective transport interventions.

Method

The research was conducted in two stages:

- Stage 1 – Online survey

- Stage 2 – Qualitative in-depth interviews.

Stage 1: Online survey

Three focus groups were conducted in June 2021 to inform the development of an online survey. Two of the focus groups explored local authority officers' views and experiences of their authorities' capacity and capability, and the key factors that impact it. The third focus group was run with DfT staff to understand their experiences of working with local authority transport teams and the types of factors that affect capacity and capability.

The online survey was distributed to senior officers from 88 local transport authorities. Fieldwork ran from 7 - 27 July 2021. The purpose of the survey was to collect information from the full range of authorities involved in local transport planning and delivery. It investigated the factors that act as barriers and enablers to capacity and capability. Responses were received from 46 authorities (52% response rate), spanning all English regions (except London), and a mix of authority types, including County Councils, Unitary Authorities and Combined Authorities.

Table 1: Total online survey responses by region

Region	Responses
North East	6
North West	4
Yorkshire and the Humber	4
East Midlands	2
East of England	2
West Midlands	6
South East	14
South West	8

Table 2: Total online survey responses by authority type

Authority type	Responses
Unitary Authorities	25
County Councils	16
Combined Authorities	5

Responses were received from 72% of County Councils, 56% of Combined Authorities and 44% of Unitary Authorities, representing just over half of the total authority population.

It is important to note that despite achieving responses from over fifty percent of local transport authorities, sample sizes for the survey were small. Caution is needed when interpreting the results, especially when looking at subgroups.

Stage 2: Qualitative in-depth interviews

Follow up qualitative in-depth interviews were conducted with 18 of the authorities that responded to the survey. Interviewees were selected to include a mix of authority types, a mix of regions and a range of high, medium and low capability and capacity self-ratings (as provided in the survey).

Table 3: Total authorities interviewed by region

Region	Responses
North East	2

North West	2
Yorkshire and the Humber	2
East Midlands	1
East of England	2
West Midlands	2
South East	3
South West	4

Table 4: Total authorities interviewed by authority type

Authority type	Responses
Unitary Authorities	11
County Councils	5
Combined Authorities	2

The interviews were 60-90 minutes long, semi-structured, and conducted between 8 August and 3 September 2021. Interviewees were mostly with personnel at Director/Head of Service level, who were able to discuss both the corporate context and planning and delivery of their authorities' transport programmes.

Defining capacity and capability

Throughout the research, 'capacity' and 'capability' were defined to respondents as follows:

*"By **capacity** we mean having the appropriate level of resource to plan and deliver the full range of transport improvements and maintain a transport network that meets the expectations of users that you are responsible for - to an agreed programme. This will involve having the right number of people with the necessary skills and experience to deliver the outputs and outcomes that your authority has set. Your capacity will also include your ability to plan the use of resources so that they reflect changing transport priorities and timescales – both locally and nationally driven. Capacity will reflect your transport team, other staff within your authority who you can draw on, as well as the consultancy and contractor support to which you have access. Capacity also extends to the tools you need to work effectively, such as access to data and technology."*

*"By **capability** we mean your authority's access to people with the necessary skills, knowledge, and levels of experience to plan and deliver the full range of transport improvements and maintain a transport network that meets the expectations of users that you are responsible for. Your capability is likely to reflect the skills and experience of your transport team, the contribution made by other people within your authority, as well as the input of the consultants and contractors with which you work. Capability will also reflect your organisation's ability to quickly fill gaps or changing requirements relating to skills and experience, through the flexible use of existing authority skills, training, or recruitment."*

3. Perceptions of capacity and capability

This chapter explores authorities' perceptions of their capacity and capability to deliver local transport, how they feel they compare to other authorities, and the factors that play into this.

Authorities' perceptions of their capacity and capability to deliver local transport

The survey asked authorities to rate their levels of capacity and capability to deliver local transport. A majority of authorities rated both their capacity and capability to deliver local transport positively. However, substantially more authorities rated their capability as being fairly or very good (91%), in comparison to capacity (54%). On closer inspection, 54% of authorities rated their capability as very good, in comparison to just 2% for capacity. These findings suggest a difference between authorities' perceptions of their capacity and capability, with capacity having more room for improvement than capability. Authorities were more positive about the skills and experience they have in their teams, than the level of resource these teams have to deliver and maintain their transport networks.

Figure 1: Authorities' self-rated levels of capacity and capability to deliver local transport
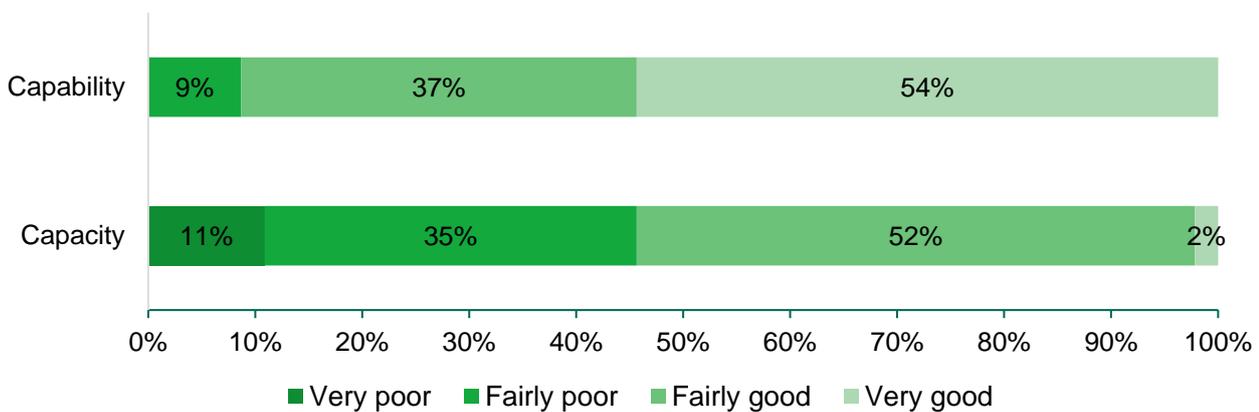
Base: 46 Authorities.

Authorities were also asked to rate their perceived levels of capacity and capability in comparison to other authorities in England. For capacity, 50% of authorities felt they were below average in comparison to others, whereas for capability just 13% felt they were below average. Again, this indicates that authorities feel that they are performing more poorly at capacity than capability.

Figure 2: Authorities' self-rated levels of capacity and capability to deliver local transport in comparison to other authorities in England
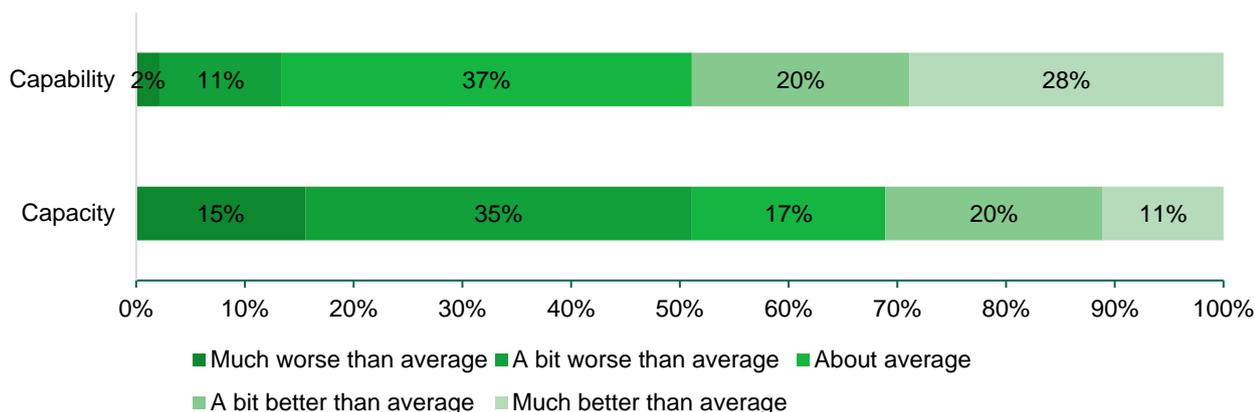
Base: 46 Authorities.

Capacity, capability, and transport team size

The survey gathered information on the size of authorities' transport teams, in order to investigate the relationship between this and capacity and capability levels. Authorities reported team sizes ranging from just one full-time equivalent (FTE) member of staff to 100. The mean transport team size was 20 FTE, the median was 10 FTE.

There appeared to be a relationship between capacity, capability and team size. Authorities with larger teams tended to rate their capacity more positively than those with smaller teams. Ninety-two percent of authorities with teams of 25+ FTE rated their capacity as fairly good. This compares to just 41% of teams with 0-24 FTE rating themselves as fairly or very good.

Figure 3: Authorities' self-rated capacity to deliver local transport split by team size
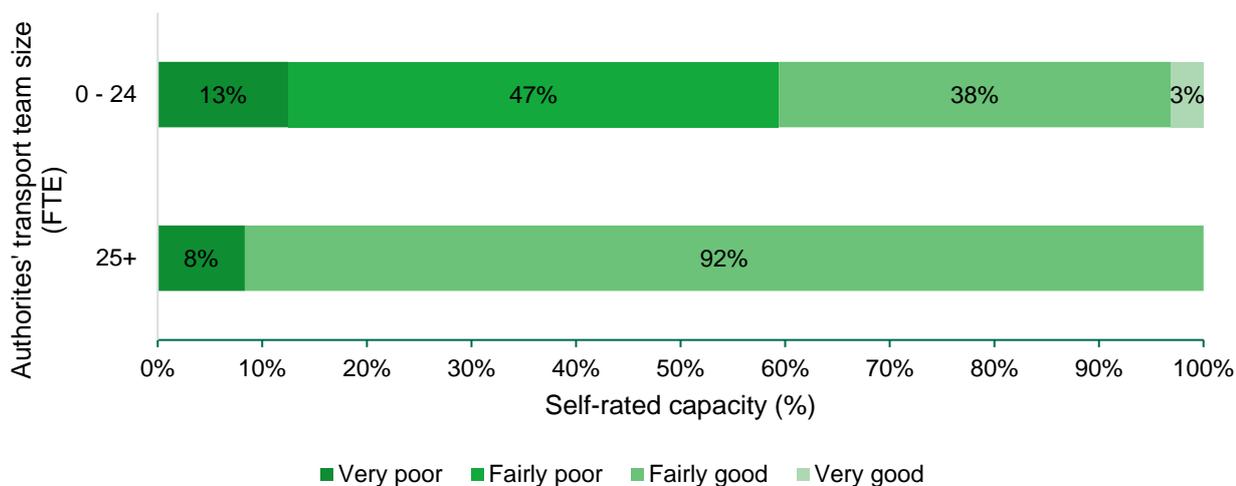
Base: 44 Authorities, including 32 with 0-24 FTE and 12 with 25+ FTE.

Similarly, authorities with larger teams tended to rate their capability more positively than those with smaller teams. However, this was a less pronounced difference than for capacity, with all teams with 25+ FTE rating their capability as fairly or very good. This reduced only slightly to 91% for teams with 1-24 FTE.

Figure 4: Authorities' self-rated capability to deliver local transport split by team size
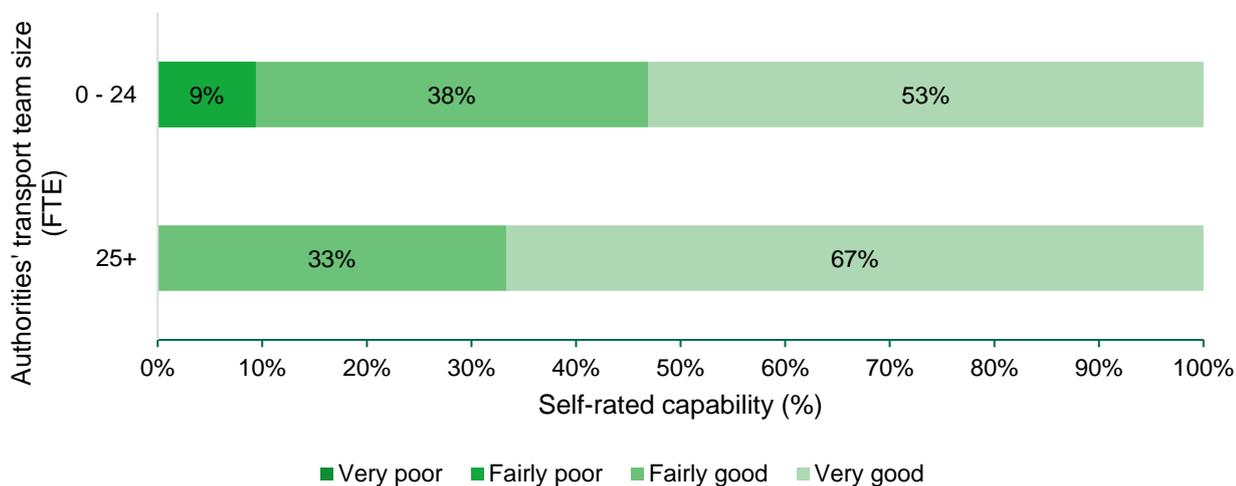
Base: 44 Authorities, including 32 with 0-24 FTE and 12 with 25+ FTE.

During the depth-interviews, all authorities mentioned team size as affecting their capacity and capability to deliver local transport.

Authorities with smaller teams explained that their teams were too small to hold all relevant specialist transport skills and they were likely to struggle with capacity to deliver their programme of work. Those with medium-sized teams outlined that they were better able to

hold the required range of skills, however, many still mentioned that they struggled with capacity to deliver their programme.

Another issue that numerous authorities with smaller and medium-sized teams reflected on was their dependency on a very small number of experienced staff, and how this posed significant risks for their resilience.

Further, some authorities with smaller teams felt that their limited resource negatively impacted their attractiveness in recruiting new staff.

Only a minority of authorities felt that their capacity was not an issue for transport planning and delivery.

Despite the survey findings indicating that larger authorities did not struggle with capability and capacity, the interviews revealed that some did face challenges. Whilst some felt their resources were sufficient to deliver their underlying programme as well as one major bid / project, they did struggle with capacity to deliver additional work on top of this, as is frequently required.

"[my authority] is a small Unitary Authority and has limited resources compared with other Highway Authorities. In the last 12 months have tried to address this, but knowledge and expertise is limited … it is difficult to encourage professionals [to apply]."

"[my authority] is one of the largest Local Highway Authorities in the Country and benefits from this scale. We develop and deliver many sizeable multi-million major schemes successfully on time and to budget. Close working with stakeholders including DfT, Highways England and funding bodies including government agencies. In house capability includes experienced Transport Planning and Engineering Consultancy Teams bolstered by Framework / Partnership consultants."

Capacity and capability by local authority type

Capacity and capability were also considered against authority type.

Capacity was found to differ between authority types. Combined Authorities tended to rate their capacity most positively (80% fairly good), followed closely by County Councils (73% fairly good) and then Unitary Authorities rated themselves least positively (39% fairly or very good).

Figure 5: Authorities' self-rated capacity to deliver local transport split by authority type
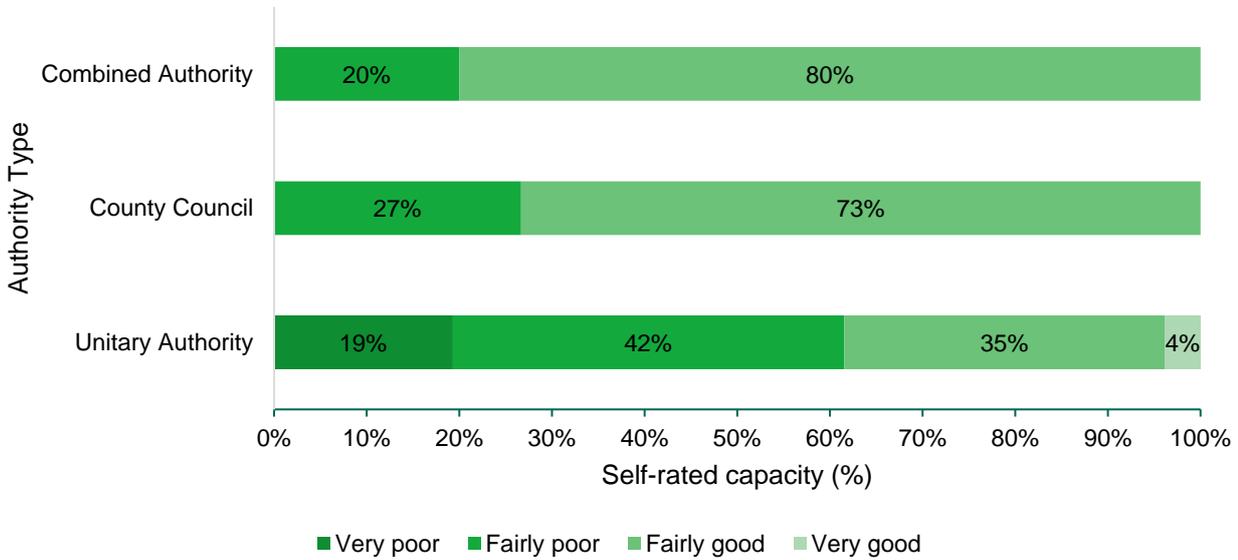
Base: 46 Authorities, including 26 Unitary Authorities, 15 County Councils and 5 Combined Authorities.

Capability followed the same pattern across authority types. Combined Authorities rated themselves most positively (100% fairly or very good), followed closely by County Councils (93% fairly or very good), and then Unitary Authorities rated themselves least positively (88% fairly or very good).

Figure 6: Authorities' self-rated capability to deliver local transport split by authority type
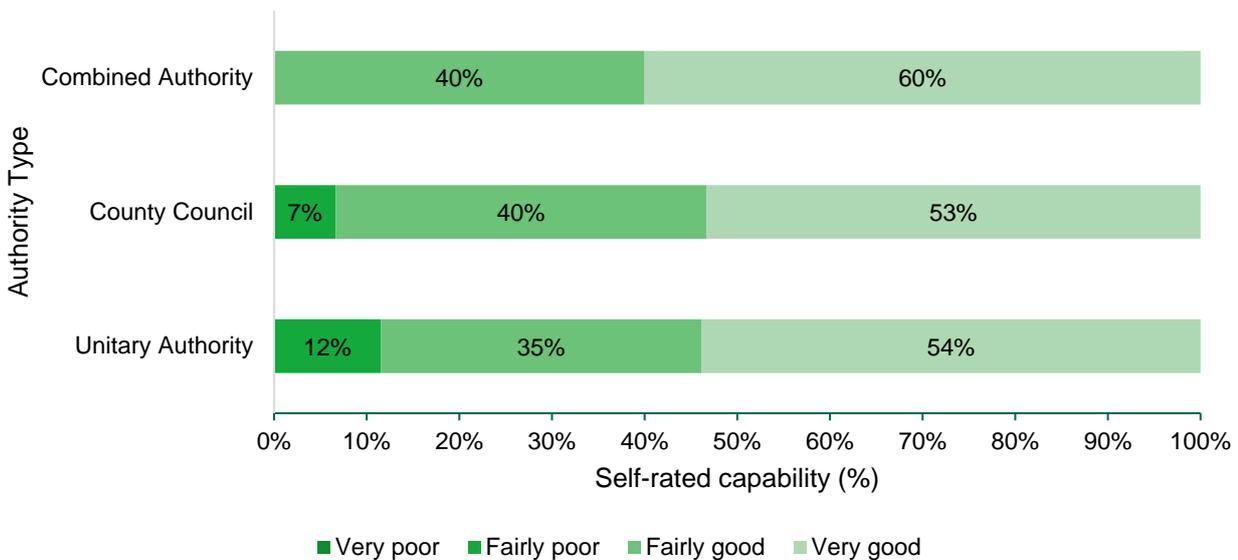
Base: 46 Authorities, including 26 Unitary Authorities, 15 County Councils and 5 Combined Authorities.

These results align with earlier findings that authorities with larger teams rated their capability and capacity more highly than smaller authorities. Combined Authorities on

average had the largest team size (41 FTE), followed by County Councils (27.5 FTE), and then Unitary Authorities has the smallest team size (11.5 FTE).

Reasons behind capacity and capability ratings

The survey asked authorities to outline the reasons behind their capacity and capability ratings. Many authorities cited multiple reasons; the most commonly cited ones included:

- Transport team size and experience
- Authority size
- Availability of funding to bid for and deliver projects.

Other reasons cited by numerous authorities included:

- The authority's delivery model
- Complexity of the bidding processes for external funding
- The nature of the authority's project pipeline
- Competitiveness of the authority in attracting staff
- Availability of sector relevant skills.

## Other factors affecting capacity and capability

Other factors affecting authorities' capacity and capability to deliver local transport were explored in the interviews.

Of the Combined Authorities interviewed, all were established with significant transport funding as part of their set up deal, with some developed out of regional transport bodies. As such, transport was one of their main responsibilities and was fully integrated in their activities. This was felt to have positively affected their capacity and capability to deliver local transport.

This position varied for the Unitary Authorities interviewed. One explained that they had come out of a County Council, but that transport expertise had remained in the County, which they felt negatively affected their capacity and capability.

In cases where the strategic importance of transport clearly aligned with wider authority objectives, such as supporting growth and decarbonisation, authorities appeared to have a more dynamic and committed approach to transport planning and delivery.

Some authorities felt that their members' priorities and the stability of political administrations affected their capacity and capability to deliver local transport. One authority described difficulties establishing transport as a strategic priority due to frequent changes in administration, where leaders had differing views on transport delivery.

4. Recruitment, retention, and skills

This chapter outlines authorities' experiences with recruitment and retention within their transport teams, considering issues they encounter with particular skillsets. Learning and development opportunities that authorities offer their staff are also explored.

Internal transport team vacancies

Data was collected on the number of vacant posts in authorities' transport teams, as well as how long it typically takes to fill vacancies.

In those authorities that completed the survey an average of 21% of posts in transport teams were currently vacant. This ranged from no posts in the team being vacant, to all posts being vacant.

Vacancy rates appeared to vary across authority types, with Combined Authorities having the lowest vacancy rate (9%), followed by Unitary Authorities (20%), and then County Councils having the highest vacancy rate (25%).

When asked how long it typically took them to fill vacancies within their internal transport delivery teams, most authorities (61%) reported that it typically took them three to six months. Nearly a quarter of authorities (24%) said more than six months, while only 15% said one to three months.

Recruiting and retaining specific skills

Ease of recruiting specific skills

Authorities were asked to indicate the ease or difficulty of recruiting staff with suitable experience and skills across a range of roles within their internal transport team.

The roles that most authorities reported being very or somewhat difficult to recruit for were transport planning (83%), transport modelling (76%) and civil engineering (76%).

The roles that least authorities reported difficulty recruiting for were finance (37%), stakeholder management / communications (41%) and legal support (50%) – all non-transport specific roles.

It is worth noting that a substantial proportion of authorities (20%-46%) responded 'don't know' or 'N/A' for nearly all role types, with the exception of transport planning and project / programme management.

Figure 7: Difficulty for authorities to recruit staff with suitable experience and skills for roles in a range of areas
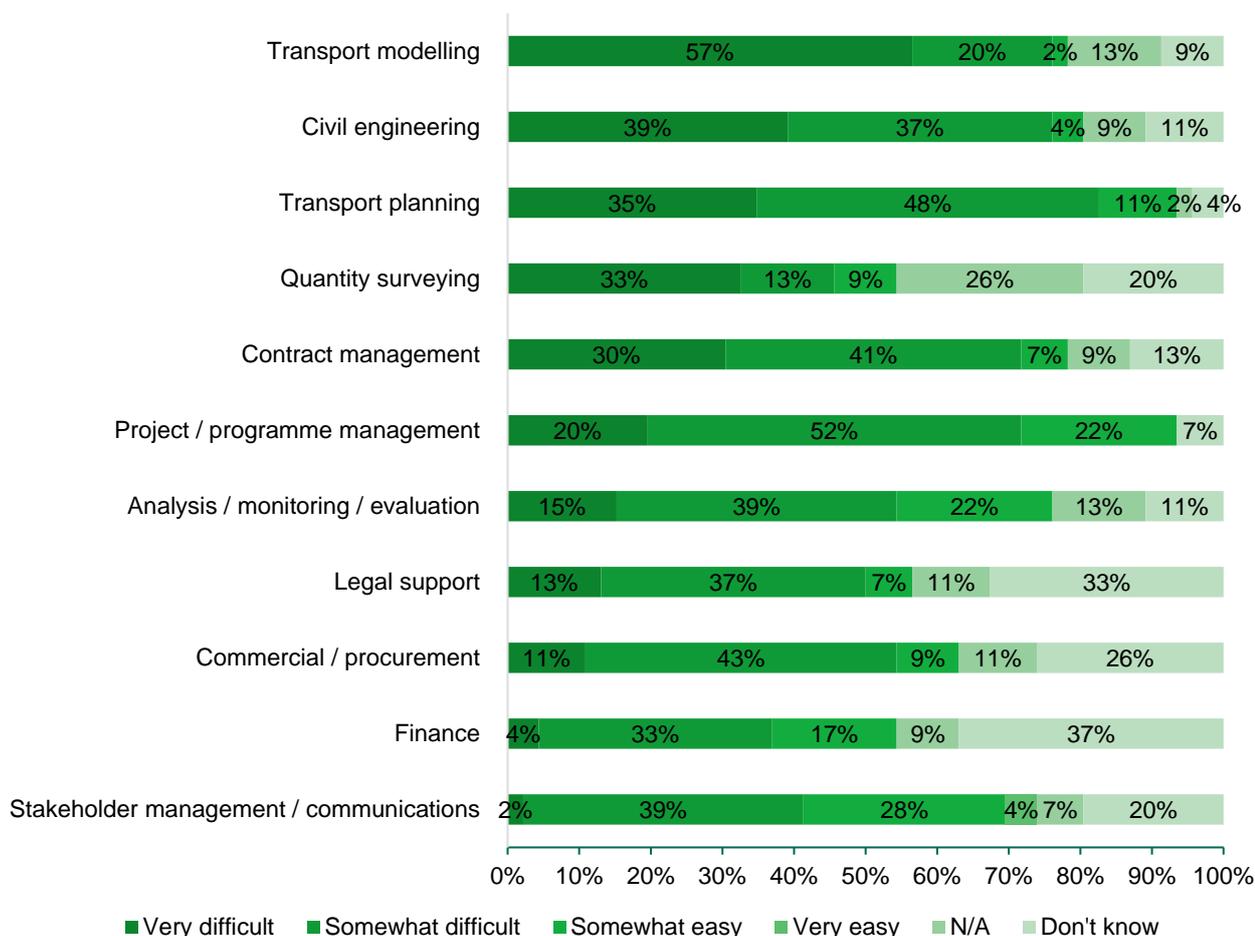
Base: 46 Authorities.

Some authorities interviewed reported that recruiting certain roles was so difficult that they had actually given up, as they knew from experience that the process would be unsuccessful. One authority described attempting to recruit a transport planner on six occasions, but never receiving any applications with the appropriate skillset.

"Recruitment to certain posts has been difficult over the past few years. Because we have been unsuccessful so many times in the past we now no longer even go out with an advert."

Recruitment difficulty appeared to differ depending on authority type. Both the survey and depth-interviews indicated that recruitment difficulties were experienced more acutely in County Councils and Unitary Authorities, than Combined Authorities. For example, just one in five of the Combined Authorities surveyed felt that recruiting transport planning roles was somewhat or very difficult, in comparison to all County Councils and 85% of Unitary Authorities.

Ease of retaining specific skills

Authorities were similarly asked to indicate the ease or difficulty of retaining staff with suitable experience and skills across a range of roles within their internal transport team.

Retention appeared to be less challenging than recruitment, with authorities reporting staff retention to be less difficult than recruitment across all roles. Nevertheless, it was still an issue for many authorities. The roles that most authorities reported being very or somewhat difficult to retain staff for were again transport planning (50%), transport modelling (48%), civil engineering (43%), and also project / programme management (43%). The roles that least authorities reported difficulty retaining staff for were again the non-transport specific roles of finance (15%), stakeholder management / communications (22%) and legal support (28%).

Figure 8: Difficulty for authorities to retain staff with suitable experience and skills for roles in a range of areas

Base: 46 Authorities.
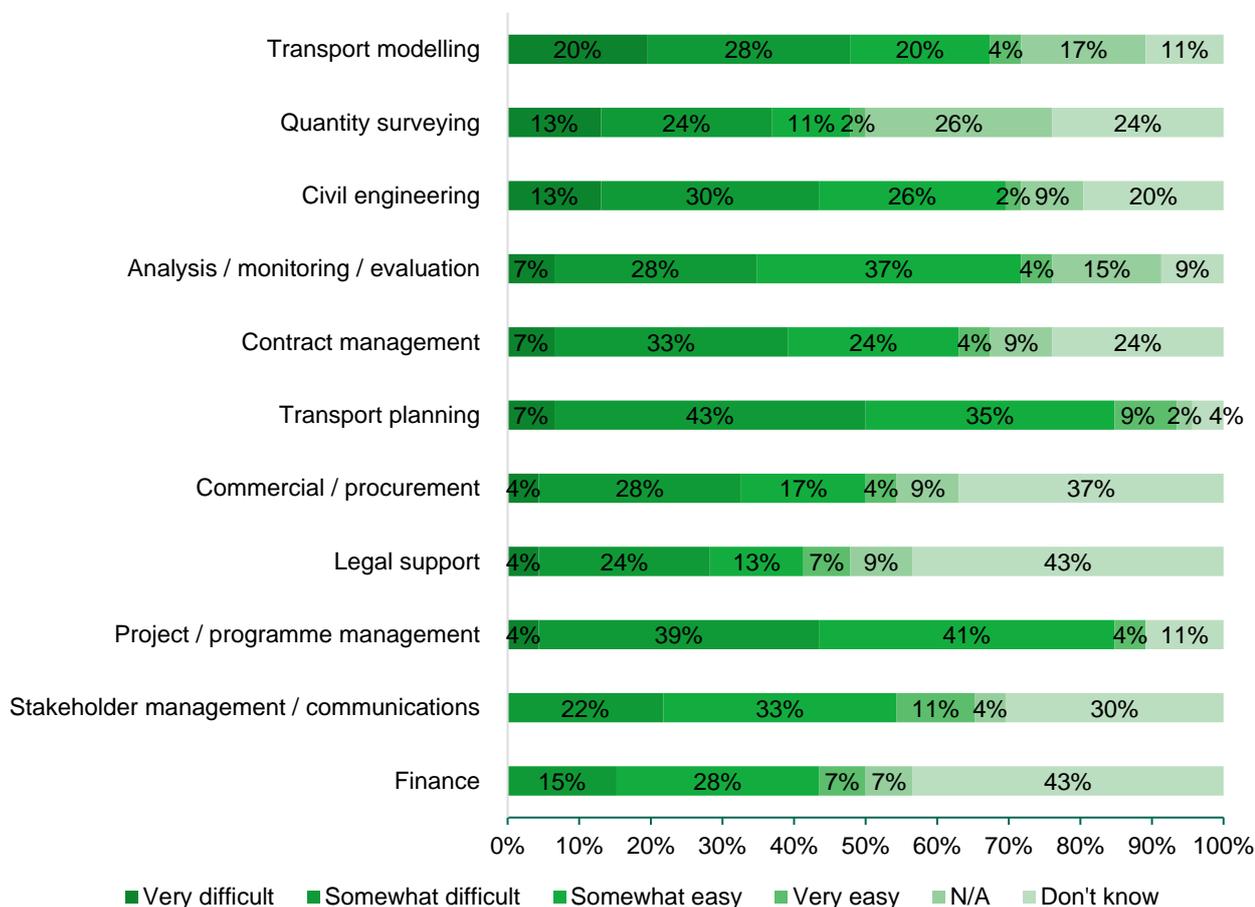
Understanding recruitment and retention issues

Reasons for issues experienced in recruiting and retaining staff were explored in both the survey and interviews. Authorities were asked to explain the issues they face in recruiting and retaining staff. All detailed multiple issues, most frequently mentioning the uncompetitive nature of the public sector, competition from the private sector and the small size of several authorities.

Issues relating to public sector and/or local government included:

- Few potential applicants to apply for vacancies

- Even fewer potential applicants to apply for senior roles

- Uncompetitive salary and range of work in comparison to private sector

- 'Stop-start' nature of programme funding means many roles are fixed-term, which is felt to be less attractive than permanent roles

- Private sector actively recruiting local authority staff.

"Recruitment is difficult due to salaries compared to the private market."

"There is a general lack of skills and numbers in the industry of Highway Engineering and Transport Planning to manage the demand."

"Recruitment of suitable staff has been a problem for some years and the 'on-off' nature of significant funding, particularly for sustainable transport initiatives, makes forward planning difficult."

The size of authorities and their transport programmes was also mentioned:

- Smaller authorities felt to be less attractive than larger authorities in terms of pay and opportunities for career progression

- Authorities without large, stable transport programmes felt to be less secure and less attractive than those with.

Other issues related to authorities' geographic location and the range of transport career opportunities within a reasonable travel time:

- Some authorities faced competition from nearby large national and regional transport infrastructure projects, with more attractive salaries (e.g. HS2)

- Authorities based in the South East and the East of England mentioned competition from London-based employers

- Some in more isolated rural areas felt this made them unattractive because of their inaccessibility

- Others in isolated areas cited that a lack of other employers nearby was a risk, as staff may be less willing to move for the specific job opportunity.

Further, the interviews provided some evidence to suggest that the recruitment issues experienced by authorities may also be affecting the consulting sector, meaning that it is more difficult to recruit external resource to plug internal gaps. While most authorities said that they could access the resources they needed from the consulting sector, there were several who mentioned that the availability of 'new skills', for example those associated with active travel and delivery expertise, were in short supply both when trying to recruit internally and from the consulting sector.

Solutions to recruitment and retention issues

When thinking about ways to overcome these recruitment issues, a number of authorities suggested that it may be possible to share staff between different authorities. However, none had done this to date.

Several authorities felt that these issues could not be dealt with locally, and needed to be addressed at the sub-regional level, or involve local authority groupings. However, no specific solutions were identified.

Desirable skills not represented in teams

Authorities were asked what roles or skills they didn't currently have in their team, but that would be desirable. Many mentioned transport modelling and business case preparation. A number of others mentioned that roles or skills in active travel and behavioural change would be useful. Some also mentioned that it would be useful to have staff with skills and experience in emerging priority areas, such as decarbonisation and electric vehicles.

Workforce planning

Authorities were asked how they carried out workforce planning and what they used to make these plans. Generally, the size and scope of the total capital (non-maintenance or operational) transport programme was the major factor. Most project resource was paid for out of the specific capital funding for a project or programme. Because of the limited availability of multi-year funding, this meant that internal staff were typically recruited on fixed-term contracts, which reportedly could often lead to issues with accessing the right skills and achieving value for money.

Skills development

Learning and development opportunities were identified as being important in terms of an authority's ability to attract and retain members of staff.

Authorities were asked what learning and development opportunities are on offer to staff in their internal transport teams. Many offered a range of opportunities. The learning and development opportunities offered by most authorities were management training (78%), project / programme management training (76%), technical apprenticeships (67%), and ongoing continued professional development through structured learning (65%). Fewer authorities offered graduate training schemes leading to chartered status (41%) and support for postgraduate study (41%).

When considering learning and development on offer by authorities' internal transport team size, it appeared that authorities with larger teams (25+ FTE) were more likely than those with smaller teams (0-24 FTE) to offer nearly all types of opportunities.

Figure 9: Learning and development opportunities offered to authorities' internal transport teams split by team size
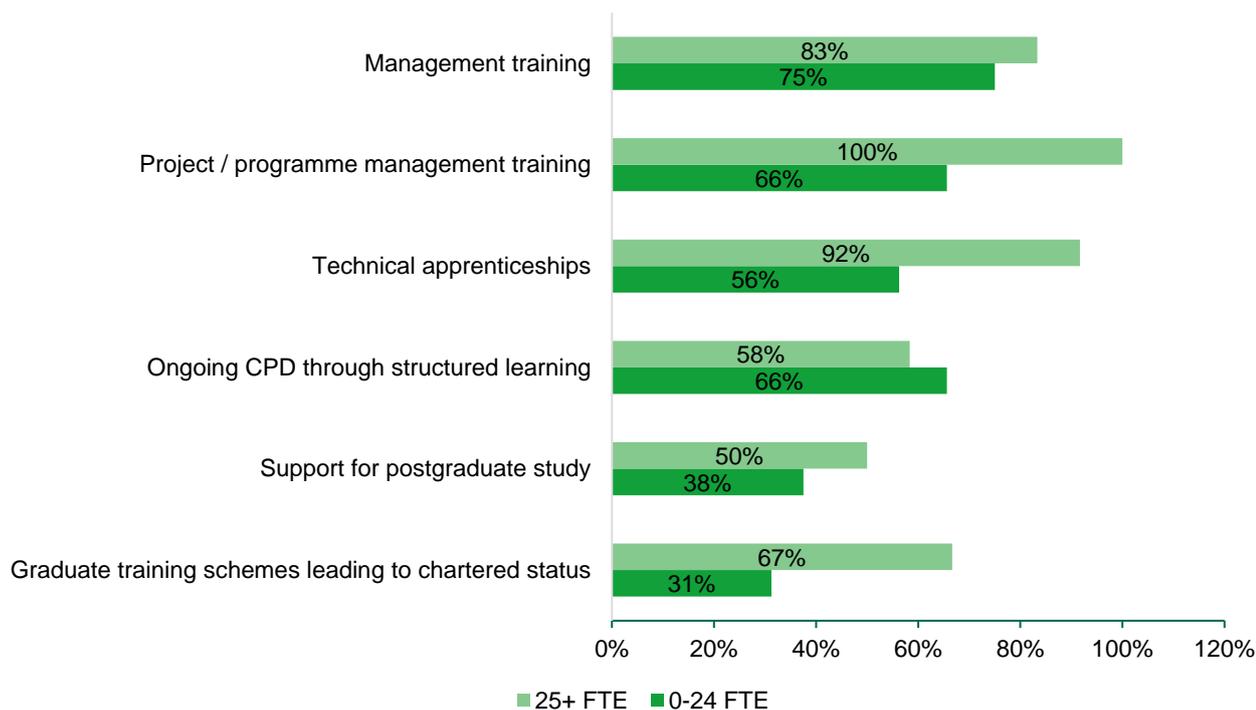
Base: 44 Authorities, including 32 with 0-24 FTE and 12 with 25+ FTE.

When interviewed, one authority described that they offer a wide range of learning and development opportunities because of the benefits they feel it brings them, such as making the authority a more attractive employer, filling skills and capacity gaps, creating links with higher education organisations and helping to retain staff.

5. Use of external resource

This chapter explores authorities' use of internal and external resource for the various work activities they are responsible for. The mechanisms through which authorities access external resource are outlined, as well as the importance of the 'intelligent client' role.

Use of internal versus external resource

Another factor found to affect authorities' capacity and capability to deliver local transport was the use of external resource. Authorities were asked to outline where their resources typically come from across the different types of work that they do.

The vast majority of authorities made use of both internal and external resources to deliver local transport. The use of internal versus external resource varied depending on the type of work.

A greater proportion of authorities resourced project management (80%), contract management (78%), transport planning (74%), monitoring and evaluation (74%), stakeholder management (74%), preparation of transport pipeline (67%), public consultation (63%) and early project development (63%) internally rather than externally.

Whereas more authorities tended to resource transport modelling (80%), economic appraisal (78%), business case development (72%), scheme costing (63%), scheme design (54%), and scheme delivery (54%) externally rather than internally. This external resource was more likely to be commissioned via long-term consultancy contracts than on an ad-hoc basis.

Figure 10: Where the majority of resource typically comes from across different types of work authorities do

	Internal resource	External resource (via long-term consultancy contract)	External resource (hired on an ad hoc basis)	Other	Don't know
Project management	80%	7%	9%		4%
Contract management	78%	9%	11%		2%
Transport planning	74%	15%	9%		2%
Monitoring and evaluation	74%	13%	9%		4%
Stakeholder management	74%	11%	4%	9%	2%
Preparation of transport pipeline	67%	20%	11%		2%
Public consultation	63%	22%	9%		7%
Early project development	63%	17%	17%		2%
Scheme design	37%	39%	15%		9%
Scheme delivery	37%	37%	17%	7%	2%
Scheme costing	30%	41%	22%		7%
Business case development	24%	41%	30%		4%
Economic appraisal	17%	41%	37%		4%
Transport modelling	13%	48%	33%		7%

- ■ Internal resource
- ■ External resource (via long-term consultancy contract)
- ■ External resource (hired on an ad hoc basis)
- ■ Other
- ■ Don't know

Base: 46 Authorities.

The balance between internal and external resourcing differed vastly across authorities. Interviews indicated that factors driving the balance between use of internal versus external resource included the size and skillset of authorities' internal transport teams, their experience of working with contractors, as well as the authority's background and whether transport had always been part of its remit. Another factor was the level of revenue funding they received.

Some authorities explained that it was easier to justify the funding and appointment of external resource for short-term but high-priority projects than to resource an internal team. This was despite the fact that the total cost of the external support tended to be greater than resourcing internally.

One County council who resourced the majority of their work externally outlined how they had adopted a 'commissioning' approach, by developing their internal resource's contract management and 'intelligent client' skills, so that they could effectively manage contractors to deliver their work for them. This approach was authority-wide, not just within their transport team.

At the other end of the spectrum, a Unitary authority who resourced the majority of their work internally described how they had systematically brought back into the authority's internal team roles and skills that had previously been provided by external resource. Their goal was to deliver better value for money, as well as a greater ownership and alignment between projects and council strategy.

Mechanisms for accessing external resource

The mechanisms through which authorities typically accessed their external resources were considered.

The most commonly used mechanism to access external resource was local or regional frameworks, used by 70% of authorities. Strategic partnerships or outsourced contractors were used by 65% authorities. Half of (50%) of authorities use local supply chain through competitive tender. The least commonly used mechanism used by only 26% of authorities, was resource sharing arrangements with other services / authorities.

There appeared to be differences in mechanisms used by authority type in some instances. For example, far more County Councils (87%) and Unitary Authorities (62%) than Combined Authorities (20%) reported using strategic partnerships or outsourced contractors.

Figure 11: Mechanisms through which authorities typically accessed their external resources split by authority type
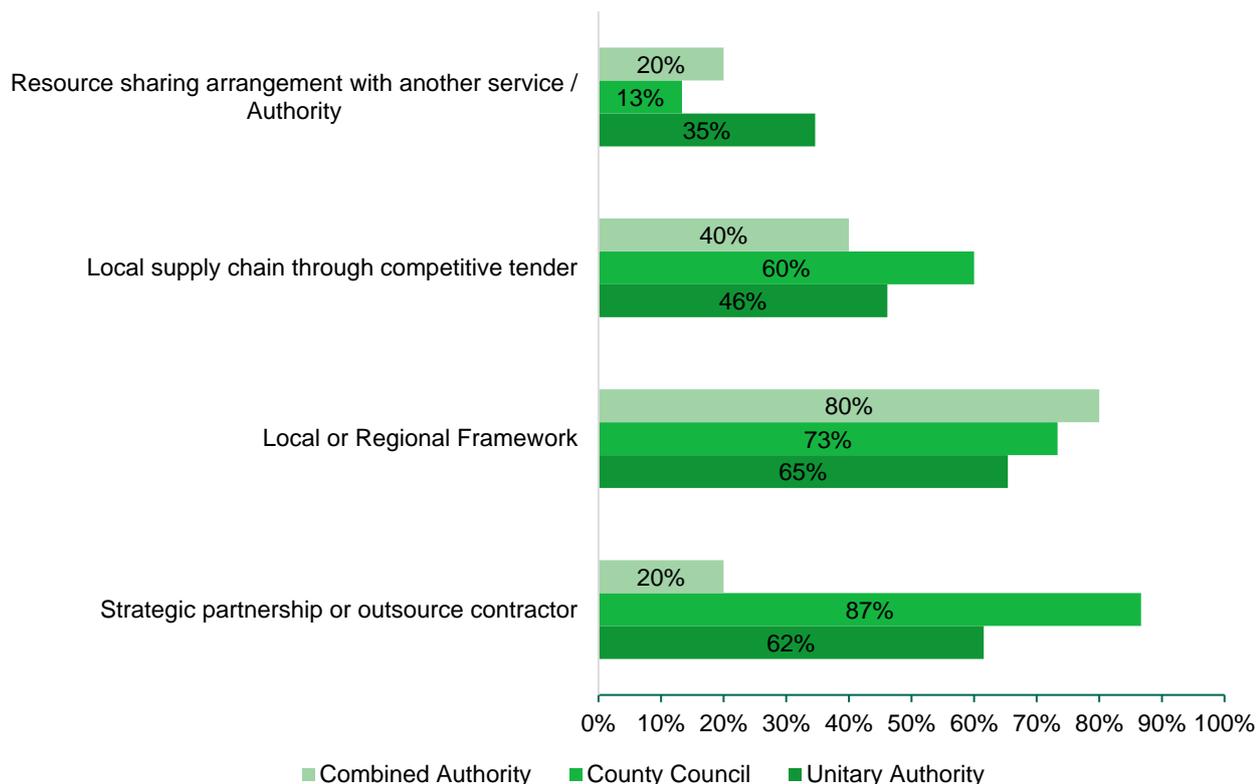
Base: 46 Authorities, including 26 Unitary Authorities, 15 County Councils and 5 Combined Authorities.

Use of consultants and authorities' intelligent client role

Authorities' capacity to deliver local transport appeared to be associated with the level of integration of external and internal transport teams, and their ability to act as intelligent clients.

Where authorities' internal transport teams were small, but the team was stable, experienced, and able to act as an intelligent client in managing the outputs and performance of an external resource, this appeared to positively affect capacity.

On the other hand, when small internal teams were supplemented with external resource that was not well integrated or managed (for example, where they had little understanding and / or poor relationships with the internal team), this was felt to negatively impact capacity, as authorities had less oversight and control over the external team's outputs. In this case, poor resilience was often also mentioned – with bids and projects dependent upon individuals who could change from month to month, or who may not fully understand the authority's strategy or objectives.

"Due to central government funding cuts and the resultant funding pressures, we have very limited in-house capacity, to both deliver directly and also to provide the intelligent client role to consultants"

6. Local Transport Planning

This chapter outlines authorities' experiences of transport planning, focusing on their use of their Local Transport Plan and any other planning documents. Issues surrounding their capacity to plan are also explored.

Local Transport Plan status

All local transport authorities are required to have an up to date Local Transport Plan (LTP) [1.] Eighty seven percent of authorities reported having a published LTP, whilst 9% had one in development and 4% were unaware of the development or publication status of their LTP. Around a quarter (26%) of authorities had published their LTP in the last two years whilst 15% had published theirs between two to five years ago. Just under half (46%) of authorities had published their LTP more than five years ago.

It is important to note that this is based on responses from 46 authorities, and therefore is not representative of all local transport authorities. In August 2021, DfT investigated whether all local transport authorities had published LTPs on their websites. This analysis showed that 61% of local transport authorities had not published an updated LTP in the past 10 years, with 2013 being the average year of publication.

Capacity to plan

Authorities' capacity to prepare up to date pipelines and LTPs was explored.

Many County Councils and Unitary Authorities interviewed reported struggling with capacity to carry out strategic transport planning (including preparation of LTPs), develop a pipeline of projects, and respond to ad-hoc funding opportunities to the standard they aspire. A number of these authorities explained that despite wanting to bid for funding,

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[1] The Transport Act 2000 placed a statutory duty on local authorities to prepare LTPs; focusing on identifying local problems and opportunities, objectives, and investment priorities, and to renew them at least every five years. The Local Transport Act 2008 removed the obligation on local authorities to replace their LTPs every five years so that they can instead update their LTPs as they see fit.

their lack of capacity meant they were running out of prepared, suitable schemes capable of being implemented within the timescales required.

In contrast, Combined Authorities explained that they had more of a corporate focus on transport, given that they are not responsible for the range of statutory services provided by County Councils or Unitary Authorities (for example, social care, education, waste management, and public safety). They reported having teams specifically responsible for strategic planning and, typically shared the responsibility of bidding with their constituent authorities. In most cases their teams had been expressly set up to manage their current programmes in line with multi-year deals agreed with central government.

Despite this, all of the five Combined Authorities interviewed indicated that they did not have the capacity to both plan strategically and deliver their underlying transport programme, as well as bid and manage more ad-hoc transport projects. They also explained that, whilst revenue funding was available to support their constituent authorities' business cases and project development, capacity within these constituent authority teams was often a constraint.

Perceived importance of the LTP

Authorities were asked to rate how important they felt their LTPs were in developing their strategy and priorities. Nearly all authorities felt it was important, with half (52%) rating it as very important, being the primary document used for developing strategy and identifying priorities. Two in five (41%) authorities considered their LTP to be moderately important, broadly reflecting the priorities they want to deliver. Only 2% of authorities felt their LTP was not important.

Some authorities who felt their LTP was moderately or not important explained that limited revenue funding meant that they concentrated their available resource on bidding for funding, rather than developing their LTP.

When considering the role of LTPs, most authorities felt that LTPs were somewhat disconnected from government funding, given that bids do not require explicit links to them. This explained why some felt them to be moderately or not important.

Conversely, some authorities who placed greater importance on their LTPs felt they were central in setting out transport strategy and identifying projects to bid for. These authorities used their LTPs as the basis for their strategic cases and drew projects directly from their LTP pipeline.

Whilst capacity to develop and update the LTP appeared to be linked to the size and type of authority, the importance placed on the LTP did not.

When considering the LTP's role and status, authorities tended to fall into two broad categories. Firstly, those that used the LTP as the core statutory transport policy document demonstrating the role that transport plays in delivering other corporate priorities. Secondly, those that used the LTP in a less formal and less integrated way, where it may have been updated but not necessarily linked to other emerging transport policy or corporate and strategy documents.

All authorities interviewed placed a high priority on strategic transport planning, despite in some cases their capacity to plan being restricted by available resources and competing demands. For those authorities who placed moderate or no importance on their LTP, most mentioned using other corporate or transport documents to set policy and prioritise projects and bids.

Authorities were asked to outline the range of documents they use to set transport policy, aside from LTPs. Most authorities reported having a range of documents, both corporate and planning, that broadly reflected local and national priorities, including:

- Local transport strategies

- Local specific transport plans (i.e. cycling, public transport)

- Core spatial strategy

- Local plan

- Infrastructure plan

- Corporate plan

- Climate strategy

- Asset management plan

- Public health strategy.

Core spatial strategies, local plans and corporate plans were mentioned most frequently.

7. Bidding for central government funding

This chapter explores authorities' experiences of bidding for central government funding, looking at how frequently they bid, reasons for why they decide to bid or not, and ways to encourage more frequent bidding.

Frequency of bidding

Authorities were asked how frequently they bid for central government funding for transport projects.

The majority of authorities (63%) reported that they usually bid. Over a quarter (28%) of authorities reported bidding at every opportunity, and just 9% reported bidding about half the time. No authorities reported bidding seldomly or never.

There did not appear to be any relationship between bidding frequency and authority type.

Reasons behind decision to bid

Authorities explained why they did not bid at every opportunity. The most frequently cited reasons were:

- Lack of capacity

- Funding opportunities not relevant to the authorities' priorities

- Bidding timescales too tight to produce a quality bid

- Perceived low chance of success

- Lack of pre-prepared, suitable, 'bid-ready' schemes.

Very few authorities interviewed reported formally planning ahead for likely future transport bidding rounds, unless they had been officially announced or trailed by central

government. Most authorities resourced the bidding process as and when bidding opportunities arose.

Some authorities drew bids from their LTPs and strategic planning pipelines. Others drew from different sources such as local and infrastructure plans. Some produced bids in a more ad-hoc manner.

A number of authorities outlined that it was very challenging for them to develop projects prior to funding being secured.

Bidding case study: Levelling Up Fund

To better understand why authorities did not bid for funding, authorities were asked if they had submitted a proposal for a recent funding competition, specifically, round 1 of the Levelling Up Fund. This fund was selected as it was open to all authorities in the UK, included funding for transport schemes, and the deadline for submission of proposals was in mid-June 2021, just before this research took place.

Most authorities (61%) reported bidding for the fund. The most commonly cited reasons for not bidding, were the bidding timescales being too short and not having resource to prepare a bid. Other reasons were competing priorities, not having pre-prepared suitable projects, and the authority not being in an area prioritised in the Levelling Up Fund.

Encouraging more frequent bidding

Authorities were asked to select from a list of options what factors may encourage them to bid more frequently for central government funding for transport projects.

The majority of authorities felt that all factors listed would encourage them to bid more. The most commonly selected factors were availability of capacity funding to develop suitable projects (87%), a simpler bidding process (83%) and more time to develop projects and make the bid (83%).

Four out of five (80%) of authorities surveyed thought that longer term funding horizons would encourage them to bid more frequently. This view was echoed in the interviews, with authorities suggesting that it would enable them to better plan their bidding resource against their other work activities.

Figure 12: Factors authorities feel will encourage them to bid more frequently

Availability of capacity funding to develop suitable projects — 87%
Simpler bidding process — 83%
More time to develop projects and make the bid — 83%
Longer term funding horizons (to deliver the projects) — 80%
Resource to help develop the business case — 78%
Less competitive bidding process — 65%
Greater sharing of risks between DfT and the Authority — 52%
Nothing - we make all of the bids that we think are appropriate — 9%

Base: 46 Authorities.

Many authorities interviewed indicated that more devolved multi-year programme funding and fewer competitive bidding exercises would also be beneficial. Further, they felt that having longer bidding and project spend / delivery timescales would be beneficial.

Several authorities felt that they did not need support to increase their bidding frequency, rather, they needed support to improve their bid quality. These authorities recognised that despite bidding frequently, their bid quality was not always high. They explained that this was due to the following factors:

- Council Members expected them to bid at every opportunity because of the lack of locally generated funding

- Internal teams did not always have the capacity or specific skills to prepare high-quality bids

- Lack of funding for external resource to fill this capacity or capability gap.

8. Support to enhance capacity and capability

This chapter explores the ways that DfT can support authorities to improve their capacity and capability to deliver local transport. Satisfaction with existing guidance is considered, as well as perceived usefulness of a range of other support options. Authorities' own suggestions for support options are also outlined.

Satisfaction with existing guidance

Authorities were asked how satisfied they were with the current level of guidance provided by DfT and central government to support planning, delivery and evaluation of local transport interventions.

The majority of authorities were satisfied with the level of guidance provided in all areas. The guidance areas that most authorities were fairly or very satisfied with were economic appraisal (83%), other transport planning tools such as LCWIP (83%), and monitoring and evaluation (78%).

Guidance areas that least authorities were fairly or very satisfied with included bidding for other government funds (65%), LTPs (67%), consultation (72%) and HMT Green Book guidance and measuring the social benefit of schemes (72%).

Figure 13: Authorities' satisfaction with current guidance provided by DfT (and OGDs) in a range of areas

	Very satisfied	Fairly satisfied	Fairly dissatisfied	Very dissatisfied	N/A	Don't know
Economic appraisal	9%	74%	9%	2%	2%	4%
Other transport planning tools (e.g. LCWIP)	11%	72%	7%	4%	4%	2%
Monitoring and evaluation	7%	72%	15%	2%		4%
Bidding for DfT funds	7%	67%	24%			2%
HMT Green Book guidance and measuring the social benefit of schemes	7%	65%	13%	2%	13%	
Consultation	9%	63%	17%	2%	7%	2%
Local Transport Plan (LTP)	11%	57%	17%	7%	4%	4%
Bidding for other Government funds	9%	57%	26%		4%	4%

Base: 46 Authorities.

Perceived usefulness of support options

Authorities were asked to rate how useful they would find of a range of types of support from DfT in improving their capacity and capability.

The vast majority of authorities felt that nearly all types of support would be useful. Types of support that most authorities reported being very or quite useful were constructive feedback on bids (100%), access to good practice and case studies (100%), templates (98%), shared DfT / local authority lessons learned on bidding and funding programmes (98%), and guidance documents (97%).

The types of support that fewest authorities found very or quite useful were specialist HR support to attract and retain staff (42%), partnership brokering (67%), and central capacity hub (77%). Specialist HR support was the only support option that fewer than half of authorities felt would be useful.

Figure 14: Perceived usefulness of support options from DfT to improve authorities' capacity and capability

Support option	Very useful	Quite useful	Not useful	Not at all useful	Don't know
Constructive feedback on bids (successful or unsuccessful)	90%	10%			
Access to independent specialist support to supplement your team	72%	21%	2%		5%
Shared DfT / local authority lessons learned on bidding and funding programmes	68%	30%	2%		
Access to shared data	60%	36%	2%	2%	
Templates	56%	42%	2%		
Guidance documents	53%	45%	3%		
Access to good practice and case studies	51%	49%			
Project / programme networking and information sharing	49%	47%	5%		
Workshops	48%	40%	5%	7%	
Central capacity hub	47%	30%	5%		19%
Toolkits	46%	46%	5%	2%	
Partnership brokering (to aid shared bids or teams)	29%	38%	13%	4%	16%
Specialist HR support to attract and retain staff	28%	14%	28%	5%	26%

Legend: ■ Very useful ■ Quite useful ■ Not useful ■ Not at all useful ■ Don't know

Base: 46 Authorities.

Other potential support options

Authorities were also asked what other types of support would be most useful from DfT to help improve their capacity and capability.

The two most frequently cited support suggestions related to funding. A large number of authorities suggested that revenue / capacity funding for bidding and pipeline development would be useful. Many authorities also suggested that funding certainty earlier in the bidding process would be useful. Other popular suggestions included having dedicated DfT support and engagement for specific bids or programmes, having longer bidding and delivery timescales, and a simplified business case process.

The interviews explored authorities' thoughts on what support would be useful in further depth. Some authorities suggested that changes to the bidding process would be useful.

Such as sharing a forward plan of upcoming bidding opportunities, having longer bidding and delivery timescales and having more devolved multi-year funding. Other authorities suggested that enhanced engagement with DfT would be useful, with regards to clearer guidance and assessment criteria, having dedicated contacts for different bidding rounds, receiving more detailed feedback on bids, and discussing lessons learned from bidding outcomes.

These suggestions align with earlier findings, around what would encourage authorities to bid for government funding more frequently.

Other authorities suggested it would be useful for DfT to provide improved access to resources and skills. For example, by providing dedicated funding to develop pipelines, projects and business cases, and providing access to specific skills to help prepare bids. Other suggestions related to DfT promoting the sector in order to attract future employees and working with professional bodies and educational organisations to develop training and career pathways.