

Highway Services Contract Key Performance Indicators – quarterly report

To: Highways and Transport Committee

Meeting Date: 27 July 2021

From: Steve Cox, Executive Director, Place and Economy

Electoral division(s): All

Forward Plan ref:

Key decision: No

Forward Plan ref no: N/A

Outcome: To approve the Key Performance Indicator report

Recommendation: Committee are being asked to note and approve the report

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1. Background

- 1.1 The former Highways & Community Infrastructure (HCI) Committee on 4th December 2019, raised questions about the quality of work undertaken by the Council's Highways Contractor, Skanska. Members highlighted the need to review the measures in place to monitor the performance of the contract. It was agreed that Committee receive a quarterly report on progress of the Highway contract key performance indicators (KPIs). The desire for a quarterly report was reaffirmed at the Highways & Transport (H&T) committee on 15th September 2020.
- 1.2 Several Councillors at the Committee on 4th December 2019, expressed an interest in understanding the Highway KPIs. As a result, officers met with Councillors Howell, Harford, Scutt and Manning on 2nd February 2021 (Cllr King sent his apologies) to explain how the performance of the Highways Contract was managed. Guidance on how to report quality of work issues was also rolled out to staff, who use the contract. The approach to contract KPIs will be reviewed by the working group and Milestone Infrastructure Ltd, who now operate the contract, and an update will be provided in the next quarterly report to this Committee.
- 1.3 Contracts benefit from having clear KPIs in place to provide tangible evidence of the level of achievement and progress set against the aims of the contract. Contract management KPIs aim to optimise processes and to deliver favourable outcomes, by measuring what matters, working back from the required outcome. The key KPI priorities of the highway services contract are:
 - Health and safety of the travelling public and staff
 - Quality of work is of the required standards
 - Cost certainty is achieved
 - Service delivery timescales are met
 - Satisfaction surveys for staff and stakeholders
 - Environmental processes are in place.
- 1.4 This report covers why we collect the data; what data is collected and what outcomes these KPIs aim to achieve for the highway service. There are a set of 18 KPIs for the highway services contract and these are set out in more detail in Section 2. Each has performance clauses that are assessed against certain criteria, which have an impact on the original contract, for example extensions and reductions to the main term of the contract being one.

2. Main Issues

- 2.1 The current KPIs for 2020-21 are detailed in appendix 1 of this report, from Sept 2020 to February 2021, since the last reporting period.
- 2.2 Those KPIs that do not meet the required performance have a performance improvement plan (PIP) submitted by the contractor. The PIP sets out what actions and steps the contractor will take to achieve the target. Currently there are 3 PIPs in progress:
 - CAT2 defect repairs carried out on time (planned highway repair works to defects carried out in up to 12 weeks) currently 83% (target 95%).

- Target cost verses actual costs for projects – a working group comprising the Commercial and Performance Groups has been set up to review this – currently 90% (target 95%).
- Percentage of Schemes delivered to the agreed programme dates (this relates to the timescales for the contractor to deliver to, does not include CCC timescales, monitored as part of the Annual Plan of works to Skanska) – currently 90% (target 95%).

2.3 These are being monitored by the highway contract Joint Management Team (JMT) and reported to the highway contract Strategic Collaboration Board (SCB) to oversee actions and progress.

3. Alignment with corporate priorities

3.1 Communities at the heart of everything we do
There are no significant implications for this priority.

3.2 A good quality of life for everyone
The report above sets out the implications for this priority in 1.3, how we are contributing to health and safety of the travelling public and staff, by meeting our targets to deliver a good service.

3.2 Helping our children learn, develop and live life to the full
There are no significant implications for this priority.

3.4 Cambridgeshire: a well-connected, safe, clean, green environment
The report sets out the implications for this priority in 1.3, how we are considering environmental and safety in service delivery.

3.5 Protecting and caring for those who need us
There are no significant implications for this priority.

4. Significant Implications

4.1 Resource Implications
The finance KPI's are detailed within Appendix 1.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications
There are no significant implications within this category.

4.3 Statutory, Legal and Risk Implications
The report above sets out details of significant implications in 1.4, following the procurement rules, evaluating risks and demonstrating value for money from the KPIs.

4.4 Equality and Diversity Implications
There are no significant implications within this category.

4.5 Engagement and Communications Implications
There are no significant implications within this category.

- 4.6 Localism and Local Member Involvement
There are no significant implications within this category.
- 4.7 Public Health Implications
There are no significant implications within this category.
- 4.8 Environment and Climate Change Implications on Priority Areas (See further guidance in Appendix 2):
- 4.8.1 Implication 1: Energy efficient, low carbon buildings.
Positive/neutral/negative Status: NA
- 4.8.2 Implication 2: Low carbon transport.
Positive/neutral/negative Status: NA
- 4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Positive/neutral/negative Status: Neutral
Explanation: While the contract delivers highways works that could facilitate use of petrol/diesel vehicles, it also looks to deliver new smarter infrastructure to support the use of low carbon transport, for example building cycleways etc.
- 4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Positive/neutral/negative Status:
Explanation: Waste/recycling is captured in a KPI, it looks at the amounts recycled, we are always looking at smarter ways of using waste products, reducing amounts and impact on the environment.
- 4.8.5 Implication 5: Water use, availability and management:
Positive/neutral/negative Status: NA
- 4.8.6 Implication 6: Air Pollution.
Positive/neutral/negative Status: NA
- 4.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.
Positive/neutral/negative Status: Positive
Explanation: The contract looks to deliver new smarter infrastructure to support this, agenda, for example building cycleways etc.

Have the resource implications been cleared by Finance? Yes
Name of Financial Officer: Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes
Name of Officer: Henry Swan

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes
Name of Legal Officer: Fiona McMillian

Have the equality and diversity implications been cleared by your Service Contact?

Yes

Name of Officer: Elsa Evans

Have any engagement and communication implications been cleared by Communications?

Yes

Name of Officer: Christine Birchall

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Richard Lumley

Have any Public Health implications been cleared by Public Health?

Yes or No

Name of Officer: NA

If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer?

Yes

Name of Officer: Emily Bolton

5. Source documents guidance

5.1 Source documents NA

Appendix 1

Cambridgeshire Highways

KPI Dashboard

v1.0		Reporting month: February 2021				2020/21					
	KPI description	Target	Frequency	Contract Group	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	
Primary KPIs	Operational Delivery	Percentage of in and out of hours' emergency calls responded to within the response time defined in the HOS	90%	Monthly	Performance	95%	96%	99%	92%	98%	95%
		Percentage of Cat 1 orders completed within agreed timescales, as defined in the HOS	90%	Monthly	Performance	90%	92%	93%	97%	97%	94%
	Programme Delivery	Percentage of schemes delivered to the agreed programme dates	95%	Quarterly	Performance	90%			90%		
		Percentage of schemes delivered within +3%/-10% of agreed target costs	95%	Quarterly	Commercial	75%	75%	90%	90%	100%	
	Health, Safety & Environment	Lost Time Incident Frequency Rate (LTIFR) To measure the employee time lost following an Incident per 100,000 hours worked.	1.2	Monthly	SHE	0.00	0.00	0.00	0.00	0.00	0.23
	Value for Money	Output achieved for budgeted spends based on year start targets.	<=2017-19 unit cost	Annual	Commercial						
	Cost Certainty - Option C Works	Cumulative actual annual costs within % of total target costs agreed per year (annual programmes)	+3%/-10%	Annual	Commercial						
Team Effectiveness & Public/ Member Engagement	Stakeholder Survey	=>62.8%	Annual	Performance					72.8%		
Secondary KPIs	Operational Delivery	Percentage of Cat 2 orders completed within agreed timescales, as defined in the HOS	90%	Monthly	Performance	75%	86%	70%	79%	75%	83%
		Percentage of cyclic maintenance activities delivered to the agreed programme	95%	Quarterly	Performance	TBA			TBA		
		Percentage of Precautionary Treatment runs completed within the target detailed in the Winter Service Plan	100%	Monthly	Performance	N/A	N/A	100%	100%	100%	
		Number of Defect Certificates as % of total number of Task Orders.	2%	Monthly	Performance	0.1%	0.0%	0.3%	0.0%	0.0%	0.4%
		Percentage of non-compliance which would have resulted in an FPN as a proportion of all Street Works Permits that commenced in the reporting month.	5%	Monthly	Performance	3%	1%	2%	8%	0%	TBA
	Health, Safety & Environment	Accident Frequency Rate (AFR) To measure the number of reportable accidents per 100,000 person hours worked. Reportable accidents are those as defined under RIDDOR.	0.75	Monthly	SHE	0.00	0.00	0.00	0.00	0.00	0.00
		Recycled Construction Waste, Percentage of arisings recycled into usable construction material	95%	Quarterly	SHE	96%			98%		
	Cost Certainty	Audit failures in Open Book Costing Mechanism (OBCM) - % value of the audited value where audit discovers an error in any cost categories (Plant; Labour; Materials; Sub Contractors; Overheads).	1%	As appropriate	Commercial						
	Financial	Percentage of final accounts for all task orders that are agreed within 3 months of completion date	98%	Monthly	Commercial	84%	75%	90%	98%	88%	99%
	Team Effectiveness & Public/ Member Engagement	Delivery with the agreed annual Cultural Improvement Plan targets	=>70.3%	Annual	Cultural					74.0%	