

Highway Services Contract Key Performance Indicators – quarterly report

To: Highways and Transport Committee

Meeting Date: 1st December 2020

From: Steve Cox, Executive Director, Place and Economy

Electoral division(s): Countywide

Forward Plan ref:

Key decision: No

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 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 A number of Councillors at the Committee on 4th December 2019, expressed an interest in understanding the Highway KPIs. Officers met with these Councillors; Harford, King, Scutt on 14th April 2020 and Manning on 4th February 2020 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. These findings were then reported to Cllr Howell, as Vice Chair of Highways and Transportation 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, 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 Annual KPIs for the last few years are summarised in appendix 1. The table describes the measure, reason and results.
- 2.2 The current KPIs for 2020-21 are detailed in appendix 2 of this report.
- 2.3 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 4 PIPs in progress:

- CAT2 defect repairs carried out on time (planned highway repair works to defects carried out in up to 12 weeks) Aims to have recovered by Nov/Dec 2020 – currently 89% (target 95%).
- Percentage of non-compliance which would have resulted in a Fixed Penalty Notice (FPN) as a proportion of all Street Works permits that commenced in the reporting month. Following the implementation of the Street Manager system in July 2020, the calculation for this KPI is currently being reviewed, so this figure is not current, and the Street Works Governance Group will confirm new calculations shortly. The issue predominantly relates to notification of on and off site times. Currently 42% (target <5%).
- Final Accounts being completed within 3 months of the works completion – has slipped back to below the target following implementation of Causeway, Skanska’s new works management system. Aims to have recovered by Nov/Dec 2020 – currently 78% (target 98%).
- Target cost verses actual costs for projects – a working group comprising of the Commercial and Performance Groups has been set up to review this – currently 81% (target 95%).

2.4 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 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 Thriving places for people to live
There are no significant implications for this priority.
- 3.3 The best start for Cambridgeshire’s children
There are no significant implications for this priority.
- 3.4 Net zero carbon emissions for Cambridgeshire by 2050
The report above sets out the implications for this priority in 1.3, the recycling KPI demonstrates this and looks to assess the services carbon footprint.

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.

Have the resource implications been cleared by Finance? Yes

Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes

Gus De Silva

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes

Fiona McMillan

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

Yes

Elsa Evans

Have any engagement and communication implications been cleared by Communications? Yes

Sarah Silk

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

Richard Lumley

Have any Public Health implications been cleared by Public Health Yes

Iain Green

Appendix 1

KPI	Measure	Target	2017-18	2018-19	2019-20
Primary KPIs					
Operational Delivery					
Percentage of in and out of hours' emergency calls responded to within the response time define in the HIAMP	Response times when attending emergencies are achieved as required by The Highway Operational Standards	90%	92%	96%	95%
Percentage of Cat 1 orders completed within agreed timescales, as defined in the HIAMP	Response times for repairs are achieved as required by The Highway Operational Standards	90%	54%	82%	91%
Programme Delivery					
Percentage of schemes delivered to the agreed programme dates	Projects are delivered to the agreed timescales.	95%	78%	77%	93%
Percentage of schemes delivered within +3%/-10% of agreed target costs	Projects are costed correctly within certain tolerances between target and actual costs	95%	74%	83%	81%
Health, Safety & Environment					
Lost Time Incident Frequency Rate (LTIFR) To measure the employee time lost following an Incident per 100,000 hours worked.	Health and Safety Performance is an industry standard	1.2	0.00	0.20	0.00
Value for Money					
Output achieved for budgeted spends based on year start targets	Skanska delivering efficiencies/ lower costs for some of the most common maintenance activities. Activities to be included are Surface dressing, Micro Asphalt, Slurry Seal, Potholes, Gully Emptying and Grass Cutting.	<=2015-17 unit cost	93%	89%	TBD
Cost Certainty - Option C works					
Cumulative actual annual costs within % of total target costs agreed per year (annual programmes)	Projects are costed correctly within certain tolerances between target and actual.	+3%/-10%	-9%	-1%	TBD
Team Effectiveness & Public/ Member Engagement					
Stakeholder Survey	Satisfaction survey sent to Parishes, District, City Councils and County Councillors	TBA	-	-	Benchmark

Secondary KPIs					
Operational Delivery					
Percentage of Cat 2 orders completed within agreed timescales, as defined in the HIAMP	Response times for repairs are achieved as required by The Highway Operational Standards	95%	89%	92%	90%
Percentage of cyclic maintenance activities delivered to the agreed programme	Cyclic maintenance covers safety fencing, surface dressing, surface treatments, footway slurry seal, patching, retread, grass cutting and horticulture, gulley cleansing and jetting, delivered in accordance with the works order priorities.	95%	100%	99%	100%
Percentage of Precautionary Treatment runs completed within the target detailed in the Winter Service Plan	Gritting runs delivered to the agreed timescales	100%	100%	100%	100%
Number of Defect Certificates as % of total number of Task Orders.	Quality of work - works defects are logged by CCC officers	2%	0.2%	0.0%	0.2%
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.	Coordination with other roadworks to minimise disruption to the travelling public, poor planning can lead to FPNs.	5%	9%	11%	42%
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 in RIDDOR regulations prepared by the HSE.	Health and Safety Performance is an industry standard	0.75	0.00	0.00	0.00
Recycled Construction Waste, Percentage of arising's recycled into usable construction material	Environmental - indicates use of recycled materials into usable construction material.	95%	96%	97%	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).	Accounts audited for errors	1%	-	-	TBD
Financial					
Percentage of final accounts for all task orders that are agreed within 3 months of completion date	Budget management - Following works completion final costs on orders should be completed in 3 months.	100% changed to 98% in 2018	96%	85%	78%
Team Effectiveness					
Delivery with the agreed annual Cultural Improvement Plan targets	Collaboration -Staff Survey	100%	-	-	Benchmark

Appendix 2

Cambridgeshire Highways KPI Dashboard											
vDRAFT	Reporting month: August 2020						2020/21				
		KPI description	Target	Frequency	Contract Group	Apr-20	May-20	Jun-20	Jul-20	Aug-20	
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	93%	91%	90%	92%	97%	
		Percentage of Cat 1 orders completed within agreed timescales, as defined in the HOS	90%	Monthly	Performance	85%	65%	88%	90%	91%	
	Programme Delivery	Percentage of schemes delivered to the agreed programme dates	95%	Quarterly	Performance			96%			
		Percentage of schemes delivered within +3%/-10% of agreed target costs	95%	Quarterly	Commercial			60%			
	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	
	Value for Money	Output achieved for budgeted spends based on year start targets.	<=2017-18 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	Benchmark	Annual	Performance						
Secondary KPIs	Operational Delivery	Percentage of Cat 2 orders completed within agreed timescales, as defined in the HOS	90%	Monthly	Performance	91%	72%	66%	78%	89%	
		Percentage of cyclic maintenance activities delivered to the agreed programme	95%	Quarterly	Performance			TBA			
		Percentage of Precautionary Treatment runs completed within the target detailed in the Winter Service Plan	100%	Monthly	Performance	N/A	N/A	N/A	N/A	N/A	
		Number of Defect Certificates as % of total number of Task Orders.	2%	Monthly	Performance	0.4%	0.0%	0.0%	0.4%	0.2%	
		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	100%	65%	22%	45%	TBC	
	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	
		Recycled Construction Waste, Percentage of arisings recycled into usable construction material	95%	Quarterly	SHE			97%			
	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	38%	60%	71%	52%	65%	
	Team Effectiveness & Public/ Member Engagement	Delivery with the agreed annual Cultural Improvement Plan targets	100%	Annual	Cultural						