



Open Report on behalf of Andy Gutherson, Executive Director - Place

Report to:	Highways and Transport Scrutiny Committee
Date:	04 March 2024
Subject:	Highways Performance Report, Quarter 3 (1 October to 31 December 2023)
Summary: This report sets out the performance of the Highways Service, including the Highway Maintenance Schemes update, Lincolnshire Highways Performance Report and Highways Complaints Report.	

Actions Required:

The Committee is asked to consider and comment on the detail of performance contained in the report and recommend any changes or actions to the Executive Member for Highways, Transport, and IT.

1. Background

This report provides an update on all aspects of the highways service delivery, including the quarterly performance data for the key contracts (Highway Works, Traffic Signals and Professional Services) and strategic highlights relevant to the Highway maintenance Service in Lincolnshire.

This report contains:

- Lincolnshire Highways Performance Report, Year 4, Quarter 3
- Highways Complaints Report, Quarter 3
- NHT Public Satisfaction Survey, October 2023

1.1. Lincolnshire Highway Service Delivery update

1.2. Performance Report

Quarterly performance is reported at the Lincolnshire Highways Performance Working Group. Here performance issues are discussed and if required, escalated through the

governance structure, with performance issues becoming the subject of an Improvement Plan.

A copy of the Lincolnshire County Council Highway Performance Report for Year 4, Quarter 3 can be found in Appendix A. This covers the period of October to December 2023.

The results per contract area are:

	This Quarter	Last Quarter
Highways Works Term Contract (Balfour Beatty)	78.6%	76.6%
Professional Services Contract (WSP)	78.0%	74.5%
Traffic Signals Term Contract (Colas)	86.0%	94.0%
Client (LCC)	90.0%	83.0%
Alliance (LCC/Balfour Beatty/Colas/WSP)	83.0%	86.0%

The overall scores for Q3 for all the contract areas are positive. Storm Babet had an impact on some aspects of the Highways Works contract but there are areas of continued improvement, such as the Street Lighting service. The Professional Service Contract has continued on a positive upward trend across this year to date. One aspect of the Traffic Signals contract fell below the minimum performance level.

For specific areas of the Service that are below the targeted performance, the following Improvement Plans have been requested:

- Highway Works – PI2 – Response times for emergency works
- Traffic Signals – PI10 – Quotations provided within 3 weeks

In line with the contractual procedures, PI3 (Highways Works) is still below the minimum performance level so has triggered a low service damage penalty.

1.3. Contract Refresh

At the Executive on the 7th November 2023, the following recommendations were approved:

The Highways Works contract provider (Balfour Beatty Living Places) is offered a six-year extension from 31st March 2026 to the maximum permitted extension (as advertised in the original procurement documentation), taking service delivery to the 31st March 2032. As part of the extension agreement a number of contract adjustments were proposed and accepted. These improvements are being implemented in advance of April 2024 to ensure that the contract continues to deliver the demands of the wider Highway Service.

The Professional Services Contract provider (WSP) is offered a two-year extension from 31st March 2026, taking service delivery to the 31st March 2028 with further review to take place, in line with contract processes, to assess subsequent extensions. The focus area for this contract within the extension phase is the continued focus on recruitment and retention of locally based skilled workers. A number of initiatives have been implemented, such as hybrid positions that incentive the remote staff to base themselves within the Lincolnshire Design office two or three days per week.

The Traffic Signals Provider (Colas) is not extended, and a new re-procurement process is commenced. To date, a project governance structure has been created and initial workshops have been held with the Traffic Signals team and the procurement leads to ensure that resource and work packages are clearly defined. Prior to the next quarterly performance update, the Traffic Signals procurement will formally commence with the issue of a Prior Information Notice to advertise the opportunity to the market. During this phase, the authority will carry out market engagement to test the appetite of the potential bidders in relation to this opportunity.

1.4. Contract Specific Update

The delivery of the three strategic highway delivery contracts (Professional Services – WSP / Highways Works – Balfour Beatty / Traffic Signals – Colas) are now in quarter 4 of year 4 of the contract.

1.5. Highway Works Term Contract – Balfour Beatty

The Highways Work Term Contract delivers the vast majority of highway service, with maintenance of carriageways a priority but with footways and cycleways also being proportionally addressed according to the Highways Asset Management Strategy. Minor reactive works are used predominantly to address safety issues and faults within the carriageway and footway network. The contract also delivers most of the cyclical works, drainage, structures and streetlighting maintenance improvement schemes.

In Quarter 3 of 2023/24, Lincolnshire Highways repaired 10,120 (previous quarter – 11,437) faults, including 7,498 (previous 8,708) carriageway potholes (including edge potholes). The service fixed 358 (previous 396) gully grates/manhole covers, 652 (713) footway defects, replaced 29 (64) gully pots completely, as well as conducting 183 (235) kerbing jobs, 126 (303) minor tree jobs and repaired or replaced 274 (289) signs.

During the third quarter of 2023/24, Lincolnshire Highways completed a variety of schemes as detailed in the table below. This included 20 miles of carriageway patching and surfacing, 25 miles of footway resurfacing and reconstruction, and 11 miles of refreshed carriageway lining.

Work Types	Schemes	Total Miles
Footway Reconstruction	7	2.19
Micro Footway	61	22.88
Carriageway Micro Surfacing	65	6.09
Carriageway Patching	5	4.69
Carriageway Surfacing	23	8.63
Residential Resurfacing	2	0.19
Lining Works	3	10.6
Street Lighting	3	
Structures	8	
Drainage Schemes	7	
Carriageway Retexturing	10	

1.5.1. Minor Works Gangs

The minor works gangs continue to deliver work slightly larger in scope than the reactive safety works covered by Series 6300, of the Term Maintenance Contract. The service continues to focus on the most beneficial aspects of this work, such as civils, minor patching, and drainage.

627 (previous quarter - 682) individual jobs of this type were completed across the County in Quarter 3 of 2023/24. This included 201 (previous 150) tree jobs, 111 (previous 129) carriageway sites, 78 (66) drainage jobs, 17 (14) kerbing repairs and 79 (92) footway repairs.

1.5.2. Challenges / Improvements

The combined Capital and Reactive budget for the Highway Maintenance service for 23/24 is approximately £102 million. The additional LCC highway funding announced in the 2023 budget has ensured that the existing service levels can be maintained for the current financial year. Based on this level of funding it is anticipated that the Highways Infrastructure Asset Management Strategy objectives to hold key assets in a steady state whilst implementing an accelerated improvement of the unclassified roads will be achieved.

For 24/25, following the announcement that the Highway Service would receive an additional £10 million from LCC funds to allocate to drought damaged roads, we are expecting again to meet the objectives of the strategy. It is worth noting that the levels of funding for 24/25 need to be maintained consistently over a prolonged period (projected to be 10 years) as outlined within Lincolnshire's Highways Infrastructure Asset Management Strategy.

On the 4th October 2023, central government announced £8.3 billion of additional highways maintenance funding over an 11 year period to 2034. Detail of the funding announcement were released on the 17th November which indicates that Lincolnshire will receive an additional £4.924 million in this financial year and next prior to the funding increasing for the remaining 9 years. The Highway Service continues to highlight to the Department for Transport (DfT) via regional groups that greater detail in relation to funding profiles are required so that early work can commence on works to be delivered from April 2025.

During Quarter 3, the Highway service dealt with a number of challenging weather events that pull the service from programmed work to reactive delivery. The impact of storm events of this nature are significant and have continued to disrupt normal service into 2024. During Quarter 3, 1553 emergency jobs were raised, more than twice as many when compared to the 657 raised in Quarter 3 of 2022. The result of storm events Babet, Ciaran, Debi, Elin, Fergus and Gerrit has meant that the resource normally allocated to programmed cyclical drainage cleansing and tree maintenance needed diverting to deal with emerging issues.

In response to the challenge presented by successive storm events an additional £1.8 million has been allocated to the Highway Service for additional drainage resource. Four additional gangs that are able to identify and fix small to medium size drainage projects shortly after identification will be on contract from the 1st April 2024. These extra gangs are

anticipated to work closely with the increased drainage jetting resource already on contract. The remainder of additional funding will be allocated to improving the risk profile of the targeted cyclical programme. This will enable a number of assets to move from either a biennial cycle into an annual cycle and an annual cycle into a biannual cycle.

1.6. Professional Services Contract – WSP

WSP work alongside Lincolnshire Highways colleagues in the Technical Services Partnership (TSP), where three Performance Indicators measure WSP performance directly and seven measure TSP (LCC & WSP). All schemes which completed in Year 4 Quarter 3 feed into this reporting period.

The overall Professional Services score for Year 4 (2023/24) Quarter 3 is 78 out of 100, an improvement on the Quarter 2 score of 74.5.

A contributor to the improved score is the four measures which focus on TSP's ability to deliver highway schemes to time and cost, providing an average score of 8.3 out of 10 for Y4 Quarter 3. This is up on the previous quarter at 8 out of 10.

WSP are making good progress with the selected Year 4 annual quality statements from their 2020 tender submission on target to deliver 9 out of 10 of the promises. The quality statements included provision of:

- WSP input to Councillor Nominated Volunteering schemes throughout the year.
- Development of good practice activities with other local authorities.
- A rolling programme of local apprentices.
- Careers and STEM engagement with local schools and colleges.

Examples of these include, WSP have hosted a range of good practice events and have brought authorities together to solve common challenges through regular working groups such as LANZAROTE (Local Authority Net Zero And Reducing Other Transport Emissions). Local WSP colleagues have also contributed to education careers events and completed the direct project based engagement with the Construction and Built Environment students at Lincoln college.

The score for performance indicator 7, timeliness of contract notifications, has maintained a score of 7 in Q3.

Internal TSP client satisfaction scores, obtained through a questionnaire provided for those schemes completing in the quarter with most clients being satisfied with an average response score of 6.69 out of 10.

Within Performance Indicator 10 WSP are targeted to fill requested vacancies within 3 months. The score for Quarter 3 equates to 4 out of 10, which is the same as the Y4 Q2 score. Whilst much effort goes into identifying quality candidates to the Lincolnshire contract, it is still proving difficult to attract candidates who have the right qualifications, experience and are affordable; with industry wide salary expectations continuing to increase.

1.6.1. Challenges / Improvements

The pipeline of work for the Highway Service remains high and aligns with the funding levels allocated to the Highway Service. The contractual top up via the Professional Services Contract enables LCC to reach back into the wider WSP to resource up to meet this demand. The volume of additional work has increased over the past three months with Task Orders not only being received for Highway related projects but also professional advice for the wider Place directorate.

Recruitment for specialist roles within the engineering sector remains a challenge. LCC and WSP have implemented a number of initiatives to tackle the recruitment challenge and are attempting to bring staff based in WSP national offices into the LCC highway offices to bolster service delivery. The provision of remote support through the Professional Services Contract is less of a challenge, but this doesn't always align with the intended delivery model of the Technical Services Partnership.

1.7. Traffic Signals Term Contract – Colas

The score for Quarter 3 performance for the Traffic Signals contract was 86 out of 100. This score has dropped from the previous Quarter 2 score of 94, driven mainly by a reduction in the number of quotations for task orders provided within 3 weeks, monitored in PI10. The score for this was 2 out of 10, below the minimum performance level of 4. This will be monitored carefully going into the next quarter, and a performance improvement plan will be required.

In terms of traffic signal reactive maintenance, the overall statistics for Quarter 3 were as follows;

- 105 emergency faults (2-hour response) which were attended in timescale (100%)
- 544 out of 549 standard faults (response within 12 contract hours) attended in time (99%)
- 64 requests for signals to be switched off for other road works.

The Traffic Signal Capital Refurbishment Programme for Quarter 3 saw the following schemes undertaken;

- High Street, Burgh-le-Marsh - Pelican to Puffin crossing refurbishment.
- Wainfleet Rd (Robin Hood Rd), Skegness - Pelican to Puffin crossing refurbishment.

1.7.1. Challenges / Improvements

Over the past two years, Colas have recruited a number of locally based staff who were less experienced than those previously on contract that were located out of the county. The upskilling of these operatives does cause strain on the wider team as it draws in the senior members of the team to resolve more challenging faults and task orders. The development of the team is well underway and LCC supports the approach.

Within quarter 3 there was an issue with securing traffic management resource within the Colas business and wider supply chain which led to a delay in providing quotes for schemes to progress. This has now been resolved and alternative arrangements have been secured. The lack of traffic management and the availability of senior members of the team contributed to the poorer score in PI10 this quarter.

LCC are pushing a significant amount of work to Colas in the remaining years of the contract and there is concern that they will struggle to deliver the increasing workload:

- There is a significant Capital Refurbishment programme in place, with 3 schemes (2 junctions & 1 crossing) to deliver in Q4 and 9 schemes (5 junctions & 4 crossings) identified in 2024 / 25.
- The Grantham Town Centre Funded works at Harlaxton Road / Westgate / Station Approach to commence in 2024 / 25.
- Western Growth Corridor providing significant junction installation works at Skellingthorpe Road / Birchwood Avenue and Tritton Road / Dixon Street in Lincoln
- The Halogen lamp conversion to LED schemes are behind schedule – only 5 of the programmed 12 sites will be installed by the end of Q4 with 8 junctions identified for works in 2024 / 25.
- Upgrade to Branston cross roads to provide adaptive control
- 11 new crossings to install as part of the Design and Build Crossing Initiative funding.
- Ongoing maintenance task orders that are showing signs of a backlog

Colas have been tasked to programme their works to ensure that labour and sub-contractors are organised to meet the demands of the contract. There is a risk that projects identified above could slip if this isn't carefully managed. The Highways Service will ensure that everything possible is being done to reduce the likelihood of this delay and that it doesn't impact on wider service delivery.

2. Councillor nominated Community Volunteering Days

As part of the original bid commitments from the Highway Works, Professional Services and Traffic Signal delivery partners, there have been 38 schemes completed to date and advice regarding designs and costs have been provided for another 7. There are a further 5 schemes due to commence in Spring 2024, and a further 11 requests received for Spring/Summer 2024 to assist Parish Council and Community Groups.

Schemes this year have included various types of works, including the erection of a fence around a playpark, beck clearance, clearance of memorial gardens and Pinfold and provision of an accessible path at a school for wheelchair users to access their nature area. The schemes carried out have all been extremely well received and many compliments have been received from the applicants, as well as from members of the communities.

The 3 main Contractors (Balfour Beatty, Colas and WSP) have been involved in the schemes and we also have had additional volunteering from some of our Sub-Contractors and major scheme delivery providers.

3. Complaints

A copy of the Highways Complaints Quarter 3 report can be found in Appendix B.

During Quarter 3 the highways service received a total of 12,674 Fix My Street enquiries. At the time of drafting the report, call and email data was not available from the Customer Service Centre.

The Customer Relations Team received a total of 218 contacts within quarter 3 of 2023, from individuals wishing to give feedback, report issues or complain about the Highways Service, accounting for less than 1% of all contacts received.

Of these 218 contacts, 111 entered the formal complaints process, this equates to 51% of all contacts received. The remainder were resolved informally through early resolution. The number of complaints entering the formal process has decreased by 29% this quarter in comparison to the previous quarter and has decreased by 26% in comparison to the same quarter as last year.

This quarter, the Highway Service have seen a significant decrease in contacts made to those which have entered the formal process; with 66% of cases finding no fault found. As Quarter 3 falls during the winter months, it is expected that an increase in cases will be seen and this has been evident in previous years. However, even after the pull on resource in relation to storms and flooding, the number of cases has remained low. This is a result of improved communication and improving customer expectations through the Customer service Centre, officer contact and the public facing platform, Fix My Street.

4. NHT Public Satisfaction Survey

The Council has participated in the NHT Public Satisfaction survey since 2008 and this enables LCC to understand the views and preferences of a sample of residents and to compare these against other similar councils. The survey, undertaken by Ipsos MORI, is based on a sample of residents and is designed to represent a spread of customers' views of the service across the County, geographically by gender and by age.

A report based on the NHT Public Satisfaction Survey – 2023 can be found in appendix C. The content of this report gives a general overview of the Authority's position in relation to where Lincolnshire Highways stand against last year's results. It is also possible to analyse the data for individual service areas and for geographical locations.

Lincolnshire Highways are currently investigating a number of opportunities to improve it's NHT Public Satisfaction. Improvement work will be focused on continued service delivery improvements, improvements with our digital reporting platform and continued delivery of our communications calendar that is focused on seasonal activity.

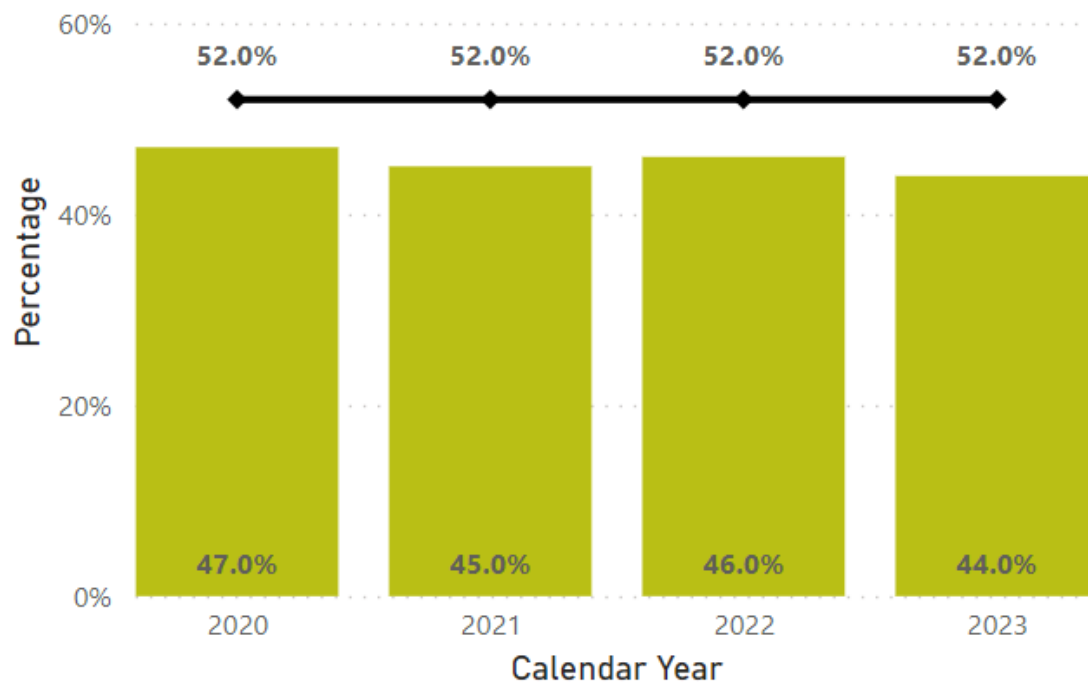
The overall NHT score is monitored as a Service Level Performance measure.

PI 108 – Public Satisfaction with Highways and Transport Services ✖

- 0 measures that exceeded their target ☆
- 0 measures that achieved their target ✓
- 1 measure did not meet their target ✖
- 0 measure that does not have a target (contextual)

LCC's score for 2023 has decreased from the previous year of 46% to 44% showing a slight decrease in public satisfaction. Our target of 52% is based on the average percentage of all other authorities in 2019. This level was chosen with the aim of having parity and is still our target. It is worth noting that the national average now is 47% which shows that whilst we are still behind the national average, our score is decreasing at a lesser rate compared to nationally.

● Percentage ◆ Target



4. Conclusion

Lincolnshire's Highway team and its strategic partners continue to deliver an efficient and effective service. Performance reported for Quarter 2 has seen an improvement in all of the main contract reporting areas following a dip in Quarter 1 due to tougher measures being introduced. The scores remain in an overall good position and are in line with the improved performance that was seen across Year 3. Across the wider service delivery, the service continues to pursue further initiatives to tackle areas of low performance and is consistently striving to implement value for money savings.

The latest inflation data suggests that the rapidly rising inflation experienced over the past 24 months within the Construction sector is has plateaued. The service will continue to

monitor the impact this has on service delivery and ultimately the buying power of the Highway Service going forward.

The funding position for 2023/24 and 2024/25 has been positive and will likely result in the successful delivery of the Highways Infrastructure Asset Management Strategy goal in relation to asset condition at the next reporting cycle. Funding beyond 2024/25 remains a concern due to lack of clarity however there is optimism that the central government announced £8.3 billion of additional highways maintenance funding over an 11-year period to 2034 will be an improvement from the current budget profile. Greater clarity on this funding profile has been requested from the DfT to enable the Highway Service to commit to scheme design and resource allocation from April 2025.

The Committee is asked to consider and comment on the detail of performance contained in the report and recommend any changes or actions to the Executive Member for Highways, Transport, and IT.

5. Appendices

These are listed below and attached at the back of the report	
Appendix A	Lincolnshire Highways Performance Report (1 October 2023 – 31 December 2023) Quarter 3
Appendix B	Highways Complaints Quarter 3 Report
Appendix C	NHT Public Satisfaction Survey, October 2023

6. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jonathan Evans, Head of Highways Client and Contractual Management Services, who can be contacted on 01522 55222 or Jonathan.evans@lincolnshire.gov.uk.