



County Offices  
Newland  
Lincoln  
LN1 1YL

2 September 2022

**Highways and Transport Scrutiny Committee**

A meeting of the Highways and Transport Scrutiny Committee will be held on **Monday, 12 September 2022 at 10.00 am in the Council Chamber, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in black ink that reads 'DBarnes'.

Debbie Barnes OBE  
Chief Executive

**Membership of the Highways and Transport Scrutiny Committee**  
**(11 Members of the Council)**

Councillors M Brookes (Chairman), A M Hall (Vice-Chairman), Mrs A M Austin, K J Clarke, T J G Dyer, R A Gibson, Mrs S Rawlins, S P Roe, E W Strenziel, Mrs C L E Vernon and R A Wright



**HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE AGENDA  
MONDAY, 12 SEPTEMBER 2022**

<b>Item</b>	<b>Title</b>	<b>Pages</b>
<b>1</b>	<b>Apologies for Absence/Replacement Members</b>	
<b>2</b>	<b>Declarations of Members' Interests</b>	
<b>3</b>	<b>Minutes of the previous meeting of the Highways and Transport Scrutiny Committee held on 18 July 2022</b>	5 - 10
<b>4</b>	<b>Announcements by the Chairman, Executive Councillor and Lead Officers</b>	
<b>5</b>	<b>Highway Service - Inflation Options Paper</b> <i>(To receive a report from Jonathan Evans, Head of Highways Client and Contractual Management Services, which invites the Committee to consider a paper regarding the Highway Service - Inflation Options due to be considered by the Executive Councillor for Highways, Transport and IT between 16th to 20th September 2022. The views of the Committee will be reported to the Executive Councillor for Highways, Transport and IT as part of their consideration of this item)</i>	11 - 22
<b>6</b>	<b>Highway Service - Winter Maintenance Contract Award</b> <i>(To receive a report from Jonathan Evans, Head of Highways Client and Contractual Management Services, which invites the Committee to consider a report regarding the Highway Service – Winter Maintenance Contract Award due to be considered by the Executive Councillor for Highways, Transport and IT between 16th to 20th September 2022. The views of the Committee will be reported to the Executive Councillor for Highways, Transport and IT as part of their consideration of this item)</i>	23 - 32
<b>7</b>	<b>Highways Performance Report, Quarter 1 - (1 April 2022 to 30 June 2022)</b> <i>(To receive a report from Jonathan Evans, Head of Highways, Client and Contract Management, which sets out the performance of the highways service, including the Major Highways Schemes Update, Lincolnshire Highways Performance Report and Highways and Transport Complaints Report)</i>	33 - 96
<b>8</b>	<b>Transport Quarter 1 Performance Report 2022/23</b> <i>(To receive a report from Nicole Hilton, Assistant Director – Communities, Verity Druce, Head of Transformation Services, and Helen Reek, Senior Projects Officer, Transport Services, which provides the Committee with the first of what will become quarterly performance reports in relation to passenger transport and the Council's Transport Services)</i>	97 - 108

**9 Highways and Transport Scrutiny Committee Work Programme**

109 - 114

*(To receive a report from Kiara Chatziioannou, Scrutiny Officer, which enables the Committee to comment on the content of its work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit)*

Democratic Services Officer Contact Details

Name: **Tom Crofts**

Direct Dial **07769 368547**

E Mail Address [thomas.crofts@lincolnshire.gov.uk](mailto:thomas.crofts@lincolnshire.gov.uk)

**Please note:** for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

Please note: This meeting will be broadcast live on the internet and access can be sought by accessing [Agenda for Highways and Transport Scrutiny Committee on Monday, 12th September, 2022, 10.00 am \(modern.gov.co.uk\)](#)

All papers for council meetings are available on:

<https://www.lincolnshire.gov.uk/council-business/search-committee-records>



**HIGHWAYS AND TRANSPORT SCRUTINY  
COMMITTEE  
18 JULY 2022**

**PRESENT: COUNCILLOR M BROOKES (CHAIRMAN)**

Councillors A M Hall (Vice-Chairman), Mrs A M Austin, K J Clarke, T J G Dyer, R A Gibson, Mrs S Rawlins, S P Roe, E W Strengiel, Mrs C L E Vernon and R A Wright

Councillors: Mrs M Overton MBE and T Ashton attended the meeting as observers

Officers in attendance:- Jonathan Evans (Head of Highways Client and Contractual Management Services), Richard Fenwick (Head of Highways Asset and Local Management Services), Thomas Crofts (Democratic Services Officer and Kiara Chatziioannou (Scrutiny Officer)

Officers in attendance via Teams:- Helen Reek (Senior Projects Officer), Nicole Hilton (Assistant Director – Communities) and Karen Cassar (Assistant Director – Highways)

9 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

There were no apologies for absence.

10 DECLARATIONS OF MEMBERS' INTERESTS

No declarations of interest were made with respect to any items on the agenda.

11 MINUTES OF THE PREVIOUS MEETING OF THE HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE HELD ON 30 MAY 2022

That the minutes of the meeting held on 30 May 2022 be confirmed and signed by the Chairman as a correct record.

12 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OFFICERS

The Chairman commended officers for their speedy responses and resolution to queries raised by members of the public at the Lincolnshire Show. Queries received were pertinent to potholes, traffic signals, public footpaths, easing of congestion and traffic calming.

The Chairman confirmed that a visit to Lincs Labs was currently being organised for Committee Members.

13 PASSENGER TRANSPORT ANNUAL UPDATE

Consideration was given to a report from the Assistant Director – Communities and Senior Projects Officer – Transport Services on the annual update on Passenger Transport Matters. The following matters were reported:

- Current challenges included:
  - Declining passenger numbers.
  - The Bus Recovery Grant was due to end on 4 October 2022 with no indication from the Department for Transport (DfT) that any support will be extended.
- Operators reported that passenger numbers were recovering; however, commercial fare payers were currently at 70% of the pre-pandemic level.
- Operators worked on a commercial basis, and there were limited options for the Council to consider in managing gaps in service delivery.
- Driver shortages continued to impacted services.
- The Council had applied for Bus Service Improvement Plan (BSIP) funding; however, the bid was unsuccessful, along with two thirds of other Local Transport Authorities. Authorities that were awarded the funding were largely within metropolitan areas, with further developed strategic transit plans.

During consideration of the presentation, the Committee raised the following comments:

- Rural transit made the implementation of a maximum impractical, due to the vast differences in journey lengths. Such schemes were more practical in urban areas.
- Concessionary bus passes were not paid directly to the operator – tickets were claimed.
- Members felt that early evening services were inadequate and hampered the night-time economy. It was explained that it was not viable for operators to invest capital into early evening services.
- Further feedback was being sought regarding why the Council was unsuccessful in securing BSIP funding, as initial feedback provided too little detail.
- It was known that an operator in North Hykeham was struggling to deliver services and work was underway to resolve the issue.
- The withdrawal of Bus Recovery Grant funding was being tapered down at increments of 5%.
- The operator network was working at 98%. Only 2% of services had been cancelled across the county.
- The ownership of all bus shelters was unclear, but work was underway to conduct an asset review. As ownership was unclear at this time, there was no specific budget for bus shelter maintenance. However, maintenance could be reported and reviewed via Fix-My-Street.
- Services did not always run on time, and commuters could not rely on the current service.
- Most buses did not have air-conditioning and were uncomfortable for passengers during hot weather.

- Members agreed Call Connect was offering a good service across the county with good coverage – providing routes that were not viable for timetabled operators.
- Alternative fuel busses were being investigated by operators, with larger operators pursuing national policies on reducing emissions.

RESOLVED:

1. That the Committee's comments be noted.
2. That the Committee recognise the key challenges facing local bus travel in Lincolnshire.

14 WINTER SERVICE PLAN 2022/23

Consideration was given to a report from the Head of Highways Client and Contractual Management Services on the Council's Winter Service Plan 2022/23. The following matters were reported:

- The Council had a statutory duty to have a plan in place for hazardous snow and ice on the highways.
- There was a need for 99 instances of precautionary salting in 2020/21.
- There was a need for 63 instances of precautionary salting in 2021/22.
- The Winter Service Plan 2022/23 had procured treated salt for gritting roads, but pre-existing reserves of traditional salt were to be used until depleted.
- Red diesel had been removed from all stock vehicles.
- The average budget for gritting was approximately 60 instances per annum but overspends were permitted in order to meet needs.

During consideration of the presentation, the Committee raised the following comments:

- Members commended Officers for a very comprehensive and detailed report.
- The Committee was given assurance that sufficient amounts of salt and grit were available across the County in preparation for challenging weather conditions this winter. Members enquired about the change in colour of the gritting material to an amber colour rock salt (mined in the UK and different to the marine salt which was white). Officers explained that this was treated salt (a molasses coating that salt granules were coated with, that helped it stick to the road) and that as motorists drove over this it still remained visible on site. Moreover, treated salt was run at a reduced spread rate.
- Members discussed engagement with Town and Parish Councils and other community groups, in terms of locally based volunteers and their willingness to clear snow within their areas and local communities; it was noted that Town and Parish Councils are being provided with bags of salt to deal with severe weather conditions (i.e., use of salt in footpaths within their areas, and in established problematic spots that were hard to reach). It was also mentioned that in some areas, local volunteers would spread grit on both the footway and small patches of carriageway. Officers

emphasised that whilst we encourage mutual aid and self-help, care needs to be given to the safety of volunteers working on the Highway and for that reason needs to be agreed in line with the requirements of the Winter Service Plan 2022, paragraph 3.14.3.

## RESOLVED:

1. That the Committee note the report and comments made.
2. That the Committee's comments be noted and passed on to the Executive Councillor for Highways, Transport and IT in relation to the consideration of this item.

15 PERFORMANCE REPORT, QUARTER 4 - (1 JANUARY 2022 - 31 MARCH 2022)

Consideration was given to a report from the Assistant Director – Highways and the Head of Highways Client and Contractual Management Services on the latest Highways Service performance data. The following matters were highlighted:

- Three major schemes were in progress:
  - Grantham Southern Relief Road
  - Spalding Western Relief Road
  - North Hykeham Relief Road
- Partners had achieved their targets for Quarter 4 – as follows:
  - Highways Works Term Contract Performance Indicators (Balfour Beatty) – 58.5%
  - Professional Services Contract Performance Indicators (WSP) – 76%
  - Traffic Signals Term Contract Performance Indicators (Colas) – 88.0%
  - Client Performance Indicators (LCC) – 76.0%
  - Key Performance Indicators (LCC/Balfour Beatty/Colas/WSP) – 78.0% (provisional)
- PI9 – Drainage Cleansing, Low Service Damages were deferred as the low performance related to a change in provider, as the original Sub Contractor went into administration.
- 13,024 highway faults had been repaired, including 10971 carriageway potholes.
- Works had been impacted by skills shortages and inflation, which had resulted in delays and high costs.
- Highway Services received a total of 20953 enquiries, of which 224 were escalated as complaints and 163 entered the formal complaints process. Customer Complaints relating to highways and transport increased from the last quarter of 39%. Complaints were varied; however, matters concerning potholes accounted for 27% of all complaints.

During consideration of the presentation, the Committee raised the following comments:

- Nine apprenticeships were currently running with contractors. Data comparing apprenticeships with other authorities was to be circulated to Members. It was noted



that encouraging more apprentices would help increase the social value of the Service.

- Members raised a question in relation to a Surface Dressing compensation claim that had been received from a member of the public. Officers confirmed that claims of this nature were reviewed on a case-by-case basis to determine if the Council and its contractors carried out the works in the correct way. These were resolved directly with the claimant.
- Members welcomed the improvements to pothole and drain temporary cover repairs.
- The contractor backlog regarding drainage repairs was set to be cleared by the end of the month.

RESOLVED:

That the Committee's comments be noted and passed on to the Executive Member for Highways, Transport and IT.

#### 16 HIGHWAYS - GULLY CLEANSING/REPAIR AND SURFACE WATER FLOODING

Consideration was given to a report from the Head of Highways Asset and Local Management Services on highways drainage maintenance. The following matters were reported:

- In February, the subcontractor for routine drainage cleansing went into liquidation. Routine cyclic cleansing was sustained by other drainage contractors.
- A targeted approach to gully cleansing was being trialled, looking to ensure that assets were cleaned at a frequency that is based on risk rather than a default clean once per year.
- There had been reports of missing gully covers and works taking too long. This had been due to replacement ironworks being difficult to source. However, this had been addressed this by procuring a larger supply of carbon gully covers, which allowed for a quick semi-permanent fix.
- £600,000 had now been budgeted for minor drainage improvement works.
- Flooding and drainage reports had been mapped via Fix My Street for the last 10 years and had been overlaid with Section 19 data to better inform the prioritisation of works. 1123 drainage reports and 148 flooding reports had been reported in 2022 so far, which was very low for the time of year – at a 35% drop and 55% drop respectively.

During consideration of the presentation, the Committee raised the following comments:

- Targeted works were welcomed.
- Flood event categories were becoming less appropriate as floods classed as once in a 100 year event were becoming more and more frequent.

**6**  
**HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE**  
**18 JULY 2022**

RESOLVED:

1. That the Committee's comments be noted.
2. That the Committee be updated on the progress of the targeted gully cleaning trial.

**17**      REVIEW OF TRAFFIC MANAGEMENT IN LINCOLNSHIRE

Consideration was given to a report from the Assistant Director – Highways on a proposal to set up a working group tasked with reviewing the Traffic Management Policy. The following matters were reported:

- A new Working Group was to be set up in September 2022 to inform the scope of a Scrutiny Panel review scheduled for 2023/24.
- Members were asked to identify the membership of the Working Group.
- New powers to local authorities regarding traffic offences had come into force and this offered an opportunity to review the existing Policy.

During consideration of the presentation, the Committee raised the following comments:

- It had been reported that the responsibilities between the Council and the Police were not clearly communicated to the public. It was clarified that the Council held responsibility for the enforcement of parking on double yellow lines and traffic regulation orders but could not enforce the blocking of paths or driveways. This matter was to be raised with the Police Road Safety Partnership.
- There were to be approximately 2-3 meetings of the Working Group. Members asked to contact the Scrutiny Officer if they wished to take part.

RESOLVED:

1. That the Committee support setting up the Working Group.
2. That the Committee identify a membership for the Working Group.

**18**      HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE WORK PROGRAMME

The were no changes to the Work Programme to report.

RESOLVED:

That the work programme presented be agreed.

The meeting closed at 12.25 pm



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

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>12 September 2022</b>
Subject:	<b>Highway Service - Inflation Options Paper</b>

**Summary:**

This item invites the Highways and Transport Scrutiny Committee to consider a paper regarding the Highway Service - Inflation Options.

This decision is due to be considered by the Executive Councillor for Highways, Transport and IT between 16th to 20th September 2022. The views of the Scrutiny Committee will be reported to the Executive Councillor for Highways, Transport and IT as part of his consideration of this item.

**Actions Required:**

That the Highways and Transport Scrutiny Committee:

- 1) considers the attached report and determines whether the Committee supports the recommendations to the Executive Councillor for Highways, Transport and IT as set out in the report.
- 2) agrees any additional comments to be passed on to the Executive Councillor for Highways, Transport and IT in relation to this item.

**1. Background**

The Executive Councillor is due to consider the Highway Service - Inflation Options paper between 16th to 20th September 2022. The full report to the Executive Councillor is attached at Appendix 1 to this report.

**2. Conclusion**

Following consideration of the attached report, the Committee is requested to consider whether it supports the recommendations in the report and whether it wishes to make any additional comments to the Executive Councillor. Comments from the Committee will be reported to the Executive Councillor.

**3. Consultation**

The Committee is being consulted on the proposed decision of the Executive Councillor between 16th to 20th September 2022.

**4. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Report to the Executive Councillor for Highways, Transport and IT on Highway Service - Inflation Options paper.

**5. Background Papers**

No background papers within the meaning of 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, and Tom Gifford, Client and Contract Manager, who can be contacted by email at [Jonathan.evans@lincolnshire.gov.uk](mailto:Jonathan.evans@lincolnshire.gov.uk) and [Tom.Gifford@lincolnshire.gov.uk](mailto:Tom.Gifford@lincolnshire.gov.uk).

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

Report to:	<b>Councillor R G Davies, Executive Councillor for Highways, Transport and I.T.</b>
Date:	<b>16 to 20 September 2022</b>
Subject:	<b>Highway Service - Inflation Options paper</b>
Decision Reference:	<b>I027901</b>
Key decision?	<b>Yes</b>

**Summary:**

This report outlines the risks to the Highway Service key delivery contracts as a result of rapidly rising inflation within the construction sector. In year inflation pressures are rising quicker than the mechanisms built into the original Highway Works, Professional Services and Traffic Signals term service contracts which is causing financial pressure at all levels within the supply chain. The report outlines the key risks that rapidly rising inflation is having within the construction sector and the potential impact on service delivery. The report outlines three potential options and recommends that the Executive Councillor for Highways, Transport and I.T approves “Do Something - Option 1”.

**Recommendation(s):**

That the Executive Councillor for Highways Transport and IT:

- (1)** approves the implementation of the recommendation outlined in Option 1 to uplift the Price List rates within the Highway Works and Traffic Signals contracts from 1<sup>st</sup> August 2022 for work activities where Small Medium Enterprises are providing greater than 75% of the service.
- (2)** Delegates to the Executive Director - Place authority to implement this change and where necessary approve any documentation necessary to give effect to the above decision.

**Alternatives Considered:**

1.	To not approve the recommended option and approve the “Do nothing” option which relies on the existing inflation mechanisms built into the original contracts.
2.	To not approve the recommended option and approve “Do Something - Option

2" which uplifts the Price List rates from 1 August 2022 for all activities within the Highway Works, Professional Services and Traffic Signal contracts.
---

**Reasons for Recommendation:**

Rapidly increasing inflation pressure within the construction sector is currently outstripping the inflationary mechanisms built into the original contract and is causing real pressure on the contractors and supply chain working for Lincolnshire County Council. Based on the latest inflationary figures there remains a significant risk that SMEs working within the Highways Works and Traffic Signals contracts are struggling to deal with the pressures they are facing.

**1. Background**

The construction sector like most of the world is being impacted by rapidly rising inflation however the impacts within the Construction sector are above those experienced in wider society and is tracking higher than the Retail and Consumer Price Index. The key reasons behind this are:

- Skills shortages throughout all areas of the industry built up over several years are now being compounded by the aftereffects of COVID-19, making already hard to recruit positions extremely challenging. Even more so in the Highways maintenance sector where profit margins are low.
- The well-publicised shortage of Heavy Goods Vehicle (HGV) drivers has been felt within this sector as qualified drivers are able to take up positions in other sectors.
- Exaggerated inflationary pressure in comparison to other sectors due to the price of oil and gas which is having a direct impact on the work delivered by the service. This is as a result of high usage of these commodities both as fuel for transportation but also the heavy usage of products used which are derivatives from the oil and gas industry such as bitumen and tarmac. Fuel makes up a substantial proportion of the cost to produce and transport materials of this type making these products reactive to the global market.
- The other key area for inflationary pressure is in the purchase of metal and metal-based products such as electrical cable, street lighting columns, reinforcing bar for concrete and structural steel.

Lincolnshire County Council (LCC) has recognised the risk of inflation within each of its Highway maintenance contracts and has included a specific clause built to track inflation throughout the lifespan of the contract. It is worth noting that both the Highway Work (Balfour Beatty) and Traffic Signal (Colas) contracts are cost-based contracts where the contractor is paid the actual (Defined) cost of completing the work. The contracts have a set of prices which were tendered at the start of the contract and these prices are used to

agree a target price for the work. At the end of the year the total of the costs is measured against the total of the targets to establish the pain or gain for the contract. If the targets are greater than the costs, the contract is in gain and the contractor is rewarded with a share of this gain. If the costs are greater than the target, the contract is in pain and the contractor pays LCC a share. The exposure for LCC is capped at maximum of five percent of total of the targets for the service as a whole. Specific inflation clauses are also built into the Professional Services Contract (WSP) but instead of target prices, people rates are adjusted and paid for depending on the time required to complete the task or activity.

The contract clauses cater for annual increase to the prices within the contract. The inflationary increase is measured using several indices which are published by the Building Cost Information Service (BCIS) and uses data gathered throughout the industry based on the reported costs of services. Lincolnshire County Council is also part of the data collection using the cost and price information gained through tendering projects. In order to implement the price increases into the contract, time is required to calculate the increase and apply these to the price list, then to upload the revised price list into LCC’s works ordering system (Confirm) so that officers can use the revised prices to order their works. This means that inflation is measured in December and applied the following April. This system has been in place for over 10 years and has worked very successfully. However, given the current rapid inflation, particularly for the items already discussed, this system is being pressured.

An example of the indices monitored within the Highway Works contract are included within the table below and show the movement since the start of the contract in April 2020 (Year 1) to the current rates in April 2022 (Year 3) and the monthly movement so far in year to date:

% change	Prelims	Routine, Cyclic and Time Charge Works	Renewals and Construction Works	Professional Services	Machine Surfacing	Hand Surfacing/Patching	Surface Dressing	Road Markings	Street Lighting	Vehicle Maintenance	Columns
Year 1	1.14%	1.85%	0.91%	0.06%	-1.84%	-0.32%	-1.68%	-1.41%	0.38%	1.34%	0.91%
Year 2	1.08%	1.25%	0.91%	2.62%	0.00%	0.25%	-2.17%	0.78%	2.21%	1.99%	0.91%
Year 3	4.87%	5.36%	8.58%	3.36%	5.72%	5.71%	10.98%	5.22%	6.13%	4.48%	56.39%
Apr-22	9.35%	9.80%	17.03%	8.14%	17.14%	14.91%	26.68%	10.54%	10.33%	7.66%	98.03%
May-22	11.53%	11.13%	19.51%	13.19%	18.88%	16.65%	28.60%	13.45%	12.11%	9.06%	95.56%
Jun-22	12.67%	12.29%	20.98%	13.45%	19.89%	17.88%	31.88%	15.46%	13.07%	10.30%	93.78%

Table 1 – BCIS indices Categories – Highway Works Contract

As can be seen in Table 1, significant pressures can be seen after the Year 3 annual uplift by the level of movement in the monthly indices data. Monthly rises in April, May, and June of on average 3% mean that the annual prices set within the contract are moving away from the actual cost to deliver the service. Whilst the indices are rising in this way, pressure is being felt by the Contractors and Consultants delivering the service, often these are Small Medium Enterprises (SME) based locally within Lincolnshire.

## **2. Options**

### **Do Nothing**

An annual uplift mechanism within the contract already exists to deal with the impact of what would be considered as normal inflation without putting excessive pressure on either LCC or the Contractors and Consultants working within the contracts. If the Do-Nothing option was taken forward the indices would be uplifted based on the December 2022 figures and would apply to all works instructed from April 2023.

The major risk of a Do Nothing' option is that elements of the supply chain fail completely or can no longer work for LCC as the prices are too low. LCC have some insulation in that the responsibility lies with the contractor to manage their supply chain and LCC is only contracted to the Tier 1 supplier. LCC has also included a contract clause which requires that any supply chain contract mirrors the main contract as closely as possible, a back-to-back arrangement, ensuring that the inflation mechanism in the main contract, is repeated throughout the supply chain. However, as previously described the current conditions are causing such rapid change in the market that the annual uplift approach is not keeping up with the pressures faced within the construction sector. This is compounded by the payment basis of many of the smaller subcontracts where a pain/gain mechanism isn't appropriate and so these subcontracts, whilst back to back on the inflationary clauses, are paid on a price only basis meaning the inflation is directly affecting their income. The further risk of this option is that as the supply chain is made up of much smaller companies, they have no wider resilience to these increases. LCC is the main source of income and so the risk of failure is currently high. These suppliers are often locally based and so failures or changes in working patterns could have significant impacts on the local job market and would carry a large reputational impact for LCC.

### **Do nothing – Financial Implications**

The cost to implement this option would be £0 however if one of the Tier 1 or supply chain partners were to go into administration there would be significant disruption to service delivery and LCC may see a jump in prices from the replacement contractor/consultant in the current market conditions.

### **Do Something – Option 1**

There is an option for LCC to apply a mid-year uplift from 1 August 2022 to selected areas of the contracts that target the SMEs working for the Tier 1 providers and which would target the most acutely affected providers.

As the Professional Services contract does not involve the use of sub-contractors that contract would not be covered by this option which would be limited to the Highways Works and Traffic Signals contracts,

The majority of sub-contractors working on those contracts are classed as SMEs given either staff headcount or turnover and these are largely working within the Highway Works Contract. To target support to where it is most needed, SMEs delivering above 75%



of each individual work activity have been identified within the main contractor price list as those who are most at risk and are facing the full impact of the current inflation.

The mid-year uplift would be completed by using the same contractual mechanism and indices as the annual uplift. It is worth noting that the rapid increase in inflation means that the indices will still be lagging, but LCC will be sharing the impact with the supply chain partners who would still be responsible for any inflation pressure until the next annual rate change in April 2023. By only uplifting those areas where the pressure is most acute, protection can be offered for some key supply chain partners, who are generally on a price only contract, whilst limiting the effect on an already challenged LCC budget. It is worth stating however, with fuel costs providing such a large portion of the work, which is delivered, this option would effectively ignore the issue being felt by the main contractors / consultants across the contracts and only protect the most vulnerable supply chain partners. A further complexity is that within the Highway Works Contract the supply chain is so varied that often a single SME supplier is involved in several service areas, meaning there may be an uplift on some of their works and not others.

The level of service from SMEs working within LCC is high and the loss of any of these firms would be significant in terms of Lincolnshire's economic impact but also quality of the ongoing Highway Service. Replacement to SMEs, whether via alternative SMEs or direct delivery would likely take several months to transition to a new provider and is likely to result with employees seeking opportunities away from the Highway maintenance sector.

### **Option 1 – Financial Implications**

If these specific items were uplifted from August 2022, it is estimated that LCC would lift the total of the target prices for the two relevant contracts by £964,000 for the remaining 8 months of the financial year.

If this approach were adopted the Highway service would have an in-year budget pressure of £964,000 and the level of Highway related activity will need to be managed within the total funding available.

### **Do Something Option – 2**

The remaining option is to provide a mid-year uplift to all of the Highway Maintenance Contracts (Highway Works, Traffic Signals and Professional Services). This would ensure the whole supply chain feels the benefit of the increased prices and prevents any anomalies in how the increase is distributed. This would clearly have a larger impact on LCC budget but would send a strong message to the supply chain that we are sharing the impact of the current inflation. This would ensure that the supply chain and service is protected and eliminates any reputational damage.

The level of service from the term service contracts Key Performance Indicators and contract specific performance indicators is good and the loss of any of these firms would be significant in terms of economic impact and the quality of the ongoing Highway Service. Replacement of the main Contractors or Consultants would be a major activity and is likely

to hamper service delivery for several months as the service transitions to a new provider. The option to step in and directly manage the overarching contract exists but the skills to deliver a direct labour organisation of this scale would be challenging.

## **Option 2 – Financial Implications**

Highway Works – If all of the Price list items were uplifted from August 2022 it is estimated that LCC would lift the total of the target prices by £1,296,000 for the remaining 8 months of the financial year.

Traffic Signals – If all of the Price list items were uplifted from August 2022 it is estimated that LCC would lift the total of the target prices by £46,000 for the remaining 8 months of the financial year.

Professional Services – If all of the Price list items were uplifted from August 2022 it is estimated that LCC would lift the total of the prices by £170,000 for the remaining 8 months of the financial year.

If this approach were adopted the Highway service would have an in-year budget pressure of £1,511,000 and the level of Highway related activity will need to be managed within the total funding available.

The proposal in this Report will not involve any variation to the contracts. Although the Council would be accelerating an inflationary increase the indexation provisions in the contracts will remain unchanged and continue to apply to determine the price list for future years of the contract.

It is envisaged that the proposals within the report would be affected by the Council issuing an instruction under the contracts and in accordance with their terms. That instruction would include instructions issued to the tier 1 contractors to ensure that the benefit of the accelerated indexation is passed onto the SMEs who are the intended beneficiaries the proposals.

## **4. Legal Issues:**

### Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

The Equality Act has been taken into account. The discussion and options progressed as a result of this paper are not anticipated (positively or negatively) to impact people with a protected characteristic when compared with people who do not share that characteristic.

#### Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

The discussion and options progressed as a result of this paper are not anticipated (positively or negatively) to impact the JSNA and JHWS.

## Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The duties under section 17 of the Crime and Disorder Act 1988 have been considered and it is deemed that the options and discussion within this paper will have no direct impact.

### **5. Conclusion**

Rapidly increasing inflation pressure within the construction sector is currently outstripping the inflationary mechanisms built into the original contract and is causing real pressure on the contractors and supply chain working for Lincolnshire County Council. Based on the latest inflationary figures there remains a significant risk that SMEs working within the Highways Works and Traffic Signals contract are struggling to deal with the pressures they are facing.

The decision to pursue any of the options set out in this Report is a significant one given the challenges that are also faced by Local Government as additional funds from Central Government remain unlikely. However, the cost to replace those at risk is real and service continuity plays a significant factor when delivering essential services of this type.

Based on the information contained within this report, the recommendation is to target support at those areas of the contract where SMEs are most at risk of failure working under the Highways Works and Traffic Signals contracts and proceed with Do Something – Option 1 proposal.

To implement Do Something option 1, an in-year rate increase from the 1<sup>st</sup> August 2022 could be implemented either within the Highways works ordering software “Confirm” by adjusting the rates or working out the change in prices and adding the additional value to the jobs at a later date. Both approaches have positives and negatives, but the overriding objective would be to support the parties most at risk. For this reason, consultation with those parties on the easiest and quickest way will be carried out.

If Do Something - Option 1 is selected, appropriate steps will be taken to ensure that the Highway Works provider, Balfour Beatty and the Traffic Signals provider Colas pass on the full price increases to those areas of the contact that are reliant on SMEs. The approach would also be communicated directly with those SMEs where this option has been selected.

The Executive Councillor is requested to consider whether to approve the recommendation as set out within this report.

## **6. Legal Comments:**

The Council has the power to make the adjustments proposed.

The decision is consistent with the Policy framework and within the remit of the Executive Councillor.

## **7. Resource Comments:**

Accepting the recommendation within this report, will support the SME's working within the Highways Works Contracts to mitigate against a risk of failure and recognise current inflationary pressures.

The recommendation will increase the cost of these works, and the service will look to programme their activity within the total resources available to them, from their approved budget and available reserves. The corporate contingency is also available to support in year unplanned cost pressures if necessary.

## **8. Consultation**

### **a) Has Local Member Been Consulted?**

N/A

### **b) Has Executive Councillor Been Consulted?**

Yes, the Executive Councillor for Highways, Transport and I.T. has been consulted.

### **c) Scrutiny Comments**

The report will be considered by the Highways and Transport Scrutiny Committee at its meeting on 12 September 2022. Any comments from the Committee will be presented to the Executive Councillor for Highways, Transport, and IT.

### **d) Risks and Impact Analysis**

See main body of this paper.

## **9. 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, and Tom Gifford, Client and Contract Manager, who can be contacted by email at [Jonathan.evans@lincolnshire.gov.uk](mailto:Jonathan.evans@lincolnshire.gov.uk) and [Tom.Gifford@lincolnshire.gov.uk](mailto:Tom.Gifford@lincolnshire.gov.uk).

This page is intentionally left blank



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

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>12 September 2022</b>
Subject:	<b>Highway Service – Winter Maintenance Contract Award</b>

**Summary:**

This item invites the Highways and Transport Scrutiny Committee to consider a report regarding the Highway Service – Winter Maintenance Contract Award.

This decision is due to be considered by the Executive Councillor for Highways, Transport and IT between 16th to 20th September 2022. The views of the Scrutiny Committee will be reported to the Executive Councillor for Highways, Transport and IT as part of his consideration of this item.

**Actions Required:**

That the Highways and Transport Scrutiny Committee:

- 1) considers the attached report and determines whether the Committee supports the recommendations to the Executive Councillor for Highways, Transport and IT as set out in the report.
- 2) agrees any additional comments to be passed on to the Executive Councillor for Highways, Transport and IT in relation to this item.

**1. Background**

The Executive Councillor is due to consider the Highway Service – Winter Maintenance Contract Award between 16th to 20th September 2022. The full report to the Executive Councillor is attached at Appendix 1 to this report.

**2. Conclusion**

Following consideration of the attached report, the Committee is requested to consider whether it supports the recommendations in the report and whether it wishes to make any additional comments to the Executive Councillor. Comments from the Committee will be reported to the Executive Councillor.

**3. Consultation**

The Committee is being consulted on the proposed decision of the Executive Councillor between 16th to 20th September 2022.

**4. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Report to the Executive Councillor for Highways, Transport and IT on Highway Service – Winter Maintenance Contract Award.

**5. Background Papers**

No background papers within the meaning of 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 by email at [Jonathan.evans@lincolnshire.gov.uk](mailto:Jonathan.evans@lincolnshire.gov.uk).



**Open Report on behalf of Andy Gutherson – Executive Director of Place**

Report to:	<b>Councillor R G Davies, Executive Councillor for Highways, Transport and I.T.</b>
Date:	<b>16 to 20 September 2022</b>
Subject:	<b>Winter Maintenance Contract Award</b>
Decision Reference:	<b>I027902</b>
Key decision?	<b>Yes</b>

**Summary:**

This report presents the options available for the ongoing maintenance of the gritter fleet required to fulfil winter maintenance duties on the highway. The Executive Councillor for Highways, Transport and I.T is asked to approve the award of a contract to Transport Connect Ltd.

**Recommendation(s):**

That the Executive Councillor:

1. Approves the direct award of a contract for the delivery gritter fleet maintenance to Transport Connect Ltd for a period 6 years with the potential to extend to a maximum 10-year term.
2. Delegates to the Executive Director - Place authority to approve the final form and the entering into of all contract and other legal documentation necessary to give effect to the above decision.

**Alternatives Considered:**

1.	Do not approve the recommended option and tender the contract via a procurement exercise.
2.	Do not approve the recommendation and request that the current supplier continues their contractual obligations.

**Reasons for Recommendation:**

Lincolnshire County Council (LCC) operates a fleet of 47 Gritters, based at the 8 highway depots across the county to salt 3018km of the LCC road network. LCC have historically leased gritters on a long-term hire arrangement but following a shift to procure our own fleet in 2019 the existing provider who leased and maintained the gritter fleet is actively reducing their operations within Lincolnshire.

In early 2022, the existing provider actively sought the help of LCC to move the maintenance of the gritter fleet to another provider. As a business, they have decided to close their remaining workshop in Lincoln, leaving a gap in maintenance coverage.

The contract will enable LCC to deliver an affordable service through a delivery model that will provide the most efficient and effective mechanism for gritter fleet maintenance. Based on the improved level of service received from Transport Connect Ltd (TCL) and soft market testing the recommendation is to enter into a long-term maintenance contract without an open market procurement exercise with TCL for six years with the option for a further four-year extension.

**1. Background**

The Council has a statutory duty to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice under section 41(1A) of the Highways Act 1980. The Council does this through the use of its gritter fleet. Maintenance of the fleet throughout the winter season and across their 10–12-year lifespan is key to ensuring we can fulfil our statutory duties and to get value for money out of our fleet through improved longevity.

Lincolnshire County Council (LCC) operates a fleet of 47 Gritters, based at the 8 highway depots across the county to salt 3018km of the county's roads.

Until 2019, the 47 Gritters were all on a long-term lease that included maintenance with the existing provider. In 2019 the decision was made by the Council to procure our own fleet due to the significant commercial benefits of separating the lease from the maintenance. The new Gritters will come into service on a phased approach, in line with the existing leases ending.

2019 – 5 owned

2021 – 13 owned

2022 – 26 owned

2023 – 40 owned

2025 – 44 owned

2026 – Full 47 vehicle fleet

Since the first deliveries of the Councils owned vehicles into service, the existing provider has indicated a desire to reduce all their maintenance operations within the County, which

includes our owned gritter fleet. The maintenance of the gritter fleet is vitally important, as this service keeps the vehicles operational and road legal throughout the winter season, as well as overhauling them each summer. Due to the challenging nature of the service, material used (treated salt) and weather conditions operated in, the wear and tear on the fleet is significant, with repairs, damage and breakdowns having to be undertaken. It is vital that repairs, if and when required are completed in a timely manner so that vehicles are operational and are out keeping the roads clear of snow and ice.

Maintenance of the gritter fleet is a highly specialised skillset with a very limited number of operators with an existing presence in Lincolnshire who have the skills and experience to complete. Soft market testing indicates that three or four providers with an existing presence in Lincolnshire have this capacity, one being the existing provider and another TransportConnect Ltd (TCL).

To cover an immediate gap in the south of the County during 2021, as a result of the existing provider closing two of their southern workshops, TCL was awarded a short-term, two-year contract for 34 vehicles until October 2023 to ensure continued service delivery.

The interim arrangement with TCL has been a successful shift in service delivery, with reduced vehicle downtime and improved operational running costs of the service by approximately 10%. This saving was achieved over the 2021/22 winter season across the 34 vehicles that they maintained.

## **2. Options**

### **Direct Award to TransportConnect Ltd**

The main benefits of this recommendation will be a reduction in the cost of the service, through the lower cost of maintenance and improved vehicle availability. Securing a long-term contract with TCL will ensure a soft market tested labour rate being fixed with annual indexation so that the entire fleet is maintained under one contract.

As TCL is an LCC wholly owned company LCC will have greater influence over the contractor's maintenance regime and have greater input into overhauls over a long-term agreement. This will bring the stability needed to improve maintenance performance. The existing TCL contracts have introduced a reduction in the use of spare gritters or double running of machines to cover breakdowns. This is anticipated to continue to improve over the term of the contract as a strong focus on preventive maintenance will only serve to increase the longevity of the fleet.

### **Direct Award to TransportConnect Ltd – Financial Implications**

The recommended six-year contract with the option to extend a further two blocks of two years will allow TCL to invest their own annual revenue into an additional northern based workshop. This in time will further enhance the maintenance offering to the Council.

TransportConnect have agreed to a fixed annual budget and with a competitive indexed labour rate (except for parts) which will help alleviate LCC budget pressures.

Any profits from the contract will be capped to a maximum annual amount, with any unspent budget being returned to LCC Highways.

### **Tender the contract to the open market**

As the existing provider continues to withdraw from Lincolnshire, there is a need to have a contract in place prior to the 2022 winter service commencing. With challenging timescales and a small market with suitable skills and an existing base in the county to undertake the service it is highly likely that an open tender will lead to increased prices to LCC.

The tender process would not allow sufficient time for a supplier to mobilise new premises in the County and to recruit suitably experienced engineers. Taking this approach would increase the likelihood of gritters being unavailable and ultimately negatively impact the delivery of the winter service.

### **Tender the contract to the open market – Financial Implications**

A benchmarking exercise was completed in 2021 using existing rates provided by a number of maintenance suppliers either known to or operating within LCC. When compared to TCL, these rates ranged between 42% and 104% higher than the TCL offer. Whilst this was not a formal tendering exercise, there is a small probability that the rates of any suitable supplier would be comparable to or lower than that of TCL.

### **The current supplier continues their contractual obligations**

The existing provider have a contract with the LCC to maintain 13 northern based vehicles on a reducing number until 2026. They can be forced to continue to provide a maintenance provision for these vehicles in accordance with the contract. Should this option be chosen the existing provider is expected to fulfil this obligation from their Leicester workshop or they would exercise their right to allocate the maintenance to a third party.

The existing provider has indicated that in the event of LCC insisting on them fulfilling their contractual obligations, they would look to subcontract the maintenance to TCL.

### **The current supplier continues their contractual obligations – financial implications**

Completing the maintenance of the vehicles from the Leicester workshop would significantly increase vehicle downtime, particularly in the event of a breakdown in the winter, as vehicles would need to be recovered back to their workshop outside of the County. This is likely to result in double running of vehicles, incurring additional costs.

If the existing provider were to subcontract to TCL, this would increase the costs compared to a direct award as additional administration time would be incurred in the

additional administration and approval of repairs. It is likely that vehicle downtime would also increase as a result of these delays.

#### **4. Legal Issues:**

##### Procurement

Under Regulation 12 (1) of the Public Contracts Regulations 2015 a contract falls outside of the requirements of the Regulations where it is awarded to an entity that meets the following conditions:-

- (a) the Council exercises over the entity concerned a control which is similar to that which it exercises over its own departments;
- (b) more than 80% of the activities of the entity are carried out in the performance of tasks entrusted to it by the Council; and
- (c) there is no direct private capital participation in the entity

TCL is wholly owned by LCC and has been established on a basis that it specifically meets the requirements of Regulation 12(1). A direct award of the contract to TCL without competition is therefore lawful.

##### Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.

- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

The Equality Act has been taken into account. The discussion and options progressed as a result of this paper are not anticipated (positively or negatively) to impact people with a protected characteristic when compared with people who do not share that characteristic.

#### Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

The discussion and options progressed as a result of this paper are not anticipated (positively or negatively) to impact the JSNA and JHWS.

#### Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The duties under section 17 of the Crime and Disorder Act 1988 have been considered and it is deemed that the options and discussion within this paper will have no direct impact.

## 5. Conclusion

Proactive maintenance is essential to maximise the lifespan of the existing 47 vehicle fleet. Ensuring that the fleet is fully operational minimises the overall winter service risks in terms of deliverability and ultimately safety to the residents of LCC.

The maintenance of the gritter fleet is a specialised skillset with limited providers carrying out this service with an existing presence in Lincolnshire. The decision by LCC to procure its own fleet has removed some of the incentives for external providers to enter the market as LCC shifts the service requirements over to a maintenance only contract. The existing provider is actively looking to leave Lincolnshire and soft market testing has concluded that an open market tender exercise will not deliver additional value.

Based on the improved level of service received from Transport Connect Ltd (TCL) and soft market testing the recommendation is to enter into a long-term maintenance contract without an open market procurement exercise with TCL for six years with the option for a further four-year extension.

The direct award to TCL will be implemented prior to the winter season. TCL have sufficient engineering resource within their business to maintain the gritter fleet for the 2022/23 season and plan to recruit additional engineers as demand dictates within the local community. TCL have also identified a northern based workshop that is currently available to rent and can fully mobilised prior to the winter season commencing.

The Executive Councillor is requested to consider whether to approve the recommendation as set out in within this report.

### 6. Legal Comments:

The Council has the power to enter into the contract proposed. The direct award of a contract is lawful under Regulation 12 of the Public Contracts Regulations 2015.

The decision is consistent with the Policy Framework and within the remit of the Executive Councillor

### 7. Resource Comments:

The recommendation within the report to direct award the maintenance of the winter gritter fleet reflects good value for money. The costs will be met from existing approved budgets for the service and will help to alleviate cost pressures within this budget.

## 8. Consultation

**a) Has Local Member Been Consulted?**

N/A

**b) Has Executive Councillor Been Consulted?**

Yes

**c) Scrutiny Comments**

The decision will be considered by the Highways and Transport Scrutiny Committee on 12 September 2022 and the comments of the Committee will be reported to the Executive Councillor.

**d) Risks and Impact Analysis**

Discussed within this paper.

**9. Background Papers**

No background papers as defined in the section 100D of the Local Government Act 1972 were relied upon in the writing of this report.

This report was written by Jonathan Evans, Head of Highways Client and Contractual Management Services, who can be contacted by email at [Jonathan.evans@lincolnshire.gov.uk](mailto:Jonathan.evans@lincolnshire.gov.uk).





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

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>12<sup>th</sup> September 2022</b>
Subject:	<b>Highways Performance Report, Quarter 1 – (1 April 2022 to 30 June 2022)</b>

**Summary:**

This report sets out the performance of the highways service, including the Major Highways Schemes Update, Lincolnshire Highways Performance Report and Highways and Transport 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 major schemes, quarterly performance data for the key contracts (Highways Works, Traffic Signals and Professional Services) and strategic highlights relevant to the Highways Service in Lincolnshire.

This report contains:

- Major Highways Schemes Update August 2022
- Lincolnshire Highways Alliance Performance Report, (1 April 2022 to 30 June 2022) Quarter 1
- Highways Complaints Report, Quarter 1

## 2. Major Highways Schemes Update

The Authority currently has three major highways schemes that are in progress:

- Grantham Southern Relief Road
- Spalding Western Relief Road
- North Hykeham Relief Road

There are a number of major highways and other infrastructure projects, which are of significant scale and have a major impact on the County and surrounding area. All of these schemes are included in the Major Highways Schemes Update, August 2022, found in Appendix A to this report.

### **3. Lincolnshire Highways update**

#### **3.1. Performance Report**

Quarterly performance was reported through the Alliance management structure, with performance issues becoming the subject of an improvement action plan. A copy of the Lincolnshire County Council Highway Performance Report for Year 3, Quarter 1 can be found in Appendix B. This covers the period of April to June 2022.

The Alliance partners managed to achieve their targets for Quarter 1. The results per contract area are:

- Highways Works Term Contract Performance Indicators (Balfour Beatty) – 73.0%
- Professional Services Contract Performance Indicators (WSP) – 77.4%
- Traffic Signals Term Contract Performance Indicators (Colas) – 84.0% (provisional)
- Client Performance Indicators (LCC) – 85.0%
- Alliance Key Performance Indicators (LCC/Balfour Beatty/Colas/WSP) – 69.0% (provisional)

The scores are all at a satisfactory level.

The biggest improvement was in the Highways Works Term Contract performance which has increased by 14.5% from last quarter. The Client score has also increased by 9% this quarter.

For specific areas of the Service that are below the targeted performance, the following Improvement Plans are in place:

- Highway Works – PI3 – Tasks Completed within timescales – Reactive Works
- Highway Works – PI8 – Street Lighting Service Standard

In line with the contractual procedures, PI3 and PI8 have triggered a Low Service Damage penalty within the contract and continue to receive increased focus and effort. It is anticipated that PI3 will continue to improve and will start to score in Q2 of 2022 however reaching the bid position will continue to be challenging. Low performance for PI8 has shifted from an issue with routine maintenance in Q4 to a new issue of delayed fault response time for this current quarter. It is anticipated that PI8 will be resolved next quarter.

#### **3.2. Contract Specific Update**

The delivery of the three key highway delivery contracts (Professional Services – WSP / Highways Works – Balfour Beatty / Traffic Signals – Colas) are at the end of Quarter 1 of

year three of the contract. The linked contracts are due for renewal on the 31<sup>st</sup> March 2026 with the possibility of extension up to 31st March 2032.

### 3.3. 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 drainage, structures and streetlighting maintenance improvement schemes.

In Quarter 1 of 2022/23, Lincolnshire Highways repaired 11486 faults, including 8261 carriageway potholes (including edge potholes). The service fixed 336 gully grates/manhole covers, 592 footway potholes, 523 footway slabs, replaced 25 gully pots completely, as well as carrying out 293 kerbing jobs, 6 minor tree jobs and repaired or replaced 350 signs.

During the first Quarter of 2022/23 Lincolnshire Highways completed over 128 miles of surface dressing treatment, 15.7 miles of carriageway patching and surfacing, 56.8 miles of footway resurfacing and reconstruction, and refreshed 3.8 miles of carriageway lining.

Work Types	Miles	Schemes
Surface Dressing	128.5	257
Main Line Replacement	3.8	1
Footway Reconstruction	4.3	15
Footway Micro Asphalt	52.5	140
Carriageway Micro Asphalt	5.3	56
Carriageway Patching	10.3	11
Residential Resurfacing	1.3	14
Carriageway Resurfacing	4.1	11
Drainage Improvements		6
Street Lighting Replacement		6
Structures Improvements		7
Traffic Signals Improvements		5

#### 3.3.1. 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 into 2022/23.

612 individual jobs of this type were completed across the County in Quarter 1 of 2022/23 and we look to replicate this volume going forwards. This included 113 tree jobs, 72 Carriageway sites, 66 drainage jobs, 30 jet patching sites and 49 footway repairs.

### 3.3.2. Challenges / Improvements

Inflation within the construction sector continues to cause significant challenges for the Highway Service. Increasing material prices, skills shortages and supply chain disruption continue to hamper delivery. Inflation within the Highways Works contract means that the cost of the service is 13% higher in April 2022 than it was in April 2021. Since April 2022, monthly inflation has continued to increase at a rate of 3% per month and is continuing to rise at a faster rate than the Consumer and Retail Price Index.

% change	Prelims	Routine, Cyclic and Time Charge Works	Renewals and Construction Works	Professional Services	Machine Surfacing	Hand Surfacing/Patching	Surface Dressing	Road Markings	Street Lighting	Vehicle Maintenance	Columns
Year 1	1.14%	1.85%	0.91%	0.06%	-1.84%	-0.32%	-1.68%	-1.41%	0.38%	1.34%	0.91%
Year 2	1.08%	1.25%	0.91%	2.62%	0.00%	0.25%	-2.17%	0.78%	2.21%	1.99%	0.91%
Year 3	4.87%	5.36%	8.58%	3.36%	5.72%	5.71%	10.98%	5.22%	6.13%	4.48%	56.39%
Apr-22	9.35%	9.80%	17.03%	8.14%	17.14%	14.91%	26.68%	10.54%	10.33%	7.66%	98.03%
May-22	11.53%	11.13%	19.51%	13.19%	18.88%	16.65%	28.60%	13.45%	12.11%	9.06%	95.56%
Jun-22	12.67%	12.29%	20.98%	13.45%	19.89%	17.88%	31.88%	15.46%	13.07%	10.30%	93.78%

Since the start of the contract on the 1<sup>st</sup> April 2020, key elements of the service (Surface dressing 31.9% / Machine Surfacing 19.9%) have risen dramatically as a result of oil and gas price rises. The combined Capital and Reactive budget for the Highway Maintenance service for 22/23 is approximately £82 million. The inflationary pressure since the start of the contract has reduced the buying power of the service by approximately £19.3 million. The consequence of this, is that less service can be delivered in comparison to previous years and strain is being placed on the contract, the partners and supply chain in Lincolnshire. However, even with these challenges, LCC Highways and its strategic delivery partners are working hard to mitigate the impact of this.

One of the main focus areas of the Highway Works contract continues to be the delivery of the reactive service. The scale of demand, resource requirements and commercial pressure within the contract are challenging, but all parties involved (including the supply chain) are making the required improvements. Since March 2022 the number of live jobs within the system has continually reduced from highs of 8200 to the current level of approximately 3000. Maintaining a figure of 3000 and lower will enable the service to deal with the demands placed on the service in line with the Highways Infrastructure Asset Management Plan. The improved position in relation to the number of live jobs has meant that for the first time since the contract started it is anticipated that PI3 is likely score during Q2 of 2022.

### 3.4. Professional Services Contract – WSP

WSP work alongside Lincolnshire Highways colleagues in the Technical Services Partnership (TSP), where three PIs measure WSP performance directly and seven measure TSP as a whole (LCC & WSP). All schemes which completed in Year 3 Quarter 1 feed into this reporting period.

The overall Professional Services Partnership score for Year 3 (2022/23) Quarter 1 is 77.4 out of 100, an improvement on the Quarter 4 score of 76.0.

WSP are on target to deliver 9/10 of the selected Year 3 quality statements, which are measured annually, along with that of their continuous improvement / innovation initiatives. One example of this is the ongoing provision of 'Volunteering Days' which are being used through the Lincolnshire Councillor nominated Councillor Volunteering Schemes.

WSP colleagues are also actively engaged in wider social value activities, including developing a new volunteering scheme at Theddlethorpe Village Hall playing fields, whilst engaging in careers activities for Sleaford Secondary schools and provision of a work experience placement for a Lincoln College student within Lancaster House.

The four measures which focus on TSP's ability to deliver highway schemes to time and cost achieved an average score of 8.0/10 for Y3 Quarter 1, which is up on the previous quarter at 7.7/10.

There is an opportunity to continue improving performance in the timeliness of contract notifications within TSP Highway Schemes. The score of those completed to time in Y3 Quarter 1 is 5/10 which is an improvement on the previous quarter, at 64/75 (86.67%). This PI has been identified as an area of focus for two quarters with staff training and support identified.

Internal TSP Client satisfaction scores, obtained through Client Satisfaction Questionnaires for those schemes completing in the quarter, have dipped in Q1. Whilst the average response score looks reasonable at 8.5/10 there are four projects which received low scores. These are being investigated in accordance with the Quality Management System.

Performance of ongoing highways schemes has been maintained as staff embrace smarter working arrangements, with the locally based LCC & WSP teams continuing to be integral to the delivery of highways improvements.

#### **3.4.1. Challenges / Improvements**

Recruitment for specialist roles within the engineering sector are proving difficult to attract and retain in the current climate. LCC have needed to pursue alternative routes to obtain staff on occasion to backfill hard to fill positions. The PI that monitors this element of the service has been adjusted for Yr3 of the contract to ensure that both the Lincoln based staff and remote staff are filled when requested by LCC.

#### **3.5. Traffic Signals Term Contract – Colas**

New performance measures have been introduced this year in order to tackle elements of the service that were felt to require improvement. This centred largely around the task order process and the time it often took to receive a quotation back from Colas. This would

then lead to delays in commissioning works. Therefore, PI5 has been revised to monitor the turnaround time for quotations (20 days).

In terms of operations, the overall statistics for Q1 were as follows;

- 83 emergency faults (2-hour response) of which 81 were attended in time (97.6%)
- 320 standard faults (response within 12 contact hours) of which 320 were attended in time (100%)
- 72 requests for signals to be switched off for road works

The Traffic Signal Capital Programme for Quarter 1 saw the completion/commencement of the following works:

- Vauxhall Road (Maud Foster Drain), Boston - refurbishment of a Puffin crossing to the latest standards
- High Street (Market Place), Long Sutton – upgrade from a Pelican to a Puffin crossing
- A16 John Adams Way (Spain Lane), Boston – refurbishment of a dual Toucan crossing to the latest standards

### **3.5.1. Challenges / Improvements**

The wider Colas business continue to offer support to the Highway Service as a sub-contractor providing recycling schemes on the unclassified road network. Colas have also been engaged to provide support work on one of the Major schemes.

## **4. Councillor Volunteering Days**

As part of the Councillor Volunteering Day schemes, there have been 10 schemes completed to date and guidance, designs and costs have been issued for all other schemes received in 2021/2022 to assist Parish Council / Community Groups with consideration of future community projects.

Schemes in 2021/2022 have included various types of works, including – new patio and parking area for a scout hut, painting of 3 playparks, improvements to a layby area to reduce anti-social behaviour, new slabbed area in the centre of a village and a new footpath / trail through woods.

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.

There have been 5 applications received for 2022/2023, one scheme has already been completed. This work involved clearing / restoring an old disused basketball court which has allowed the Parish Council to bid for funds from a Sports Grant to get the court back into use. The others will be carried out over the next few months and include improvements to church gardens, a cricket club (painting of equipment), and improvements to a rural track. Many groups assisted so far have stated that they would not have been able to do the works without our volunteering efforts. The schemes have many benefits including

improving accessibility, improving facilities for fitness/wellbeing, and improving the appearance of village/community spaces.

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 including RSM, Minsters and Maplebeck and the offer of assistance has also been received from other sub-contractors for future schemes.

**5. Complaints**

A copy of the Highways Complaints Quarter 1 report can be found in Appendix C. During Quarter 1, the Highway service received a total of 20,099 fault requests and enquiries, of which 233 contacts to the Customer Relations Team in quarter 1, resulted in individuals wishing to give feedback, report issues or complain about the Highway service. Out of these 233 contacts, 179 entered the formal complaints process, equating to under 1% of all contacts received.

Customer Complaints relating to highways and transport have seen an increase from last quarter. There has been a 29% increase when compared to Q1 of 2020/21. The level of complaint escalations from the Highway service has increased from 0.6% last quarter to 2.7% of complaints escalated this quarter.

The complaints are of a varied nature, however the highest reason related to scheduled maintenance which accounts for 27% of complaints.

**6. Conclusion**

Lincolnshire's Highway team and its strategic partners continues to deliver an efficient and effective service during extremely challenging market conditions. Performance reported for Q1 demonstrates that the service continues to improve with both the Client and Highway Works performance scores making some significant gains. Whilst some areas have improved, the service continues to pursue further initiatives to tackle areas of low performance and is consistently striving to implement value for money savings across the wider service.

Inflation pressures and a number of key issues outlined within this report are impacting delivery of the service, not least the challenge around inflation rises.

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

**7. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Major Highways Scheme Update Report August 2022
Appendix B	Lincolnshire Highways Alliance Performance Report (1 April 2022 to 30 June 2022) Quarter 1

These are listed below and attached at the back of the report	
Appendix C	Highways Complaints Q1 Report

## **8. 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](mailto:Jonathan.evans@lincolnshire.gov.uk).



## **Appendix A**

### **Major Highways Scheme Update – August 2022**

#### **Grantham Southern Relief Road**

Phase 1 from the B1174 running towards the A1 is already complete.

Phase 2 which is the new graded separated junction on to the A1 completed December 2021. The junction is likely to open later in 2022.

Phase 3 is the final phase of the project and is the largest and most complex to deliver. It consists of a five span viaduct carrying the road over the East Coast Mainline railway and the River Witham. Works commenced April 2021 and have focussed on extensive ground works, embankment construction either side of the Witham Valley and the installation of the bridge foundation piles.

The piling works for the bridge piers commenced in January 2022 and the foundation for the western abutment has been completed. There are complexities and challenges with the construction of the eastern embankment which are being developed. One of these issues is that the underlying ground is not as robust as the designer had anticipated or designed the bridge to sit upon. The result is that the bridge is being lengthened approximate 70m towards the East to avoid the area where the poor ground is situated. This will result in approximately 18 months delay, pushing the completion back to Summer 2025.

The project will also incur significant cost increases in excess of £15m. A full investigation is under way to understand how this has occurred and where the liability rests. This is being done in conjunction with the design remediation. Elsewhere the project is continuing well with the A1 junction planned to be open by the end of 2022 and the section between the A52 Somerby Roundabout and the development roundabout opening Spring 2023.

#### **North Hykeham Relief Road**

When complete, this new road will link the A15 Lincoln Eastern Bypass with the A46 Western Bypass at Pennells Roundabout to create a full ring road around Lincoln. The project also aims to:

- Assist the sustainable economic growth of Lincoln and Lincolnshire
- Maximise accessibility to Lincoln
- Improve journey times and road safety in Lincoln

In December LCC was informed that the project had achieved programme entry approval from the DfT, which also secured £110m towards the project from the DfT. A key decision to appoint Balfour Beatty as the Design and Build Contractor was approved on the 5<sup>th</sup> April 2022 who in turn will appoint a design consultant. The project has now entered the next key stage which focusses on data acquisition and design in advance of a planning application being submitted in late 2023. Three public engagement events have been organised on the 13<sup>th</sup>,

14<sup>th</sup> and 15<sup>th</sup> September to ensure the public are informed on progress and to gain their views on progress being made. It's likely that works will commence late 2025, however the project is subject to many statutory processes and risks that have the potential to delay the scheme. It's also worth noting that current material inflation will have a significant increase of forecast scheme costs.

### **Spalding Western Relief Road**

Section 5 (Northern Connection) – In February 2018 SHDC in collaboration with LCC were successful in securing £12m from the HCA for delivering this section of the SWRR. Since then a further £8.13m has been sourced from the HCA.

Works commenced in January 2022 with the construction of the two piling platforms to allow the c1000 number piles to be installed to support the bridge over the rail line. The focus over the next few months will be the installation of the bridge piling network and continue works on the proposed roundabout on Spalding Road. Works are programmed to be completed by the end of 2023.

### **Lincolnshire Coastal Highway**

Lincolnshire County Council investigated potential improvements to the A158 across the county from the A1 to the North Sea coast, known as the 'Lincolnshire Coastal Highway'. This looked at the options for intervention along the route. In identifying improvements to the Highway, consideration was given to being future-ready, building in capacity to support growth, investigating options across a range of modes and building in resilience and lower longer term costs for management of infrastructure.

A Horncastle bypass concept paper was completed which identified expected costs and benefits. Due to the DfT scoring mechanism, the benefits are very low in comparison to the cost and therefore would not attract any central government funding. This project is therefore currently not being progressed but is included in the Council's pipeline of projects to consider in the future.

A Skegness Relief Road concept paper has also been completed which indicates a route that attracts a medium 'Benefit to Cost Ratio' score meaning that it may attract third party funding should a funding opportunity be presented. A further detailed feasibility of the potential road is now being developed. A feasibility of an Orby bypass is also being progressed.

### **Levelling Up Fund Projects (LUF)**

LCC submitted a bid to central government under the LUF initiative, this consisted of the following projects:

- A16/A151 Springfield roundabout capacity improvement
- A16 Greencell roundabout (Spalding Power Station) capacity improvement
- A16 Kirton four-way signalised junction – with associated small section of dual carriageway leading into and out of the junction along the A16

- A16 Marsh Lane Roundabout – designated north bound lane
- Boston Active travel schemes

In October 2021 it was announced that the bid had been successful. Since the announcement the projects have all moved into detailed design with a view to start on site in 2023 and be completed 2025.

There have been some concerns raised from the local community regarding the development of the Kirton signalised junction. A public meeting was held in July where the project team attended to answer questions and took away a large quantity of views and thoughts for the form of the proposed scheme. The team are now considering those views with regards the final form of the improvement scheme and potentially its viability.

### **A17 Heckington Dual Carriageway**

LCC was successful with a funding bid of £50k from Midlands Connect to progress a scheme to a Strategic Outline Business Case Stage. This is matched funded by LCC to help build-up a sizable 'pool' of credible business cases Midland Connect region can prioritise for submission to the DfT when the next MRN fund and Regional Evidence Base process is called. A date for which is unknown at this stage, but it could possibly be in 2023.

LCC put forward the A17 Heckington dualling proposals which includes dualling the sections between the east and west junctions of Heckington and possibly some junction alterations. The Business Case is due to be completed Autumn/Winter 2022.

### **Red Lion Square**

Red Lion Square lies at the centre of historic Stamford. The project will address the issues where the sand joints have failed due to vehicles and the public passing over the paving causing damage to the setts.

The project will provide a new paved surface that has the following benefits:

- The new paving will be aesthetically sympathetic and very similar to the existing paving.
- The new paving will have a design life of at least 20 years.
- The new paving will have deeper stone setts, a new mortar bed and new mortar joints which will reduce long-term maintenance costs.

The project has commenced on site in May however there have been delays due to a shallow gas main, amongst other utilities. This has now been resolved and the works recommenced 13<sup>th</sup> June, however the completion date has moved back to the end of October/start of November 2022. As the works now span the Burghley Horse Trials the project has planned to remove the traffic management during the weekend and then restart works after.

This page is intentionally left blank



## **Lincolnshire Highways Performance Report**

**Year 3 Quarter 1 - April to June 2022**

***Prepared August 2022***



### Introduction

This report is prepared for the Lincolnshire County Council (LCC) Highways Strategic Board by the Performance Working Group. It offers a summary of the results from each of the agreed KPIs and PIs.

Key Performance Indicators (KPIs) are directed at measuring the achievement of the objectives of the Partners working with and delivering services for LCC Highways. These mutual objectives represent the aspirations of the Partners to deliver the best service for the residents of Lincolnshire.

Performance Indicators (PIs) are directed at measuring the achievement of the objectives of the participating organisations within their Own Contract. These indicators will impinge on the quality of performance at Key Performance Indicator level but would be the responsibility of the specific Partners to provide the appropriate improvements in performance.

The partners working with LCC are incentivised to work in collaboration with each other and add value to the wider Highway service delivery in Lincolnshire.

Table of Contents

Highways Works Term Contract Performance Summary	3
Professional Service Contract Performance Summary	4
Traffic Signals Term Contract Performance Summary	5
Client Performance Summary	6
Alliance Performance Summary	7
Comparative Yearly Averages	8
Conclusion	8
Improvement Actions	9
Highway Works Terms Contract (HWTC) – Performance Indicators	10
Professional Services (PSP) – Performance Indicators	18
Traffic Signals Term Contract (TSTC) – Performance Indicators	26
Client - Performance Indicators	32
Alliance - Performance Indicators	39

**Highways Works Term Contract  
Performance Summary**

		Target	Current Quarter	Quarter Score	Last Quarter	Rolling Year Average	2 Year Trend	
HWTC PI1	Compliance with tendered Quality Statements	10 Achieved	<b>8 Achieved</b>	<b>8.0</b> ↔	8.0	8.0		10 Quality statements have been selected to score this measure. After assessment it has been deemed that 8 are currently being achieved
HWTC PI2	Response times for emergency works	99.5%	<b>99.26%</b>	<b>10</b> ↑	8	8.5		Out of 546 emergency jobs over the quarter, 542 achieved the required response rate.
HWTC PI3	Tasked completed within timescales - Reactive Works	99.0%	<b>85.29%</b>	<b>0</b> ↔	0	0.0		7017 out of 10216 jobs were completed on time.
HWTC PI4	Tasked completed within timescales - Planned Works	99%	<b>97.0%</b>	<b>8</b> ↓	10	8.8		97% were completed within anticipated timeframe.
HWTC PI5	% task orders in compliance with TMA	99%	<b>99.70%</b>	<b>10</b> ↔	10	10.0		This quarter there were 4 FPNs for non-compliance of TMA on 1352 completed JVs.
HWTC PI6	Quality assessment of workmanship	95%	<b>97.00%</b>	<b>10</b> ↑	6	8.5		The data used for the quarter shows 97.00% compliance in lab test results.
HWTC PI7	Contract Notifications processed within required timescales.	99%	<b>91.51% Notifications; 99.83% Target Costing</b>	<b>7.0</b> ↑	6.5	4.6		Out of 339 Contract Notification 289 were acknowledged in appropriate timescales. A further 15 were actioned in the acceptable extension period. 99.83% of jobs requiring a Target Cost did so within 4 weeks of works commencing.
HWTC PI8	Street Lighting Service Standard	98.5%	<b>81.00%</b>	<b>0</b> ↔	0.0	0.0		The routine maintenance work has improved but a minimal Salix Energy Saving activity has reduced the overall score.
HWTC PI9	Drainage Cleansing Maintenance	95%	<b>111.70%</b>	<b>10</b> ↑	0	5.0		The target cleanse for Quarter 1 was above target - the target was lowered due to the subcontractor going into liquidation. A new subcontractor will be brought onto contract from Q2.
HWTC PI10	Winter/Summer Maintenance	On Track	<b>On Track</b>	<b>10</b> ↔	10	10.0		Summer maintenance is currently on track

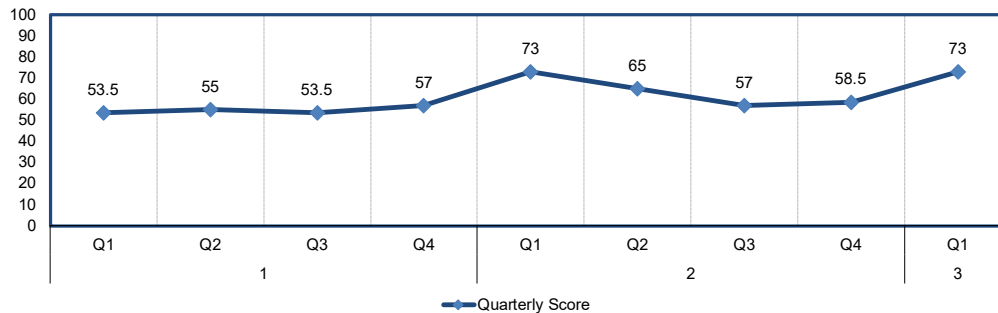


<b>Total</b>	<b>73.0</b> ↑	58.5	63.4
--------------	---------------	------	------

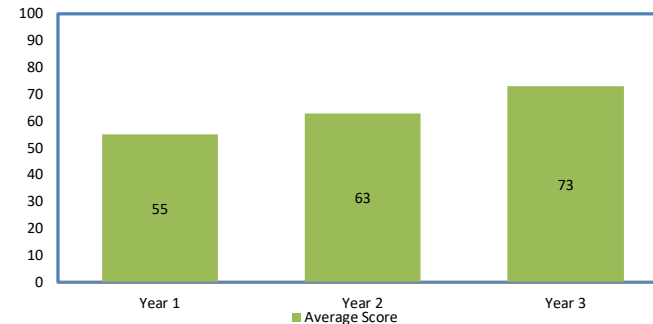
Overall Summary

The score for this quarter increased from 58.5 points to 73. PI9 has seen the biggest improvement with a new subcontract now involved with the contract. PI3 and 8 still require improvements but workshops are ongoing.

Highways Works Performance Scores Over The Contract Period  
(Average score = 61)



Yearly Average Highways Works Performance Scores



Lincolnshire County Council Highways  
Performance Report  
Quarter 1 2022/23 – Draft Version

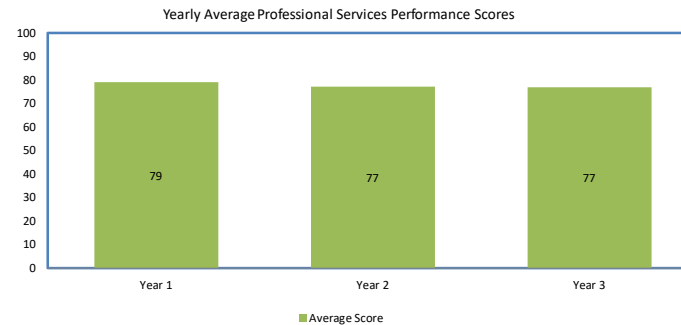
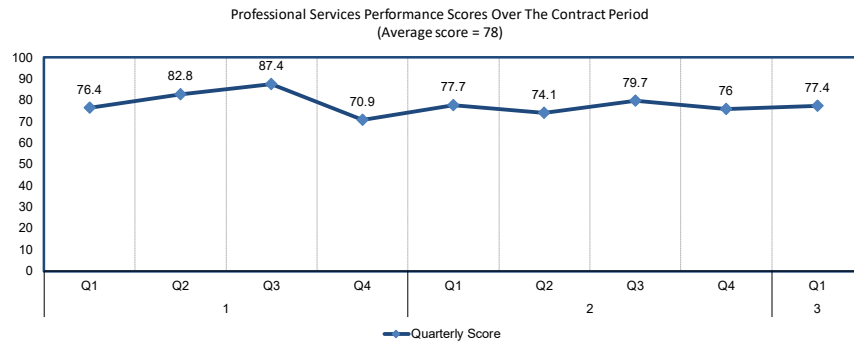
Professional Services Contract  
Performance Summary

		Target	Current Quarter	Quarter Score	Last Quarter	Rolling Year Average	2 Year Trend	Comments for Quarter
PSP PI1	Compliance with tendered Quality Statements	10 Achieved	<b>9 Achieved</b>	<b>8.0</b> ↔	8.0	8.0		10 Quality statements have been selected to score this measure. After assessment it has been deemed that 9 are currently being achieved
PSP PI2	Continuous Improvement and Innovation	110k savings	<b>On Track</b>	<b>10.0</b> ↔	10.0	10.0		The annual target for savings in Y3 is £110,670
PSP PI3	Accuracy of Task Order Price Proposal	90%-100%	<b>90.26%</b>	<b>7.6</b> ↑	6.3	7.5		The accuracy of Professional Services Price Proposals against the actual out-turn costs was at 90.26% this quarter.
PSP PI4	Ability to Meet Agreed Timescales to Complete a Task Order	90%-100%	<b>89.29%</b>	<b>8.0</b> ↓	8.6	8.2		There were 93 Task Orders completed this quarter - on average they took 89.29% of the agreed timescale. The average score for Design was 8.00 whilst Supervision was 7.90
PSP PI5	Overall Performance of Design and Supervision	85%-115%	<b>107.54%</b>	<b>8.8</b> ↑	6.8	7.4		The average Awarded Tender Value was 108% of the final out-turn cost. More than 100%; Out-turn cost less than the awarded tender value.
PSP PI6	Accuracy of Pre-Tender Works Cost Estimating	85%-115%	<b>88.05%</b>	<b>7.6</b> ↓	9.1	8.4		Of the 16 completed schemes the average percentage of Original Quote compared to Actual Cost was 88.05%. Less than 100%; Pre-Tender Works Cost Estimate greater than Assessed Tender Value.
PSP PI7	Contract Notifications processed within required timescales.	99%	<b>85.80%</b>	<b>5.0</b> ↑	4.0	3.8		Out of 84 Contract Notifications 68 were acknowledged or actioned in appropriate timescales. A further 13 were actioned in acceptable extension period.
PSP PI8	Client Satisfaction of Design Service	>9.5	<b>6.26</b>	<b>4.0</b> ↓	6.0	5.0		The average score by Task Order values were as follows - Below 10k = 8.07, 10k-50k = 6.47, 50k-100k = 4.62, Greater than 100k = 5.87. The average overall was 6.26
PSP PI9	Continuity of Key Staff	No impact	<b>16 Negligible 3 Minor 2 Moderate 2 Significant</b>	<b>8.5</b> ↑	7.2	8.4		Three schemes reported potential for a minor impact due to changes in staff. Two schemes reported a moderate impact due to change. Two schemes reported a significant impact due to change.
PSP PI10	Time to fill a Vacancy	>90%	<b>No Vacancy Requested</b>	<b>10.0</b> ↔	10.0	10.0		No vacancies were requested to be filled so this measure has been deemed to score full marks.



<b>Total</b>	<b>77.4</b> ↓	76.0	76.8
--------------	---------------	------	------

Overall Summary  
The overall Professional Services Partnership score for 2022 Q1 is 77.4 out of 100. The main area requiring improvement is PSP PI7 Contract Notifications processed within required timescales.





Lincolnshire County Council Highways  
Performance Report  
Quarter 1 2022/23 – Draft Version

**Traffic Signals Term Contract  
Performance Summary**

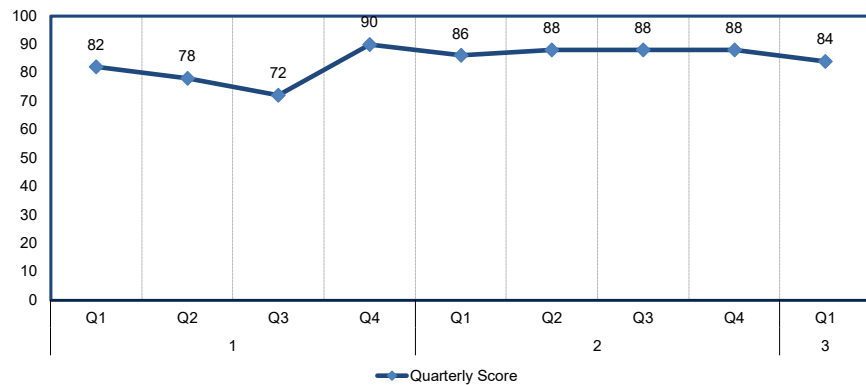
		Target	Current Quarter	Quarter Score	Last Quarter	Rolling Year Average	2 Year Trend	Comments for Quarter
TSTC PI1	Compliance with tendered Quality Statements	10 Achieved	<b>7.5 Achieved</b>	<b>4</b> ↔	6	5.5		10 Quality statements have been selected to score this measure. After assessment it has been deemed that 7.5 are currently being achieved
TSTC PI2	Weekly works planning	29 Supplied	<b>29 Supplied</b>	<b>10</b> ↔	10	10.0		Weekly works planning and asset data supplied within agreed timescales. 3/3 Inventory's received and 13/13 Whereabouts submitted. 13/13 Dashboard compliance checks carried out in Q1.
TSTC PI3	Response times for emergency works	None missed	<b>2 missed</b>	<b>4</b> ↓	4	5.5		81 emergency faults out of 83 faults received were attended within contract timescales.
TSTC PI4	Number of Faults Cleared within Contract Timescales	99%	<b>99.79%</b>	<b>10</b> ↔	10	10.0		405 faults out of 405 faults received during Q1 have been cleared within the contract timescales.
TSTC PI5	% Task Orders completed on time	99%	<b>TBC</b>	<b>6</b> ↓	8	8.5		<b>40 of 40 task orders that have been received during Q1 have been completed within the contract timescales. Score for Quotations to be agreed - currently provisional</b>
TSTC PI6	% Task Orders completed free of remedial works	99%	<b>100%</b>	<b>10</b> ↔	10	10.0		0 remedial have been reported for the task orders this quarter
TSTC PI7	% faults resolved at the first visit.	99%	<b>99.75%</b>	<b>10</b> ↔	10	10.0		404 out of 405 Standard faults & Emergency faults were resolved first time.
TSTC PI8	% Task Orders carried out in compliance with TMA.	99%	<b>100.00%</b>	<b>10</b> ↔	10	10.0		9 task orders out of 9 have been completed complying with TMA.
TSTC PI9	% annual inspections completed per annum.	On Track	<b>Behind</b>	<b>10</b> ↑	10	8.5		91 annual inspections were completed by the end of Q1 - which is ahead of target.
TSTC PI10	Signal Optic Failures	30 or less	<b>4 sites</b>	<b>10</b> ↑	10	9.0		There has been a total of 4 sites where an Optic failure has occurred.



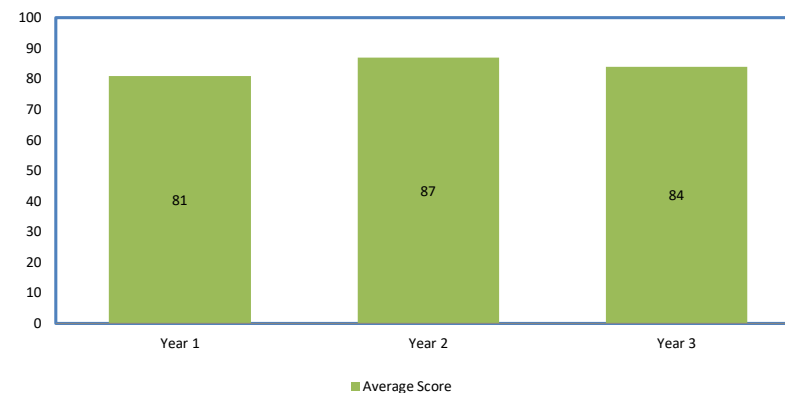
Overall Summary

<b>Total</b>	<b>84.0</b> ↔	<b>88.0</b>	<b>87.0</b>		The score for this quarter is provisionally 84 points. The score remains high.
--------------	---------------	-------------	-------------	--	--

Traffic Signals Performance Scores Over The Contract Period  
(Average score = 83)



Yearly Average Traffic Signals Performance Scores



Lincolnshire County Council Highways  
Performance Report  
Quarter 1 2022/23 – Draft Version

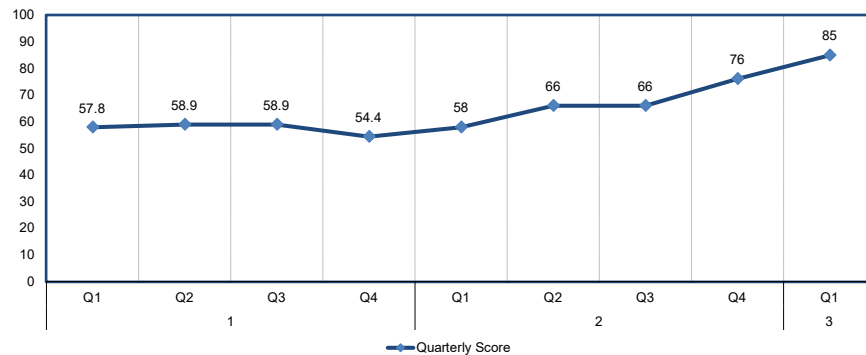
Client Performance Summary		Target	Current Quarter	Quarter Score	Last Quarter	Rolling Year Average	2 Year Trend	Comments for Quarter
Client PI1	Client scheme proposals	Sept 21	Late	10 ↔	10	10.0		The Scheme Proposals for 2022/23 were due to be issued by the Client to the Contractor at the end of September. This was delivered on time.
Client PI2	Variation from Annual Plan spend profile	98-102%	100%	10 ↔	10	10.0		There has been no budget movement as such this measure score full points.
Client PI3	Client Enquiry Response Times	100%	92.54%	7 ↓	8	6.5		Out of 8240 incoming enquiries only 7626 were actioned within appropriate time scales. The level has decreased from last quarter and has scored 7 points.
Client PI4	Early Contractor Involvement	>98%	94.09%	6 ↔	6	0.0		Out of 491 schemes that started this quarter 462 has had Early Contractor Involvement 12 weeks prior to start date.
Client PI5	Valuation of compensation events versus targets	<7% variation	1.17%	10 ↔	10	10.0		So far £21,949,382 has been raised on Confirm with £258,720 compensation events against that target.
Client PI6	Total Rejected Orders	<1%	1.21%	9 ↑	7	7.8		Out of 19576 committed jobs 236 were rejected
Client PI7	Contract Notifications processed within required timescales.	98%	89.65%	7 ↑	0	1.8		Out of 778 Contract Notification 711 were acknowledged or actioned in appropriate timescales. A further 41 were actioned within acceptable extension period.
Client PI8	Percentage of abortive works	<1%	0.80%	10 ↔	10	10.0		Out of 742 jobs that have gone through the ECI process 6 were subsequently cancelled.
Client PI9	Highways Inspections Completed	100%	99.88%	8 ↔	8	8.0		Out of 864 Highway Inspections 1 had an overdue inspection.
Client PI10	Value for Money	Constant Improvement	Baselines being agreed	8 ↑	7	6.3		The Value For Money process has been reviewed and is starting to be implemented. More areas have now had a review of Y1 and Y2 to establish baselines but not all have been finalised. As such the measure has increased score to 8 accordingly.



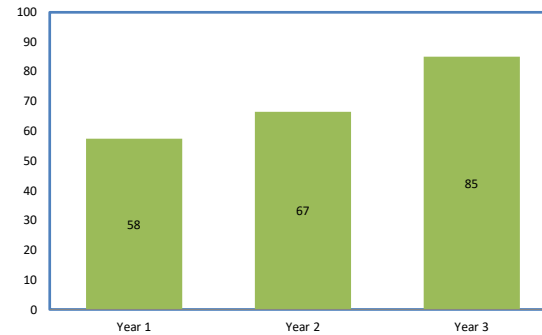
Total	85.0 ↑	76.0	70.3
-------	--------	------	------

**Overall Summary**  
The score this quarter has increased from 76 to 85. Whilst there was a slight decrease in Client Enquiry Response Times actioned in time, there has been a significant increase in the score for Notifications being processed in contractual timescales. The performance improvement is due to a slight alteration in criteria, but also down to the efforts by the the focus group to increase the performance levels of the officers.

Client Performance Scores Over The Contract Period  
(Median score = 59)



Yearly Average Client Performance Scores



Lincolnshire County Council Highways  
Performance Report  
Quarter 1 2022/23 – Draft Version

Alliance Performance Summary

		Target	Current Quarter	Quarter Score	Last Quarter	Rolling Year Average	2 Year Trend	Comments for Quarter
Alliance KPI1	Asset Management Strategy	Within Range	Within Range	10 ↔	10	10.0		This is annual data, and the figure for 2022 is within the anticipated range. Road Condition data show Principle Road at 1.8% Red, A&B Roads at 5.3% Red and Unclassified Roads at 26.8% Red.
Alliance KPI2	Creation of and Tasks delivered against the agreed Annual Plan programme	By Nov 30th and 95%	96.01%	10 ↔	9	9.5		The Annual Plan was agreed on target. This part of the measure has scored 3 out of 3. A score for accuracy of Programme has been set as 7 out of 7 for this quarter.
Alliance KPI3	Minimising disruption to the public	46 schemes annually	8 schemes ytd	6 ↔	10	9.0		8 schemes were confirmed by Q1 so Y3 is slightly behind target currently.
Alliance KPI4	Building Social Value	Mixed Measure	Level Maintained	7 ↔	7	7.3		The data received from the contractors show that we have not scored points for 30 day payment of invoices. There has been a decrease in apprentices working on the contract and is below the commitments from partners. The level of spend to suppliers locally has been maintained.
Alliance KPI5	Public Satisfaction Survey	>0% improvement	-1.80%	2 ↔	2	2.0		This is annual data, and the figure for 2021 was an decrease of 1.8% in satisfaction. This result changes once per year in October.
Alliance KPI6	Efficiency of Spend	>95%	86.00%	6 ↔	6	6.0		This is annual data, and the figure for 2021 was an increase of 1% in efficiency of spend This result changes once per year in October.
Alliance KPI7	Net/Positive Press Coverage	>95%	79.31%	4 ↔	4	4.0		This Quarter there was 59 positive, 102 neutral and 42 negatives stories. There were 203 stories in total.
Alliance KPI8	Relationship scoring	>7points	7.70	10 ↔	10	10.0		The average score for the alliance partners was 7.70 out of 10 - increasing from 7.53
Alliance KPI9	Reduction in Carbon Emissions and Waste	Mix	CO2 >£58 per Tonne 98% Recycled	4 ↔	10	8.5		5 points have been awarded as over 98% of waste has been recycled or reused. The final score for Carbon Emissions for Year 2 has still to be finalised but CO2 emissions are provisionally up from last year. This part of the measures scores -1 (detail to be finalised)
Alliance KPI10	Acceptable Site Safety Assessment and Reportable Accident under RIDDOR	>95%	100.00%	10 ↔	10	9.8		45 assessments over the past twelve months have passed out of 45 assessments.

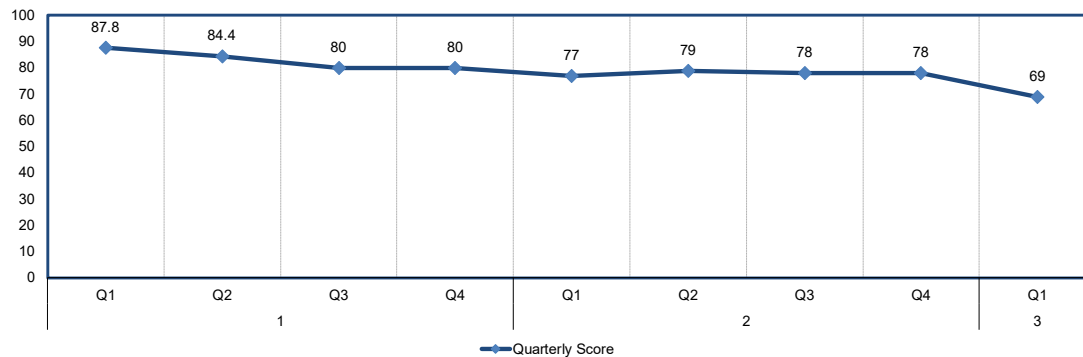


Total	69.0 ↔	78.0	76.0
-------	--------	------	------

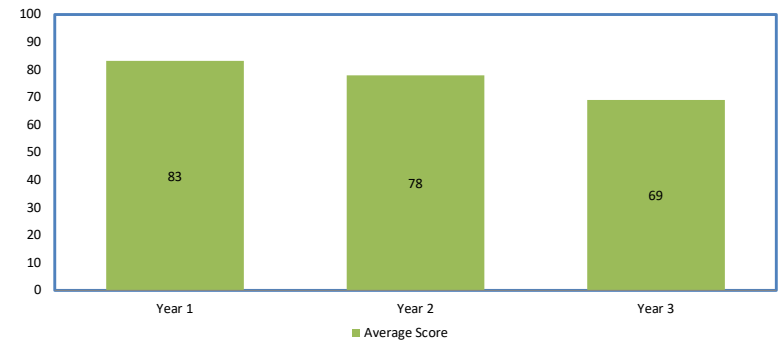
Overall Summary

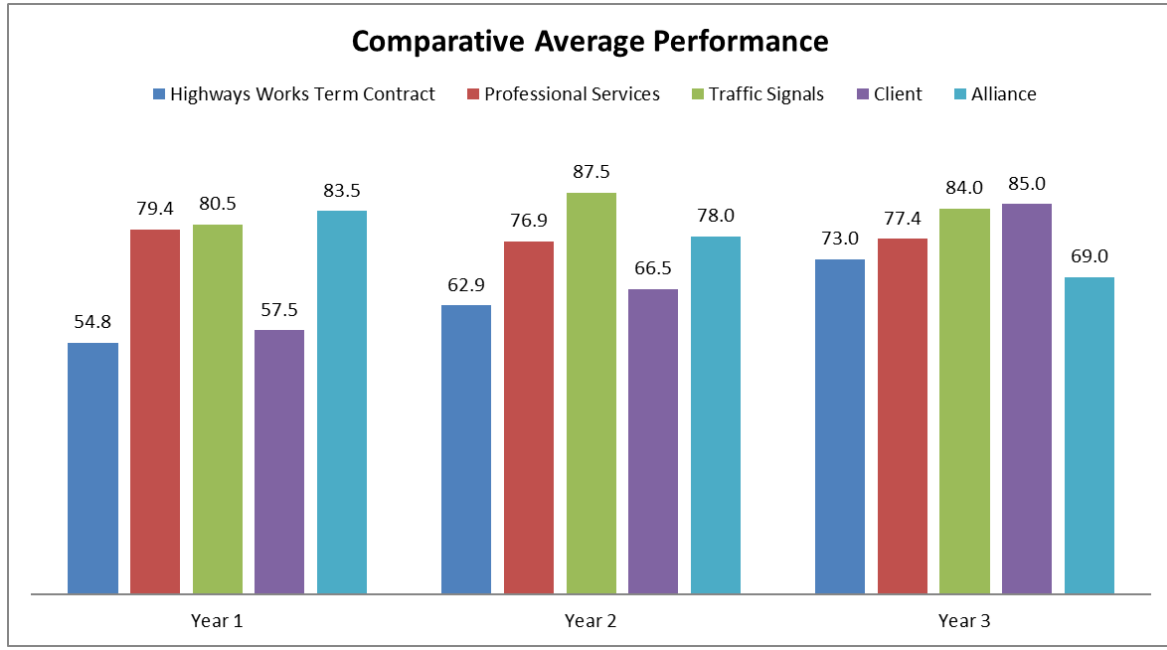
The score has reduced from 78 to 69 points . This is provisional but KPI9 has had the biggest impact

Alliance Performance Scores Over The Contract Period  
(Median score = 79)



Yearly Average Alliance Performance Scores





## Conclusion

The Highway Works Term Contract has increased from 58.5 to 73 which is the equal highest score for the contract. A new subcontractor has been sourced for the Drainage Cleansing Maintenance element and this improved significantly from last quarter. Streetlighting score has remained low though is improving. A new Subcontractor has been brought onto the contract to aid performance improvement.

The Professional Service Contract score has increased from 76.0 to 77.4. This remains a good score.

The Traffic Signals Contract score has decreased from 88.0 to 84.0 points. Whilst this score is still being reviewed, it continues to show high performance.

The Client score has increased from 76.0 to 85.0 points. This is the highest score for the Client so far in this contract. Scores across all measures are now scoring at a good level.

The Alliance Indicator score has dropped from 78 to 69 points. Whilst this score is still being reviewed, there are a few measures that are having an impact – the biggest change relating to Carbon Emissions. Public satisfaction and negative press coverage remain areas of concern.

James Malpass  
August 2022

## Improvement Actions

Indicator No	Description	Action	Owner	Target Date
Client PI7, HWTC PI 7, PSP PI 7	Contract Notifications processed within	All partners have been advised of the correct procedure to process notifications. This will need to be monitored to ensure improvement.	Network and Development Managers, TSP management and Divisional management.	Ongoing
Client PI3	Client Enquiry Response Times	This is a new measure that will need to be monitored to ensure improvement in future	Network and Development Managers, TSP management and Divisional management.	Ongoing
Client PI4	Early Contract Involvement	This is a new measure that will need to be monitored to ensure improvement in future	Network and Development Managers, TSP management and Divisional management.	Ongoing
HWTC PI3	Tasks completed within timescales - Reactive Works	This is a new measure that will need to be monitored to ensure improvement in future	Network and Development Managers, TSP management and Divisional management.	Ongoing
HWTC PI8	Street Lighting Service Standard	A workshop has been arranged to look into the measure to see what improvement and changes can be made.	Network and Development Managers, TSP management and Divisional management.	Year 2
Alliance KPI9	Reduction in Carbon Emissions and Waste	This is a new measure - data capture need to improve for the measure to be accurate.	All Partners	Ongoing

## **Highway Works Term Contract PIs**

### **HWTC PI 1 - Compliance with Tendered Quality Statements**

This indicator is designed to measure the compliance with the tendered quality statements

To measure the Contractor's actual performance against the tendered quality statements and undertakings made in the tender submission.

Before the start of every contract year, ten undertakings will be identified from the quality statements.

On a quarterly basis during the contract year the undertakings will be compared against actual performance.

1 point will be awarded for each undertaking that has been deemed to have been completed or achieved.

### **HWTC PI 2 - Compliance of response times in respect of emergency works (emergency/urgent)**

---

This indicator is designed to measure the percentage of emergencies responded to within given timescales

Identified through emergencies responses reported and updated within Term Maintenance Contract Management System.

This includes the following priorities –

1 hour jobs

2 hour jobs

#### **Calculation i.e. numerator/denominator and formula if appropriate:**

Numerator = Total number of emergencies attended within time (X)

Denominator = Total number emergencies identified (Y )

$\frac{X}{Y} = \%$

Y

#### **Points Scale**

99.5 to 100% = 10

**98.5 to 99.5% = 8**

97.5 to 98.5% = 6

96 to 97.5% = 4      95 to 96% = 2

<95% = 0

### **HWTC PI 3 - Tasks completed with given timescales (reactive works)**

This indicator is designed to measure the percentage reactive works completed within agreed timescales

This is identified through the Term Maintenance Contract Management System looking at the amount of jobs completes within timeframe.

This includes the following priorities –

22 Hour jobs

5 Day jobs

20 Day jobs

75 Day Jobs

This is identified through comparing the total amount of work orders completed within agreed timescales, to the total amount of work orders.

Numerator = Total number of work orders completed within agreed timescales

Denominator = Total number of work orders

$\frac{X}{Y} = \%$

Y

Points Scale

99-100% = 10

98-99% = 9

**97-98% = 8**

96-97% = 7

95-96% = 6

94-95% = 5

93-94% = 4

92-93% = 3

91-92% = 2

90-91% = 1

<90% = 0

### **HWTC PI 4 - Tasks completed with given timescales (planned works)**

This indicator is designed to measure the percentage of planned works completed within agreed timescales.

This is identified through the Term Maintenance Contract Management System looking at the amount of jobs completes within timeframe.

This includes the following priorities –

Planned Works

## JV Works

This is identified through comparing the total amount of work orders completed within agreed timescales, to the total amount of work orders.

Numerator = Total number of work orders completed within agreed timescales

Denominator = Total number of work orders

$$\frac{X}{Y} = \%$$

## Points Scale

99-100%	= 10
98-99%	= 9
<b>97-98%</b>	<b>= 8</b>
96-97%	= 7
95-96%	= 6
94-95%	= 5
93-94%	= 4
92-93%	= 3
91-92%	= 2
90-91%	= 1
<90%	= 0

## **HWTC PI 5 - Percentage Task Orders carried out in compliance with TMA.**

This indicator is designed to measure the compliance with the Traffic Management Act regulations with regards to correct notice of works being produced.

All jobs with value that need a TMA notice are recorded over the Quarter and checked accordingly.

The target is for 99% of Task Order to be carried out in compliance with TMA. Points are lost for being under this benchmark.

99 - 100%	= 10
<b>96 - 99%</b>	<b>= 8</b>
93 - 96%	= 6
90 - 93%	= 4
87 - 90%	= 2
Less than 87%	= 0

## **HWTC PI 6 - Quality Assessment of Workmanship**

This indicator is designed to measure the compliance to agreed material standards as detailed within contract specification.



A number of sites are tested the Client and reported compliance is used to equate the indicator score.

Sites can be requested by the Client for investigation, but the majority of sites tested, are randomly selected.

This is identified by comparing the total number of passed quality assessments, to the total number of assessments carried out to get a pass percentage.

>99% =10

>97% =8

>95% =6

>93% = 4

>91% =2

<91% =0

### **HWTC PI 7 - Contract Notifications and Target Price Processed within Required Timescales.**

This indicator is designed to ensure that the Term Maintenance contract management processes are carried out in an efficient and effective manner.

The method of measuring this indicator will be to take information from a scheduled report form the Term Maintenance Contract Management System.

The report will show the contract notifications raised and committed within required timescales and will be shown as a percentage.

Additionally this indicator is designed to measure the timescales between works being proposes, to being target costed by the contractor.

Ideally all works will be target costed no less than 4 weeks prior to Task Order start date - points will be lost for being beyond this timescale

#### **Contract Notification Processed within required timeframe**

>99% = 10

>97% = 9

>95% = 8

>93% = 7

>91% = 6

>89% = 5

>87% = 4

>85% = 3

>83% = 2

>81% = 1

<81% = 0

#### **Works Accepted within 4 weeks**

- 100% = 10
- >99% = 9
- >98% = 8
- >97% = 7
- >96% = 6
- >95% = 5
- >94% = 4
- >93% = 3
- >92% = 2
- >91% = 1
- <91% = 0

Overall Score

Average of the two scores (CEs and Works Accepted)

**HWTC PI 8 - Street Lighting Service Standard**

To measure and improve the percentage of streetlights working within Lincolnshire

**Methodology (measurement):** Identified through measuring.

- Percentage of lights lit (a)
- Percentage of 5, 7 and 10 day Task orders completed within time frame (b)
- Percentage of 5, 7 and 10 day Task orders not requiring return visit (c)
- Delivery of daily whereabouts each day (d)
- Percentage of 1,2, and 3 month Task orders completed within time frame (e)
- Percentage of Routine maintenance completed (f)
- Percentage of Salix energy saving work completed (or appropriate seasonal work) (g)

**Calculation i.e. numerator/denominator and formula if appropriate:**

The overall score for the indicator is based on a combination of the scores.

The weightings and targets are as follows

Indicator	Target	Weighting
a	99.40%	15%
b	98%	15%
c	98%	8%
d	100%	2%
e	98%	20%
f	98%	25%
g	100%	15%

Each indicator will lose points for being below the target based on percentage points below

e.g

100% target with a 15% weighting

Target	Actual Performance	% below Target	Weighting	Converted Score
100%	100%	0%	15%	15%
100%	98%	2%	15%	14.7%
100%	96%	4%	15%	14.4%
100%	94%	6%	15%	14.1%

98% target with a 25% weighting

Target	Actual Performance	% below target	Weighting	Converted Score
98%	100%	0%	25%	25%
98%	98%	0%	25%	25%
98%	96%	2%	25%	24.5%
98%	94%	4%	25%	24.0%

All seven converted scores are added together to form a total score for the quarter.

The overall target is 98.5%

- >98.5% = 10
- 95.5 – 98.5% = 8
- 92.5 – 95.5% = 6
- 89.5 – 92.5% = 4**
- 86.5 - 89.5% = 2
- <86.5% = 0

**HWTC PI 9 - Gully Maintenance**

This indicator is designed to measure the percentage of Maintenance Areas that have fully completed their gully maintenance.

Each quarter a target cleanse of cyclical maintenance will be agreed.

The contractor performance will be measured based on maintenance areas that have been fully cleansed within timescales.

Number of maintenance areas fully cleansed during the quarter / Number of maintenance areas planned to be fully cleansed during the quarter

Point Scale

>95% = 10  
**90-95% = 8**  
80-90% = 6  
75-80% = 4  
70-75% = 2  
<70% = 0

### **HWTC PI 10- Winter/Summer Maintenance**

This indicator is designed to measure that the network remain safe and operational during the winter, and that routine programme of maintenance is maintained during the summer.

#### **Winter Maintenance**

##### **Precautionary Salting**

During the winter season (Oct-Mar) Precautionary Salting of the Network will be instructed by the Client when the Road Weather Forecast indicates a risk of snow or ice hazards on the network.

The response time is defined as the period between issuing instructions to carry out salting and the vehicles are loaded, manned and ready to leave the operating centre.

On all precautionary salting operations and post salting, the response time shall not exceed one hour unless approved by the Service Manager regardless of the time of day or night that the instruction is given.

The Contractor shall ensure that all manpower engaged upon these operations can achieve this specified response time and provide details to the Service Manager.

#### **Summer Maintenance**

During the summer season the contractor is required to carry out seasonal maintenance.

##### **Rural Mowing, Urban Mowing**

The Contractor shall programme their works to be carried out on dates set by the Contract Administration between 1 March and 31 October.

The anticipated two cut dates will be:

Cut one – Start on first week of May and be completed within five weeks.

Cut two – Start on first week of September and be completed within five weeks.

The anticipated three cut dates will be:

Cut one – Start on last week last week of April and be completed within five weeks.

Cut two – Start on third week of June and be completed within five weeks.

Cut three - Start on first week of September and be completed within five weeks.

The start date may be varied by plus/minus 2 weeks due to seasonal growth and the Contractor should have the flexibility to accommodate any such decision.

## **Weed Control**

The programming of work is based on two treatment cycles of the whole Network per year. The dates for each cycle will be dependent on the growth conditions, times of treatment will be notified and the plan will be agreed (typically this will be during the last two weeks of April and the months of May and June for the first cycle, and the months of August, September and the first two weeks of October for the second cycle).

## **Calculation i.e. numerator/denominator and formula if appropriate:**

### Winter (Oct-Mar)

100% of Drivers to be available within 1 hours of request - (85% on a Snow Day)

100% = 10

>98% = 8

>95% = 6

>92% = 4 >90% = 2

<90% = 0

### Summer (April - September)

Points are awarded for progress against the agreed programme of summer maintenance each quarter (Rural Mowing, Urban Mowing, Weed Control).

## **All three programmes on/ahead of specified timeframe = 10 (Minimum Performance Level)**

Two programmes on/ahead of specified timeframe. One programme behind by less than one week = 8

One programme on/ahead of specified timeframe. Two programmes behind by less than one week = 6

Any programme more than 1 week but less than 2 weeks behind specified timeframe = 5

## **One programme more than 2 weeks behind specified timeframe = 4 (Minimum Performance Level)**

Two/three programmes more than 2 weeks behind specified timeframe = 0

## **Professional Services Partnership PIs**

### **PSP PI 1 - Compliance with Tendered Quality Statements**

To measure the Consultant's actual performance against the tendered quality statements and undertakings made in the tender submission.

On an annual basis, ten undertakings will be identified from the quality statements and compared against actual performance.

Each quarter the undertakings will be assessed to determine which have been deemed to have been completed, achieved or maintained.

Points will be awarded based on this assessment.

Points Scale: -

10 achieved = 10

9 achieved = 8

**8 achieved = 6**

7 achieved = 4

6 achieved = 2

Less than 6 = 0

### **PSP PI 2 - Continuous Improvement and Innovation**

This indicator is designed to encourage innovations and improvements in the service.

The Consultant actively seeks out, identifies and implements improvements, innovations and efficiencies on an on-going basis in order to constantly improve the service provided and ensure that the contract remains best value for the Client.

The Consultant provides examples and/or case studies on an annual basis that shows how they have achieved innovations and improvements in the service and also demonstrates the cost and time benefits.

Each example and/or case study outlines:

- The detail of the improvement, innovation or efficiency
- The cashable saving, or improvement in the service
- The methodology employed to capture the actual cashable savings, or improvements to the service

Initially in Year 1 the Consultant will be expected to provide case studies that show a saving. A Score will be awarded based on total cases studies.

>20 = 10

17- 19 = 8

14 - 16 = 6

**11 - 13 = 4**

$$8 - 10 = 2$$
$$< 8 = 0$$

The total cashable saving from Year 1 will be used as a benchmark for subsequent years with a requirement for continuous improvement going forward of 2% cashable saving annually.

The scoring for Year 2

- >2% improvement = 10
- 1 to 2% improvement = 8
- 0 to 1% improvement = 6
- 1 to 0% improvement = 4**
- 2 to -1% improvement = 2
- 3 to -2 % improvement = 0

### **PSP PI 3 - Accuracy of Task Order Price Proposal**

This indicator is designed to measure the accuracy of Professional Services Price Proposals against the actual out-turn costs (taking into account any agreed changes).

This measure relates to the entire service with each element of service, both mixed economy and external delivery, carrying an equal weighting for the calculation of the indicator score.

Each Price Proposal is compared to the out-turn cost of the task to establish the accuracy of the proposal. (Excludes supervision costs)

Any agreed changes to the Price Proposal are taken into account during this process.

Each Task Order completed in the quarter adds to this measure

- Agreed price prior to commencement of work (A)
- Agreed changes (B)
- Actual out-turn cost (C)

Method of Calculation

$$PI = 1 - \frac{C - (A + B)}{(A + B)} \times 100$$

Interpretation

Value of PI=

100%; Out-turn costs equal agreed price.

Greater than 100%; Out-Turn costs less than agreed price.

Less than 100%; Out-turn cost greater than agreed price.

Each design is then scored -

>150%=0  
125-150%=2  
**111-125%= 4**  
101-110%=6  
90-100%=10  
80-89%=8  
75-79%=6  
**55-75%= 4**  
<55%=2

An average of all scores is then used to gauge the overall performance

#### **PSP PI 4 - Ability to Meet Agreed Timescales to Complete a Task Order**

This indicator is designed to measure the time taken to complete a Task Order compared to agreed timescales for this process (taking into account any agreed changes)

This measure relates to the entire service with each element of service, both mixed economy and external delivery, carrying an equal weighting for the calculation of the indicator score.

The actual time taken to complete a Task Order is compared to the agreed timescale.

Any agreed changes to the task are taken into account.

Each Task Order completed in the quarter adds to this measure

- The target delivery date (A)
- Agreed duration adjustment in days (B)
- Actual date Task Order completed (C)

Method of Calculation

$$PI = 1 - \frac{C - (A + B)}{(A + C)} \times 100$$

Interpretation

Value of PI=

100%; Work completed on agreed date.  
Greater than 100%;- Work completed after agreed date



### Less than 100%;- Work completed before agreed date

Each design work is then scored -

- >150%=0
- 125-150%=2
- 110-125%= 4**
- 100-110%=6
- 90-100%=10
- <90%=8

An average of all scores is then used to gauge the overall performance

### **PSP PI 5 - Overall Performance of Design and Supervision**

This measure relates to the entire service with each element of service, both mixed economy and external delivery, carrying an equal weighting for the calculation of the indicator score.

The out-turn works cost of a project is compared to the awarded tender value.

An account is taken of any changes to the works which are outside of the Consultant's control. For example changes to the scope of the work instructed by the Client.

Each project completed in the quarter adds to this measure

- Awarded Tender Value (A)
- Changes to cost outside of the Consultant's control (B)
- Actual out-turn cost. (Agreed final account) (C)

Method of Calculation

$$PI = 1 - \frac{C - (A + B)}{(A + B)} \times 100$$

Interpretation

Value of PI=

100%; Out-turn cost is equal to the awarded tender value.

Greater than 100%; Out-turn cost less than the awarded tender value.

Less than 100%; Out-turn cost greater than the awarded tender value.

Each project is then scored -

- >135%=0
- 130-135%=2
- 125-130%= 4**
- 120-125%=6

115-120%=8  
85-115%=10  
80-85%=8  
75-80%=6  
**70-75%=4**  
65-70%=2  
<65%=0

An average of all scores is then used to gauge the overall performance

### **PSP PI 6 - Accuracy of Pre-Tender Works Cost Estimating**

The indicator is a comparison of the Pre-Tender Works Cost Estimate against the lowest assessed Tender Value.

This measure relates to the entire service with each element of service, both mixed economy and external delivery, carrying an equal weighting for the calculation of the indicator score.

Each Pre-Tender works cost estimate is compared to the lowest submitted assessed tender for the project or the agreed Task Order target (if delivered within the alliance)

Each awarded tender in the quarter adds to this measure.

- Pre-tender works cost estimate (A)
- Assessed Tender Value (B)

Method of Calculation

$$PI = \frac{B - A}{B} \times 100$$

Interpretation

Value of PI=

100%; Pre-Tender Works Cost Estimate equal to Assessed Tender Value.

Greater than 100%; Pre-Tender Works Cost Estimate less than Assessed Tender Value.

Less than 100%; Pre-Tender Works Cost Estimate greater than Assessed Tender Value.

Each construction work is then scored -

>135%=0  
130-135%=2  
**125-130%= 4**  
120-125%=6  
115-120%=8  
85-115%=10

80-85%=8  
75-80%=6  
**70-75%= 4**  
65-70%=2  
<65%=0

An average of all scores is then used to gauge the overall performance

### **PSP PI 7 - Contract Notifications Processed within Required Timescales.**

This indicator is designed to ensure that the Professional Services partner complies with the Term Maintenance contract management processes when supervising and managing works within the alliance and that they are carried out in an efficient and effective manner.

This measure only relates to the Mixed Economy Model (LCC and PSP Staff).

The method of measuring this indicator will be to take information from a scheduled report form the Term Maintenance Contract Management System (Confirm).

The report will show the contract notifications raised and committed within required timescales and will be shown as a percentage.

#### **Contract Notifications processed within required timescales**

>99% = 10  
>97% = 9  
>95% = 8  
>93% = 7  
>91% = 6  
**>89% = 5**  
>87% = 4  
>85% = 3  
>83% = 2  
>81% = 1  
<79% = 0

### **PSP PI 8 - Client Satisfaction of Design Service**

This measure relates to the entire service with each element of service, both mixed economy and external delivery, carrying an equal weighting for the calculation of the indicator score.

After the design or supervision phase of a project has been completed, a Client satisfaction questionnaire is sent by the Technical Services Partnership to the Client team so that a score can be awarded for the design.

The questions will be scored in accordance with the interpretation below:

Score		
Excellent	Totally satisfied. Excellent service	10
Good	Demonstrates above average proficiency. Exceeds expectations.	8
Satisfied	Competent service. Meets expectations. Neither satisfied nor dissatisfied.	5
Less than Satisfied	Does not fail but service is basic.	3
Poor	Total failure. Totally dissatisfied	1

All Task Orders for which a design has been completed in that quarter are to be included with the score

All questionnaires received within the quarter will be scored for the Design Service to determine an average score for the quarter.

All questionnaires received are separated to take into account of the cost for the individual Task Order. They will be separated as follows -

Below 10k  
10k-50k  
50k-100k  
Greater than 100k

Each pot of questionnaires will equate to 25% of the total score for the quarter.

Each questionnaire is scored for the Design Service as follows -

Total score of questions answered.  
Number of questions answered.

Then the scores of all Questionnaires are averaged to get an overall score for each cost range for Task Order.

Total of average scores from questionnaires  
Total number of questionnaires

The average score for each of the four ranges then converts to a score for the Indicator as follows

>9.5 = 10  
9 - 9.5 = 8  
8.5 - 9 = 6  
8 - 8.5 = 4  
7.5 - 7 = 2  
<7.7 = 0

### **PSP PI 9 - Continuity of Key Staff**

After the design and works phase of a project has been completed a Client satisfaction questionnaire is sent by the Consultant to the Client team so that a score can be awarded for the design service.

One question will relate to any loss/changes of a key member of staff to a project.

The Client team will rate, in the relevant cases, whether there was an impact to the Design Service as follows -

Impact Level	Score	Description
Negligible	10	No significant impact to quality of service.
Minor	7	Potential for a minor impact in service, loss in efficiency
Moderate	4	Some impact on service provided, some effort, time or expense required to recover.
Significant	2	Considerable impact in the quality of service. Considerable effort, time or expense required to recover.
Major	0	Severe impact on Service. Critical loss to all users.

The average score will be used for the quarterly Indicator Score.

### **PSP PI 10 - Time Taken to Fill a Vacancy**

To maintain staff resource levels this indicator is to measure the timeframe taken by the Consultant to fill a vacancy when requested by the Client.

A baseline of 3 months will be used for this measure.

Each quarter the total amount of vacancies will be compared to how many staff were appointed within 3 months.

Method of Calculation

Vacancies filled in 3 months (A)

Total Vacancies (B)

$$\frac{A}{B} \times 100$$

Scoring

$$>90\% = 10$$

$$80 - 90\% = 8$$

$$70 - 80\% = 6$$

$$60 - 70\% = 4$$

$$50 - 60\% = 2$$

$$<50\% = 0$$

## **Traffic Signals Term Contract**

### **TSTC PI 1 - Compliance with Tendered Quality Statements**

This indicator is designed to measure the compliance with the tendered quality statements

On an annual basis, ten undertakings will be identified from the quality statements and compared against actual performance.

Each quarter the undertakings will be assessed to determine which have been deemed to have been completed, achieved or maintained.

Points will be awarded based on this assessment.

Points Scale: -

10 achieved = 10

9 achieved = 8

8 achieved = 6

**7 achieved = 4**

6 achieved = 2

Less than 6 = 0

### **TSTC PI 2 - Weekly Works Planning**

This indicator is designed to ensure that work is planned in advance.

The Contractor is required to provide data regards to their forward planning to the Client. They will assess whether the correct data has been received.

The requirement is as follows: -

Planned whereabouts of Engineers – to be submitted weekly

Relevant Dashboard Checks – to be carried out weekly

Lincolnshire County Council purchased stock Inventory – to be submitted monthly

A score will be calculated quarterly based on data reports received.

3/3 Inventory's received, 13/13 Whereabouts submitted and 13/13 Dashboard checks carried out. (Maximum per quarter 29/29)

Each data report is of equal value to the Client.

Points Scale

29 = 10

28 = 8

**27 = 6**

26 = 4

25 = 2

Less than 25 = 0

### **TSTC PI 3 - Compliance of attendance times in respect of emergency works (emergency/urgent)**

This indicator is designed to measure the number of emergencies attended to within given timescales

Identified through emergencies responses reported and updated within the Traffic Signals Fault Contract Management System.

An Emergency Fault shall be an "all signals out" fault or any other fault considered by the Client to be a danger to the public.

The attendance time to attend this type of fault is 2 actual hours.

**Points are deducted for every emergency fault attendance time that is not met per quarter.**

0 = 10

1 = 6

2 = 4 **(Minimum Performance Level)**

>2 = 0

### **TSTC PI 4 - Number of Faults Cleared within Contract Timescales**

This indicator is designed to measure the ability to clear faults within the specified timescales.

When a fault is raised the fault will be resolved within contract timescales.

The target is for 99% of faults to be cleared in agreed timescales and points are lost for being under this benchmark.

**Calculation i.e. numerator/denominator and formula if appropriate:**

99 - 100% = 10

98.5 - 99% = 8

98.0 - 98.5% = 6

**97.5 - 98.0% = 5**

97.0 - 97.5% = 4

96.5 - 97.0% = 3

96.0 - 96.5% = 2

95.5 - 96.0% = 1

Less than 95.5% = 0

### **TSTC PI 5 - Percentage Task Orders Completed on Time**

**This** indicator is designed to measure the amount of task orders completed on time that the Client has specified the completion date.

To measure and improve the percentage of work orders completed within the agreed timescales. This indicator is also designed to measure the sites that are fully complete and ready for an onsite acceptance testing.

This measure does not include reactive works.

Measured by the Term Maintenance Management System.

The target is for 99% of orders to be completed in agreed timescales and points are lost for being under this benchmark.

#### **Calculation i.e. numerator/denominator and formula if appropriate:**

99 - 100% = 10

98 - 99% = 8

**95 - 98% = 6**

92 - 95% = 4

88 - 90% = 2

Less than 88% = 0

### **TSTC PI 6 - Percentage Task Orders completed free of remedial works**

This indicator is designed to measure the amount of tasks completed without the need to return for remedial works.

To measure and improve the percentage of task orders completed without the need to return for remedial works, ensuring efficiency of resources and network.

Measures by the Term Maintenance Contract Management System and Contractor

Ideally by monitoring this aspect, there will be an improvement in the percentage of task orders completed without the need to return for remedial works, ensuring efficiency of resources and network.

The target is for 99% of orders to be completed in agreed timescales and points are lost for being under this benchmark.

99 - 100% = 10

96 - 99% = 8

**93 - 96% = 6**

90 - 93% = 4

87 - 90% = 2

Less than 87% = 0



**TSTC PI 7 - Percentage faults resolved at the first visit.**

This indicator is designed to measure the amount of tasks resolved with the need for only one visit.

The target is for 99% of tasks to be resolved in one visit. Points are lost for being under this benchmark.

**Points Scale**

99 - 100% = 10

98 - 99% = 8

97 - 98% = 6

**96 - 97% = 4**

95 - 96% = 2

Less than 95% = 0

**TSTC PI 8 - Percentage Task Orders carried out in compliance with TMA.**

This indicator is designed to measure the percentage of task orders carried out in compliance with TMA.

Measured by the Traffic Signals Fault Management System and the Lincolnshire permits scheme.

This indicator is designed to measure the compliance with the Traffic Management Act regulations with regards to correct notice of works being produced.

All jobs with value that need a TMA notice are recorded over the Quarter and checked accordingly.

The target is for 99% of Task Order to be carried out in compliance with TMA. Points are lost for being under this benchmark.

Whilst being scored quarterly, this measure will take into account the previous 12 months on a rolling basis.

**Points Scale**

99 - 100% = 10

98 - 99% = 8

**97 - 98% = 6**

96 - 97% = 4

95 - 96% = 2

Less than 95% = 0

### **TSTC PI 9 - Percentage annual inspections completed per contract year.**

This indicator is designed to measure the percentage of site inspections carried out each year.

All of the Traffic Signals site based assets in Lincolnshire require an annual inspection to be carried out and reported back to the Client.

Quarterly target inspection levels will be based on a cumulative total for the financial year.

This is to ensure 100% are completed by year end.

The targets will be set as follows -

- Q1 – 25% completed
- Q2 – 50% completed
- Q3 – 75% completed
- Q4 – 100% completed

At the end of each quarter the target is compared to the actual amount of inspections that have taken place to see if we are on course for all inspections to be achieved.

Scoring will be as follows –

#### Q1-Q3

On track /ahead of target = 10

**Behind target = 4**

#### Q4

100% Inspections completed = 10

Less than 100% = 0

### **TSTC PI 10 - Signal optic failures**

To record the number of signal optic failures for any given quarter.

To ensure the whole Client asset has no more than 30 Signal optic faults in a quarter and to highlight when this happens.

Failures that are caused by third party damage or Distribution Network Operator supply will not be subject to this KPI.

Each quarter the total of occurrences-Signal Optics failure will be calculated and used to score the measure.

Points Scale

Total quarterly occurrences 30 or less = 10

31 – 33 = 8

34 – 36 = 6

**37 - 39 = 4**

40 - 42 = 2

> 43 = 0

## **Client PIs**

### **Client PI 1- Client scheme proposals**

Client scheme proposals are required to be delivered to the Contractor in appropriate timescale. This is to give the Contractor adequate time to programme resources and submit an Annual Plan.

The Indicator is designed to allow sufficient time ahead of scheme commencement to ensure Early Contractor Involvement can be fully implemented and also encourage effective planning throughout the alliance.

**An** agreed Annual Plan allows for a co-ordinated programme of works across the alliance and efficient scheduling of works.

An Annual Plan should be submitted to the Service Manager for acceptance by 30th November each year for the follow year.

In order for this date to be achieved the Client is required to deliver a list of scheme proposals by 30<sup>th</sup> September each year.

#### Points Scale

Having a proposed list of schemes issued -

By 30th September = 10

By 31st October = 7

By 30<sup>th</sup> November = 3

Later than 30th November = 0

### **Client PI 2 - Variation from Annual Plan spend profile**

The Indicator is designed to encourage the Client to minimise variation from the accepted Plan / Programme. Reducing this variation will provide greater budget certainty to deliver ongoing and improved efficiencies. Additional one off grants/funds awarded within year shall not form part of this measure.

The method of measuring this indicator will be to calculate the percentage variation from target price commitments against the disaggregated budget for eight key areas.

There are eight budgets that add to this measure.

Surfacing and Patching

Surface Dressing

Reactive Works

Minor Works

Cyclical Works

Structures

Street Lighting

Traffic Signals

Each area is weighted equally within the overall score.

2% variation per budget is allowable – after that points are lost for additional variation.

Each of the areas is measured for variation and scored a percentage for the budget being maintained.

Target Order Commitment = A

Disaggregated Budget agreed in Annual Plan / Programme = B

$$PI = \frac{A}{B} \times 100$$

The scores are then averaged to get an overall score

Points scale -

>110% = 0  
108 – 110% = 2  
106 – 108% = 4  
104 – 106% = 6  
102 – 104% = 8  
98 – 102% = 10  
96 – 98% = 8  
94 – 96% = 6  
92 – 94 % = 4  
90 – 92% = 2  
<90% = 0

### **Client PI 3 - Client Enquiry Response Times**

indicator is designed to monitor the time taken by the Client to initially respond to incoming enquiries/fault received from members of the public.

Enquiries should not exceed prescribed amount of working days to move from initial status to the creation of a job, or a response to the public.

All members of the Client team will be expected to help works towards this target, and actively deal with enquires as they are received.

All enquires/faults are classed as either emergency or non-emergency when they are received.

Emergency requests require a response within 24 hrs.

Non-emergency requests require a response within 10 days.

A percentage is calculated based on what has achieved the appropriate level of response.

Points Scale

100% = 10  
>97% = 9  
>94% = 8  
>91% = 7  
>88% = 6  
>85% = 5  
>82% = 4  
>79% = 3  
>76% = 2  
>73% = 1  
<73% = 0

#### **Client PI 4 - Early Contractor Involvement**

The Indicator is designed to allow sufficient time ahead of scheme commencement to ensure Early Contractor Involvement can be fully implemented and also encourage effective planning throughout the alliance.

It also gives the contractor the opportunity to plan and control resources

The Client should notify the Contractor at least 10 weeks prior to commencement of works that Early Contractor Involvement is required.

The Term Maintenance Contract Management System reports any ECI's and a comparison of work start date to ECI being notified to Contractor will be used to calculate a quarterly percentage.

To measure the amount of ECI flagged to the contractor at least 10 week prior to the start of works.

>98% = 10  
>96% = 8  
>94% = 6  
>92% = 4  
>90% = 2  
<90% = 0

#### **Client PI 5 - Value of Compensation Events versus Targets.**

This indicator is designed to encourage the Client to minimise the amount of change whilst on site. Compensation Events also disrupt Annual Plan delivery and get in the way of efficient planning.

The method of measuring this indicator will be to calculate the percentage value of compensations events against the total spend.

This is measured by the Term Maintenance Contract Management System.

7% variation is allowable – after that 1 point is lost per percentage point of variation.

Additional points can be scored for improving on previous year's variation after the financial year close out.

Quarterly the score will reflect the year to date variation.

>95% = 10  
>94% = 9  
>93% = 8  
>92% = 7  
>91% = 6  
>90% = 5  
>89% = 4  
>88% = 3  
>87% = 2  
>86% = 1  
<85% = 0

After financial close out – an additional measure may reduce the score for the preceding 12 months, based on whether variation has improved from the previous year.

Points Scale

>0% improvement = 2

Example 1

Year 1 variation was 10%, in year 2 variation was 11% - this would result in no change to points score. Although there was no improvement, the variation was similar to the previous year.

Example 2

Year 1 variation was 10%, in year 2 variation was 9% - this would result in additional point points due to variation level improvement = +2 points

### **Client PI 6 - Total Rejected Orders**

This indicator is designed to ensure that orders give the correct and required information. Correct information ensures the processes work as planned, avoids cost plus and builds confidence in LCC professionalism.

The method of measuring this indicator will be to take the scheduled report from the Term Maintenance Contract Management System which details all jobs rejected and displays the reasons for rejection.

Each reason is checked and a count made of the number of jobs rejected for incomplete information.

Report from the Term Maintenance Contract Management System will show the number of rejected orders not giving all information are counted.

1 point is lost per percentage point (maximum 10 points). The aim is to be 100% correct.

**Client PI 7- Contract Notifications processed within required timescales.**

This indicator is designed to ensure that the Term Maintenance contract management processes are carried out in an efficient and effective manner.

The method of measuring this indicator will be to take information from a scheduled report form the Term Maintenance Contract Management System.

The report will show the contract notifications processed within required timescales and will be shown as a percentage.

The aim is 100% to be processed within required timescales – there after 1 point is lost every 2 percentage points.

**Points Scale**

Contract Notifications processed within required timescales

- 100% = 10
- >98% = 9
- >96% = 8
- >94% = 7
- >92% = 6
- >90% = 5
- >88% = 4
- >86% = 3
- >84% = 2
- >82% = 1
- <80% = 0

**Client PI 8 - Percentage of abortive works**

The Indicator is designed to encourage the Client to minimise abortive works and inefficient time management. Reducing change will provide greater efficiency and resource certainty within the Alliance.

The method of measuring this indicator will be to calculate the percentage of JV schemes proposed to the Contractor that are aborted after completion of Early Contractor Involvement

Each scheme is weighted equally within the overall score.

**Calculation i.e. numerator/denominator and formula if appropriate:**

Target Order Commitment = A

Disaggregated Budget agreed in Annual Plan / Programme = B

$$PI = \frac{A}{B} \times 100$$



B

Points scale –

>99% = 10  
>98% = 8  
>97% = 6  
>96% = 4  
>95% = 2  
<95% = 0

**Client PI 9 - Highways Inspections Completed**

This indicator is designed to measure the percentage of planned highway safety inspections and, principal and general bridge inspection, actually completed

The percentage is based on inspections carried out in a quarter compared to inspection due in a quarter.

(Total number of planned general and principle inspections completed within timeframe)

+

(Total number of planned routine safety inspection completed with timeframe)

100% = 10  
>97% = 8  
>94% = 6  
>91% = 4  
>88% = 2  
<88% = 0

**Client PI 10 - Value for Money**

All Client Team are assessed annually to establish if Lincolnshire County Council considers them to be cost-effective. The focus is on -

Economy – Spending Less

Efficiency – Spending Well

Effectiveness – Spending Wisely

All Client Teams have a set of performance indicator that are monitored throughout the year in the form of an Individual Specification of what is required

The teams in question are -

Asset Management

Highway Network Management

Infrastructure Commissioning

Lincs Laboratory

Network Resilience

Streetwork Permitting

Technical Services Partnership

Annually the data collated is used in a Value for Money assessment to establish whether the team has improved from previous years.

Each Area is given a score out of 100 for Economy, Efficiency and Effectiveness.

The scores are then used to calculate an average score for the Client Team.

The target is for this average to improve each year.

#### Points Scale

>0% improvement = 10

-1% to -0.01% = 8

-2% to -1.01% = 6

-3% to -2.01% = 4

-4% to -3.01% = 2

<-4% = 0

## **Alliance KPIs**

### **Alliance KPI 1 - Asset Management Strategy**

This indicator is designed to gauge how successful the Asset Management Strategy has been with regards to Asset condition.

The purpose of this Asset Management Strategy (AMS) is to:  
Formalise strategies for investment in key highway asset groups  
Define affordable service standards  
Improve how the highway assets are managed  
Enable a more effective and efficient highways service to be delivered

The AMS sets a plan of how Lincolnshire County Council will maintain its Asset based on financial constraints.

A performance report will be compiled annually summarising the condition of each asset group. The report will describe the result of the previous year's investment in terms of meeting the target service standards and key outcomes.

The report will also include long term predictions of levels of defects and condition and will be used to enable the council to best allocate the following years budgets and to decide whether any of the service standards contained in this plan or funding levels need to be revised.

A comparison of 'Expected Condition of Asset' is compared to 'Actual Condition of Assets' to make an assessment as to whether the Asset condition has improved or worsened in alignment with the AMS.

#### Points Scale

≥0% improvement = 10  
-0.5% to -0.01% = 8  
-1% to -0.51% = 6  
-1.5% to -1.01% = 4  
-3% to -1.51% = 2  
<-3% = 0

### **Alliance KPI 2 - Creation of and Tasks Delivered against an Annual Plan**

An alliance Annual Plan will be agreed by the Client and Contractor. The performance of the alliance will be measured by number of works completed against this agreed Annual Plan.

An agreed Annual Plan allows for a co-ordinated programme of works across the alliance and efficient scheduling of works.

To measure the performance of all parties in effectively programming and delivering works. To this end the Annual Plan must be agreed and a degree of ownership for each

member of the alliance and be kept up to date as the programme must be able to flex to the demands of the parties whilst still delivering planned works by the alliance.

An agreed Annual Plan should be complete by 30th November each year for the follow year.

The current Annual Plan is also measured for accuracy by taking the number of jobs that have been planned for completion during the monthly period and those that have been notified as substantially complete / technically complete.

This measure takes place within the Term Maintenance Contract Management System.

Points scale -

Having an Annual Plan agreed by -

By 30th November = 3

By 31st December = 2

By 31st January = 1

Later than 31st January = 0

Additionally the performance measure is calculated by taking the number of scheme that have been planned for completion, and comparing this figure to the amount that have been notified as substantially complete / technically complete.

Points Scale >95% = 7

90% to 94.9% = 6

85% to 89.9% = 5

80% to 84.9% = 4

75% to 79.9% = 3

70% to 74.9% = 2

65% to 69.9% = 1

<65% = 0

### **Alliance KPI 3 - Minimising disruption to the public**

indicator is designed to gauge co-working and coordination between different Partners within the alliance and also co-working between Partners and National Works Promotors.

Infrastructure Improvements involving Traffic Management can have an impact on the general public. This indicator is designed to work towards minimising possible disruptions.

The performance measure is calculated by looking at number of schemes, planned works and reactive works that have been completed in a quarter that involved traffic management/ road closures and calculated how many used the same Traffic Management.

e.g. Partners using the same TM to do Traffic Signals installations and surfacing at the same time. Or bridge deck / resurfacing at the same time.

This data will be generated through and Term Maintenance Contract Management System, but also from alliance Partner Managers whom can highlight where co-working and coordination has taken place.

Also any works with National Works Promotors and Partners will be included if the same Traffic Management was utilised.

Initially there will be an annual target during of 5 completed works involving co-ordination annually. Each quarter will be scored based on reaching this target by the end of Year 1.

Q1	Q2	Q3	Q4
1 = 10	2 = 10	3 = 10	5 = 10
0 = 5	1 = 8	2 = 7	4 = 8
	0 = 6	1 = 4	3 = 6
		0 = 2	2 = 4
			1 = 2
			0 = 0

From Year 2 there will be a requirement for 5% incremental improvement per year.

#### **Alliance KPI 4 - Building Social Value**

The Public Service (Social Value) Act placed a formal requirement on public sector organisations to consider the economic, social and environmental benefits for communities (social value), as well as the overall cost when awarding contracts.

The purpose of this measure is to gauge whether these areas have been considered.

This measure will be calculated with equal weighting for each alliance partner per annum.

All alliance Partners will be required to supply data annually on the following areas.

- Adopt the **Construction Supply Chain Payment Charter** or demonstrate that all principle objectives have been adopted for all supply chain payments for all services delivered through the individual contracts.
- Number of **Apprentices employed** in delivering the service. Measurement of all alliance partners in FTEs. Measured quarterly and should be maintained or improved relative to the volume of expenditure through the total contract value.
- Estimated Spend as a percentage of total spend that goes to **local suppliers** within 20 miles of the county of Lincolnshire. (Looking for annual improvement through life of the contract)

Year 1 will be used as benchmark for subsequent years unless a commitment has been offered as part of the tender process.

Each of the alliance Partners will be scored as follows .

Points Scales - Construction Supply Chain Payment Charter

100% of Invoices paid within 30 days= 2

90 -100% paid within 30 days = 1

Below 90% = 0

Points Scale – Number of Apprentices employed (as a % of workforce)

Level Maintained or Improved = 4

1% to 0.01% below = 3

2% to 1.01% below = 2

3% to 2.01% below = 1

<3% below= 0

Points Scales - Locally Based Suppliers

Level Maintained or Improved = 4

1% to 0.01% below = 3

2% to 1.01% below = 2

3% to 2.01% below = 1

<3% below= 0

The average score of all partners will be used as an overall score.

**Alliance KPI 5 - Satisfaction with the Condition of the Highway**

To directly measure a continual improvement in the perception of the people of Lincolnshire in their highway network.

This measure is designed to capture all elements of the work of the alliance by using the Overall Satisfaction indicator.

Annual data from NH&T Survey is produced every October.

The main purpose of this report is to show satisfaction scores from the survey of the year and highlight areas where areas changed most significantly from the previous year.

The report comprises a page of summary results, followed by a series of individual pages which show high level results for each of the main themes of the survey.

The areas included in this score and weighting are as follows –

Accessibility – 10%

Walking & Cycling – 10%

Tackling Congestion – 10%

Road Safety – 10%

Highway Maintenance – 60%

The overall percentage is then compared to the previously year to establish if there has been an improvement.

## Points Scale

>0% improvement = 10  
-0.5% to -0.01% = 8  
-1% to -0.51% = 6  
-1.5% to -1.01% = 4  
-3% to -1.51% = 2  
<-3% = 0

### **Alliance KPI 6 - Efficiency of Spend**

This indicator is designed to gauge the efficiency of the alliance Spend when compared to other authorities

CQC provides a basis for measuring efficiency savings. Authorities that are able to improve their CQC Rating over time and close the gap to their minimum cost realise efficiency savings.

CQC Efficiency Network Results - Data is provided annually on how efficient spend has been compared to other authorities.

The CQC statistical methodology measures efficiency by allowing for factors outside an authority's control so they can be compared with others on a like for like basis.

CQC takes into account of each authority's individual characteristics and circumstances including their size and scale, service quality and customer perception and evaluates how these affect the cost of their activities.

Once these adjustments have been made CQC measures how close authorities are to the minimum theoretical cost of providing their current level of service, and expresses the difference between their current cost and this minimum potential cost, in percentage terms, as a 'CQC Rating'.

The rating is received annually. The annual percentage is converted into a score.

Points Scale >95% = 10  
90% to 95% = 8  
85% to 90% = 6  
80% to 85% = 4  
75% to 80% = 2  
<75% = 0

### **Alliance KPI 7 - Net Positive Press Coverage**

This indicator is designed to gauge the public satisfaction with the service provided by the alliance.

By capturing the positive press coverage of those areas impacted by the Highway alliance, it is possible to target the areas which have significant impact on the perception of the Highway Service for all parties in the alliance and gauge the positive impact the alliance is having for the people of Lincolnshire.

Analysis of press coverage by the Client will provide this data. An agreed bespoke analysis tool has been developed by the Client and will provide a reliable measure of all Highways and Traffic related stories.

Data provided directly from Press Team

$$100\% \times \frac{\text{Positive Stories} + \text{Neutral Stories}}{\text{Total Stories}}$$

The Target is for at least 95% positive or Neutral press coverage each quarter.

Points Scale	>95% = 10
	90% to 95% = 8
	85% to 90% = 6
	75% to 85% = 4
	65% to 75% = 2
	<65% = 0

### **Alliance KPI 8 - Alliance Satisfaction Scoring**

Alliance Partners are asked to score a survey that will gauge opinion on areas of the alliance that may include:

- Delivery: Consistency and Effective
- Systems and processes
- Continuous improvement
- Consistent communications and direction
- Challenge
- Reputation
- Alliance Behaviours

Returned scores are entered into excel spreadsheet to give average client score, an average Partner score and an average alliance score

Baseline scores are currently set as 6.5.

Points towards the monthly performance are lost for being below this baseline.

Points scale	>7.0 = 10
	6.75 to 6.99 = 8
	6.50 to 6.74 = 6
	6.00 to 6.49 = 4
	5.75 to 5.99 = 2
	<5.75 = 0

### **Alliance KPI 9 - Reduction in Carbon Emissions and Waste**

This indicator is designed to monitor the amount of Carbon Emissions and Waste produced each quarter to try to ensure that there is a reduction.



Lincolnshire County Council are in the process of renewing their Carbon Management Plan. Within this will be a target of carbon reduction of (expected 20%) from the 2016/17 baseline by Apr 2023.

All Partners of the alliance will be expected to help works towards this target

The alliance Partners will be expected to providing LCC with the following information:

- Electricity , Oil and Gas used by any site that they operate in Lincolnshire in the delivery of the LCC highways contract. (Consumption for Electricity and Gas needs to be in kWh's and Oil can be in Litres or kWh's so long as which is used is clearly identified).
- Fuel used by fleet vehicles. (This can be in Litres, miles or Km's so long as which is used is clearly identified).
- Fuel used by business vehicles including pool, hire and private vehicles. (This can be in Litres, miles or Km's so long as which is used is clearly identified).

Additionally all alliance Partners will be required to provide details of tonnages of waste recycled and reused from all sites.

The target for the indicator is that 98% of waste does not go to landfill, so that the environmental impact of the service is reduced.

#### Part A

Data received will be compared to the Carbon Management Plan to check that carbon reduction is on track for Apr 2023  
Spend, increase/decrease in workload, Priority Type will be taken into consideration when comparing data The comparison will be based on Carbon per £ spend.

For example

Budget = £40 million

Tonnes of CO2 = 1000£ per kg = £40

Data will be supplied within 30 days of the end of the quarter in question.

Each year the target will be of 2% reduction of Carbon until 2023. At this time a new Carbon Management Plan will be in place.

All Contractors and the Client must adopt the next target when set in 2023.

Year 1 initial target will be set at a target of £39 per kg CO2 and will be scored as follows.

>£39 = 5

>£38 = 4

>£37 = 3

>£36 = 2

>£35 = 1

Year 1 will be then used as a benchmark going forward with a 2% improvement each year being required.

Points towards the monthly performance are lost for being below this target.

Points scale

- >On track or better = 5
- 1.5% - 2% improvement = 4
- 1% – 1.5 % improvement = 3
- 0.5% - 1% improvement = 2
- 0%- 0.5% = 1
- Up to 1% increase in carbon = 0
- Over 1% increase in carbon = -1

### Part B

Numerator = Total tonnage of waste recycled or reused (X)

Denominator = Total tonnage of waste (Y)

X = % of waste recycled/Reused

Y

X(1) = % of waste reused within contract

Y

Points scale:

- 98% to 100% = 5pts
- 96% to 98% = 4pts
- 94% to 96% = 3pts
- 92% to 94% = 2pts
- 90% to 92% = 1pts

Indicator Reference: Alliance KPI 10

This indicator is designed to measure the safety of site work and the number of reportable accidents occurring

Identified through results of onsite health and safety inspections, and through the number of RIDDOR Reportable accidents

The target is for 95% of assessments to be considered acceptable.

95 to 100%=10

85 to 94 = 7

75 to 84%=2

> 75% =0

Additionally this indicator is designed to measure the number of RIDDOR reportable accidents.

This indicator does not provide points as ideally there will be no accidents/incidents. Instead points are lost from the total if any occur, 1 point per incident.

# Highways Complaints Report

---

Quarter 1; 2022

---

July 2022

---

## Introduction

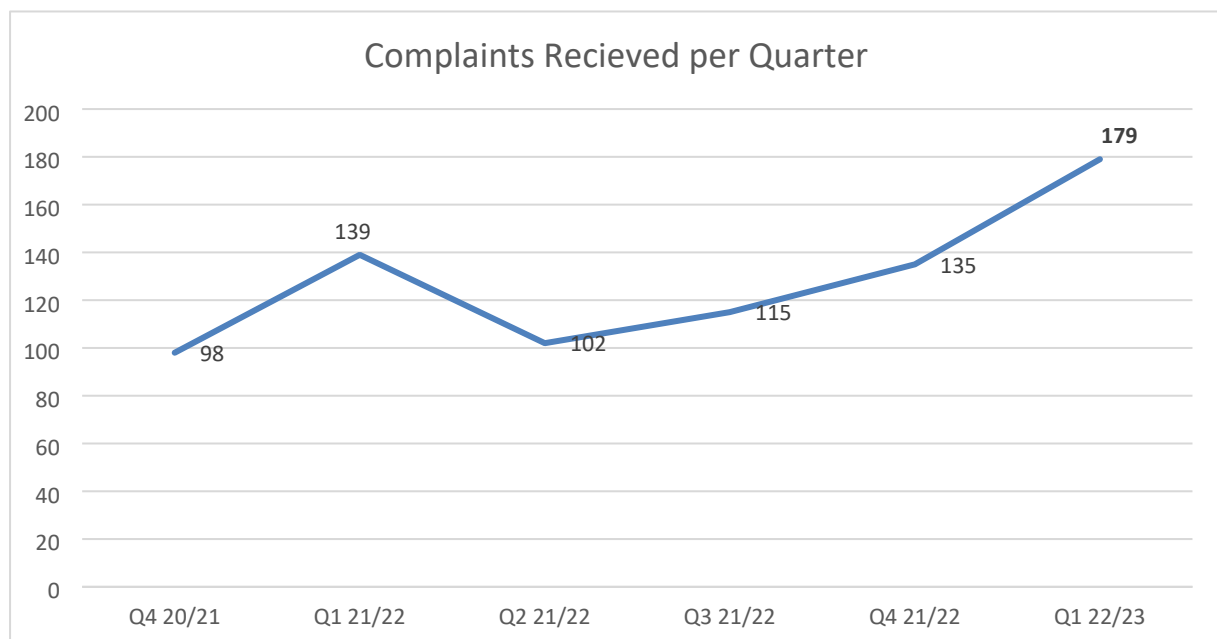
The following report is a summary of findings from the complaints raised in the 1st quarter of 2022/2023 for Highways. Details on any common themes within complaints and overall figures for numbers received and the outcomes will be provided. This report will be incorporated into reports provided to the Audit Committee and CLT.

In this report the figures for each department will be broken down to provide a more in-depth look at the main issues we are currently experiencing. This is first standalone Highways report to not include transport data.

## Q1 Overview

Lincolnshire County Council received 5,873 Fix My Street contacts, 11,644 CSC calls and 2,582 CSC emails.\*

Highways received a total of 233 contacts to the Customer Relations Team in the first quarter of 2022/2023, from individuals wishing to give feedback, report issues or complain about various services. Out of these 233 contacts, 179 entered the formal complaints process, this equates to 77% of all contacts received. The remainder were resolved informally through early resolution. The number of complaints entering the formal process has increased by 32% this quarter in comparison to the previous quarter and 28% in comparison to the same quarter last year.

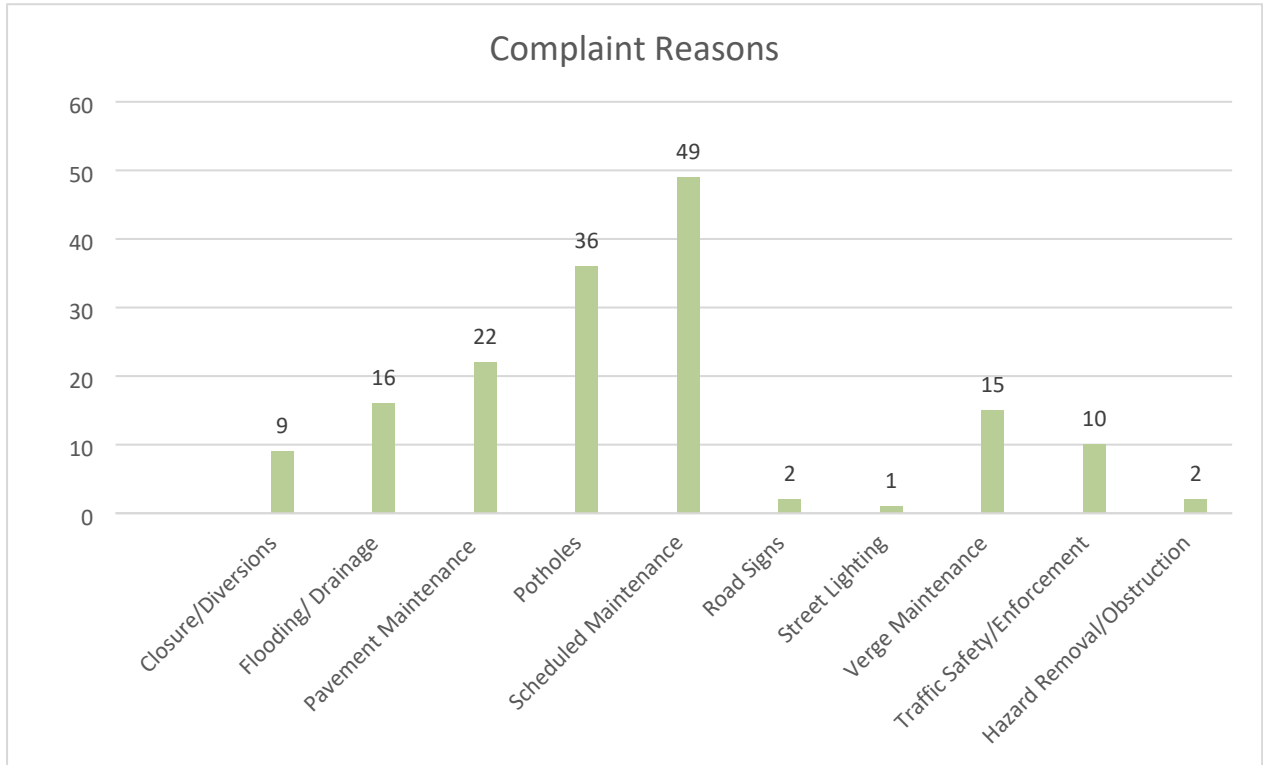


Of the 179 complaints formally investigated, 5 cases were escalated to the next stage of the complaints process and reinvestigated. All cases that were escalated resulted in a finding of not upheld as the concerns raised showed there was not a fault in the delivery of the services received.

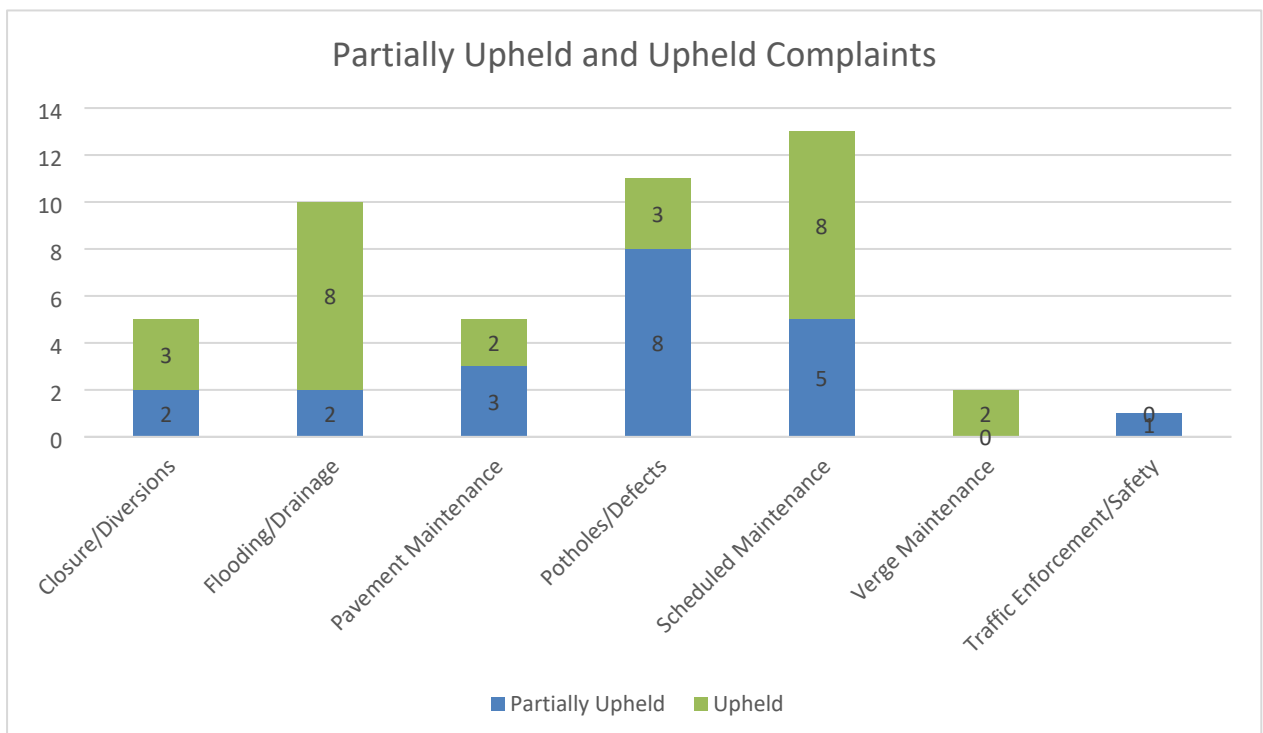
Given the significant volume of enquiries/contacts that teams in this area received in this quarter, the receipt of 179 complaints with an escalation of 2.8% of cases, reflects the positive work being done on receipt of the concerns raised. The positive approach in providing thorough responses and suitable remedy, where appropriate, whilst remaining in line with the Local Government

Ombudsman (LGO). Whilst cases have been escalated to the LGO, none of these have seen fault found in either the way in which the service was delivered, or the responses provided to individuals raising complaints.

Complaints raised were in relation to the following areas;



The following shows the areas in which complaints were either fully or partially upheld;

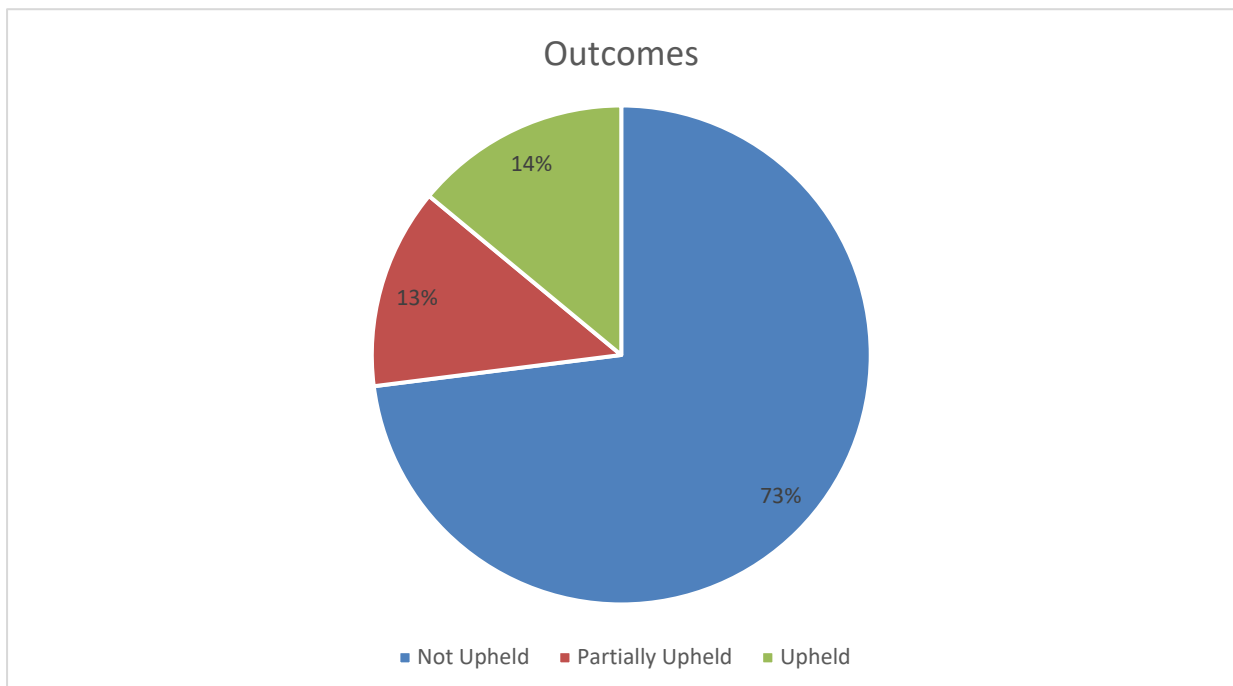


As evident, the highest concerns from the public is the need to repair road defects and scheduled ongoing roadworks. The main cause of this is the public's perception that the need to repair is greater than agreed with the intervention levels within our HIAMP and the poor results seen from repairs that have been made by contractors.

There has been a high number of contacts made regarding the traffic management along the A17 Swing bridge/Sutton bridge. Numerous residents have expressed their upset for the delays they have been facing and no improvement seen in this.

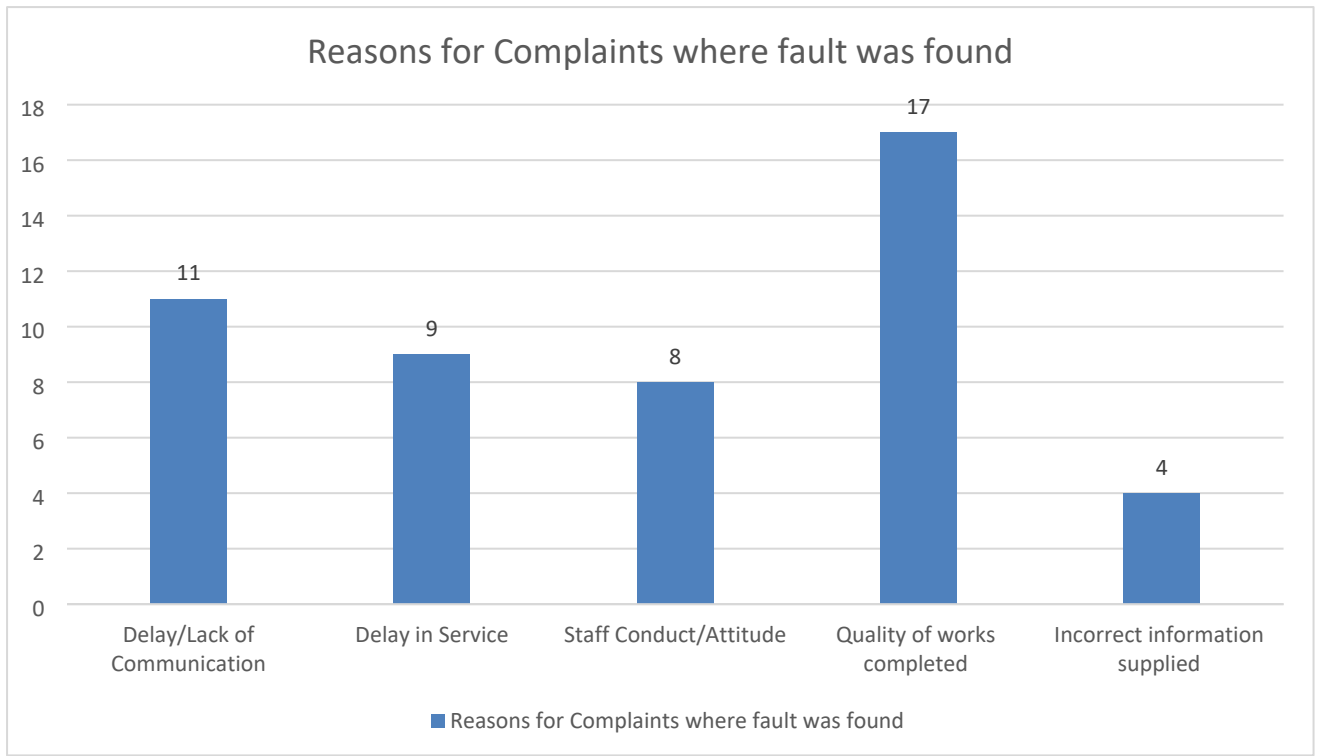
The closure at Kirton in Boston has also caused a high amount of contact, with residents sharing their dissatisfaction about the diversions and length of time for the ongoing works to be completed.

The following shows an overall breakdown of the outcomes of complaints. Whilst the numbers of concerns being reported are higher, the percentage breakdown of outcomes in comparison to previous quarters has show an increase of complaint not upheld. 130 complaints were found to have no service failing.



### **Partially and Fully Upheld Complaints**

The following shows a breakdown of the main reasons for complaints received where the Council agreed that the service provided was not to the standard expected and has upheld/ partially upheld the complaint;



**Summary**

Numbers remain higher than pre-pandemic levels, the numbers of stage 1 complaints have seen a steady increase since last year. It is positive however, that even with an increase of stage 1 complaints we have seen a decrease in complaints being upheld and partially upheld. The main reason for the 27% of cases where fault was found, was due to not completing works satisfactory. Upon reviewing the upheld complaints, it has been highlighted that works completed were not to a good quality and remedial works required.

\*This information has been provided by the Target Cost and Performance Manager.

This page is intentionally left blank





## Open Report on behalf of Executive Director of Place

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>12 September 2022</b>
Subject:	<b>Transport Quarter 1 Performance Report 2022/23</b>

### **Summary:**

The purpose of this report is to provide the Committee with the first of what will become quarterly performance reports in relation to passenger transport and the Council's Transport Services.

Aligned to many other local authorities across the UK, Lincolnshire County Council's Transport Services contracts and manages passenger transport on behalf of the Place Directorate, Children's Services Directorate and Adult Care Directorate and local bus transport – supported routes, fully funded fixed routes and demand responsive routes using the CallConnect service. Transport Services serves the people of Lincolnshire by enabling them to travel in order to access their requirements.

Local authorities have a statutory duty to identify transport needs and to provide services where these needs would not otherwise be met. They also have statutory obligations to provide educational travel, social care transport and to secure local bus services where none are provided commercially and which the Council determines socially necessary.

There is an opportunity to develop a new vision and strategy for passenger transport, strengthened with the adoption of the Local Transport Plans. In order to achieve this, a proactive, driven and coordinated approach is required. Fundamentally, an integrated transport network remains the desired outcome.

This report provides an overview of the issues, opportunities and drivers for change currently facing passenger transport. It also summarises the key priorities of Transport Services, including an update on the Educational Travel Transformation Programme and on Transport Services' plans surrounding future performance measures and reporting.

### **Actions Required:**

The Highway and Transport Scrutiny Committee is requested to consider and comment on the detail of the report and recommend any changes or actions to the Executive Member for Highways, Transport and IT.

## **1. Background**

### **1.1 Transport Services and Lincolnshire's passenger transport**

- 1.1.1 Aligned to many other local authorities across the UK, Lincolnshire County Council's Transport Services contracts and manages the following passenger transport on behalf of the Place Directorate, Children's Services Directorate and Adult Care Directorate: Mainstream and SEND educational travel; Post 16 Educational travel; Adult social care transport (including elderly person's care); Children's social care (including children with disability) and local bus transport – supported routes, fully funded fixed routes and demand responsive routes using the CallConnect service. Transport Services serves the people of Lincolnshire by enabling them to travel in order to access their requirements. It operates as an integrated delivery team within the authority, providing cost efficiency to the Council in taking this approach. The Transport Services is working increasingly closely with the Sustainability Team in the Environment Service, which has responsibility for sustainable and active travel, previously delivered within Transport Services, and with the Council's Strategic Transport Team, responsible for the development and implementation of the Local Transport Plan, and for taking a lead on rail travel in the county.
- 1.1.2 Local authorities have a statutory duty to identify transport needs and to provide services where these needs would not otherwise be met. They also have statutory obligations to provide educational travel, social care transport and to secure local bus services where none are provided commercially and which the Council determines socially necessary. Commercial operators have no legal requirement to run loss-making services.
- 1.1.3 Across Lincolnshire, passenger transport services are commissioned by different organisations and different departments within those organisations. Services range from statutory to discretionary provision, including socially necessary local bus services contracted by the Council, non-emergency patient transport services contracted by the NHS, commercial bus services, and demand responsive services run by the Council and community groups. The provision of accessible transportation is important to a range of passengers – for example, jobseekers, those in education and those seeking healthcare. It also contributes to the well-being of older people and reduces social isolation – this is a particular issue for rural counties such as Lincolnshire.
- 1.1.4 As the public transport network in Lincolnshire changes and adapts post-covid, combined with the service wide transformational programme, work to redefine the vision and strategy will become a priority. In order to achieve this, a proactive, driven and coordinated approach is required. The opportunity to explore an integrated transport network that would fundamentally change the way in which public transport networked operated in Lincolnshire remains the desired outcome.
- 1.1.5 In 2015, the Department for Transport (DfT) launched the Total Transport Pilot Fund which aimed to assist local authorities in England to try new and better ways of delivering joined-up local transport in rural and isolated areas. The Council was successful in being awarded funding to focus on the feasibility of integrating the organisation and delivery of transport services through the development of a one-stop-

shop approach. Whilst the project did achieve some interesting findings, there were significant barriers to achieving any significant change, many of which are yet to be overcome – there are, however, new opportunities and drivers for change.

## **1.2 Opportunities and drivers for change**

**1.2.1 The Council's Transport Services has new leadership and management** – with this, comes new momentum and the ability to drive forward on creating an effective and efficient integrated passenger transport network for Lincolnshire, meeting the needs of its residents and visitors, and aligned to the county's Corporate Plan. Transport Services is currently focusing on internal transformation, alongside working with the supplier market of transport operators establish the conditions and the right basis for a vision and strategy for passenger transport in Lincolnshire.

**1.2.2 Integrated passenger transport network** – Transport Services is taking a more integrated approach in how it plans and delivers transport, and whilst there remains work to be done, this approach has identified the potential surrounding the significant numbers of pupils not eligible for free educational travel, who travel to and from school often on transport contracts privately organised by mainstream schools. This has the potential to support the bus network as a whole, including the commercial network, if we take an integrated approach and work in partnership with schools – several schools have already contacted Transport Services to instigate the discussions. An integrated network would also maximise the opportunities surrounding the Non-Emergency Passenger Transport (NEPT) commissioned by the NHS – greater collaboration between Transport Services and the NHS would enable the patronage of the NEPT passenger transport to be factored into an integrated network, generating efficiencies through optimised routes and more efficient use of market resources.

**1.2.3 The passenger transport industry is facing numerous pressures** – delivery costs continuing to increase, public funding continuing to decrease with the Government withdrawing its support to commercial bus operators in March 2023 (extended from September 2022 in recognition of the ongoing market recovery), passenger demand having been impacted negatively by Covid, whilst the level of passengers with more complex needs is increasing. All of these pressures are having an impact on the commercial viability of all transport operators, from small and medium taxi companies through to the larger bus operators. As the Local Transport Authority, the Council needs to determine its level and nature of intervention, in order to meet the needs of residents.

**1.2.4 Local Transport Plan** – the recently adopted plan for Lincolnshire provides an opportunity and a basis upon which to build a passenger transport strategy. The strategy would need to incorporate all of the Local Transport Plans, acting as an overarching strategy for the county.

**1.2.5 Development of the statutory Enhanced Partnership** – as part of the Bus Services Improvement Plan, whilst the Council was not successful in its funding application, the Enhanced Partnership remains a key priority because of the potential and benefits it

could deliver. In addition, the Department for Transport has allocated the Council funding for limited capacity over the next 2 years to implement this. The indication from the Department for Transport is that future funding streams surrounding public transport could be impacted by local authorities' commitment to alternative travel and alignment with the Government's new standards. The Enhanced Partnership is likely to become a key mechanism to demonstrate Lincolnshire's commitment and support to this approach.

- 1.2.6 **Educational Travel Transformation Programme** – a summary of the programme is provided in Appendix 1. This programme includes several different projects and has initially prioritised the transformation of all educational travel, but is now enabling the whole service to be transformed as the project is implemented and as the service becomes better integrated and more effective. For example, a service wide staff restructure is underway, which will provide a robust basis upon which the service can develop and improve. A dedicated Board oversees the programme, which is also part of the corporate transformation programme.
- 1.2.7 **TransportConnect Ltd** – the Council's own transport company is facing the same pressures as all transport operators and is going through a period of change as an organisation. The Council has an opportunity to review the company purpose and work in partnership to establish how the company can add value for passenger transport in Lincolnshire and enable the Council to achieve its objectives.
- 1.2.8 **Green Masterplan** – in order for passenger travel to align with this plan there needs to be work undertaken surrounding the supplier market in terms of the vehicles it uses, alongside an integrated approach to rail, cycling and walking and health.

### **1.3 Medium to long term priorities**

- 1.3.1 Transport Services is working on the following key priorities, in order to maximise the opportunities and drivers for change, and in order to work towards establishing a Lincolnshire passenger transport strategy.
- 1.3.2 **Transport Services staff restructure** – this is due to be implemented in February 2023 and will establish a structure which is agile and has the required balance of operational delivery resource in addition to strategic focus.
- 1.3.3 **Educational Travel Transformation Programme** - the 3-year programme has clearly defined benefits and workstreams, and will remain a focus for the full length planned.
- 1.3.4 **Key performance measures and reporting** – a comprehensive forward plan of reporting to this Scrutiny Committee is being developed, to include separate, regular reports on public transport and TransportConnect Ltd. The meeting of this Scrutiny Committee in July 2022 received a report on the public transport network. As part of the Educational Travel Transformation Programme, a set of performance measures has been developed and a dashboard is being established – this is included in Appendix 1. This work now needs to be completed for the public transport activity, to enable a

passenger transport performance dashboard to be managed and reported on regularly, covering all types of transport.

1.3.5 This Scrutiny Committee is asked to consider the elements that could form part of measuring the performance of public transport for the residents of Lincolnshire. The following are proposed, and all potential elements will be researched for feasibility and applicability, in partnership with transport operators. It is proposed that the performance measures are developed in partnership with transport operators as part of the Network Review (see below) and would be reported on from April 2023.

- Punctuality of services
- Proportion of cancelled services
- Passenger numbers on all types of routes
- Geographical map view of network coverage and usage
- Bus pass numbers compared to the potential
- Bus pass usage levels
- Numbers of bus stops, shelters, and usage levels
- Benchmarking Lincolnshire against other comparable counties

1.3.6 Appendix 2 summarises some of the measures which have previously been reported on. The Scrutiny Committee receive separate reports on complaints relating to Transport Services. In relation to the performance of contracted transport suppliers, Transport Services managed circa 1500 contracts with 300+ suppliers. A new corporate report is being established on the Council's contracts, and it is the intention for this performance report to include the relevant extract for Transport Services once this is in place.

1.3.7 **Lincolnshire Network Review** – the county needs a sustainable, integrated network to meet the demand of our residents and visitors. A comprehensive review is being undertaken in partnership with transport operators. The review will enable the Council to develop principles for a passenger transport strategy and identify where the Council needs to support the network and where it could be commercial viable without Council intervention. Transport Services will engage with District and Parish Councils as part of the review and in developing the strategy. The review will deliver the following:

- An understanding of passenger demand levels across all passenger groups and travelling intentions, culminating in a summary of key data, intelligence and implications;
- A review of how effective and efficient the current network is at meeting the demand, including a summary of supply, risks, issues and opportunities;
- A proposal for a new sustainable network to meet that demand for the medium to long term. This includes ensuring all solutions are cost effective.

1.3.8 **Category Management Plan for Transport Supplier Market** – An important part of a passenger transport strategy for Lincolnshire will be a vision and strategy for the transport supplier market the Council needs to meet the needs of residents and visitors. As part of a partnership with the Commercial Team, a new Category Manager post for

transport has been established and the postholder is working with Transport Services on all of its contracting activity. In the medium to longer term, a management and development plan will be established in partnership with transport suppliers, to agree the market required as well as the opportunities and barriers involved. For example, technology developments have the potential to enable the market to deliver more effective and efficient services, and the type of vehicles the market utilises will need to develop in line with the Green Masterplan.

## **2. Conclusion**

2.1 Transport Services is on a transformation journey not only in how effective it is as a service, but in establishing the passenger transport network the county requires.

2.2 The Highway and Transport Scrutiny Committee is requested to consider and comment on the detail of the report and recommend any changes or actions to the Executive Member for Highways, Transport and IT.

## **3. Consultation**

### **a) Risks and Impact Analysis**

None specifically as a result of this report. Service risks are identified, monitored and managed in accordance with the Council's Risk Management Framework.

## **4. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Education Transport Transformation Programme
Appendix B	Public transport performance measures reported on to date

## **5. 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 Verity Druce, Head of Transformation Services, who can be contacted by email at [Verity.Druce@lincolnshire.gov.uk](mailto:Verity.Druce@lincolnshire.gov.uk).

## **Appendix 1 – Education Transport Transformation Programme**

### **1. Background**

Following a deep dive review by Edge Public Solutions, the 3-year Educational Travel transformation programme was established, categorised into 3 key areas: Efficiencies, Performance culture, and Shifting the offer. The programme is implementing all of the recommendations from the review, including: overall modernisation of a service largely untouched for 5 years; staff structural improvements; overhaul of all activity and processes, with a focus on efficiency and effectiveness; significantly improved supplier management and customer expectation management. The medium to long term goals are to create budget stability in a service which has shown an upward cost trend over many years, alongside a legacy of a high performing service with the skills and expertise to maintain that high performance.

The programme benefits will be:

1. £5,180,600 saving by end 2025/26
2. Reduction in the average daily cost of transport per passenger from £2,131 baseline
3. Increased number of value for money Personal Travel Budget (PTB) arrangements from baseline of 71 arrangements

The cost of educational travel has been impacted by a number of external factors out of our control, including: national living wages rise, inflationary challenges, a national drivers' shortage (including more favourable pay rates in other delivery sectors), a shortage of passenger assistants, rising fuel prices; higher operational costs for larger operators including requirements of the Public Service Vehicle Accessibility Regulations 2000 (PSVAR) legislation, and an increase in placements to specialist settings for pupils with special educational needs. Fundamentally, however, internal practice and the level of supplier market management and engagement, has had a significant impact on costs.

The Council currently has 19,159 eligible pupils on transport, which is 17.6% of the 108,830 children currently with a school place in Lincolnshire. For non-eligible pupils, there is a scheme whereby any spare seats on transport can be applied and paid for at a rate which is usually cheaper than a commercial bus route.

### **2. Achievements to date**

Our transformation delivery partner, Edge Public Solutions, were commissioned from October 2021 to provide significant capacity and expertise including a de facto Transport Manager. Significant progress has been made and has only been possible due to the combined leadership, management, capacity and capability provided by Edge and the Head of Transformation Transport, working closely with the Assistant Director Communities, which has enabled a fast pace of change and change based on robust practice and experience. A strong and cohesive leadership and management structure and approach is fully embedded, and forms the essential foundation for successful transformation. Many of the achievements to date are qualitative and include significant improvements with the following key areas:

- Reporting, including oversight by Councillors;
- Control and management of costs, contracting, decision making and practice across eligibility and operational management;
- Creating a high performing culture, with high levels of accountability, in part through coaching and mentoring from Edge colleagues to create sustainable expertise development;

- IT system use and management;
- Robust financial forecasting;
- Schools, suppliers and customer engagement and relationship management;

A service-wide restructure consultation started in July, and the proposed new structure will be an essential the springboard to establishing a high performing service. The new structure will be in place in February 2023.

The partnership with Edge has also delivered more tangible, quantitative achievements. We have started the first of a series of major retender exercises over the next 2 to 3 years, utilising a newly created Dynamic Purchasing System<sup>1</sup>. Initial results from the first set of tendering auctions are showing reductions in the cost of routes against a general backdrop of rising prices, and each geographical area has seen a reduction in routes through optimisation work. Underpinning this and as a direct result of intensive engagement with suppliers, 300+ suppliers are now actively engaged, compared to 200 active suppliers previously. This demonstrates the lack of market management practice and the positive impact of transformation activity, in partnership with suppliers.

Through taking control of operational transport management, contracts have been amalgamated and optimised, and contract, financial and passenger data has been cleansed, overhauled and error rates drastically reduced.

In order to manage and monitor Education Travel performance transformation, the following performance measures will be used, and a dashboard created:

<b>Average Cost Per Passenger</b>	<b>Passenger Assistant Usage</b>	<b>Active Personal Travel Budgets</b>
<b>Rate of Single Occupancy</b>	<b>Vehicle Utilisation</b>	<b>Eligibility Approval</b>
<b>Quality of Eligibility Decision (Appeals Upheld)</b>	<b>Travel Training Usage</b>	<b>CO<sup>2</sup> reduction</b>

The baselines and desired trends are noted below:

£2,131 ↓	265 ↓	71 ↑
TBC ↓	Under Development	55% ↓
75% ↓	10 →	Under Development

Reframing of the educational travel offer and changing language we use is an important part of how we communicate with stakeholders. A key workstream has been to ensure that eligibility decision making is more robustly aligned to the School and College Transport Policy. In addition, the service is using alternative travel options for passengers, ensuring

<sup>1</sup> A Dynamic Purchasing System (DPS) is an online tool for procurement purposes, whereby suppliers must apply to join and meet defined criteria, in order to bid on contracts. The new LCC Transport DPS will replace the previous Approved Operators List for transport operators.



that where options are available, educational travel is not necessarily a door-to-door service, as the Council is not required to provide this.

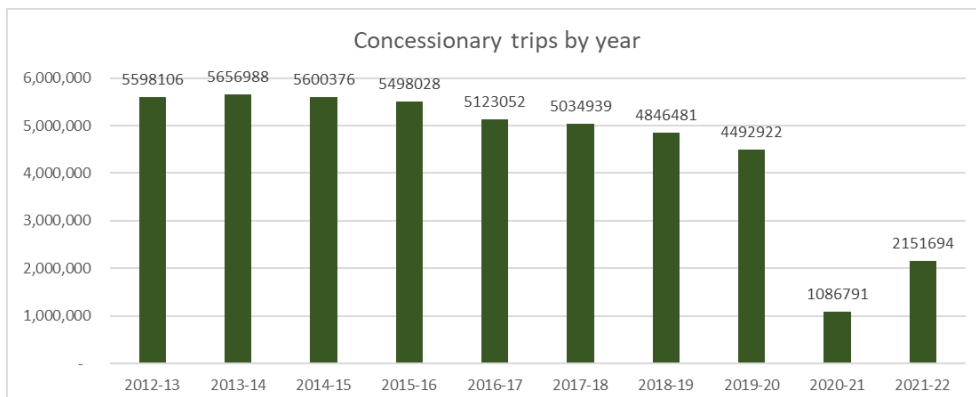
We are at the beginning of our 3-year transformation journey – stabilisation has been essential. Delivering the full project benefits and realising our ambitions of service excellence will require the continued application of resources, and the development of the capability and expertise of the Transport Services.

**Appendix 2 – Public transport performance measures reported on to date**

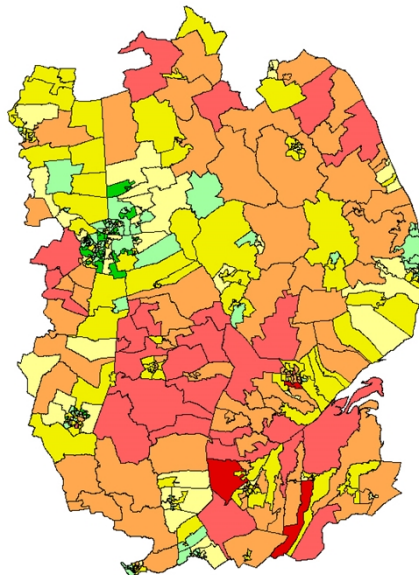
**ENCTS bus passes**

The English National Concessionary Travel Scheme (ENCTS) gives free travel on local buses to people of state pension age, and to people with certain physical disabilities. Passes can be used across England after 9.30am on weekdays and anytime at weekends – although Lincolnshire residents can use passes within Lincolnshire before 9.30am. Passes can be used on all bus routes, including CallConnect. Bus companies are reimbursed by LCC for any passenger who travels with a bus pass.

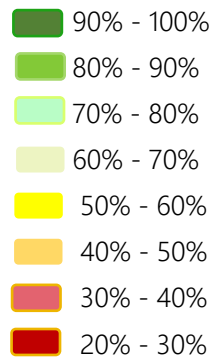
- £6.1M** is reimbursed to bus operators each year
- 106,600** active ENCTS passes in Lincolnshire – **99,900** for older people – **6,700** for disabled people
- 55%** of older people in Lincolnshire have a pass
- 2750** passes processed and issued per month (**1,300** expire each month)
- 100%** of passes issued by Transport Services within 10 days of applying – the average turnaround time is **7** working days



Lincolnshire divided into Lower Super Output Areas



Percentage of older people with an ENCTS pass



# CallConnect

**36** CallConnect buses in operation

**15,000** average calls answered per month

**20,500** average passengers carried every month

## Number of journeys

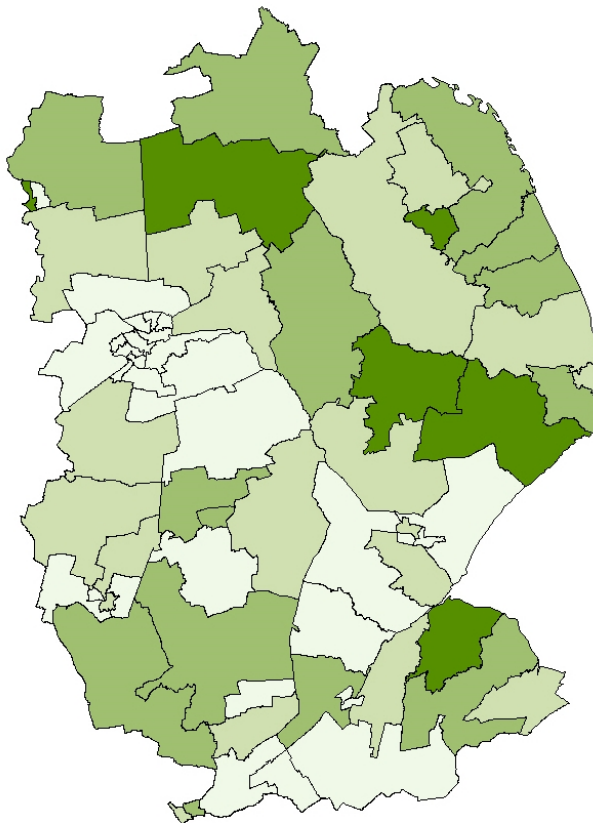
0 to 500 journeys

500 to 1000 journeys

1000 to 1500 journeys

1500 to 2000 journeys

2000 to 2500 journeys



## Bus Stop Infrastructure

There are around 6,500 designated bus stops in Lincolnshire. There is no standard infrastructure at a Lincolnshire bus stop. Some might have a bus shelter, some might have a pole with a timetable, some are simply a flag attached to a lamppost and other are completely unmarked. LCC is responsible for much – but not all – of the infrastructure at bus stops.



**2,000 bus stop poles** – LCC is responsible for all of these, many of which will also have timetable cases that LCC update.



**700 bus shelters** – LCC is responsible for some of these, but most are owned by district councils, parish councils or private companies. Many shelters contain timetable cases that LCC update. LCC also provide grants up to £3,000 to parish councils to install bus shelters.

This page is intentionally left blank



**Open Report on behalf of Andrew Crookham, Executive Director – Resources**

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>12 September 2022</b>
Subject:	<b>Highways and Transport Scrutiny Committee Work Programme</b>

**Summary:**

This item enables the Committee to consider and comment on the content of its work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit. The work programme will be reviewed at each meeting of the Committee to ensure that its contents are still relevant and will add value to the work of the Council and partners.

**Actions Required:**

Members of the Highways and Transport Scrutiny Committee are invited to:

- (1)** Review and approve the contents of its work programme; and,
- (2)** Highlight any additional scrutiny activity which could be included for consideration in the work programme.

## **1. Background**

Overview and Scrutiny should be positive, constructive, independent, fair, and open. The scrutiny process should be challenging, as its aim is to identify areas for improvement. Scrutiny activity should be targeted, focused and timely and include issues of corporate and local importance, where scrutiny activity can influence and add value.

All members of overview and scrutiny committees are encouraged to bring forward important items of community interest to the committee whilst recognising that not all items will be taken up depending on available resource.

Members are encouraged to highlight items that could be included for consideration in the work programme.

## 2. Work Programme

12 September 2022		
Item	Contributor	
1.	<p><b>Highway Service – Inflation Options paper</b>  <i>(Pre-decision Scrutiny- Executive Cllr Decision between 16 – 20 September 2022)</i></p>	Jonathan Evans, Head of Highways Client and Contractual Management Services
2.	<p><b>Winter Gritter Fleet Maintenance contract award</b>  <i>(Pre-decision Scrutiny- Executive Cllr Decision between 16 – 20 September 2022)</i></p>	Jonathan Evans, Head of Highways Client and Contractual Management Services
3.	<p><b>Highways Quarter 1 Performance Report (1 April 2022 to 30 June 2022)</b></p>	Jonathan Evans, Head of Highways, Client and Contract Management
4.	<p><b>Transport Quarter 1 Performance Report (1 April 2022 to 30 June 2022)</b></p>	<p>Nicole Hilton, Assistant Director - Communities            Verity Druce, Head of Transformation Services            Helen Reek, Senior Projects Officer, Transport Services</p>

24 October 2022		
Item	Contributor	
1.	<p><b>Highways Infrastructure Asset Management Strategy 2022-2026</b>  <i>(Pre-decision Scrutiny- Executive Cllr Decision between 31 October – 8 November 2022)</i></p>	Jonathan Evans, Head of Highways, Client and Contract Management Clair Dixon, Policy and Strategic Asset Manager
2.	<p><b>Highways Infrastructure Asset Management Plan 2022/23</b>  <i>(Pre-decision Scrutiny- Executive Cllr Decision between 31 October – 8 November 2022)</i></p>	Jonathan Evans, Head of Highways, Client and Contract Management Clair Dixon, Policy and Strategic Asset Manager
3.	<p><b>Route and Place Based Transport Strategies Annual Report</b></p>	Sam Edwards, Head of Highways Infrastructure and Laboratory Services

24 October 2022	
Item	Contributor
4.	<b>Transport Connect Updates</b> Nicole Hilton, Assistant Director - Communities Verity Druce, Head of Transformation Services Helen Reek, Senior Projects Officer, Transport Services
5	<b>Grantham Transport Strategy</b> Karl Gibson, Senior Project Leader, Highways Infrastructure, Place Directorate

12 December 2022	
Item	Contributor
1.	<b>Grantham Future High Street Public Realm Improvements- EXEMPT</b> <i>(Pre-decision Scrutiny- Executive Cllr Decision 12 – 20 December 2022)</i> Teresa James, Senior Project Leader (Major Schemes)
2.	<b>A16/Marsh Lane Boston and Boston Active Travel Scheme</b> <i>(Pre-decision Scrutiny- Executive Cllr Decision 14 – 16 December 2022)</i> Charlotte Hughes, Senior Project Leader-Place
3.	<b>Highways Quarter 2 Performance Report (1 July to 30 September 2022)</b> Karen Cassar, Assistant Director - Highways Jonathan Evans, Head of Highways, Client and Contract Management
4.	<b>Transport Quarter 2 Performance Report</b> Nicole Hilton, Assistant Director - Communities Verity Druce, Head of Transformation Services
5.	<b>Highways – Gully Cleansing/Repair and Surface Water Flooding- Update</b> Richard Fenwick, County Highways Manager Shaun Butcher, County Programme Manager

### 3. Items to be programmed

- Process for the adoption of Private Streets (September 2022)
- Civil Parking Enforcement Annual Report 2021 – 2022 (January 2023)
- Road Safety Partnership Update (March 2023)
- Revenue and Capital Budget Proposals 2023/24 (January 2023)
- Levelling Up Fund - A16 Corridor Improvements - Springfields and Greencell (Pre-decision Scrutiny -Executive Councillor- 24 April – 2 May 2023)

#### **4. Conclusion**

Members of the Committee are invited to review and comment on the work programme and highlight any additional scrutiny activity which could be included for consideration in the work programme.

#### **5. Consultation**

##### **a) Risks and Impact Analysis**

N/A

#### **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 Kiara Chatziioannou, Scrutiny Officer who can be contacted on 07500 571868 or by e-mail at [kiara.chatziioannou@lincolnshire.gov.uk](mailto:kiara.chatziioannou@lincolnshire.gov.uk).



## Forward Plan of Decisions relating to the Highways and Transport Scrutiny Committee

MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	KEY DECISION YES/NO	DIVISIONS AFFECTED
<b>Highways Service - Inflation Options paper [I027901]</b>	<b>16 - 20 September 2022</b>	Executive Councillor: Highways, Transport and IT	Highways and Transport Scrutiny Committee	Head of Highways Client and Contractual Management Services E-mail: <a href="mailto:jonathan.evans@lincolnshire.gov.uk">jonathan.evans@lincolnshire.gov.uk</a>	Yes	N/A
<b>Winter Gritter Fleet Maintenance Contract Award [I027902]</b>	<b>16 - 20 September 2022</b>	Executive Councillor: Highways, Transport and IT	Highways and Transport Scrutiny Committee	Head of Highways Client and Contractual Management Services E-mail: <a href="mailto:jonathan.evans@lincolnshire.gov.uk">jonathan.evans@lincolnshire.gov.uk</a>	Yes	All Divisions
<b>Highways Infrastructure Asset Management Strategy 2022-2026 [I026605]</b>	<b>31 October - 8 November 2022</b>	Executive Councillor: Highways, Transport and IT	Highways and Transportation Scrutiny Committee	Head of Highways Client and Contractual Management Services E-mail: <a href="mailto:jonathan.evans@lincolnshire.gov.uk">jonathan.evans@lincolnshire.gov.uk</a>	Yes	All Divisions
<b>Highways Infrastructure Asset Management Plan 2022/23 [I026604]</b>	<b>31 October - 8 November 2022</b>	Executive Councillor: Highways, Transport and IT	Highways and Transportation Scrutiny Committee	Policy and Strategic Asset Manager E-mail: <a href="mailto:clair.dixon@lincolnshire.gov.uk">clair.dixon@lincolnshire.gov.uk</a>	Yes	All Divisions

MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	KEY DECISION YES/NO	DIVISIONS AFFECTED
<b>Grantham Future High Street Fund - Public Realm Improvement Works</b> [I027897]	<b>12 - 20 December 2022</b>	Executive Councillor: Highways, Transport and IT Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)	Highways and Transportation Scrutiny Committee	Senior Project Leader (Major Schemes) E-mail: <a href="mailto:teresa.james@lincolnshire.gov.uk">teresa.james@lincolnshire.gov.uk</a>	Yes	Grantham Barrowby; Grantham East; Grantham North; Grantham South; Grantham West
<b>A16/Marsh Lane Boston and Boston Active Travel Scheme</b> [I027900]	<b>14 - 16 December 2022</b>	Executive Councillor: Highways, Transport and IT	Highways and Transportation Scrutiny Committee	Senior Project Leader, Place E-mail: <a href="mailto:charlotte.hughes@hotmail.com">charlotte.hughes@hotmail.com</a>	Yes	Boston South
<b>Levelling Up Fund Project - A16 Improvement Corridor - Springfields and Greencell Roundabouts</b> [I027898]	<b>24 April - 2 May 2023</b>	Executive Councillor: Highways, Transport and IT	Highways and Transportation Scrutiny Committee	Senior Project Leader (Major Schemes) E-mail: <a href="mailto:teresa.james@lincolnshire.gov.uk">teresa.james@lincolnshire.gov.uk</a>	Yes	Spalding East; Spalding Elloe; Spalding South; Spalding West