



**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.

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