



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

Report to:	Highways and Transport Scrutiny Committee
Date:	17 July 2023
Subject:	Highways Performance Report, Quarter 4 (1 January to 31 March 2023)

Summary:

This report sets out the performance of the highways service, including the Highway maintenance schemes update, Lincolnshire Highways Performance Report and Highways Complaints Report.

Actions Required:

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

1. Background

This report provides an update on all aspects of the highways service delivery the 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:

- Lincolnshire Highways Performance Report, Year 3, Quarter 4
- Highways Complaints Report, Quarter 4
- Corporate Plan Performance Indicators – Condition of roads, Quarter 4

2.1. Lincolnshire Highway Service Delivery update

2.2. Performance Report

Quarterly performance is reported at the Lincolnshire Highways Performance Working Group. Here performance issues are discussed and if required, escalated through the governance structure, with performance issues becoming the subject of an Improvement Plan.

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

The partners managed to achieve their targets for Quarter 4 except for WSP who marginally fell below 70% for the first time. The results per contract area are:

- Highways Works Term Contract Performance Indicators (Balfour Beatty) – 78.0%
- Professional Services Contract Performance Indicators (WSP) – 69.6%
- Traffic Signals Term Contract Performance Indicators (Colas) – 90.0%
- Client Performance Indicators [Lincolnshire County Council (LCC)] – 79.0%
- Alliance Key Performance Indicators (LCC/Balfour Beatty/Colas/WSP) – 82.0%

The success for Quarter 4 performance data was improving the scores that were achieved for Quarter 3 in 4 of the 5 contracts. The one that dropped was the Professional Services Contract (WSP) score that dipped as a result of one performance measure triggering an improvement plan request. The other success to note was the scoring position of Performance Indicator 3 (PI3) in the Highways Works contract, which although dropped from 7 to 5 did so during what is our historically most challenging part of the season in relation to reactive defects. For Quarter 4 in 2021/22 PI3 was scoring 0 which demonstrates the increased focus the reactive service continues to receive.

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
- Professional Services Contract – PI7 – Contract Notifications processed within required timescales.

In line with the contractual procedures, PI3 and PI8 (Highways Works) have triggered a Low Service Damage penalty within the contract and continue to receive increased focus and effort. PI3, whilst improving dramatically has scored below the tendered bid position of 8. Low performance for PI8 has occurred due to a delay in the delivery of routine maintenance. The service continues to focus on these aspects. PI7 (Professional Services Contract) low scoring has been investigated and mitigation actions are underway to improve performance.

2.3. Contract Refresh

In accordance with the individual contracts, the refresh procedure has commenced for the Highway Works / Professional Services and Traffic Signal contracts. The process requires the Client and the Contractor / Consultant to review service delivery and identify contract improvements should an offer of extension be made and accepted by the parties. Any extension to the contract will be made from the 1st of April 2026 with a minimum extension of 2 years and a maximum extension of six years being available.

The outcome of the contract refresh procedure will be returned to the Highways and Transportation Scrutiny committee in September 2023.

2.4. Contract Specific Update

The delivery of the three key highway delivery contracts (Professional Services – WSP / Highways Works – Balfour Beatty / Traffic Signals – Colas) are now in quarter 1 of year four of the contract. The linked contracts are due for renewal on the 31st of March 2026 with the possibility of extension up to 31st March 2032.

2.5. Highway Works Term Contract – Balfour Beatty

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

In Quarter 4 of 2022/23, Lincolnshire Highways repaired 15158 faults, including 12986 carriageway potholes (including edge potholes). The service fixed 274 gully grates / manhole covers, 824 footway defects, replaced 23 gully pots completely, as well as conducting 238 kerbing jobs, 34 minor tree jobs and repaired or replaced 231 signs.

During the fourth Quarter of 2022/23 Lincolnshire Highways completed a variety of schemes as detailed in the table below. This included 14.6 miles of carriageway patching and surfacing, 2.5 miles of footway resurfacing and reconstruction, and refreshed 14.6 miles of carriageway lining.

Work Types	Miles	Schemes
Drainage Improvements		5
Footway Reconstruction	2.5	8
Main Line Replacement	14.6	4
Carriageway Patching	9.8	10
Residential Resurfacing	1.7	13
Carriageway Resurfacing	3.1	8
Street Lighting Replacement		2
Structures Improvements		6
Traffic Signals Improvements		6
CLr Volunteer Schemes		3

2.5.1. Minor Works Gangs

The minor works gangs continue to deliver work slightly larger in scope than the reactive safety works covered by Series 6300, of the Term Maintenance Contract. The service

continues to focus on the most beneficial aspects of this work, such as civils, minor patching, and drainage.

509 individual jobs of this type were completed across the County in Quarter 4 of 2022/23. This included 85 tree jobs, 114 carriageway sites, 49 drainage jobs, 142 kerbing repairs and 56 footway repairs.

2.5.2. Challenges / Improvements

Inflation within the construction sector continues to cause challenge for the Highway service as it does for the wider cost of living challenge experienced by the residents of Lincolnshire. Whilst the dramatic rises witnessed in 2021 and 2022 have subsided, increases of 4.2% in the last three months have been experienced in road surfacing related activities. These increases will not commercially impact the Highway Service until April 2024, but it does indicate a potential future budget pressure unless it is matched by additional funding or further service efficiencies.

The additional LCC highway funding announced in the 2023 budget has ensured that the existing service levels can be maintained for the current financial year. The LCC funding was also increased by the Additional Pothole Funding announced by the Department for Transport (DfT). The one-year funding of £7.4 million will help improve the Highway service however the funding level falls short of the inflation pressure on the Highways Maintenance Block allocation that has and is due to remain static between April 2022 and 31st March 2025 under a three-year settlement. LCC Highways continue to lobby the DfT via regional bodies in relation to this ongoing pressure.

The Highway service continues to focus on the reactive (potholes and faults) and the Street Lighting operational delivery. A series of “Day in the Life” sessions have been held with the operational reactive gangs to help identify and implement further service improvements. These improvements will be implemented jointly between LCC and Balfour Beatty over the next three months. Combined with this improvement activity, Construction of a new Operational Control Hub within the LCC Highways office has recently commenced with a expected completion date of September 2023. The control hub will monitor live data of gang performance, feedback on operational issues and be responsible for identifying service improvements. The control hub will be the focal point for any Highway incidents when wider team input and management decisions on the network are required.

2.6. Professional Services Contract – WSP

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

Within quarter 4, the overall Professional Services score dipped from 75.5% to 69.6%. The main contributor to this reduction in the total score related to PI7 – Contract Notifications Processed within Required Timescales, which scored 0 out of 10 for Q4. An investigation has identified some changes to team members within TSP resulting in delays with the

contract notifications. Further training has now been put in place and the scores are expected to improve for future reporting.

WSP delivered 9 out of 10 of the selected Year 3 annual quality statements from their 2020 tender submission. The quality statements included provision of:

- WSP input to Councillor Nominated Volunteering schemes throughout the year.
- Development of good practice activities with other local authorities.
- A rolling programme of local apprentices.
- Careers and STEM¹ engagement with local schools and colleges.

Examples of these include WSP colleagues being actively engaged in recent volunteering schemes such as at Alford Cricket Club where a combined WSP, Balfour Beatty, Colas and LCC Highways team paint fencing and benching at this community facility. WSP host a range of good practice events throughout the year and bring authorities together to solve common challenges through working groups. Local WSP colleagues have also continued working with this year's cohort of the Construction and Built Environment students at Lincoln College, where careers support has been provided and the students are developing a 'real life' feasibility study for them to include within their studies.

The four measures which focus on TSP's ability to deliver highway schemes to time and cost achieved an average score of 8.3 out of 10 for Y3 Quarter 4, which was slightly down on the previous quarter at 8.4 out of 10.

Internal TSP client satisfaction scores, obtained through a questionnaire provided for those schemes completing in the quarter, have remained constant in Quarter 4 with most clients being satisfied with an average response score of 7.04 out of 10.

Within the measures WSP are targeted to fill requested vacancies within 3 months. The score for Quarter 3 equates to 4 out of 10, which is the same as the Q3 score. Whilst much effort goes into identifying quality candidates to the Lincolnshire contract it is currently proving difficult to attract potential colleagues who have the right qualifications, experience and are affordable; with industry wide salary expectations continuing to increase.

2.6.1. Challenges / Improvements

Recruitment for specialist roles within the engineering sector is 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. LCC and WSP have implemented a number of initiatives to tackle the recruitment challenges and are looking to bring staff based in WSP national offices into the LCC highway offices to bolster service delivery in the Lincolnshire team.

The ongoing recruitment difficulty and increasing salary expectations continue to show within the latest inflationary data with a 2.27% increase since April 2023. These increases will not commercially impact the Highway Service until April 2024, but it does indicate a

¹ Science, Technology, Engineering, and Mathematics

potential future budget pressure unless it is matched by additional funding or further service efficiencies.

LCC and WSP are implementing a number of initiatives to tackle the recruitment challenges and are looking to bring staff based in WSP national offices into the LCC highway offices to bolster service delivery.

2.7. Traffic Signals Term Contract – Colas

Quarter 4 performance for the Traffic Signals contract was 90 out of 100 which reflects another strong quarter from Colas who continue to perform well in terms of the PIs. For year 4 of the contract, adjustments have been made to three new PIs to challenge service delivery and target new areas where we feel improvements can be made. These will look at stock levels, the ordering process and time taken to provide quotations for task orders.

In terms of traffic signal ongoing maintenance, the overall statistics for Quarter 4 were as follows:

- 57 emergency faults (2-hour response) of which all were attended in time (100%).
- 423 standard faults (response within 12 contract hours) of which 422 were attended in time (99.76%).
- 45 requests for signals to be switched off for road works.

The Traffic Signal Capital Refurbishment Programme for Quarter 4 saw the following schemes undertaken:

- Kings Road / Winfrey Avenue, Spalding – junction refurbishment utilising a maintenance grant from the DfT.
- Winfrey Avenue / Swan Street, Spalding - junction refurbishment also utilising a maintenance grant from the DfT.
- Trinity Street (Lewis Street), Gainsborough – crossing refurbishment to latest Puffin standard.

2.7.1. Challenges / Improvements

The Traffic Signals provider have struggled to supply their own branded equipment to the contract for the past 4 months which has raised concern with some elements of the supply chain around delivery timescales and product quality in what is a specialist market. Utilising Colas's own equipment means that LCC is supplied with a consistent product over which Colas have full control and it also simplifies the maintenance regime by sticking to a single product. Third party suppliers have been unreliable in terms of cost and delivery, and LCC is working with Colas to ensure this is rectified moving forward. Concerns in relation to this are likely to feature as part of the contract refresh procedure.

Colas now have a full complement of installers but have one vacancy within the team for an engineer. Recruitment for this vacancy will commence later in the summer once the latest arrivals are fully embedded within the service.

3. Complaints

A copy of the Highways Complaints Quarter 4 report can be found in Appendix B. During quarter 4 the highway service received a total of 19,010 Fix My Street submissions, CSC calls and CSC emails. LCC received a total of 189 contacts to the Customer Relations Team during this period, accounting for less than 1% of all contacts received.




Of these 189 contacts 151 entered the formal complaints process, accounting for 80% of these contacts, with the remaining 38 being resolved informally in early resolution.

The number of complaints entering the formal complaints process has decreased by 20% in comparison to the previous quarter.

4. Corporate Plan Performance Indicators – Condition of roads

The condition of the roads within Lincolnshire is collected and reported on an annual basis and reported to the Department for Transport. LCC also utilises this data as part of its Corporate Plan performance against the Success Framework 2022-23 for quarter 4.

The results for the Principal, Non – Principal and Unclassified roads all exceed the minimum agreed target levels in terms of the percentage of the network where maintenance should be considered.

- 0 measures that exceeded their target 
- 3 measures that achieved their target 
- 0 measure did not meet their target 

Comparisons to other authorities demonstrate that the Principal road network in Lincolnshire is in a better state than the average rural authority whereas the Non – Principal and Unclassified road networks are in a worse state than the average rural authority. The LCC Highways team continue to target improvement in these areas and continue to maximise the service efficiency so that the condition of the assets is maintained and where possible improved.

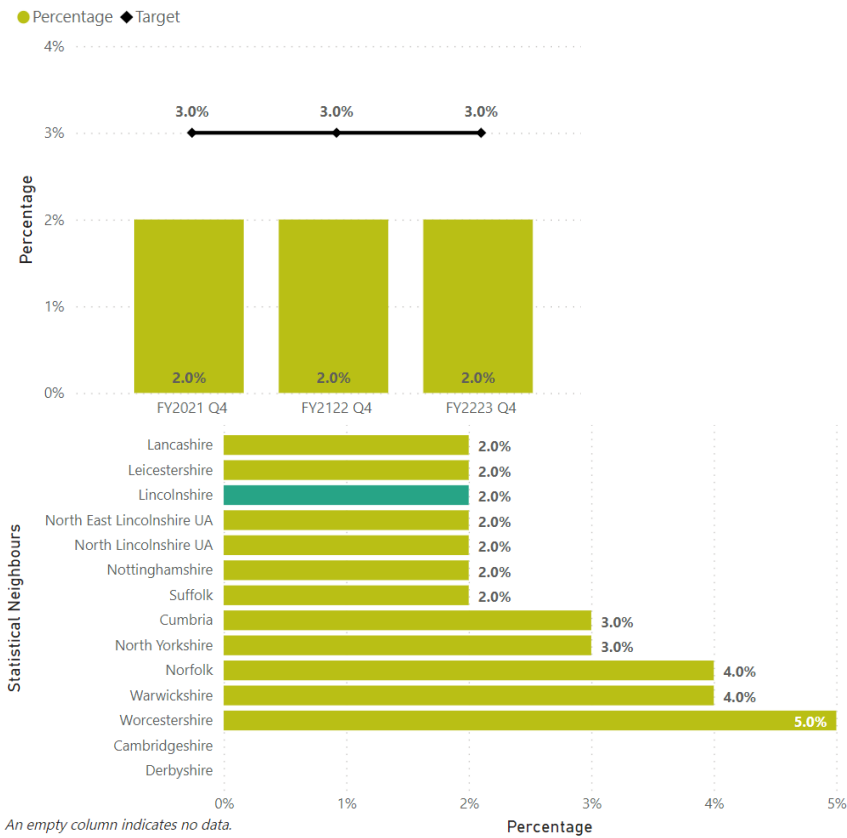
Appendix C details the proposed key performance indicators to be reported to Highways and Transport Scrutiny Committee for 2023-24.

PI 84 Condition of Principal roads

Actual: 2%

Target: 3%

The percentage of the A class road network where maintenance should be considered has remained consistent across the last 4 years.



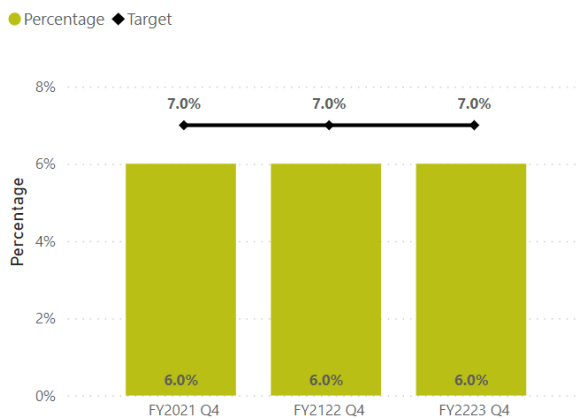
Benchmarking as at March 2022

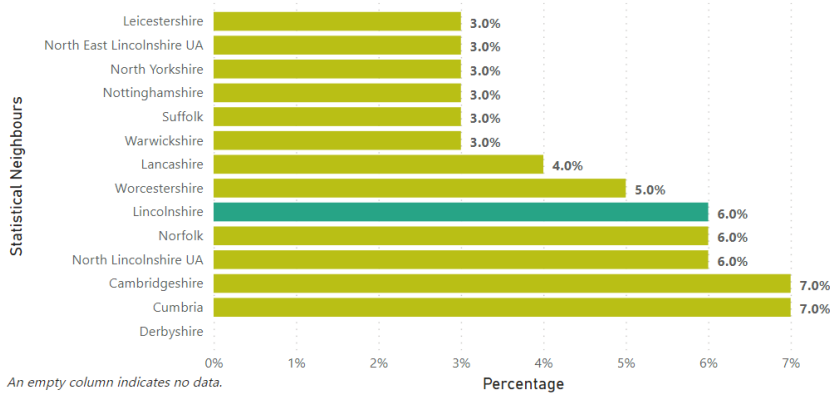
PI 85 Condition of Non Principal roads ✓

Actual: 6%

Target: 7%

The percentage of the B and C class road network where maintenance should be considered has remained consistent across the last 4 years.





Benchmarking as at March 2022

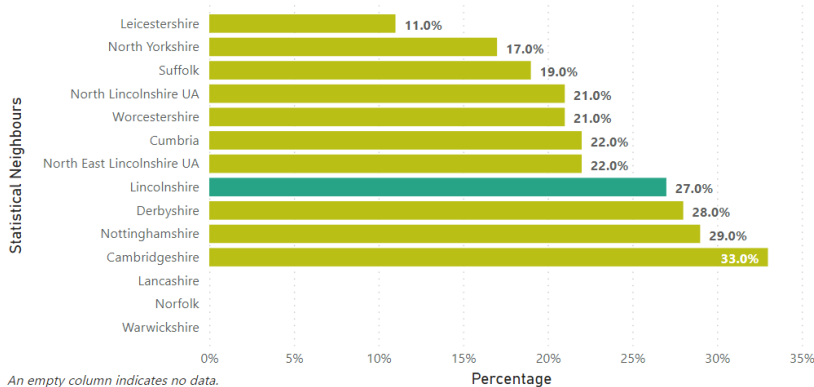
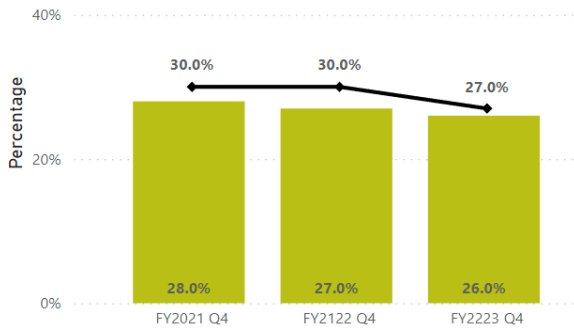
PI 86 Condition of Unclassified roads ✓

Actual: 26%

Target: 27%

The percentage of the unclassified road network where maintenance should be considered has reduced across the last 4 years.

● Percentage ◆ Target



Benchmarking as at March 2022

6. Conclusion

Lincolnshire's Highway team and its strategic partners continue to deliver an efficient and effective service during challenging market conditions. Performance reported for Quarter 4 demonstrate that the service has continued to improve in four of the five reporting areas. Whilst most 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.

The funding position for 2023/24 has been positive and will likely result in improvements to the overall asset condition at the next reporting cycle. Funding beyond April 2024 remains a concern as a large proportion of funding has been received on a one-year basis. The service will continue to monitor future budgets in relation to the buying power of the Highway Service and will continue to lobby the DfT via regional bodies in relation to this.

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	Lincolnshire Highways Alliance Performance Report (1 st January to 31 st March 2023) Quarter 4
Appendix B	Highways Complaints Quarter 4 Report
Appendix C	2023-24 Corporate Plan - Service Level Performance Indicators

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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