

Report to	Scrutiny Committee for Economy, Transport and Environment
Date	23 November 2011
Report By	Director of Economy, Transport and Environment
Title of Report	Highways Transformation Project – Key Performance Indicators
Purpose of Report	To consider the draft performance indicators to help demonstrate the effectiveness of the new, modernised highways service.

RECOMMENDATION: The Scrutiny Committee is asked to note the draft indicators contained in this report as an effective means of monitoring the effectiveness of the highways service following the Highways Transformation project and the extended Highway Contract.

1. Financial Appraisal

1.1 There are no specific financial implications arising from this report.

2. Supporting Information

The Highways Works Contract (HWC)

2.1 The current Highway Works Contract (HWC) was awarded to May Gurney in September 2005 as a seven year contract with provision to extend by a further three years until September 2015. The contract essentially provides highways maintenance services – such as reactive and planned maintenance, verge cutting and gulley cleansing – and small road improvements and winter gritting.

2.2 A Business Case for the extension of the current HWC was endorsed by a Transport and Environment Scrutiny Committee reference group on 15 April 2011 and agreed by Cabinet on 26 April 2011. It offered an opportunity to make considerable improvements and savings based on an effective *Asset Management approach* towards maintaining and operating the road network. Scrutiny Members agreed that the extension of the HWC, rather than early re-procurement, was a positive step that would help place the County Council in an economically advantageous position when the contract is eventually re-procured.

New Key Performance Indicators (KPIs)

2.3 Scrutiny Committee also wanted to ensure that the right mix of performance indicators is established to support the desired improvements in value for money and customer satisfaction. So, on 17 August 2011, the reference group met with council officers and a May Gurney representative to consider what makes a good Key Performance Indicator (KPI) for highways works. A summary of Scrutiny's comments is included in Appendix B.

2.4 The KPIs *currently* used in performance management of the highways contract tend to serve mainly operational needs. Scrutiny wished to see the range and type of KPIs extended to:

- enable a judgement as to whether the terms of the contract extension (and any associated KPI targets) have been met at the end of the current contract period in

August 2015;

- help determine appropriate indicators for the next Highway Works Contact.
- take more account of public and member satisfaction and a range of other kinds of trend information.

2.5 Following that meeting with Scrutiny Members, council officers and May Gurney have worked together to produce a range of new KPIs as part of a *dashboard* of indicators. The draft dashboard KPIs is included at appendix A below and takes full account of Scrutiny Member comments and will provide a sound basis upon which to measure the effectiveness of a new, modernised highways service and will also help to determine appropriate indicators for the next Highway Works Contact.

2.6 Subject to Scrutiny Committee endorsement of the draft indicators, further work will be required to define the indicators in detail, in keeping with corporate data quality guidance.

3. Conclusion and Reason for Recommendation

3.1 The Scrutiny Committee is asked to consider the draft indicators at Appendix A an effective means of monitoring the effectiveness of the highways service. These indicators have been developed to reflect the issues and themes identified by the Economy, Transport and Environment Scrutiny Committee Reference Group.

RUPERT CLUBB

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BACKGROUND DOCUMENTS

None

Appendix A: East Sussex Highways – Performance Framework Dashboard



Theme	Contributing Service Indicators	Target	East Sussex County Council Promise					T, E & E Objectives	Policy Steers				
			Help make East Sussex prosperous and safe	Improve and develop roads and infrastructure	Encourage personal and community responsibility	Deliver the lowest possible council tax	Be a voice for East Sussex, listening and answering to local people		Provide less congested and safer roads, with targeted maintenance, traffic management and parking controls	4.1 Improve the condition of our road and rights of way network	4.2 Plan and prioritise the infrastructure needed to support the County's prosperity	4.3 Achieve a fair balance between economic growth and the protection of our urban, rural and coastal environment	4.4 Minimise the amount of the county's waste sent to landfill or landraise
Ensuring a safe Network for all	Percentage reduction of road casualties		✓	✓	✓		✓	✓	✓				✓
	All Accident Frequency Rate (AAFR) in delivery of highways service		✓					✓	✓				✓
	Percentage of winter treatment completed within time		✓	✓	✓	✓		✓	✓				✓
Improving our Network Condition	Percentage of planned works versus reactive			✓		✓		✓	✓	✓		✓	✓
	Percentage of satisfactory utility reinstatements			✓				✓	✓				✓
	Number of defects per km of network		✓	✓		✓		✓	✓				✓
Making a difference to our Customers	Level of customer satisfaction through Parish and Citizen's Panel surveys				✓		✓						
	National Highways and Transport Network score in comparison to other Authorities				✓		✓						
	Percentage reduction in number of complaints received				✓		✓						
Investing in East Sussex	Percentage of works (by value) undertaken by Local Supply Chain (SMEs)		✓		✓	✓				✓	✓		
	Percentage of goods (by value) procured from within East Sussex		✓		✓	✓				✓	✓		
	Percentage of works delivered through Big Society initiatives		✓		✓	✓	✓			✓	✓		
	Number of Apprentices employed				✓		✓						
Value for Money	Cost of maintaining the Network per km –		✓	✓		✓		✓	✓				✓

Appendix B: Notes of the Highways Contract member Scrutiny Reference Group

17 August 2011

Members of the Economy, Transport and Environment Scrutiny Committee Present: Cllrs Stogdon (Chairman), Freeman, Daniel, Howson and Taylor.

Also present: James Harris, Operations Business Improvement Manager; Steve Pearce (May Gurney) and Paul Dean, Scrutiny Manager.

The Reference Group endorsed the development of key performance indicators (KPIs) based upon the following ideas and principles:

1. The principle of "*right first time*" for repairs and maintenance alongside a clear and measurable shift from reactive to planned maintenance using the *asset management* approach.
2. Streamlining of fault reporting systems
3. A clearer system for tracking individual fault reports so to improve the acknowledgements provided to Members and the public
4. Measurable benefits to the local economy through effective use of local suppliers in the supply chain.
5. Trends in percentage of first time fixes over time / revenue v. capital expenditure
6. Trends in adequacy of utility reinstatements over time
7. Trends in the percentage of successful third-party claims / other road condition indicators
8. A measure of some means of the effectiveness of communication of outcomes to the public about the speed of repairs etc
9. Staff morale
10. Public feedback on quality of work
11. Benchmarking against other similar authorities
12. Road safety indicators (killed and seriously injured – KSIs – perhaps) where incidents are linked to road condition
13. Public and Member surveys to assess overall satisfaction with road maintenance, verges and vegetation obscuring signs , drains and ditches / continued use of Citizen's Panel surveys to provide continuity of results
14. Trends in the volume of work undertaken by local companies and particularly by local small and medium sized enterprises (SMEs) in the supply chain.
15. Using social media and other mechanisms to communicate with our customers

CLLR RICHARD STOGDON
Chairman