

GROWTH, ENVIRONMENT AND RESOURCES SCRUTINY COMMITTEE	AGENDA ITEM No. 8
5 SEPTEMBER 2018	PUBLIC REPORT

Report of:	Simon Machen, Corporate Director of Growth and Regeneration	
Cabinet Member(s) responsible:	Councillor Peter Hiller, Cabinet Member for Growth, Planning, Housing and Economic Development	
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SKANSKA ANNUAL REPORT 2017/8

R E C O M M E N D A T I O N S	
FROM: Simon Machen, Corporate Director of Growth and Regeneration	Deadline date: N/A
It is recommended that the Growth, Environment and Resources Scrutiny Committee review and comment on the report.	

1. ORIGIN OF REPORT

1.1 Following a Scrutiny meeting on the 13th June 2016 it was decided that the overall contract performance of the Peterborough Highway Services contract with Skanska should be scrutinised on an annual basis.

2. PURPOSE AND REASON FOR REPORT

2.1 This is the opportunity for the committee to review the contractual performance and Key Performance Indicators (KPI's) for the Peterborough Highway Services contract with Skanska.

2.2 This report is for the Growth, Environment and Resources Scrutiny Committee to consider under its Terms of Reference Part 3, Section 4 - Overview and Scrutiny Functions, paragraph No. 2.1 Functions determined by Council:

- 6. Transport, Highways and Road Traffic
- 10. Partnerships and Shared Services.

2.3 The Peterborough Highway Services contract with Skanska directly contributes to all of the priorities in the Sustainable Community Strategy:

- Creating opportunities – tackling inequalities;
- Creating strong and supportive communities;
- Creating the UK's environmental capital;
- Delivering substantial and truly sustainable growth.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

4.1 Peterborough Highway Services is a partnership between Peterborough City Council and Skanska. The contract was awarded on 15th August 2013 and started on 1st October 2013. Peterborough Highway Services is responsible for improving and maintaining Peterborough's highway network including roads, drainage, street lighting and bridges.

The service has a good track record for the delivery of efficiency savings. Since the commencement of the highways contract in October 2013 revenue budgets have **decreased from £11.1m to £9.06m** equating to a **reduction of 19%**. During this time the number of miles travelled on all Peterborough roads has increased from 1.080 billion to 1.247 billion in 2017 representing a 15% increase whilst revenue budgets have decreased by 13% (source: <https://roadtraffic.dft.gov.uk/local-authorities/129>). This compares to a 12% increase in road traffic across the East of England (source: <https://roadtraffic.dft.gov.uk/regions/7>) and an 8% increase across Great Britain (source: <https://roadtraffic.dft.gov.uk/summary>).

4.2 The partnership operates a simple governance structure comprising of the Peterborough Highways Strategic Board (PHSB) and the Peterborough Highways Operations Team (PHOT). The purpose of the Strategic Board is to provide strategic direction and monitor the performance of the contract. The Operations Team are responsible for leading and managing all aspects of service delivery and performance, influence and inform strategic direction and direct delivery teams.

4.3 The report contained at appendix A covers the 12 month period from April 2017 to March 2018. Key highlights include:

- The previous winter saw the highest number of gritting runs completed, 106 in total. Snow ploughs were also used for the first time within the PHS contract.
- In the 2017/18 financial year, circa £1,431.240 savings were delivered, exceeding targets set. The forecast for the financial year 18/19 is £1,341,905.
- A KPI score of 99% was achieved for the contract during 17/18, exceeding targets set.
- Positive feedback was collected through the 2018 National Highways and Transport (NHT) Survey. Peterborough scored above average in all 6 themes explored, and was ranked the top authority across the eastern region and ranked 32 / 112 overall across UK authorities.
- The Peterborough Contract was successful in several awards. Within the Skanska UK Awards, the contract was successful in the Market and Making category. Additionally, within internal awards the contract won two Green Apple Awards for innovation including the use of low temperature asphalt and recycled tyres as a sub base.

5. CONSULTATION

5.1 This report provides an overview of the performance of the Peterborough Highway Services contract with Skanska and as such no consultation is required.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 It is anticipated that the comments received from the Growth, Environment and Resources Scrutiny Committee will be fed into the governance process of the Peterborough Highway Services contract with Skanska and acted upon accordingly.

7. REASON FOR THE RECOMMENDATION

- 7.1 The Peterborough Highway Services contract with Skanska is due to continue until 30th September 2023. As such any comments received from the Growth, Environment and Resources Scrutiny Committee will be fed back to the relevant officers with the aim of improving service delivery and value for money whilst directly contributing to achieving the Council's strategic priorities.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The alternative option is to not present this report to the Growth, Environment and Resources Scrutiny Committee. This was rejected because input from this group, with the aim of improving service delivery and value for money, is welcomed by the Peterborough Highway Services contract.

9. IMPLICATIONS

Financial Implications

- 9.1 This report is intended to provide an overview of the performance of the Peterborough Highway Services contract with Skanska, As such there are no financial implications arising as a direct result of this report.

Legal Implications

- 9.2 This report is intended to provide an overview of the performance of the Peterborough Highway Services contract with Skanska, As such there are no legal implications arising as a direct result of this report.

Equalities Implications

- 9.3 This report is intended to provide an overview of the performance of the Peterborough Highway Services contract with Skanska, As such there are no equalities implications arising as a direct result of this report. .

Rural Implications

- 9.4 This report is intended to provide an overview of the performance of the Peterborough Highway Services contract with Skanska, As such there are no rural implications arising as a direct result of this report.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 10.1 N/A

11. APPENDICES

- 11.1 Appendix A - Skanska Annual Report

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