

GROWTH, ENVIRONMENT AND RESOURCES SCRUTINY COMMITTEE	AGENDA ITEM No. 5
6 NOVEMBER 2019	PUBLIC REPORT

Report of:	Steve Cox - Executive Director Place & Economy, Cambridgeshire and Peterborough	
Cabinet Member(s) responsible:	Cllr Peter Hiller, Cabinet Member for Strategic Planning, Commercial Strategy and Investment	
Contact Officer(s):	Andy Tatt - Head of Peterborough Highway Services	Tel. 01733 453469

SKANSKA ANNUAL REPORT 2018/19

R E C O M M E N D A T I O N S	
FROM: Steve Cox - Executive Director Place & Economy, Cambridgeshire and Peterborough	Deadline date: N/A
<p>It is recommended that the Growth, Environment and Resources Scrutiny Committee:</p> <p>1. Review and comment on the report.</p>	

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 -

5. Transport, Highways and Road Traffic and

9. 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.

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 2018 to March 2019. Key highlights include:

- PHS has continued to deliver high levels of performance having achieved an overall annual performance score of 99.51%.
- PHS is unusual in that environmental considerations feature so prominently in the performance of the contract. Headline achievements include: 1.03 tonnes of carbon per £100,000 spend was emitted, well below the target of 2.63; 20,851 litres of potable water were saved by using a rainwater harvesting systems installed in the depot; and, 98.3% of waste produced by the contract was diverted from landfill, which remains above the 95% target.
- In March 2019 the contract achieved a major health and safety milestone with 1,000,000 man hours of work having been undertaken without a LTI. This is an exceptional achievement for a highway services contract.
- The National Highways and Transport (NHT) annual survey captures public satisfaction on services delivered by local authorities. In 2018 a total of 112 Highway Authorities took part in the survey, covering themes such as accessibility, public transport, walking and cycling, tackling congestion, road safety and highway maintenance. Peterborough was ranked 22nd nationally and first within the Eastern Region for the second year running.
- Delivering efficiencies in an integral part of the contract. A total of £1,754,774 savings (Cashable £737,596 & Cost Avoidance £1,017,178) were delivered in year, which was above the forecast set of £1,517,897 (Cashable £771,836 & Cost Avoidance £746,061). Cost Avoidance exceeds the original forecast and Cashable Savings falls £34,240 short of the original forecast due to slippage in the LED Upgrade Programme and the Supply of IT equipment. These efficiencies have not been lost but will occur during 2019/20.
- The partnership has also received much recognition for the good work that it does. Nene Bridge was awarded 'Project of the Year' at the regional Chartered Institute of Highways and Transportation awards, has been shortlisted for the prestigious British Construction Industry Awards under the 'Operations and Maintenance Project of the Year' category, and was shortlisted under 'Team of the Year' at the Skanska UK Awards.

4.4 In addition to the annual report the following section provides an overview of the work undertaken by City Fibre following a specific request by members of the group.

City Fibre are undertaking a program of "fibre to the home" which involves them laying services in each street across the city. CityFibre are a registered statutory undertaker (Utility). They therefore have statutory powers to install plant in the highway and are required to submit permit applications to the Council in the same way as any other Utility. The Council review the permit applications and can specify certain conditions on the permits e.g. regarding the timing of the works etc but we can not prohibit the works from being undertaken.

For works undertaken by Utilities the Council inspect a sample of works. However, because City Fibre are paying for an inspector due to the high volume of works being undertaken, we are inspecting a much greater proportion of their works. Regular meetings are held between the Council and City Fibre where any issues that arise are discussed.

There is often a misunderstanding that the Council are paying for these works and therefore have direct control over the works, which is not the case.

In terms of reinstatements etc these are governed by a national specification - and if the works meet the specification there is no obligation on CityFibre, or power for the Council, to deliver the works to a higher standard. This can often lead to complaints from the public who often may have greater expectations than the specification.

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 - Peterborough Highway Services annual report.