

Decision Maker: ENVIRONMENT & COMMUNITY SERVICES PDS COMMITTEE

Date: 9th April 2019

Decision Type: Non-urgent Non-Executive Non-Key

Title: HIGHWAYS CONTRACTOR PERFORMANCE REVIEW – JB RINEY

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Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: Borough wide

1. Reason for report

This Report sets out to update Members on the performance of JB Riney, the Council's Highways contractor since their award in July 2018.

2. **RECOMMENDATION(S)**

2.1 That the PDS Committee notes the content of this report and in particular the on-going work to ensure compliance with the Contract.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality environment
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs N/A
 3. Budget head/performance centre: Highways & Street lighting revenue budget, Capital LIP scheme (funded by Transport for London TfL), Capital Local Highways Maintenance scheme (funded by Department of Transport DfT), and Capital Highway Investment scheme.
 4. Total current budget for this head: £2.510m revenue and £2.662m capital in 18/19
 5. Source of funding: Existing revenue and capital budgets
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Personnel

1. Number of staff (current and additional): 15
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Not applicable
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Procurement

1. Summary of Procurement Implications: The Procurement Strategy for schemes within the Basic Need Programme has been set out in previous reports
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: n/a

3. COMMENTARY

Background

- 3.1 Bromley's highway network comprises 856 miles (1370 km) of footway and 552 miles (884 km) of carriageway. This represents the Council's single most valuable asset with a gross replacement cost of £1.1 billion. Good quality and well maintained streets make a significant contribution to the street scene appearance, the prosperity of our community and help to ensure our streets are both safe and accessible for users.
- 3.2 In April 2018 the Council awarded the Highway Maintenance contracts to JB Riney from 1st July 2018 for an initial term of seven years (Report No ES18040), with an option to extend the contract for a further year.
- 3.3 When it became necessary to change the procurement timescale in September 2017, it was agreed that Highway Engineering Consultancy Services would not form part of the Contract, but would be a provision to be investigated post-tender with the successful contractor, if best value could be shown. In November 2018 Executive approved proposals to include Highway Engineering Consultancy Services within the JB Riney Highways Contract (Report No ES15048).

Contractor Performance

- 3.4 The Highways contract commenced on July 2018, and includes provision of a number of highway related services. These are discussed below with a summary of how JB Riney have performed during the first eight months of the Contract.
- 3.5 The Contract includes a Performance Management Framework (PMF) with related Key Performance Indicators (KPI) and associated Low Service Damages (LSD). The Contract allowed for a three month mobilisation period where LSD's would not be chargeable.

Planned Highway Maintenance and Traffic Schemes

- 3.6 On 12th December 2016 the Council approved capital funding of £11.8m for investment in planned highway maintenance and the scheme was added to the Capital Programme for the maintenance of footways and carriageways. Five phases of projects have been approved by E&SC PDS, with many be completed by the Council's last contractor, FM Conway. As the new highway contract includes an improved five year warranty for all carriageway resurfacing schemes, a number of schemes were delayed until the start of the new contract.
- 3.7 In October 2018 the Council received a grant from the Department for Transport of £1.117m for highway resurfacing works. As the DfT required the grant to be spent by 31st March 2019, previously approved carriageway schemes were funded from this budget with the remaining capital funding being rolled forward to 2019/20.
- 3.8 JB Riney have continued to make good progress with these improvement projects. Carriageway works were suspended for two months during the winter due to poor weather conditions, but the remaining projects from phase five of the programme are due to be completed during the summer. Footway schemes have also been progressed, with a mixture of major and minor planned works.
- 3.9 Once the initial five phases have been completed a separate report will be submitted to a future meeting to agree any additional schemes that can be funded from the remaining capital budget.
- 3.10 JB Riney have also completed a number of traffic schemes, as part of the annual LIP programme.

Reactive and Emergency Highway Repairs

- 3.11 JB Riney complete all reactive maintenance tasks on the highway, along with in-hours and out of hours emergency repairs. Jobs have a completion time based on the nature of the defect and the risk of causing an accident, which are usually 2 hours for an emergency, 10 working days for urgent repairs and 35 days for non-urgent works.
- 3.12 Jobs are raised by the Council's Highway Inspectors following safety inspections or enquires raised on Fix My Street (FMS) and other reports from Councillors or members of the public.
- 3.13 The PMF includes a KPI requiring 90% of all jobs to be completed within the specified timescales. Performance against the required job durations are shown in the table below;

KPI - 90% of works completed within 10 & 35 days

Oct	Nov	Dec	Jan
80%	90%	84%	66%

- 3.14 The Highways Client team have been working closely with the contractor in an effort to improve performance in this area, and as the required KPI's have not been achieved LSD's of £4,800 will be chargeable.
- 3.15 An update on performance during February will be provided at the meeting.

Street Lighting Maintenance

- 3.16 Under the Contract street lighting is a fully managed service, where the Council pay a fixed annual sum to maintain all street lights and illuminated signs or street furniture in working order. Defective street lights or signs are identified through the contractor's monthly night inspection across the borough, or raised following FMS and telephone enquiries.
- 3.17 The PMF includes completion times for all routine maintenance tasks, with KPI's requiring 95% of tasks to be completed within 4 working days, and 100% within 8 working days. Performance against the required job durations are shown in the table below;

KPI - 95% of works completed within 4 days

Oct	Nov	Dec	Jan	Feb
77%	52%	62%	80%	96%

KPI - 100% of works completed within 8 days

Oct	Nov	Dec	Jan	Feb
88%	72%	69%	87%	99%

- 3.18 The street lighting client team have been working closely with the contractor in an effort to improve performance in this area, and as the required KPI's have not been achieved LSD's of £30,150 will be chargeable.
- 3.19 An update on performance during March will be provided at the meeting.

Winter Service

- 3.20 During the winter months JB Riney undertakes precautionary gritting and snow clearance works on the carriageway network, along with footway clearance outside a number of schools in the event of a snow emergency. As the Council currently own the fleet of gritters and salt, the contractor is only required to provide drivers when the weather forecasts predict freezing or below freezing temperatures.
- 3.21 The winter service season usually runs for 21 weeks from November to April. To date the gritters have been deployed for precautionary gritting on 28 nights, treating a total of 157 routes.
- 3.22 The PFM requires all precautionary gritting to be completed with 2.5 hours, which has been achieved in all cases.

Highway Engineering Consultancy Services

- 3.23 Engineering consultancy services have only recently been undertaken by JB Riney, through their supply chain. Early indications are that the arrangement is working well, with a number of traffic schemes being commissioned on a 'design and build' basis.

Highway Drainage Cleaning

- 3.24 The cyclical cleaning of road gullies and soakaways etc. is included in the current Environment Contracts, but was included in the Highway Contract from 1st April 2019. A report on the performance of this service area will be submitted to a future meeting.

4 POLICY IMPLICATIONS

- 4.1 The borough's roads have a high profile and are used by most residents and businesses on a daily basis. Maintaining these assets to an appropriate standard will contribute to the Council's vision of providing a place where people choose to live and do business and links well with policy priorities of a quality environment, vibrant thriving town centres and supporting independence/safer communities.
- 4.2 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to provide efficient & effective services and value for money to its residents.

5 FINANCIAL IMPLICATIONS

- 5.1 Within the 2018/19 revenue budget for Highways and Street Lighting there is a sum of £2.51m available for the JB Riney contract. The table below provides a breakdown of the budgets and projected spend for each service area as follows:

Revenue	2018/19	2018/19	2018/19
Service Area	Budget	Projected Spend	Variance
	£'000	£'000	£'000
Reactive & Emergency Highway Repairs	1,699.7	1,699.7	0.0
Street Lighting	554.4	554.4	0.0
Winter Service	156.3	156.3	0.0
Highway Engineering Consultancy	7.3	7.3	0.0
Rechargeable Works*	92.2	92.2	0.0
Total Revenue	2,509.9	2,509.9	0.0

5.2 The JB Riney contract has been used to meet the following capital works for 2018/19: -

Estimated capital works undertaken by JB Riney in 2018/19	Estimated Capital Spend £'000
Planned Highway maintenance & traffic schemes	2,551.6
TfL LIP funded traffic schemes	110.7
Total expected Capital spend for 2018/19	<u>2,662.3</u>

5.3 As detailed above there is estimated to be Low Service Damages (LSD) deductions of approximately £34,950 for the period October 2018 to February 2019.

6 LEGAL IMPLICATIONS

6.1 Under the Highways Act 1980 the Council as Highway Authority has duties to ensure the safe passage of users of the highway and to maintain the highway.

Non-Applicable Sections:	PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact Officer)	Report number ES17088