

PART 1 - PUBLIC

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Decision Maker: ENVIRONMENT & COMMUNITY SERVICES PDS COMMITTEE

Date: 17th November 2021

Decision Type: Non-Urgent Non-Executive Non-Key

Title: RINEY - CONTRACT PERFORMANCE REPORT

Contact Officer: Garry Warner, Assistant Director (Highways)
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Chief Officer: Colin Brand - Director of Environment and Public Protection

Ward: Borough wide

1. Reason for report

- 1.1 This Report sets out to update Members on the performance of JB Riney, the Council's Highways contractor during the last twelve months.

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: Estimated cost N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Highways & Street lighting revenue budgets, Capital Programme LIP schemes, Capital Programme Local Traffic schemes, Capital Programme Street Lighting Improvement schemes.
 4. Total current budget for this head: £3.4m revenue and £2.4m capital in 2021/22
 5. Source of funding: Existing controllable revenue budget and capital programme 2021/22
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Staff

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

Legal

1. Legal Requirement: Statutory requirement.
 2. Call-in: Call-in is applicable
-

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 contracts for major and minor highway works to 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. In November 2018 Executive approved proposals to include Highway Engineering Consultancy Services within the Riney Major Highway Works Contract.

Contractor Performance

- 3.4 The Highway contracts commenced on July 2018, and include provision of a number of highway related services, as discussed below. The Contract includes targets for Key Performance Indicators (KPI) and associated Low Service Damages (LSD).
- 3.5 The contractors performance was last considered by this committee in January 2021 (Report No ES20063), and this report provides an update of how Riney have performed since that time.
- 3.6 As previously reported, all planned works, street lighting improvements and traffic schemes, were suspended during the initial Covid-19 lockdown period, and while these did recommence in September 2020 the ongoing requirements for social distancing and staff becoming ill or having to self isolate have caused some delays to all works since that time.
- 3.7 The construction industry continues to suffer from the impact of Covid-19 and Brexit, with many materials still being in short supply.

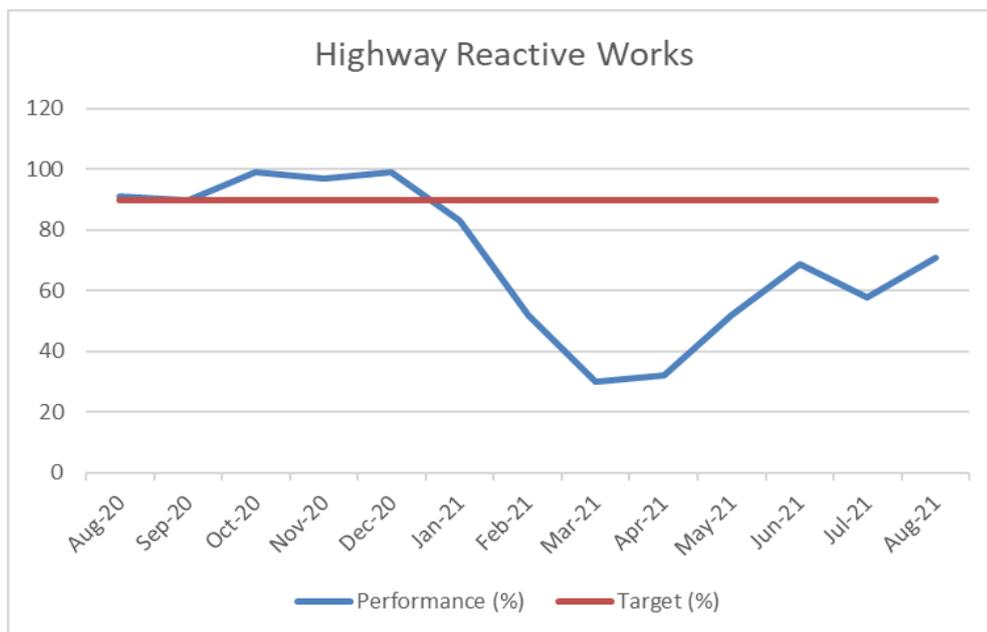
Planned Highway Maintenance and Traffic Schemes

- 3.9 In March 2021 members approved a programme of planned maintenance works (Report ES20084) which have now been successfully completed.
- 3.10 Although TfL funding for new projects has been reduced, Riney have completed capital projects in Crofton Road, Orpington, Hayes village and Court Road, Orpington. Riney continue to work on the remaining traffic improvement projects as part of the annual LIP programme, which are due to be completed within the required timescales.
- 3.11 Some unexpected delays were encountered with the three major projects due to the issues mentioned in 3.6 above, as well as minor design changes during the construction phase of the project. Progress on site was also impacted by changes in Riney's management and site supervision staff.

Reactive and Emergency Highway Repairs

- 3.12 As part of the Minor Highway Works Contract 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 working days for non-urgent works.

3.13 The Contract includes a KPI requiring 90% of all maintenance tasks to be completed within the specified timescales. Amalgamated data for performance against the required job durations during the last year are shown in the table below;

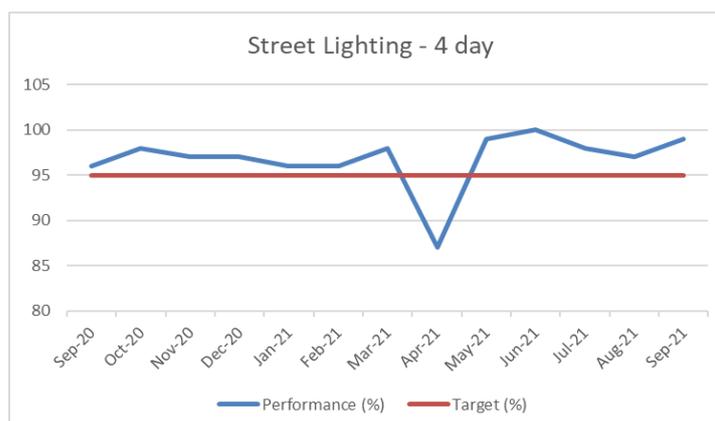


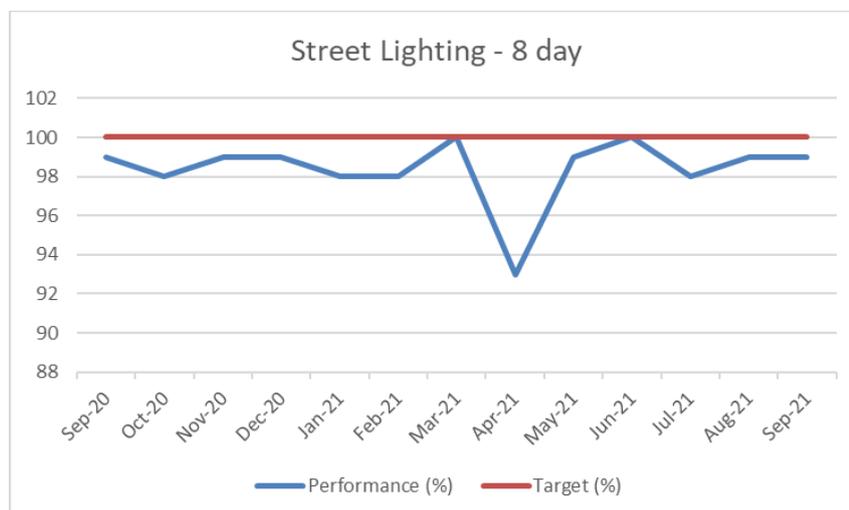
3.14 It can be seen that performance between January and August was below that required by the contract. Officers have been working closely with Riney to identify the reasons for the poor performance and agree an improvement plan. This has resulted in improvements during the last three months, and the KPI's are expected to be achieved in October 2021, the data for which will be available in early December 2021.

Street Lighting Maintenance

3.15 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.

3.16 The Contract 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 tables below;





3.17 In August 2021 Executive approved a capital programme to replace all remaining street lights with low energy LED units. This project will be delivered by Riney commencing in November 2021, with completion due in May 2022. It is anticipated that performance for reactive maintenance will improve once the LED programme has been completed.

Winter Service

3.18 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. While the Council currently own the fleet of gritters, the contractor is responsible for the maintenance of all vehicles and to provide drivers when the weather forecasts predict freezing or below freezing temperatures. In September 2021 Members approved this arrangement until the end of the current Contract in June 2026.

3.19 The Contract requires all precautionary gritting to be completed with 2.5 hours, which was achieved in all cases last winter.

Highway Engineering Consultancy Services

3.20 Engineering consultancy services have been undertaken by JB Riney since April 2019, through their supply chain of specialist consultants. While the arrangement continues to provide an acceptable level of service for management of highway structures and various traffic surveys, delays have been encountered with the delivery of designs for traffic schemes. An improvement plan resulted in a direct relationship between the Council and Riney's supply chain, which it is felt will improve the delivery of traffic designs moving forward.

Highway Drainage Cleaning

3.21 The cleaning of all highway drainage assets (e.g. road gullies) has been included in the Highway Contract since 1st April 2019. Public sewers are maintained and cleaned by Thames Water Utilities. The contract provides for cyclical cleaning tasks of the Council's drainage assets which range in frequency from every three months in areas of frequent flooding, to every four years, as well as emergency and ad-hoc cleaning when flooding occurs.

3.22 Programmes of cyclical cleaning have generally been completed in line with the KPI's, although delays have been encountered in the completion of ad-hoc cleaning tasks. Riney's improvement plan included a requirement to meet the required response times by March 2021, but unfortunately this has not been achieved.

- 3.23 A revised improvement plan was agreed with Riney and their supply chain partner in September 2021 with a target for all works to be completed within required timescales by the end of October 2021. A verbal update on performance will be provided to Members at the meeting.

Management

- 3.24 The LBB client team continues to have the necessary resources to manage the contract successfully.
- 3.25 During the last year Riney have experienced a high turnover of key personnel, including temporary management roles, which is likely to have impacted on the performance issued encountered. Following a recent reorganisation the current establishment is considered suitable for delivery of all services covered by the contract.

Review of Contract Purpose

- 3.26 The Council have an ongoing requirement for all highway related services. The contract is based on a schedule of rates and future works can be 'called-off' as and when required revenue of capital funding is available.

4. Service Profile / Data Analysis

- 4.1 The Contract includes Key Performance Indicators (KPI) and associated Low Service Damages (LSD).
- 4.2 A Service Operations Board is held monthly where performance is discussed, and KPI's and related LSD's are considered. A summary of the contractual KPI's are produced annually.
- 4.3 Performance relating to each area of the service are discussed in Section 3 above.

Plans for Ongoing Improvements in Performance

- 5.1 Performance of the contractor is measured using the KPI requirements of the Contract, which are designed to provide clear and demonstrable evidence of the success of the contract. KPI's are monitored monthly and discussed at the Service Operations Board.
- 5.2 The contractors performance relating to street lighting maintenance and reactive highway maintenance were below contractual requirements during the early months of the contract, when Low Service Damages (LSD's) were charged. This has continued during the last year to manage performance relating to minor highway works and drainage cleaning Tasks.
- 5.3 The contractor is aware that the KPI's in the Contract are the minimum standards acceptable, and are committed to ongoing improvements in delivering these services.

Plans for Ongoing Improvements in Value for Money

- 6.1 As a term services contract, Task orders are raised as and when required from the Contract Price List. During the term of the contract options to achieve improved value for money will be based on new methods of working and the adoption of innovative materials.

7. Stakeholder Satisfaction

- 7.1 The contract requires all stakeholders to be notified in advance of planned works, and the methods employed will depend on the scale of the project.
- 7.2 Post-work surveys are required by way of an audit for planned works, the results of which will be included in future performance review reports.

8. Sustainability

- 8.1 The Contract includes Key Performance Indicators for the following sustainability matters, which are monitored on an annual basis;
- (i) **Construction waste to landfill** - Percentage decrease, compared to the baseline year, in the weight of construction waste produced in delivery of the service that is disposed of at Landfill or sent for incineration, per thousand pound of works delivered through the Contract.
 - (ii) **Construction waste recycling rate** - Change in the percentage of construction materials (by value) used to deliver the service that are from either secondary or recycled sources, compared to the baseline year.
 - (iii) **Fleet CO2 emissions** - Percentage reduction in the total mass of CO2 produced by the Contractor's vehicle fleet in delivery of the service per thousand pounds of the Contract compared to the baseline year.

10. Policy Considerations

- 10.1 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.
- 10.2 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.

11. Commissining & Procurement Considerations

- 11.1 The contract was awarded in July 2018 for an initial term of seven years (Report No ES18040), with an option to extend the contract for a further year. Options for the future provision of these services, including a possible contract extension, will be considered in 2023.

12. Financial Considerations

- 12.1 Within the 2021/22 revenue budget of £6.4m for Highways and Street Lighting, a sum of £3.435m is available for the JB Riney contract. The table below provides a breakdown of the budgets and projected spend for each service area:

Service Area	Budget
	£'000
Reactive & Emergency Highway Repairs	2,387
Street Lighting	784
Winter Service	176
Highway Engineering Consultancy	87
Total Revenue	3,435

12.2 The JB Riney contract will also be used towards delivering the following capital schemes in 2021/22:

	£'000
TfL LIP Funded Traffic Schemes	759
Local Traffic Schemes	59
Street Lighting LED Conversion Programmes	1,564
Total Capital	2,382

14. Legal Considerations

14.1 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:	Customer Profile, Market Considerations, Personnel considerations
Background Documents: (Access via Contact Officer)	- ES20063