

HEREFORDSHIRE PUBLIC REALM Strategic Performance Indicators

Outcomes 2014-2016 Summary report

The Strategic Performance indicators (SPI) are set to encourage Balfour Beatty Living Places (BBLP) to deliver Herefordshire Council's objectives. By linking Strategic Performance Indicators to contract extension, BBLP are incentivised to design and deliver the service in order to maximise the achievement of Herefordshire Council's Strategic Outcomes. A set of 19 indicators were outlined in the contract although no thresholds were set at contract award with limited baseline data available.

As the contract allows for some flexibility within performance management of the contract, it was considered appropriate to refresh and review the indicators to ensure they still met the needs and priorities of Herefordshire Council. A full assessment of the contractual SPIs was undertaken and alternatives proposed where appropriate. These were reviewed and agreed by the Operations Board and Strategic Partnership Board in July 2016 and there are now 16 indicators that are reported against.

This paper provides summary of achievement against the Strategic Performance Indicators for 2015/2016, and performance relevant to support the achievement of the intent of the SPI in the previous 2 years to assist Herefordshire Council in determining if acceptable performance has been met under the terms of the Public Realm Services Contract.

PERFORMANCE SUMMARY

Overall performance is positive with 12 of the 16 indicators achieving acceptable or above performance (mid-way between thresholds) with 10 of these achieving over the Upper threshold. Only 1 indicator resulted in a negative score (below lower threshold).

Total Score = 18.22

Performance has met the requirements defined for acceptable performance

Key messages

- The number of **Killed and Serious Injured** (S1) was the only indicator that did not meet required threshold resulting in a negative score. The numbers of individuals killed or seriously injured has increased over the last few years, a trend reflected countrywide. Whilst it is recognised that there are many factors that influence performance, Herefordshire Council are undertaking a detailed analysis including wider stakeholders to establish the cause and factors and to identify a cohesive strategy to address the issue.
- Survey data indicates that the **road condition on A & B roads** (S2 & S3) remains stable although given the nature of the survey method, any changes in performance are slow to be reflected in results. However, using the Horizons system, modelling indicates that, given current levels of funding, the network will be in a state of steady decline within three to five years without significant investment. The successful challenge funding bid improvements should be reflected in an improved principal road condition over the next two to three years.
- Survey data indicates that the **road condition on C roads** (S4) showed an improvement following the initial £20million investment at that start of the contract with performance being maintained over the last 3 years. However, using the Horizons system, modelling indicates that, given current levels of funding, the network will be in a state of steady decline within two to three years without significant investment.
- Correspondingly **customer satisfaction** (S15) levels rose considerably in 2015 before dipping again slightly in 2016 particularly around satisfaction with level of highway condition and road surface condition. These results clearly show the

impact and correlation this investment has had on customer perception and satisfaction.

- Whilst expected threshold has been maintained for both **footway condition** (S6) and **bridge condition** (S7) these were set on the principle of managing a deteriorating network in line with agreed priorities. Therefore there is likely to be a continued decline without significant investment.
- The improved management of defects and claims handling process has led to an improvement in **repudiation rates on third party claims** (S8). However, as the network continues to deteriorate there is an increased likelihood of increased claim numbers which could impact on performance.
- The specific investment in drainage schemes last year has had a significant impact on improving **flood resilience** (S9) and therefore reducing the number of properties at risk. However, it should be noted that performance is dependent on a number of external factors primarily weather.
- In recognition of the value of encouraging and developing employment opportunities within construction, together with the drive to improve the skills of our workforce and subcontractors, has led to the achievement of Herefordshire Council's **Skills academy** (S10) targets and, in many cases, these targets have been exceeded. Whilst delivery in 2016/2017 was to a new set of indicators developed by the CITB (Construction Industry Training Board), performance against previous indicators met the required level of performance as indicated in the CITB published benchmarks.
- Positive performance in **Local Spend** (S11), **Community engagement** (S14), **Carbon emissions** (S12) and **Recycling** (S13) all demonstrates the commitment to sustainable delivery and support for the local community.
- **Continuous improvement** (S16) and the resulting savings has outperformed expectations based on bid commitment, with a number of projects/initiatives delivering efficiencies minimising the impact of the reduced budgets. As a result of this focus performance has significantly exceeded targets since the start of the contract.

STRATEGIC PERFORMANCE INDICATOR POSITION STATEMENT

Indicator		Upper Threshold U	Lower Threshold L	U-L	Cap upper (lower)	2016 Actual Performance P	P-U	Score (P-U/U-L)+1	Capped Score	Neg?
S1	Killed and Seriously Injured	71	79	-8	2 -0.25	99	28	-0.25	-0.25	Y
S2	Principal Road Condition	7	9	-2	1.2 none	6	-1.00	1.50	1.20	
S3	Non Principal B Road Condition	6	8	-2	1.2 none	5	-1	1.50	1.20	
S4	Non Principal C Road Condition	6	8	-2	1.5 -1	8	2	0.00	0.00	
S5	Unclassified Road Condition	25	31	-6	2 -1	26	1	0.83	0.83	
S6	Footways condition	26	30	-4	1.2 -1	25.9	-0.1	1.03	1.03	
S7	Bridge Condition	98	89	9	1.2 -1	93	-5	0.44	0.44	
S8	Third party claims reduction	80	70	10	1.5 none	89.83	9.83	1.98	1.50	
S9	Flood resilience	75	100	-25	1 -1	28	-47	2.88	1.00	
S10	Skills and employability	4	3	1	1.5 none	6.5	2.5	3.50	1.50	
S11	Local spend	30	24	6	2 -1	35	5	1.83	1.83	
S12	CO2 reductions	5	3	2	2 none	9.73	4.73	3.37	2.00	
S13	Reuse and recycling	99	96	3	2 none	99.87	0.87	1.29	1.29	
S14	Community engagement	110	90	20	2 none	103	-7	0.65	0.65	
S15	Customer Satisfaction	37	36	1	2 -1	40.14	3.04	4.04	2.00	
S16	Continuous improvement	1219	997	221.06	2 -1	1971	752	4.40	2.00	
									18.22	

Scoring Mechanism

Clause 1 of the Contract outlines the mechanism for calculating Scores against the Upper and Lower thresholds. A score of 1 is awarded for achieving upper threshold with a score of 0 if only the lower threshold is met. Achievement of performance between the thresholds will be awarded to the calculated % of a point. Scores of higher than 1 and lower than 0 can be awarded subject to the agreed caps. Caps are set to reflect the importance to Herefordshire Council, impact that can be made from Balfour Beatty Living Places and the relevance to the contract.

Acceptable strategic performance

Under the terms of the contract acceptable performance is considered if

















- not scored lower than 0 in relation to more than 11 indicators and;
- total aggregated score is not less than 8

Extension of the Contract Period

To help determine any extension of the contract “Acceptable Strategic Performance” is measured over each of five “Relevant Periods” based on financial years; two of 3 years and three of 2 years; the first three year “Relevant Period” commenced with the 2014/15 financial year. The contract left the thresholds for each performance measure to be agreed by the parties. With the extended mobilisation period and subsequent transition and changes in priorities this was not in place for the first 2 years of the contract. As a consequence “Acceptable Strategic Performance” hasn’t been agreed for either 2014/15 or 2015/16, leaving only performance in 2016/17 to be measured for the first “Relevant Period”.

It was proposed and agreed through the review that assuming acceptable performance in 2016/17; the Council will exercise its discretion under clause 31.6.2 to grant a year’s contract extension; performance data has been made available for the previous two years to help inform that decision.

PERFORMANCE TREND

	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	2013 (p/y)	2014	2015	2016	Trend
S1	Killed and Seriously Injured	71	79	61	70	99	99	
S2	Principal Road Condition	7	9%	7	8	7	6	
S3	Non Principal B Road Condition	6%	8%	7	7	6	5	
S4	Non Principal C Road Condition	6%	8%	11	8	7	8	
S5	Unclassified Road Condition	25%	31%	27	26	31	26	
S6	Footways condition	26%	30%	24	24	35	25.9	
S7	Bridge Condition	98%	89%	96	96	96	93	
S8	Third party claims repudiation	80%	70%	92.82	92.57	90.22	89.83	
S9	Flood Resilience	75	100	New Indicator		78	28	
S10	Skills and employability	4	3	N/A	6.5	6	6.5	
S11	Local spend	30%	24%	N/A	21	26	35	
S12	CO2 reductions	5.00%	3.00%	N/A	Baseline	19.28	9.73	
S13	Reuse and recycling	99.0%	96.0%	24	96.99	99.67	99.87	
S14	Community Projects	110 days	90 days	Not Available		109	103	
S15	Customer Satisfaction	37.10%	36.10%	36.60	36.67	43.10	40.14	
S16	Continuous improvement	1219	997	N/A	N/A	N/A	1971	

SPI SUPPORTING DETAIL

SPI 1 KILLED & SERIOUSLY INJURED

S1	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap Upper Lower	System	Measure Date
	Killed and Seriously Injured	71	79	2 -0.25	HC	Feb following year
	<i>The number of people killed or seriously injured in road traffic accidents</i>		2013 p/y	2014	2015	2016
	Performance		61	70	99	99

Validation: Performance on this SPI is calculated from police accident statistics, collated and reported through Herefordshire Councils Accident Investigation team.

Performance: The data shows a year on year increase since 2013 in the number of individuals killed or seriously injured on the county’s roads. There is a growing concern about safety on the roads which has been reflected nationally; however, it should be recognised that accidents occur for a variety of reasons and many are outside the control of both Balfour Beatty Living Places and Herefordshire Council eg (weather, intoxication of driver). Focus is given on ensuring the appropriate inspection and maintenance of known accident cluster sites.

Herefordshire Council are undertaking a detailed analysis of the figures to establish the cause and factors influencing each incident.

KEY MESSAGE: KSI are increasing countrywide and further analysis is ongoing to identify a cohesive strategy to address the problem

SPI 2 PRINCIPAL ROAD CONDITION

S2	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
	Principal Road Condition	7%	9%	1.2 none	Horizon	Sep
	<i>% of principal roads where maintenance should be considered</i>		2013/14 p/y	2014/15	2015/16	2016/17
			km % of total km	km % of total km	km % of total km	km % of total km

Generally good condition		432.96	58	412.7 1	55	415.3 5	55	443.0 5	59
Plan investigation soon		266.57	35	279.8 4	37	280.5 1	37	263.7 1	35
Plan maintenance soon		50.62	7	57.91	8	54.10	7	43.32	6

Validation: Performance is derived from a survey of the surface condition of the local authority’s principal (A road) carriageway network. The survey vehicles are accredited as conforming to the surface condition assessment for the national network of roads (SCANNER) specification and processing software that is accredited as conforming to the UK Pavement Management System Standards (UKPMS).

Performance: Over the life of the contract to December 2016 the percentage of roads in generally good condition has remained stable with a slight increase together with an improvement in the percentage of roads where maintenance should be considered.

Data is based on a two year survey with 100% of the Principal road network being scanned in one direction each year. This means that the condition of any one carriageway lane can be determined in one year with the condition of the other lane being taken the following year. Therefore the figures are only indicative of the road condition but do not necessarily give an accurate representation of the overall condition of the network.

Whilst the data suggests an improvement in road condition, the nature of the survey means that changes in performance are slow to be evidenced in the SPI.

KEY MESSAGE: Sustained performance on road condition are dependent on continual funding with additional opportunities such as the Challenge Funding making a significant difference

As a result of a successful bid for Challenge Funding, £7m has been secured. This allows the Asset Management Team to concentrate resources on the Principal road network in the County and to reduce pressure on budgets overall in the short to medium term. This additional funding should be reflected in increased performance in subsequent reporting, although it will be two to three years before it is evidenced for the reasons stated above.

SPI 3 NON-PRINCIPAL B ROAD CONDITION

S3	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
	Non Principal B Road Condition <i>% of non-principal B roads where maintenance should be considered</i>	6%	8%	1.2 none	Horizon	Sep
			2013/14 p/y	2014/15	2015/16	2016/17

		km	% of total km	km	% of total km	km	% of total km	km	% of total km
Generally good condition		371.66	59	370.10	59	381.48	61	406.95	65
Plan investigation soon		212.03	34	211.30	34	204.40	33	187.64	30
Plan maintenance soon		43.82	7	43.67	7	38.96	6	32.96	5

Validation: The performance is derived from a survey of the surface condition of the local authority’s non-principal (B road) carriageway network. The survey vehicles are accredited as conforming to the surface condition assessment for the national network of roads (SCANNER) specification and processing software that is accredited as conforming to the UK Pavement Management System Standards (UKPMS).

Performance: Over the life of the contract to December 2016 the percentage of roads of generally good condition has increased with an improvement in the percentage of roads where maintenance should be considered.

Data is based on a two year survey with 100% of the Non Principal B road network being scanned in one direction each year. This means that the condition of any one carriageway lane can be determined in one year with the condition of the other lane being taken the following year. Therefore the figures are only indicative of the road condition but do not necessarily give an accurate representation of the overall condition of the network.

Whilst the data suggests an improvement in road condition, the nature of the survey means that changes in performance are slow to be evidenced in the SPI.

Without further investment (circa £7m per annum) to maintain a steady state the network will be in a state of steady decline. Opportunities such as applications to the pothole fund, productivity fund and the challenge funds continue to be pursued.

KEY MESSAGE: Whilst performance indicates improvement in B Road condition modelling indicates that without additional and sustained investment % of roads requiring maintenance will increase significantly

As a result of a successful bid, Challenge Funding of £8m has been secured. This allows the Asset Management Team to concentrate on the Principal road network in the County with existing budgets used to reduce pressure on budgets on Non Principal roads in the short to medium term.

SPI 4 NON-PRINCIPAL C ROAD CONDITION

S4	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower		System		Measure Date		
		6%	8%	1.5 -1		Horizon		Sep		
	Non Principal C Road Condition <i>% of non-principal C roads where maintenance should be considered</i>		2013/14 p/y	2014/15		2015/16		2016/17		
			km	% of total km	km	% of total km	km	% of total km	km	% of total km
	Generally good condition		567.86	53	930.4 4	57	914.3 1	57	788.8 1	53
	Plan investigation soon		379.21	36	568.6 1	35	570.4 7	36	550.5 3	37
	Plan maintenance soon		115.62	11	132.3 9	8	113.0 9	7	154.0 7	8

Validation: The performance is derived from a survey of the surface condition of the local authority’s non-principal (C road) carriageway network. The survey vehicles are accredited as conforming to the surface condition assessment for the national network of roads (SCANNER) specification and processing software that is accredited as conforming to the UK Pavement Management System Standards (UKPMS).

Performance: Data is based on a two year survey with 100% of the C Road Network being scanned in one direction each year although because some of these roads are narrower, the full width of the road can be surveyed at any one time.

This means that in some cases the condition of any one carriageway lane can be determined in one year with the condition of the other lane being assessed the following year. Therefore the figures are only indicative of the road condition but do not necessarily give an accurate representation of the overall condition of the network.

Over the life of the contract to December 2016 the percentage of roads of generally good condition has remained stable. The percentage of roads where maintenance has also remained stable after a significant decrease (improved performance) after the first year.

The improved performance was due to a significant investment of £20m by Herefordshire Council on the C road network and Unclassified roads in 2013/14/15. Whilst this investment saw an initial improvement in the condition of the C road network this has not been sustained.

KEY MESSAGE: Whilst performance indicates sustained C Road condition due to investment, modelling indicates that without additional and sustained investment % of roads requiring maintenance will increase significantly

As a result of a successful bid £8m of Challenge Funding has been secured. This allows the Asset Management Team to make improvements to the C road network in the County and to reduce pressure on budgets overall in the short to medium term.

SPI 5 UNCLASSIFIED ROAD CONDITION

S5	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
	Unclassified Road Condition <i>% of the unclassified road network where maintenance should be considered</i>	25%	31%	2 -1	Horizon	Sep
			2013/14 (p/y)	2014/15	2015/16	2016/17
			km	km	km	km
	Length surveyed in survey period of the unclassified carriageway		1388.195	1121.835	1468.615	1464.271
	Any above threshold		369.171	287.260	454.242	384.115
	Plan maintenance considered		27%	26%	31%	26%

Validation: Up to 2016 WDM (W.D.M. Limited operates a fleet of survey vehicles to provide safe, reliable and cost effective assessment of road conditions) carried out visual surveys of the unclassified roads within the Area Network to determine performance against this SPI and the survey result is based on data for the entire unclassified element of the Area Network.

From 2017 WDM (W.D.M. Limited operates a fleet of survey vehicles to provide safe, reliable and cost effective assessment of road conditions) on behalf of BBLP undertook SCANNER surveys on part of the unclassified network. The selected sections are being locally called the 'D' Road Network. This network is surveyed 25% annually so will take four years to complete the survey cycle, reporting in the fifth year.

In 2018 the national specification for CVI (Coarse Visual Inspection) surveys is being changed – going forward it will be more detailed, picking up a full cross-sectional position rather than a minimal cross-section position. Types of severe defects are being reclassified too. It will therefore be very difficult to predict the outcome of that until the first survey result is known; thereafter it can be modelled on an outline basis initially and then further refined by year four.

Performance: The unclassified road network survey is undertaken over a 4-year cycle and the data shows that the performance on our Unclassified Roads has remained constant with a significant decrease in condition in 2015/16.

Given the changes in surveying methodology and the limited extent of roads surveyed each year it is difficult to assume any trends in performance.

KEY MESSAGE: Nature of current method of surveying can only provide an indication of condition. Changes in Surveying in 2018 will bring benefits and improvements in understanding of detailed condition in the long term, but initially will be difficult to compare to previous data.

SPI 6 FOOTWAYS CONDITION

S6	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
	Footways Condition <i>% of the footway network that is structurally unsound where maintenance should be considered</i>	26%	30%	1.2 -1	FNS	Sep
			2013 (p/y)	2014	2015	2016
	Length surveyed in survey period of footways		367.228	365.218	111.464	245.107
	Structurally Unsound		24.1%	24%	34.5%	25.9%

Validation: Up to 2016 WDM (W.D.M. Limited operates a fleet of survey vehicles to provide safe, reliable and cost effective assessment of road conditions) carried out the survey that reported on the footways conditions. This indicator is based on the collection and analysis of Footway Network Survey (FNS) measurements and is designed to provide the percentage length of the footway network with a defect banding of structurally unsound.

Performance: Performance is based on a 25 % survey of the footway network each year, so a complete survey of the network takes 4 years. The performance to 2015 reflects a reduction in footway condition as priorities are focused on principal and non-principal road networks.

KEY MESSAGE: Whilst difficult to predict trends given each road surveyed every 4 years, early indication shows a deteriorating network as footway given less priority.

SPI 7 BRIDGE CONDITION

S7	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		98%	89%	1.2 -1	AMX	Jan
	Bridge Condition <i>% of bridges which have a score of Fair, Good or Very Good</i>					
			2013 (p/y)	2014	2015	2016
			96.34%	96.08%	95.95%	93%

Validation: Bridges are visually surveyed and scored according to the County Surveyor’s Society Guidance to produce a Bridge Condition Indicator (BCI) for each bridge. Each inspection is recorded using the AMX bridge asset management tool. Generally inspections are carried out by logging the scores on handheld tablets in the field and example photos are collected to act as a record of the condition of the elements for future comparison and for specific defects that will require works to be carried out. Individual bridges are inspected on a two yearly rotation for General Inspections and six to twelve yearly rotation to undertake Principal Inspection in line with the Structures Code of Practice (CoP).

Performance: Whilst the data shows the Bridge Condition as within the threshold levels and meeting the indicator requirements, the long term performance trend indicates a decline in bridge condition which is in line with the agreed principle of managing a deteriorating network.

Bridge Condition Indicators are based on the external appearance of the structures and additional funding allocated for 2017/18 is being spent on some bridge strengthening schemes. The work will be hidden from view and so in most cases will not change the scores significantly even though the structural condition of the bridge will be significantly improved.

This is one drawback of using the BCI (Bridge Condition Indicator) system for local authority structures, but this is the only nationally recognised condition scoring system. The only way to improve the overall scores is to replace old structures with new, which at the current level of funding is an unrealistic expectation.

	2010	2011	2012	2013	2014	2015	2016
Very Poor 0-40	0.00	0.00	0.13	0.26	0.39	0.39	8
Poor 40-65	1.58	2.10	3.28	3.40	3.53	3.66	49
Fair 65-80	14.45	20.18	23.20	19.87	20.92	21.18	239
Good 80-90	37.06	35.39	35.39	40.65	41.96	41.83	318
Very Good 90-100	46.91	42.33	38.01	35.82	33.20	32.94	166
Total of fair, good & very good	98.42	97.90	96.59	96.34	96.08	95.95	93

KEY MESSAGE: Bridge Condition long term performance trend indicates a decline in bridge condition working to the agreed principal of managing a deteriorating network. Productivity fund should bring a positive benefit

SPI 8 THIRD PARTY CLAIMS REPUDIATION

S8	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		80%	70%	1.5 none		April
	Third party claims repudiation % of indemnified third party claims repudiated		2013 (p/y)	2014	2015/16	2016/17
			92.82%	92.57%	90.22%	89.83%

Validation: Data is maintained by BBLP in a Claims History Log that contains details of all Third party claims and their status. Claims are investigated with the incidents being raised on the Confirm enquiries system. Evidence is gathered where available and matched against any defect that was reported in that location. The individual making a claim is required to provide sufficient detail in order to establish the defect or issue that is being claimed against and clarity on what happened that led to the claim being submitted. The definition currently includes these claims known as Needs More Information (NMI) which means that the NMI are being considered as not being repudiated (and therefore assumed settled). In monthly figures this figure is deducted from the overall total before making the calculation in recognition that NMI could later be repudiated once information is received. It is proposed and agreed that that the definition changed to exclude NMI from the annual calculation.

Within the definition formula, the numerator and denominator are the wrong way round - the appropriate adjustment has been applied.

Performance: Repudiation of third party claims has improved since the commencement of the contract following the introduction of a managed service provided by the experienced Balfour Beatty claims handling team together with increased management of defects and completion rates.

KEY MESSAGE: Improved management of defects and claims handling process has led to improved repudiation rates. However increase in claim numbers could impact on performance

The majority of claims are due to incidents with potholes and BBLP have noticed a marked increase in the number of claims in 2017 that will be evidenced in later reporting.

The claims position from the start of the contract in September 2013 to December 2016 shows a significant increase in claims in 2014 due to a bout of severe weather which resulted in a spike in claims during the early months of the year. This situation stabilised in 2015 but has now started to increase with a 10% increase in claims between 2015 and 2016.

Year	2013	2014	2015	2016
No. of Claims	90	765	194	213

SPI 9 FLOOD RESILIENCE

S9	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		75	100	1 -1	Manual	April
	Flood resilience <i>No. of properties at risk of flooding as a result of highway defects</i>		2013/14 (p/y)	2014/15	2015/16	2016/17
			Not available	Not available	78	28

Validation: Data is maintained by BBLP via a properties at risk register in line with recommendations from the Department for Transport under the new Incentive Funding criteria. Prior to 2015/16 this data was not collected.

Performance: Following targetted investment to tackle drainage issues during 2016, focus was given to schemes that would have an impact on properties at risk. This is reflected in the significant improvement in the performance.

The number of properties at risk of flooding in any one year however is dependent on the amount of funding allocated to resolve historic and new flooding issues, as well as the weather which may result in a great number of additional issues being identified. i.e. if heavy flooding occurs in the county during a year then a great number of additional defects will naturally be identified.

KEY MESSAGE: Investment in drainage in year has had a significant impact on reducing number of properties at risk. Future performance will be dependent on funding and weather

SPI 10 SKILLS AND EMPLOYABILITY

S10	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		4	3	1.5 none	ESP	Feb
	Skills and Employability <i>Meeting a range of skills and employability outcomes aligned to the Employers Skills Academy outcomes</i>		2013/14 (p/y)	2014/15	2015/16	2016/17
			N/A	6.5	6	6.5
				Upper Threshold	Lower Threshold	2016 Actual Score
1	Work placements		7	5	5	0.0
2	Jobs created for new entrants		6	4	11	1.5
3	Construction Careers information, Advice & Guidance		6	4	5	0.5
4	Waged Training weeks		220	168	262	1.5
5	Qualifying the workforce		23	19	28	1.5
6	Training Plans		4	2	4	1.0
7	Case studies		2	0	1	0.5

Validation: The National Skills Academy for Construction (NSAfc) is an industry-led framework supporting clients and contractors to identify, develop and realise employment and skills solutions across construction projects. It is facilitated by Construction Industry Training Board (CITB). Each KPI achieved must be evidenced as required by the CITB. These are managed and reported on their data system (SPONSOR) through Herefordshire Council’s Contract Management team.

Performance: BBLP has continued to meet the required thresholds in delivery of the key performance targets under Herefordshire Council’s skills academy. In many cases these targets have been exceeded. Whilst delivery in 2016/2017 was to a new set of indicators developed by the CITB (Construction Industry Training Board), performance against previous indicators met the required level of performance as indicated in the CITB published benchmarks.

KEY MESSAGE: Continue to recognise the value of encouraging and developing employment opportunities within construction together with drive to improve the skills of our workforce and subcontractors

SPI 11 LOCAL SPEND

S11	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		24%	30%	2 -1	Manual	Jan
	Local spend <i>% of works by value delivered by suppliers who have a base in Herefordshire together with workforce costs for those living in Herefordshire</i>		2013 (p/y)	2014	2015	2016
			66%	21%	26%	35%

Validation: Validation of data is undertaken by a central Balfour Beatty subcontractor and HR records providing the total and local spend on all work delivered by suppliers based in Herefordshire and the total and local salary for individuals resident in Herefordshire.

Balfour Beatty is currently engaged with an industry recognised social value tool known as LM3 and will explore possibilities of using this as an alternative in future years.

Performance: Throughout the contract to date there has been an increase in the level of local spend in Herefordshire. Whilst the contract where possible continues to employ local staff, subcontractors and suppliers this is not to the detriment of demonstrating best value for money or securing the right skills.

KEY MESSAGE: BBLP are committed to improving the local economy where it is appropriate to do so in line with retaining key skills and value for money

SPI 12 CO2 REDUCTIONS

S12	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		5%	3%	2 none		Jan
	CO2 Reductions % reduction in Self-Delivery CO ² (e) emissions		2013 (p/y)	2014	2015	2016
	Performance		n/a	81.94	66.14	73.97
	Reduction			Baseline	19.28%	9.73%

Validation: The data is collected and recorded in line with government guidelines on measuring carbon emissions and is collected and reported for Scope 1 and Scope 2 eg, fuels for combustion, consumption of purchased energy and fuel for transport. Data is collated and managed through Balfour Beatty's central Sustainability Team in line with our quality procedures. Emissions for works where BBLP have operational control, normalised using the turnover from only BBLP operations (excluding Turnover spent on subcontracts)

The intent of this SPI was to measure the reduction of carbon emissions from the baseline figure calculated in the first year. Need to agree how often baseline year should be reset.

Performance: Performance against the baseline year shows a reduction in carbon output against self-delivery turnover. However a comparison of in-year performance with previous years shows an increase in carbon output. Analysis shows that this is primarily due to a reducing turnover and only a slight increase in actual Carbon tonnes. This increase was a result of additional bulk fuel purchases specifically for the Royal Mail site office.

This indicator is influenced by a number of factors which impacts CO2 emissions often resulting in conflicts with meeting service delivery. For example meeting Highways Maintenance Plan requirements around defect resolution does not always allow for full route optimisation.

In addition the drive to provide efficiencies has resulted in the positive outcome of the same level of delivery with lower budget. Whilst this is a positive outcome for Herefordshire

Council it has negative impact on performance of this indicator i.e. the same output of carbon to less self-delivery turnover increases in self-delivery carbon emissions.

Key Message: Whilst carbon output remains fairly constant year on year the achievement of savings for Herefordshire Council has had a negative impact on performance

SPI 13 REUSE AND RECYCLING

S13	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
		99%	96%	2 none	Eco Waste	Jan
	Reuse and recycling <i>% of waste reused and recycled (excluding street arisings)</i>		2013 (p/y)	2014	2015	2016
			24%	96.95%	99.67%	99.87%

Validation: As is legally required all operational waste is measured through the waste transfer notes. These are recorded through our waste management system Eco Waste and managed through Balfour Beatty quality procedures. Recycling rates are set through the waste providers. Wood chippings, soil, plastic and metal are recycled.

Performance: The Reuse and Recycling performance is above threshold. BBLP currently reuse materials where possible such as wood chippings are used on shrub beds, soil is used for back filling or top soil on construction work.

We segregate our plastic, wood and metal for recycling as well as recycling dismantled street lighting parts. We have increased levels of reuse eg aggregates

KEY MESSAGE: Recycling and Reuse rates remain high and will continue to work with providers to look at opportunities for improved waste management

SPI 14 COMMUNITY PROJECTS

S14	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
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Community Projects <i>The number of days of support provided through community engagement or staff volunteering</i>	110 days	90 days	2 none	Register	Jan
		2013 (p/y)	2014	2015	2016
		Not available		109	103

Validation: The number of days of support provided through community engagement or staff volunteering is managed through Balfour Beatty’s ‘Involved’ programme and recorded and verified through Balfour Beatty’s quality management system. All requests are recorded and considered through an approval process by the senior management team.

Performance: Balfour Beatty in Herefordshire has continued to support a diverse range of Herefordshire community projects and events and continues to focus on community support.

The number of days recorded includes staff taking volunteering leave for identified projects, staff time provided free of charge by the contract to support community projects and 'in kind' support through the loan of kit, materials and equipment etc.

KEY MESSAGE: BBLP continue to achieve its commitment to support community projects through volunteering and inkind benefit

SPI 15 CUSTOMER SATISFACTION

S15	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
15	Customer Satisfaction <i>% of users satisfied in range of aspects based on the annual national highways and public transport satisfaction</i>	37.10%	36.10%	2 -1	NHT	Oct
	2013 (p/y)	2014	2015		2016	
	36.60%	36.67%	43.10%		40.14%	

Validation: This indicator is a weighted average performance from a basket of customer satisfaction measures taken from the National Highways and the Public Transport Satisfaction Survey. The survey is independently managed by MORI who survey an agreed

number of households selected randomly on an annual basis. Data is made available publically through the NHT (National Highway and Transport) website. The NHT survey enables authorities to compare their public satisfaction results with regards to the road Network.

Performance: Customer Satisfaction performance rose considerably in 2015 before dipping again in 2016. While the indicator includes a range of 11 different areas, the satisfaction level of highway condition and road surface condition has risen significantly during this period with Herefordshire Council being recognised and awarded the ‘most improved highways authority’ in 2015.

The investment from HC of £20m has enabled BBLP to focus resource on road conditions and the results from this survey clearly show the impact this investment has had on customer perception and satisfaction. This demonstrates the tangible difference additional funding makes to the perception of the general public relating to highway services.

We have also continued to improve our processes to make positive changes and this is reflected in the customer satisfaction level on the speed of repair on roads and pavements.

WEIGHTING	INDICATOR	DESCRIPTION	2013		2014		2015		2016	
			ACTUAL	WEIGHTED	ACTUAL	WEIGHTED	ACTUAL	WEIGHTED	ACTUAL	WEIGHTED
10	KBI 11	Pavements & Footpaths	50.1	5.01	47.5	4.75	54	5.40	52	5.20
7	KBI 15	Rights of Way	56.3	3.94	52.5	3.68	55	3.85	55	3.85
7	KBI 18	Satisfaction with mangemnet of road works	54	3.78	51.7	3.62	51	3.57	49	3.43
11	KBI 23	Condition of Highways	13.4	1.47	18.8	2.07	27	2.97	22	2.42
7	KBI 25	Street Lighting	64.3	4.50	61.8	4.33	62	4.34	61	4.27
10	HMBI 01	Condition of Road Surfaces	12.6	1.26	16.5	1.65	30	3.00	22	2.20
7	HMBI 02	Cleanliness of Roads	48.5	3.40	47.7	3.34	53	3.71	51	3.57
7	HMBI 03	Condition of Road Markings	44.6	3.12	46.8	3.28	52	3.64	47	3.29
10	HMBI 07 (was 06)	Speed of Repair to Damaged Roads/Pavement	11.8	1.18	14.3	1.43	23	2.30	21	2.10
10	HMBI 08 (was 07)	Qulait of Repair to Damaged Roads/Pavemets	19.3	1.93	20.7	2.07	29	2.90	26	2.60
7	HMBI 12 (was 10)	Keeping Drains Clear and Working	38.7	2.71	34.9	2.44	47	3.29	41	2.87
7	HMBI 17 (was 15)	Undertakes Cold Weather Gritting	61.4	4.30	57.5	4.03	59	4.13	62	4.34
		Total	47.5	36.60	47.07	36.67	54.2	43.10	50.9	40.14

KEY MESSAGE: Levels of customer satisfaction particularly in road condition is directly linked to levels of investment in Highways.

SPI 16 CONTINUOUS IMPROVEMENT

S16	Indicator	Upper Threshold 2016/17	Lower Threshold 2016/17	Cap upper lower	System	Measure Date
	Continuous Improvement <i>Identification of savings projects/initiatives</i>	1219	997	2 -1	Improvement Register	Jan

					2016/17
					1971

Validation: Each year ideas are identified, discussed and prioritised with senior Council officers (including Assistant Director, Service Manager and Contract Manager). These savings are then incorporated within the Annual Plan for delivery the following year. In addition, ideas are generated throughout the year in order to manage any in-year pressures. These are then presented via the Commercial cluster group and the Quarterly Finance review meetings and validated and managed through the Audit cluster group to confirm the ongoing approach to continuous improvement.

It should be noted that within the definition the upper and lower thresholds reflect the wrong plus and minus signs. The appropriate adjustment has been applied.

Performance: By working closely with Herefordshire Council a number of projects/initiatives have been identified and efficiencies delivered to minimise the impact of the reduced budgets. As a result of this focus performance has significantly exceeded targets since the start of the contract.

Table below provides details of the efficiencies that have contributed to achievement of target.

Cumulative Efficiency	2014/15	2015/16	2016/17
Actual Efficiency	760	1,360	1,971
Bid	709	906	1,108
SPI	+7%	+15%	+78%
In Year Efficiencies			
Street Cleansing/ Grounds	300	310	
Winter - efficiency	300		
Fleet Management – efficiency	160	180	300
Street lighting		100	176
Grounds / Street Cleansing			30
NRSWA income		10	105
Totals	760	600	611

KEY MESSAGE: Continuous Improvement based on the bid commitment has outperformed expectations