

Key Performance Indicators for Possible Contract Extension

Purpose of Report

1. To provide the draft Key Performance Indicators (KPIs) for inclusion in the proposed extension of the Amenity and Streetscene contract from June 2020 to November 2022.

Relevance to the Council's Business Plan

2. The Wiltshire Council Business Plan 2017 – 2027 sets out the vision to create strong communities, with priorities for growing the economy, strong communities and protecting the vulnerable. As part of growing the economy it is acknowledged that it is necessary to maintain the county's amenity and streetscene assets to the highest possible standard. The goal is that the amenity and streetscene service is to:
 - comply with the Council's statutory duties;
 - maintain the asset in a safe condition;
 - maximise the use of the Council's limited resources;
 - support the local communities with Community Asset Transfers and Service Delegation;
 - allow local communities the option to deliver the services to the levels they feel appropriate through local funding, topping up the Council's services;
 - communicate with the local communities on the services provided and levels to allow them to make informed decision on the services they wish to provide direct;
 - allow access to nature in recognition of the benefits this has to human health and well-being;
 - be a more locally based service than doing things the traditional centralised way.

Background

3. The Environmental Select Committee at its meeting on 16 January 2018 requested that the development of the public satisfaction survey for streetscene KPIs be part of the Highway annual highways report.
4. The Streetscene Service is undertaken by Idverde whose contract expires in June 2020.
5. The Council has introduced a new Service Delegation programme which runs for two years and finishes at the end of March 2021. Savings of £2.5 million have been attributed to the Programme. Over this time there is the possibility that the Amenity and Streetscene contract asset area could decrease by over 50%.
6. Due to the need to understand the quantities and locations of areas to be tendered an extension to the Idverde contract is currently under consideration to December 2022. The negotiations to any possible extension to the current contract will allow new KPIs to be introduced.

Main Considerations for the Council

7. Keeping our streets clean and amenity grounds maintained is a key concern for Wiltshire residents and for many of them it is the major service that affects their quality of life on a daily basis.
8. However, the large reductions in funding that the Council receives from central government have forced it to make some very difficult decisions over recent years. These have included making savings from the amount of money spent on its amenity and streetscene services.
9. KPIs are an excellent way of driving performance, but they can also distort the services delivered by focusing on KPI figures at the expense of other activities. For example, a KPI for the cutting frequency of grass could become the highest priority and resources could be directed from activities such as litter picking to improve grass cutting KPIs.
10. The challenge with the public scoring the contract performance is for them to know the contract requirements, rather than expected service levels. This is especially challenging with the recent service reductions, which include:
 - Scheduled litter picking on main roads amended from four times a year to a reactive service;
 - Moving shrub bed/ hedge/ shelter belt maintenance from four times a year to annually;
 - Reduction in grass cutting from fortnightly to monthly for closed and open cemetery maintenance;
 - Ceasing scheduled litter collection of residential areas to a reactive service;
 - Ceasing weekly grass cutting and collection on high amenity areas and moved them to monthly and flown;
 - Transferring the scheduled weed treatment programme for a mass spray to the Parish Steward;

- Ceasing scheduled sweeping of roads in town centres and moving to a reactive service;
 - Ceasing scheduled pavement sweeping outside of town centres and moving to a reactive service.
11. These reductions can mean the public measure the outputs against historic service delivery, rather than delivery to the contract.
 12. Public satisfaction surveys are an excellent way to ensure the Council focuses on the desired local service delivery, but this is different to a contractor delivering to the agreed levels.
 13. Another challenge with the public scoring the contract performance is whether they are scoring the Council delivery or another provider. Over the years the below further impacts upon the areas perceived to be maintained by the Council:
 - Service delegations of whole areas to a number of councils has occurred;
 - Transferring flower bed maintenance to local towns or community groups to undertake;
 - Transferring play area maintenance to local towns;
 - Transferring sports pitch maintenance to the local community;
 - Allowing the topping up of services;
 - Planning maintenance agreements now being through local groups or local councils and not this council;
 - The ex-district council housing land stock is maintained by different Housing Associations:
 14. Historically, due to the complexity for scoring the Council's current contract, the KPIs are based upon the Client scoring the provision, as they understand the differences between these requirements and the contractor's actual outputs.
 15. Residents already play an important role in helping us improve cleanliness and maintenance by bringing matters to our attention. The Council's MyWiltshire System has been instrumental in delivering the change to this new flexible service. However, there is no monitoring of performance by reporters upon completion of a request and there is no system within MyWiltshire for this to be undertaken.

New Key Performance Indicators

16. For the scope of works (see **Appendix A**) in the possible extension to 2022 proposed KPIs (see **Appendix B**) have been identified to be included. They are a suite of surveys to try to best capture the contractor's performance.
17. The new Dynamics system (replacing MyWiltshire) being introduced this year, may allow for satisfaction surveys to be undertaken on individual reports and this improvement must be explored. KPIs reflecting this have been included in the suite of performance measures.

18. The greater involvement by town and parish councils in local services needs to be captured. **Appendix C** is a monitoring booklet to show the maintenance standards to be delivered. Fifty two onsite inspections with the contractor and local council will be undertaken per annum, with the outcomes included in the KPIs in **Appendix B**.
19. A draft Public Satisfaction Survey was issued in March 2018 to town and parish councils for comment. **Appendix D** contains the current proposed draft questionnaire. It is proposed to undertake an annual survey with the results included in the KPIs detailed in **Appendix B**.
20. The cost per household of the service is a vital indicator on the spend. This assists residents understanding the actual spend on the asset. It also seeks to drive year on year savings and a reduction in the cost per household.
21. Whilst the possible extension would not commence until June 2020, 2019/20 would be the base year for the future delivery to be judged. Where systems are in place to capture the current performance this will be undertaken.

Overview and Scrutiny Engagement

22. The review of the highways service is reported annually to the Environment Select Committee. The report also includes the annual update of the Highways Performance Management Framework. It is proposed that the new KPIs should be included and the performance noted annually.

Safeguarding Considerations

23. None.

Public Health Implications

24. The condition of the Council's amenity asset and related infrastructure can have safety implications and need to be kept in good condition in order to protect the public and those maintaining the assets.

Environmental and Climate Change Considerations

25. The effects of climate change could be significant for the amenity asset. There was considerable damage to the green areas, footways and drainage systems in the flooding of 2014, and such events could be repeated. Having robust maintenance monitoring to improve the condition of the asset and good maintenance contractors will help build resilience into the green space infrastructure.

Equalities Impact of the Proposal

26. The improved maintenance of the green space, its management using sound asset management principles, and good performance by the amenity/streetscene contractors, will benefit users, including all segments of the general public.

Risk Assessment

27. There are risks associated with the green space management, particularly in terms of safety, financial and reputational risks. The amenity/ streetscene contract provides resources to ensure the delivery of the amenity/ streetscene service and reduce the risks to the Council.
28. There is a risk management process in place to manage the risks connected with the amenity/ streetscene service, which includes regular liaison with service suppliers and management of resources. A risk based approach has been adopted as required by the code of practice, and the requirements could be built into the possible contract extension and performance captured in the proposed KPIs.

Risks that may arise if the proposed decision and related work is not taken

29. Processes are currently in place, with Service Delivery Teams managing the various aspects of the amenity/ streetscene service, and these are the appropriate groups to continue to manage the associated risks. The teams include representatives from the Council and contractors involved in delivering the services, and they report to the Contract Management Meeting, comprising senior managers from those organisations.
30. The proposed suite of KPIs are endeavouring to deliver further clarity and improvements to the contractors performance. Failure to agree new KPIs will result in the continued scoring to the historic arrangements. Whilst not a major risk, it will be lost opportunity to bring improvements in monitoring.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

31. Processes are currently in place, with Service Delivery Teams managing the various aspects of the amenity/ streetscene service, and these are the appropriate groups to continue to manage the associated risks. The teams include representatives from the Council and contractors involved in delivering the services, and they report to the Contract Management Meeting, comprising senior managers from those organisations.
32. The proposed suite of KPIs are endeavouring to deliver further clarity to the contractors performance if the contract is extended. The new KPIs also endeavour to capture local satisfaction on performance. The risk to a negative impact on service delivery is low.

Financial Implications

33. There is no cost to the introduction of the proposed KPIs as these would be a requirement for any possible extension. Any proposed extension would be offered with a number of caveats. Namely: recognised savings; improvements in the transparency of the service delivery; acknowledgement that Service Delegations and Asset Transfers will happen throughout the extension period and the introduction of the proposed KPIs.

34. There are no procurement implications at this stage. However, the arrangements for a new Contract are being made for when any proposed extension expires.
35. The contract will have significant TUPE implications on its expiry and the procurement process will need to be given careful consideration in due course.

Legal Implications

36. The Environmental Protection Act 1990 imposes a duty on the Council to keep specified land clear of litter and refuse, and to keep clean public highways.

Options Considered

37. There is a need to continue to apply asset management principles to the amenity and streetscene infrastructure. The Council must ensure the performance of the contractors involved in delivering the service is in good order to keep the asset in good condition and to ensure value for money.

Conclusions

38. Key Performance Indicators are vital to measure delivery and focus improvements in desired outcomes.
39. The Environment Select Committee has requested a public satisfactory survey is undertaken.
40. The possibility of an extension of the Idverde contract brings an opportunity to introduce new KPIs.
41. A suite of KPIs are proposed to capture measurable outcomes of the contractor's performance and the perceived service levels from the local community.

Proposal

42. That:
 - (i) The Environment Select Committee notes the proposed KPIs (**Appendix B**).
 - (ii) The Environment Select Committee approves the inclusion of the results of the KPIs in the Annual Highway Performance Report.

Parvis Khansari
Director, Highways and Transport

Background Papers

None

Appendices

- Appendix A – Draft Scope of Works for the contract extension
- Appendix B – Draft Key Performance Indicators
- Appendix C – Draft Inspection Manual
- Appendix D – Draft Public Satisfaction Survey