

# Transport and Environment Committee

10.00am, Tuesday, 18 March 2014

## Public Utility Company Performance Quarter 3 2013/14

Item number	7.12
Report number	
Wards	All

### Links

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Coalition pledges	<a href="#">P28</a> and <a href="#">P33</a>
Council outcomes	<a href="#">CO19</a> and <a href="#">CO26</a>
Single Outcome Agreement	<a href="#">SO4</a>

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# Executive summary

## Public Utility Company Performance Quarter 3 2013/14

### Summary

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This report summarises the performance of Public Utility Companies (PUs) during the period October to December 2013 (Quarter 3), of the 2013/14 financial year.

Where appropriate, year to date information is given, eg April to December.

### Recommendations

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It is recommended that the Transport and Environment Committee notes the report and performance information shown in Appendix A and the arrangements for securing an improved performance level from Scottish Water.

### Measures of success

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Success will be measured by greater public satisfaction with:

- the planning, co-ordination and delivery of roadworks across the city;
- the quality of information supplied to people who live in, work in or visit Edinburgh; and
- the quality and longevity of PU reinstatements.

Public satisfaction will be measured at the end of each year by surveys on the Council web site and by targeting Community Councils with customer questionnaires.

### Financial impact

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The revenue streams associated with Sample and Follow-up Inspections of PU reinstatements are on track to achieve the budget target of £168,200 for 2013/14 financial year.

## Equalities impact

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There are no equalities impacts arising from this report.

## Sustainability impact

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There are no sustainability impacts arising from this report.

## Consultation and engagement

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Individual Liaison meetings are held every two months with representatives from each of the major PUs. Specific performance issues and improvement requirements are discussed at these meetings.

This quarter, Q3, the Council was represented at all relevant Committees, as required, within the Code of Practice for the Co-ordination of Works in Roads. These meetings are detailed below:

**The Roads and Utilities Committee Scotland (RAUCS)** where all Roads Authorities and Utilities are represented together with representatives from Transport Scotland and the office of the Scottish Roadworks Commissioner.

**The South East of Scotland Roads and Utilities Committee (SERAUC)** where representatives from the City of Edinburgh, Midlothian, East Lothian, West Lothian and Scottish Borders Councils attend, together with representatives from all Utilities.

**The Local Roads and Utilities Committee (LRAUC)** also known as the Local Co-ordination meeting. This includes representatives from every function and service within Services for Communities that have an involvement in roadworks or road occupation, Lothian Buses, every Utility and the Tram Team.

The above meetings confirmed that the backlog of road and pavement apparatus repairs is continuing. It was also confirmed that efforts have been made to progress this work as quickly as possible with the minimum of inconvenience to traffic. This will utilise evening and off peak working whenever possible.

## Background reading/external references

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Utility Company Performance – Item 7.10, Transport and Environment Committee, 15 January 2013.

Quality of Utility Company Reinstatements – Item 5.16, Transport and Environment Committee, 18 June 2012.

Public Utility Company Performance 2012/13 and First Quarter 2013/14 - Item 7.6 Transport and Environment Committee, 27 August 2013.

Public Utility Company Performance 2012/13 and Quarter 2 2013/14 - Item 8.11 Transport and Environment Committee, 29 October 2013.

Code of Practice for Inspections", 3<sup>rd</sup> edition, approved by the Roads Authority and Utility Committee Scotland, November 2012.

Code of Practice for the Co-ordination of Works in Roads, version 1.0, April 2013

## Public Utility Company Performance Quarter 3 2013/14

### 1. Background

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- 1.1 The New Roads and Street Works Act 1991, as amended by the Transport (Scotland) Act 2005, gives statutory undertakers (Public Utility (PU) companies and private utility providers) responsibility for signing, lighting and guarding roadworks. The Legislation also requires the road to be reinstated to prescribed standards upon completion of works.
- 1.2 A previous report, on 15 January 2013, recommended that a Utility Company Performance Report be submitted to this Committee on a quarterly basis. The Committee approved the recommendation to instruct the Head of Transport to enhance the scrutiny and monitoring of all roadworks. The Committee also agreed to instruct the Head of Transport to take the lead in developing a revived Edinburgh Roadworks Ahead Agreement (ERWAA).
- 1.3 This report also provides an update on developments that have occurred during this quarter.

### 2. Main report

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#### **Fixed Penalty Notices (FPNs)**

- 2.1 The total number of FPNs issued to PUs, in Q1, Q2 and Q3 of 2013/14 was 314. A further 159 FPNs were issued to other agents in relation to Road Occupation Permits eg skips, scaffolding etc.

- 2.2 The table below compares each PU and the number of FPNs issued in each quarter to date.

<b>Utility</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>
Openreach	14 (11.6%)	16 (16.3%)	20 (21.1%)
Scotland Gas Networks (SGN)	38 (31.4%)	8 (8.2%)	4 (4.2%)
Scottish Power	14 (11.6%)	22 (22.5%)	13 (13.7%)
Scottish Water	32 (26.4%)	41 (41.8%)	49 (51.6%)
Virgin Media	12 (9.9%)	2 (2%)	3 (3.1%)
Other PUs	11 (9.1%)	9 (9.2%)	6 (6.3%)

The PUs that have made improvements since the last quarter are SGN, Scottish Power and the other smaller PUs. The PUs that have shown no improvement and a continual increased failure rate are Openreach and Scottish Water. These issues will be discussed at forthcoming liaison meetings. The City of Edinburgh Council (CEC) will require improvement plans to be provided.

### **Co-ordination**

- 2.3 Quarterly meetings for the Edinburgh Roads and Utilities Committee (RAUC) and the South East of Scotland Roads and Utilities Committee (SERAUC) took place. The responsibility of chairing this Committee alternates, every two years, between a Local Authority and a Utility Company. CEC is the current Chair. Since the last report, Vodafone have agreed to take over the chairing of the SERAUC with effect from November 2014.
- 2.4 The third quarterly Edinburgh RAUC and the SERAUC took place on 12 November and 19 November 2013 respectively.

## Utility Reinstatement Work

2.5 The cumulative number of Sample Inspections, carried out in Q1, Q2 and Q3 of 2013/14, were divided as follows:

Type of Inspection	Definition	Actual
Sample A Inspections	Inspections undertaken during the progress of the works.	465
Sample B Inspections	Reinstatements inspected within six months of the work being completed.	417
Sample C Inspections	Reinstatements inspected within three months of end of maintenance guarantee period.	417

These inspections average 66% of the expected yearly total and are on target to achieve the totals for this year. The target number of inspections for each of the Sample types is 656. Sample inspection locations will be drawn from the Register in the final quarter, to ensure targets are met. Sample inspections not carried out in December due to annual leave, resulted in a shortfall this quarter.

2.6 The cumulative number of Target Inspections, carried out in addition to the above Sample Inspections in Q1, Q2 and Q3 of 2013/14, were as follows:

Type of Inspection	Definition	Expected at end of Q3	Actual at end of Q3
Target A Inspections	Inspections undertaken during the progress of the works.	0	129
Target B Inspections	Reinstatements inspected within six months of the work being completed.	2,939	3,325
Target C Inspections	Reinstatements inspected within three months of end of maintenance guarantee period.	2,815	3,685

At the beginning of the year it was estimated that nearly 7,500 openings and subsequent reinstatements would be made each year by Utilities. The number of Target Inspections that can be carried out in any year is electronically generated from the Scottish Roadworks Register and is calculated after deducting the required number of Sample Inspections for each category.

2.7 The cumulative number of Target A Inspections expected at the end of the year was zero. This was due to resources being dedicated to inspecting reinstatements and not live sites. Adding the Target B and C inspections together will give a direct comparative figure to the 7,500 openings in the year. There have been 7,010 (3,325 + 3,685) inspections of reinstatements carried out to date this year.

2.8 The actual totals are higher as a direct result of increasing the Roadwork Support Team (RST) by two additional fixed term Inspectors earlier this year. The low number of Target A Inspections is due to the Inspectors concentrating on Target B and C Inspections for reinstatement compliance. The expected quantities have been calculated taking the 12 month figure (7,500 openings) and dividing this by two to provide the average number of openings in Q2 and Q3. During Q1 the additional resource had not been employed therefore Target Inspections were not being carried out. This is as a result of the Inspectors not fully commencing inspections until June, a period of six months.

The average failure rate for all PUs is 14.7%. Failed inspections are discussed at the one-to-one liaison meetings with each PU.

### Utility Defective Apparatus

2.9 The total numbers of outstanding Defective Apparatus for each quarter was as follows:

Utility	Q1	Q2	Q3
Scotland Gas Networks (SGN)	6 (1%)	10 (1.6%)	8 (1.4%)
Scottish Water	534 (88.3%)	548 (86.3%)	477 (84.1%)
BT Openreach	41 (6.8%)	55 (8.7%)	45 (7.9%)
Scottish Power	8 (1.3%)	9 (1.4%)	3 (0.6%)
Virgin Media	16 (2.6%)	13 (2%)	34 (6%)
<b>Totals</b>	<b>605</b>	<b>635</b>	<b>567</b>



- 2.10 At the end of Q3, there were 567 items of outstanding defective apparatus. This is an 11% improvement since the last quarter. The PU with the largest numbers of defective apparatus continues to be Scottish Water with 477 items. This is a 13% improvement since the last quarter. Of the 477 that show as outstanding, CEC has received assurances from Scottish Water that there are actually less than 200 outstanding items. Scottish Water claim there is a duplication of some of the defects that have been registered and work is ongoing to address this issue. However, the Scottish Roadworks Register still shows the higher figure of 477. This figure must therefore be used to measure their current performance.
- 2.11 It can be confirmed that there have been significant improvements in the repair of defective apparatus, however this is not reflected on the register. Despite the assurances received from Scottish Water in respect of these duplicate registrations there has been no progress made with securing an update to the Register. A further list has been issued to Scottish Water detailing the actual defective apparatus that is recorded on the Register. Assurances have been received from Scottish Water that a detailed response is being prepared and will be issued in due course.
- 2.12 Over the past three months there has been a negative trend in the performance of nearly all major Utilities and each Utility has given assurances that this will be addressed. This performance will be closely monitored over the next quarter by RST and will be reported in the annual performance report in June 2014.

### Utility Defective Reinstatements

- 2.13 The total number of outstanding Defective Reinstatements for each quarter is shown below:

Utility	Q1	Q2	Q3
Scotland Gas Networks (SGN)	80 (21.7%)	81 (16.5%)	113 (19.1%)
Scottish Water	202 (54.7%)	277 (56.3%)	286 (48.4%)
BT Openreach	24 (6.5%)	43 (8.7%)	67 (11.4%)
Scottish Power	29 (7.9%)	45 (9.2%)	81 (13.7%)
Virgin Media	34 (9.2%)	46 (9.3%)	44 (7.4%)
<b>Totals</b>	<b>369</b>	<b>492</b>	<b>591</b>

At the end of Q3 the total number of outstanding defective reinstatements in Edinburgh was 591. Scottish Water continue to be the PU with the largest number of defective reinstatements. These defects are discussed at the bi-monthly liaison meetings.

- 2.14 Q3 has seen an increase in the number of outstanding defective reinstatements for every Utility with the exception of Virgin Media. Virgin Media made a small reduction and have shown a positive trend for this quarter. It can be seen that by the end of Q3 there were no significant improvements in the number of failed reinstatements for any Utility. There was a total of 369 outstanding reinstatement failures at the end of Q1, this increased to 492 in Q2 and has increased further to 591 at the end of Q3.
- 2.15 The number of inspections carried out by the Council during this quarter increased by 77.5%, compared to Q3 last year. This is an increase of over 103% since the beginning of Q1.

### **The Edinburgh Roadworks Ahead Agreement (ERWAA)**

- 2.16 The planned re-launch of the ERWAA is progressing with meetings of the member/officer working group held on 15 October 2013 and 4 November 2013. It is intended that the actions and progress of the ERWAA will feature in the next quarterly report.
- 2.17 A report outlining the new working arrangements for the ERWAA is another item on this Committee's agenda.
- 2.18 Consultation is continuing with responses awaited from a number of Community Councils.

### **Changes in the Third Quarter of 2013/14**

- 2.19 The total number of inspections showed a positive trend, increasing month on month up to December. The drop in inspection numbers during December can be attributed to annual leave and public holidays.

<b>Month</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
<b>Inspections</b>	1426	2110	1816	1862	2409	2576	2585	2527	1754

- 2.20 The number of inspections being carried out by all six Inspectors within RST is projected to exceed the projected annual target of 20,000 inspections.
- 2.21 When compared to the same period to December last year, there has been an increase of 84.9% in the number of inspections carried out. This has directly resulted in a 123% increase in the number of reinstatement failures discovered, compared to the same period last year.

<b>Year</b>	<b>Q3 2012/13</b>	<b>Q3 2013/14</b>
<b>Failures</b>	265	591

## Improvement Plan

- 2.22 Several meetings have been held with Scottish Water throughout this year to discuss its improvement plan. As can be seen by the number of outstanding defective apparatus failures, taken from the Scottish Roadworks Register, the performance is not improving and a significant number of outstanding defects remain.
- 2.23 The assurances gained that the defects were being addressed through staff training and efforts to resolve the duplicate registration of defective apparatus on the Register have not yet made any real difference to their performance.
- 2.24 Evidence is being gathered and will be presented to Scottish Water at the next SERAUC meeting with a further request for improvement. Furthermore, discussions have been held with Scottish Water, at a senior level, to discuss its recent performance. It has been agreed that improvement targets will be set against which its performance will be regularly assessed. An escalation procedure, with both the Council and Scottish Water has been agreed, in the event that performance does not meet agreed targets.

## Performance Monitoring

- 2.25 Figures showing performance information for the third quarter of 2013/14 are shown in the appended graphs.
- **Graph 1 - Fixed Penalty Notices per Utility Company**  
The failure rate by Scottish Water was the highest in Q1, Q2 and Q3. This was due to their notices not being closed on time and no notice being received. These issues will be raised at their next liaison meeting. Requests will be made for an improvement by the next quarter's monitoring.
  - **Graph 2 - Number of Inspections undertaken**  
In Q3 there were 6,866 inspections carried out, a total of 19,065 this year to date. The target of 20,000 inspections is on schedule to be achieved this year. The number of inspections has increased every month. The reason for the marked increase in numbers, following July, is due to the training of the additional inspectors.

- **Graph 3 - Core Results Pass/Fail performance for each Utility**

The recognised acceptable failure rate for coring is 10%. Both Scottish Water and Openreach were higher than the target.

30% (18 out of 60) of Scottish Water cores failed for the following reasons:

- depth of laid material (16%);
- compaction (2%);
- no bonding (2%); and
- the wrong material used (10%).

20% (3 out of 15) of Openreach cores failed. They have been informed that this is unacceptable. The reasons were split between

- incorrect depth of laid material; and
- the wrong material used.

Assurances have been received from Openreach that the performance will be improved. Specific improvement details will be sought at the next liaison meeting.

- **Graph 4 - Defective Apparatus Outstanding**

(Overall numbers that have yet to be repaired)

The number outstanding for Scottish Water (477) is a long standing issue. This has been raised as a specific problem and plans have been put in place to address this. All PUs, with the exception of Scottish Power, are showing an increase in the numbers of defective apparatus. This is as a direct result of the increase in the number of inspections being undertaken by RST Inspectors.

- **Graph 5 – Defective Reinstatements Outstanding**

(Overall numbers waiting repair)

The number of outstanding or defective reinstatements has varied over Q3. Each PU has shown an increase in the number of failed reinstatements over the three months, with the exception of Virgin Media. This is a direct result of the additional inspections carried out so far this year.

### 3. Recommendations

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- 3.1 It is recommended that the Transport and Environment Committee notes the report and the performance information shown in Appendix A and the arrangements for securing an improved performance level from Scottish Water.

**Mark Turley**

Director of Services for Communities

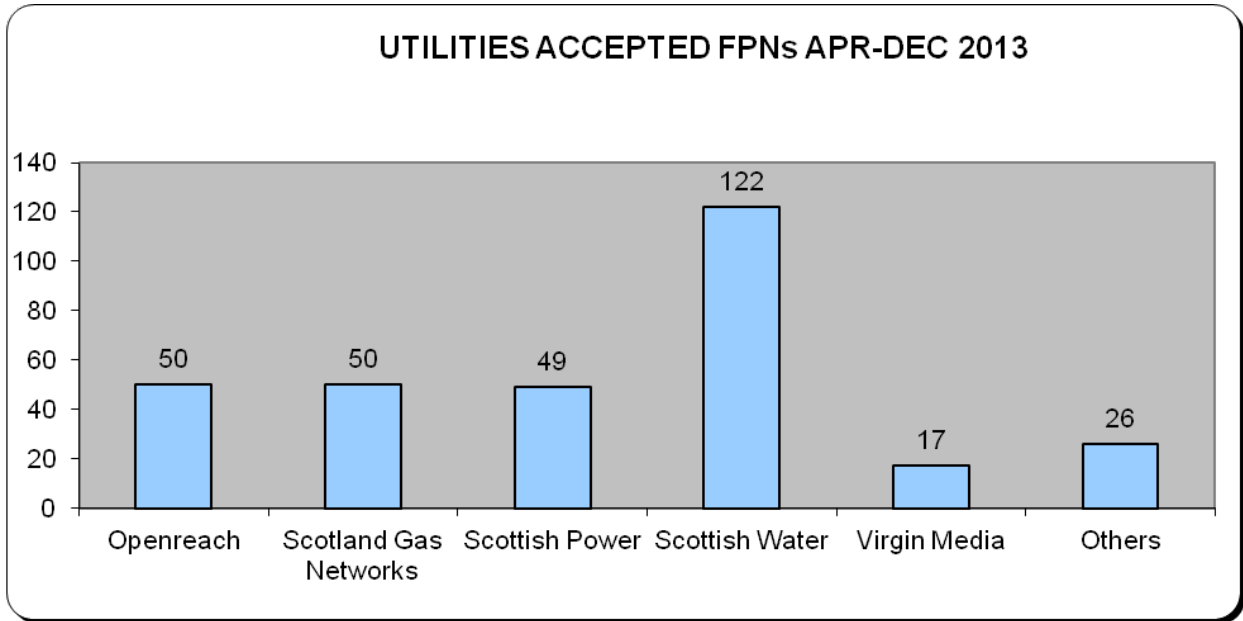
## Links

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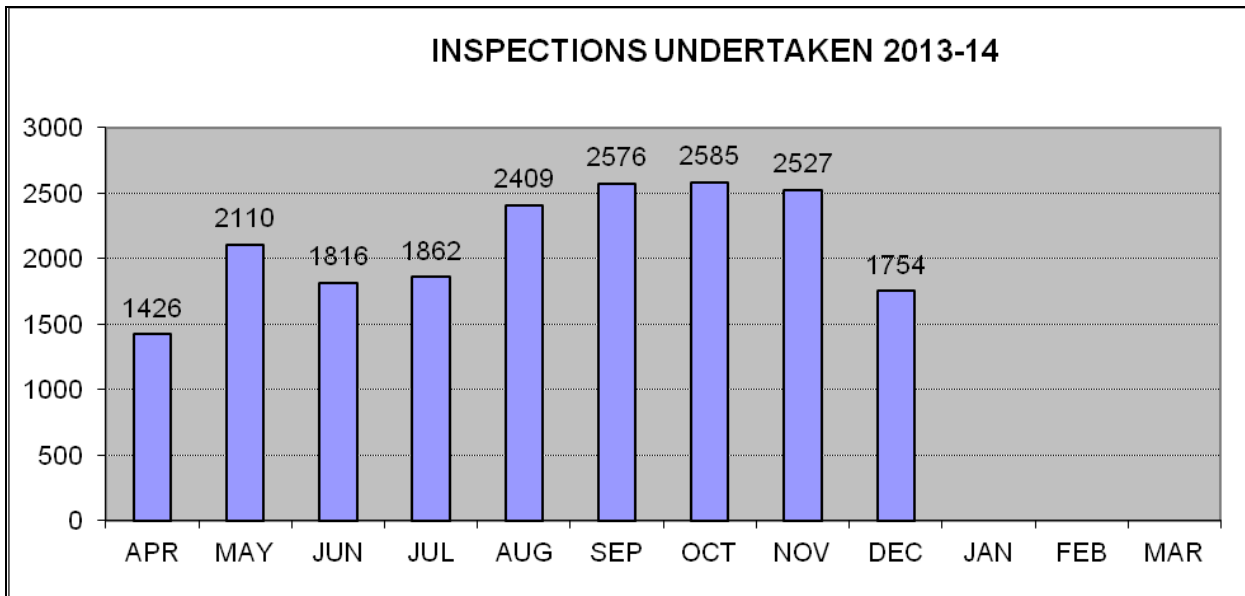
<b>Coalition pledges</b>	<p>P28 - Further strengthen links with the business community by developing and implementing strategies to promote and protect the economic well being of the city.</p> <p>P33 Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are used.</p>
<b>Council outcomes</b>	<p>CO19 - Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm.</p> <p>CO26 The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.</p>
<b>Single Outcome Agreement</b>	<p>SO4 - Edinburgh's communities are safer and have improved physical and social fabric.</p>
<b>Appendices</b>	<p>Appendix A - Utility Company Performance Graphs - Q3 October to December 2013</p>

# Appendix A

## Graph 1

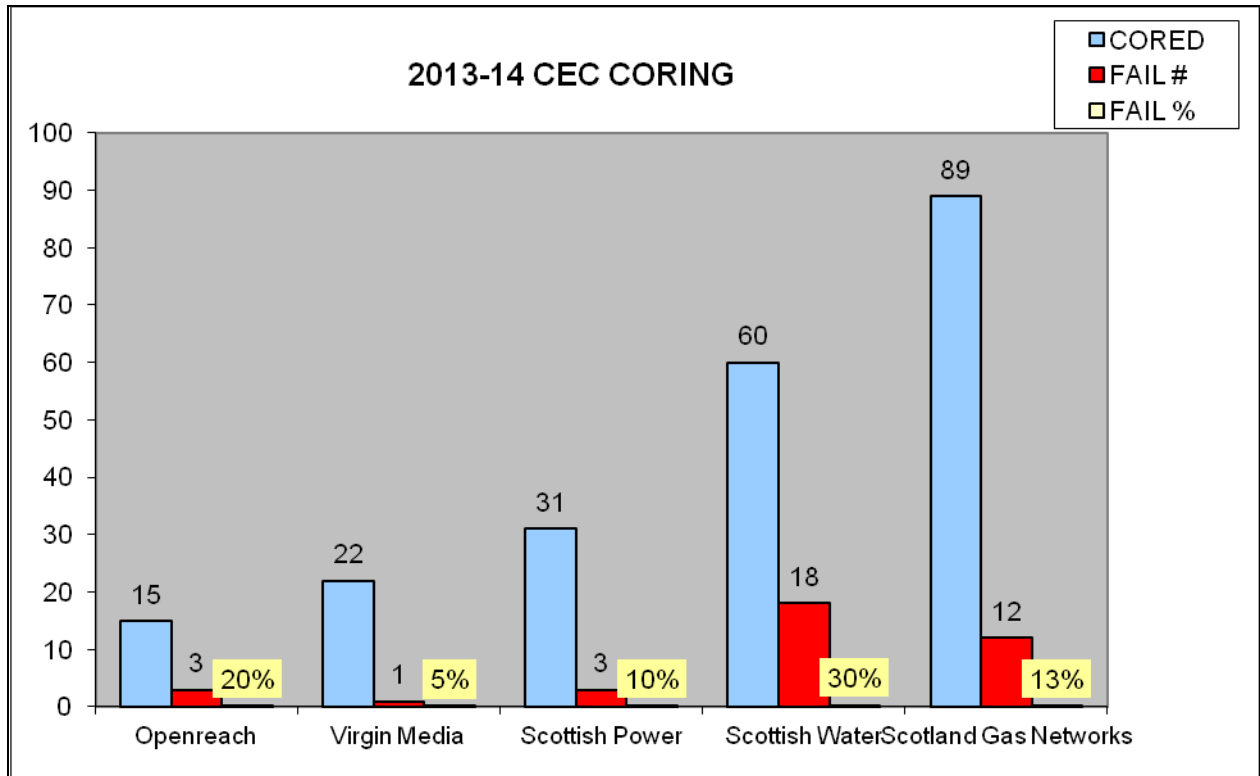


## Graph 2

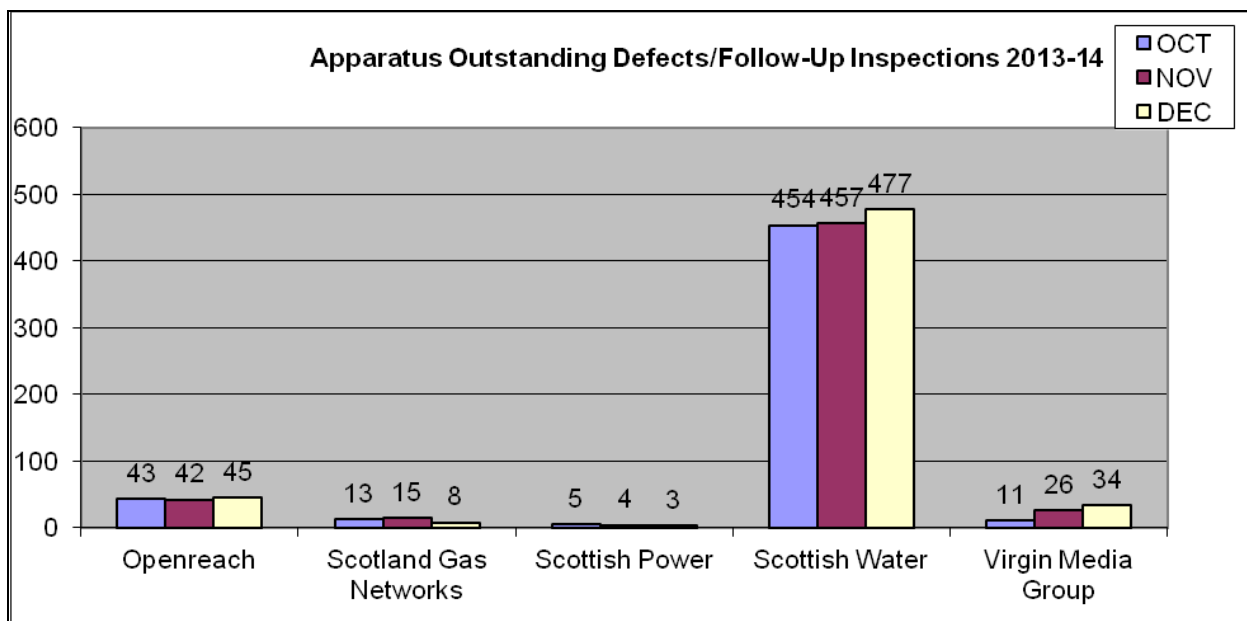


## Appendix A

### Graph 3



### Graph 4





## Appendix A

### Graph 5

