

	<p><b>Financial Performance and Contracts Committee</b></p> <p><b>17 December 2018</b></p>
<p style="text-align: center;"><b>Title</b></p>	<p><b>Resolution of IT issues between Regional Enterprise and Conway Aecom</b></p>
<p style="text-align: center;"><b>Report of</b></p>	<p>Commercial Director</p>
<p style="text-align: center;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: center;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: center;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: center;"><b>Key</b></p>	<p>No</p>
<p style="text-align: center;"><b>Enclosures</b></p>	<p>Appendix A: Action log</p>
<p style="text-align: center;"><b>Officer Contact Details</b></p>	<p>Alun Parfitt, Operations Director Regional Enterprise  <a href="mailto:alun.parfitt@capita.co.uk">alun.parfitt@capita.co.uk</a></p> <p>Tim Campbell - Strategic Commercial Lead  <a href="mailto:tim.campbell@barnet.gov.uk">tim.campbell@barnet.gov.uk</a>  020 8359 4085</p>

## Summary

This report sets out the IT issues between the Regional Enterprise (Re) and the council's term maintenance contractor, Conway Aecom, and explains the path to resolution.

The Environment Committee considered the Quarter 1 2018/19 Environment Performance Report on 13 September 2018 and agreed to refer the ongoing IT issues between Re and Conway Aecom to the Financial Performance and Contracts Committee on 9 October 2018. This Committee considered the referral and requested a full report on this issue and how it was being resolved for the meeting on 17 December 2018.

## Officers Recommendations

1. That the Committee notes the progress to date on the resolution of IT issues.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 At its meeting on 9 October 2018, under Agenda Item 7, the Financial Performance and Contracts Committee received a verbal update from the Re Operations Director on the resolution of IT issues between Conway Aecom and Re.
- 1.2 At this committee, it was requested that a report be prepared to inform the Committee on the current status of the IT issues between Re and Conway Aecom and how these were being resolved

## **2. REASONS FOR RECOMMENDATIONS**

### **2.1 Background**

- 2.1.1 EXOR is the council's asset management database that Re use to manage the council's highways assets and track any changes to them. EXOR issues work ticket instructions to Conway Aecom, and interfaces with the council's financial system, Integra, to enable payment for these works.
- 2.1.2 i-CON is Conway Aecom's interface module, which allows the electronic transmission of EXOR produced work ticket instructions to Conway Aecom and the return path data updates for measurement and progress status, before and after photos. i-CON allows Conway Aecom's workforce (who have mini i-Pads) to complete works when on site with the update being sent live to the EXOR system. The responsibility for closing defect repairs on the EXOR system sits with the contractor.
- 2.1.3 The interface between the EXOR and i-CON is critical to ensure seamless service delivery and allow efficient contract and performance monitoring.

### **2.2 Key Performance Indicators**

- 2.2.1 The Re contract specifies two Key Performance Indicators (KPIs) that measure performance against the reactive defect repairs on the highway network. Under this contract KPI 2.2 measures compliance with taking appropriate action to ensure that those faults identified as Category 1 defects are responded to within agreed timescales (timescale 48 hours) and KPI 2.3 measures compliance with taking appropriate action to ensure that those faults identified as Category 2 defects are responded to within agreed timescales (timescale 7 days). The KPI performance target for both these KPIs is 100%, to maintain the safety of the public highway by removing dangers within a speedy response time, thus helping to reduce the risk of injury, damage and subsequent claims.
- 2.2.2 The London Highways Alliance Contract (LoHAC) is the contract through which Conway Aecom are engaged to undertake the reactive defect repairs on the highway network. Under this contract the compliance is measured against PPI 1 (Percentage of Category 1 (24 hours) defects repaired on time and SPI 2

(Percentage of Category 2H (7 days) and Category 2M (28 days) defects repaired on time). The performance target for PPI 1 and SPI 2 is 98%.

- 2.2.3 There has been a history of non-compliance being reported for both KPI 2.2 and 2.3. Since September 2016 full compliance has only been reported for KPI 2.2 in one monitoring period, June 2017. For KPI 2.3 full compliance was last reported in May 2016.
- 2.2.4 The LoHAC performance indicator targets for Cat 1 and 2 defects are not aligned with the Re performance indicators for these same measures, which are 100%. This non-alignment has presented Re with a significant challenge in achieving full compliance.
- 2.2.5 Historic issues with the EXOR i-CON interface and data transmission quality and timeliness has made compliance more challenging.

### 2.3 Action Log (Appendix A)

- 2.3.1 Due to ongoing concerns about the management of the reactive maintenance workload exacerbated in the severe winter period of 2017/18, Re facilitated a workshop with Conway Aecom and Re Customer Services on 20 April 2018. A number of IT issues were identified at this workshop, and of these, several were resolved immediately. However, a number of more complex IT issues were found to require more investigation, and an IT action log was created to manage these issues.
- 2.3.2 The Re Transformation Team own this IT action log and it is proactively managed and updated at the fortnightly contractor management meetings, and identifies SMART actions for both Re and Conway Aecom.
- 2.3.3 The current IT action log is attached in Appendix A. The log lists 19 IT issues identified since the initial workshop on 20 April 2018 and tracks the progress on each action with a RAG status, and lists which party is responsible.
- 2.3.4 A number of the actions have been resolved. The majority of these actions sat with Re and were resolved through changes in their business processes, additional training for staff, updating of telephone scripts used by staff to help triage enquires and a number of small system changes to EXOR (removing / adding of codes available to staff). These changes had an immediate and positive impact and are continually reviewed.
- 2.3.5 One of the main IT issues identified relates to the information being uploaded by Conway Aecom to confirm work ticket instruction status (i.e. completed and/or aborted) due to issues with the EXOR i-CON interface. Historically, Re had developed the EXOR interface to include 'flexible attributes' to provide accurate information on work ticket instruction status. However, Conway Aecom's i-CON system was not configured to allow the workforce to populate this flexible attribute data.
- 2.3.6 There was limited visibility within EXOR of work ticket instructions that Conway

Aecom may have aborted for one reason or another. Examples of why work may be aborted included site access issues due to parked cars or the need for a traffic management to safely undertake the works. Re also identified the need for information on which Conway Aecom resource (gang) completed the works, to assist in addressing some poor workmanship issues (issues 10 and 13).

- 2.3.7 Since April 2018 Re has been working collaboratively with Conway Aecom to improve the EXOR i-CON interface, and this improved interface went live on Monday 5 November 2018. The interface now populates EXOR with aborted work reasons, the date the works were aborted, and details as to why the works needed to be aborted. All these details are entered in real time by the Conway Aecom operatives on site using their mini i-Pads.
- 2.3.8 To assist in contract performance management, another key issue is the ability to identify where work ticket instructions have been partially completed or completed with a temporary fix. Works may be partially completed as one work ticket instruction may require multiple trades (i.e. black (asphalt) and white (footway paving)) gangs to attend (issue 19). A specification for this improvement has been drafted by Re to upgrade the interface further to highlight when work ticket instructions are multi trade or a may require a temporary fix. This interface improvement is expected to be completed by the end of November 2018.
- 2.3.9 The final necessary interface improvement identified by Conway Aecom is the ability for them to have visibility of the Re Highways Safety Inspectors' images of reported defects. The Re Innovations team has developed the back office functionality to enable this, and the Re Transformation team are proactively working with Conway Aecom to implement the fix in i-CON. The visibility of these images is to assist Conway Aecom in efficiently resourcing the rectification works (issue 18).
- 2.3.10 Since the verbal update provided to Committee on 9 October 2018, considerable progress has been made on most of the IT issues currently on the action log. The most significant achievement is the creation, implementation and sign off of the new aborted reason interface (issues 10 and 13) between Conway Aecom's i-CON System and the Highways EXOR system. The interface provides information of works aborted by Conway's and their reasoning for the abort.
- 2.3.11 A second phase of this project has also been defined and a specification agreed, this has been split into two separate issues. The first (issue 20) relates to where Conway Aecom's site operatives undertake a temporary fix. These work ticket instructions will be added to the abort interface and should be available in the coming weeks once Conway Aecom has updated their system and iPads. The second (issue 19) relates to multi trade jobs where the works require more than one trade to attend for example, both tarmac and paving. To resolve this a second interface is being created, similar to the one used for aborted works. However, this is not expected to be completed until late January 2019 due to Conway Aecom's resourcing availability.

2.3.12 Good progress has been made on the transfer of Highways Safety Inspector's pictures from EXOR to Conway's i-CON, this will help Conway Aecom locate and evaluate the works. The required development has been completed on EXOR but again due to Conway Aecom's resource availability this is expected to be completed early February 2019. Currently Conway Aecom is unable to provide us with any specific dates for these works.

2.3.13 Issue 15 is on hold as it requires issues 19 and 20 to be fully resolved before this can be completed. Issue 11 was original signposted for development under the customer transformation programme but was removed from Phase 2 following a change in focus by the programme. Issues 14, 16 and 17 have been raised with Conway Aecom and chased during the fortnightly contractor management meetings.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 None.

### **4. POST DECISION IMPLEMENTATION**

4.1 None.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

5.1.1 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan.

5.1.2 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17, 2017/18 and 2018/19 Addendums

#### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 There are no staffing, ICT or property implications. This report concerns the interface improvements required by Conway Aecom to their i-CON system. These improvements are resourced by Conway Aecom and managed by Re.

#### **5.3 Social Value**

5.3.1 None in the context of this report.

#### **5.4 Legal and Constitutional References**

5.4.1 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council's major strategic contracts including (but not limited to):
  - Analysis of performance
  - Contract variations
  - Undertaking deep dives to review specific issues
  - Monitoring the trading position and financial stability of external providers
  - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

## 5.5 Risk Management

5.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Joint risks are managed via the Re joint risk register. All high level risks are reported to the relevant Theme Committee as part of the quarterly performance reports.

## 5.6 Equalities and Diversity

5.6.1 The Equality Act 2010 outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- a. Eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The broad purpose of this duty is to integrate considerations of equality into day to day business and keep them under review in decision making, the design policies and the delivery of services. There is an on-going process of regularisation and de-clutter of street furniture and an updating of highway features to meet the latest statutory or technical expectations.

## 5.7 Corporate Parenting

5.7.1 This section of the report does not apply to this report.

## 5.8 Consultation and Engagement

5.8.1 Not applicable.

## 5.9 Insight

5.9.1 Not applicable.

## 6. BACKGROUND PAPERS

6.1 Environment Committee report of 13 September 2018  
<https://barnet.moderngov.co.uk/documents/g9477/Public%20reports%20pack%2013th-Sep-2018%2019.00%20Environment%20Committee.pdf?T=10>

6.2 Financial Performance and Contracts Committee of 9 October 2018  
<https://barnet.moderngov.co.uk/documents/g9731/Public%20reports%20pack%2009th-Oct-2018%2019.00%20Financial%20Performance%20and%20Contracts%20Committee.pdf?T=10>