

2018/19 CQC Results - Executive Summary

Key Headlines

- £106.5 million Total Realised Efficiency Savings made in 2017/18 relative to 2013/14
- £245.1 million Total Realised Efficiency Savings made since 2013/14
- 12.6% average improvement across the Network in 2017/18 relative to 2013/14
- Over 90% of the membership have made Efficiency Savings
- Membership of 92 English Authorities
- 82% of English Authority Road Network Covered

Introduction

Network membership grew in 2018/19 by one to a record of ninety-two authorities. The membership includes 26 of the 27 County Councils and 27 of 36 Metropolitan Boroughs in England.

At this level of membership, the Network includes 60% of all English Local Highway Authorities (77% outside London) and the members are responsible for 82% of the English Local Authority road network, with a combined annual spend on Road Carriageway Maintenance of over £900 million.

The Network uses state of the art statistical techniques to provide better like-for-like cost comparisons between authorities than has been possible to date using traditional benchmarking techniques. It does this by making allowances for the differences in the characteristics and circumstances of each of the authorities in the Network before they are compared. Adjustments are made for differences in size, traffic volume, wages, road condition and customer satisfaction, to derive Normalised Costs for each member, expressed in £/km, which can be used to compare any member of the Network.

The difference between an Authority's Normalised Cost and the Minimum Normalised Cost in the Network is their 'Cost Gap'. An Authority's current Cost Gap represents their 'Scope for Improvement', the amount by which an authority can theoretically reduce their cost, by adopting the good practice of others, without affecting their public satisfaction or the quality of the service they provide.

CQC calculates a members efficiency savings by measuring their improvement relative to the best performer in the network each year, the change in their 'Cost Gap', this is added to the change in the normalised cost of the best performer in the Network each year, the amount by which the network as a whole has improved.

Results

This years' results show twelve of the Authorities have a scope for improvement of 2% or less. This is reassuring as it indicates the approach has identified a range of good performers rather than just one or two with really low unit costs

Sixty-two Authorities have improved their Cost Gap performance over the period from 2013/14 to 2107/18 by an average of 4.7% relative to the best performer in the Network. The Normalised Cost of the Best Performer in the Network has reduced by 7.9% over the same period.

Combining these two figures gives an average improvement across the Network of 12.6%, with over 90% of the network having made Efficiency Savings . This equates to a Total Realised Efficiency Savings of £106.5 million in 2017/18 and a cumulative saving by all Network members of £245.1 million since 2013/14.

The latest CQC results are being held on a new NHT database. This new database holds all NHT data in one place and will make it easier to combine data from CQC analysis, with data from the NHT Public Satisfaction Survey and from the NHT Performance Management Framework (PMF). A new suite of CQC Reports have been developed for members, split between 'My Authority' reports and 'My Benchmark' reports, which are accessible via secure pages linked to the database.

A new 'Why Question' survey is being developed to collect practice and process information which will help explain why some authorities appear to be performing better than others, this will be circulated to the membership prior to the next round of member regional workshops which are due to take place in the Spring.

Executive Summary is an Extract from the 2018/19 CQC Annual Report – for a copy of the full document please visit the members website at www.nhtnetwork.co.uk or contact us direct at: info@nhtnetwork.org