

KEY PERFORMANCE INDICATORS

2014 REPORT

INTRODUCTION

Briggs Amasco Ltd is committed to continuous improvement in all aspects of its business. This is an integral part of our Integrated Management System (IMS), which encompasses our ISO accreditations for Quality (9001), Safety (18001) and Environment (14001).

In order to demonstrate this commitment, we identified the following areas where we felt we could apply measurable key performance indicators.

- Customer Satisfaction
- Employee Satisfaction (Staff and Operatives)
- Profitability
- Productivity
- Supply Chain: Preferred Supplier Performance / Preferred Supplier Feedback
- Safety
- Environmental: Propane Gas Usage, CO2 Emissions from Company Cars. Electricity and Gas Consumption
- Process Evaluation

The KPI results in this report are a result of collecting and measuring data, analysing it and comparing it to data from previous years, where available.

The following report shows summaries of the individual KPIs including Objective, Procedure and Results.

If anyone requires more detailed information on the results please email Janice Tyler.

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CUSTOMER SATISFACTION

Objective

Our objective is to show a year on year improvement in customer satisfaction in the following areas of our work:

- Safety
- Quality of work
- Programme compliance
- Technical/product knowledge
- Communication and attitude
- Whether the customer would employ us again

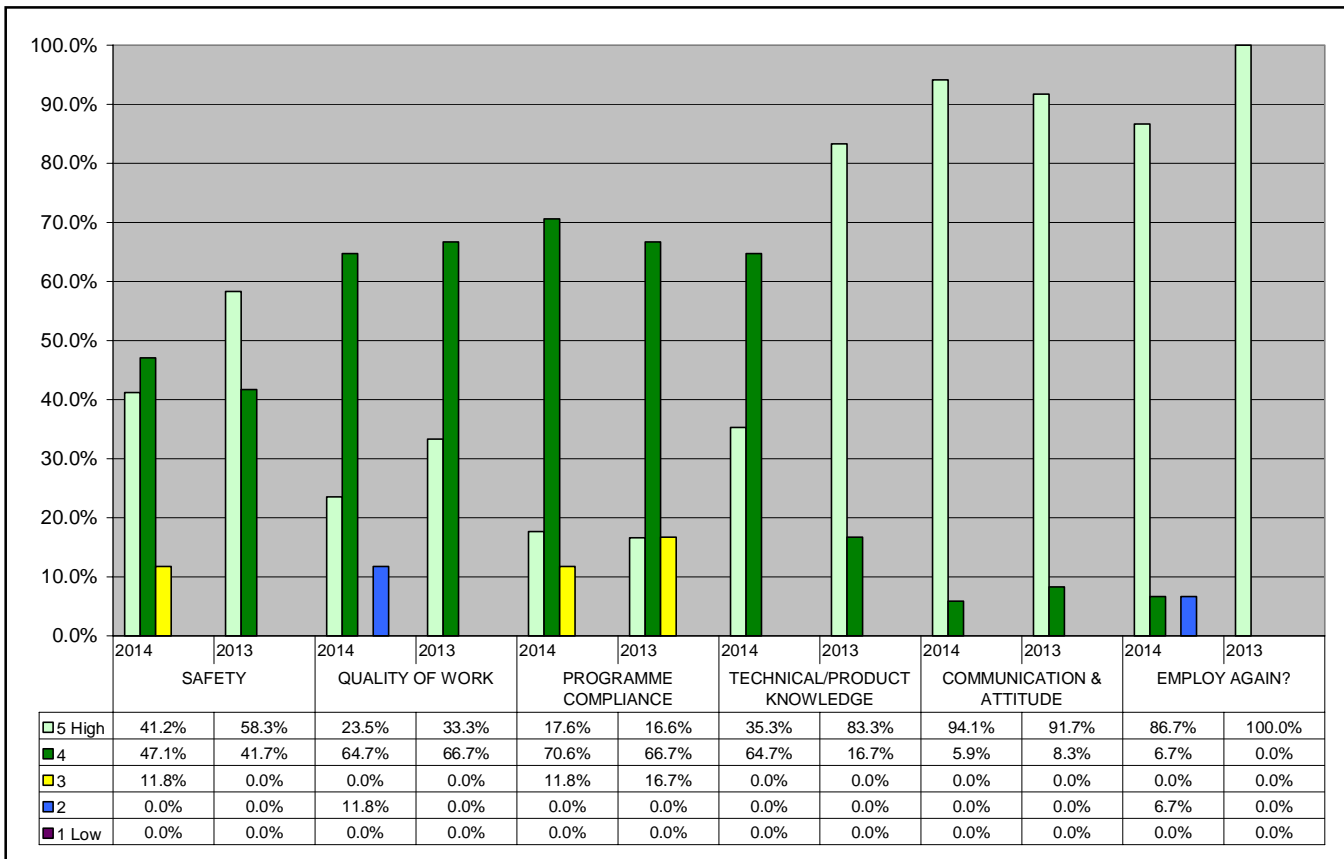
Procedure

We selected a cross section of customers for contracts undertaken by each branch and trading operation. Any low scores, negative comments, or falling trends were addressed with a view to improvement.

The survey gives choice of answers which were then ranked 1 (worst) to 5 (best). The results for each question have been calculated by counting the number of responses for each mark and then presenting the total as a percentage of the aggregate score.

Results

The chart below shows 2014 results compared with 2013.



It is disappointing to see a reduction from being proactive in safety (score 5) with an increase in being compliant and minor infringements.

The reduction in the quality mark is caused by a couple of contracts with minor defects. However, on both of these contracts we would be “definitely employed again”.

A few comments made follow:

Erskine Bridge – Raymond and his team worked hard to achieve the programme.

Aberdeen Airport Terminal - Both roof stripping and reroofing completed faster than programme.

McDonalds Restaurant - Excellent attitude and performance to reactive works. Professional approach to a challenging area of our estate.

RTI Extrusion - The project was completed late, but this was through no fault of BriggsAmasco, but a supplier letting them down. It was dealt with professionally and competently.

EMPLOYEE SATISFACTION

Objective

Our objective is to show a year on year improvement in employee satisfaction for both staff and operatives in the following areas:

- The amount of input over job
- Terms and Conditions of employment
- Sense of achievement
- Respect and Feedback
- Effectiveness and Clarity of Communication
- Level of Management Support
- Safety of Work Environment and Provision of PPE (Operatives only)

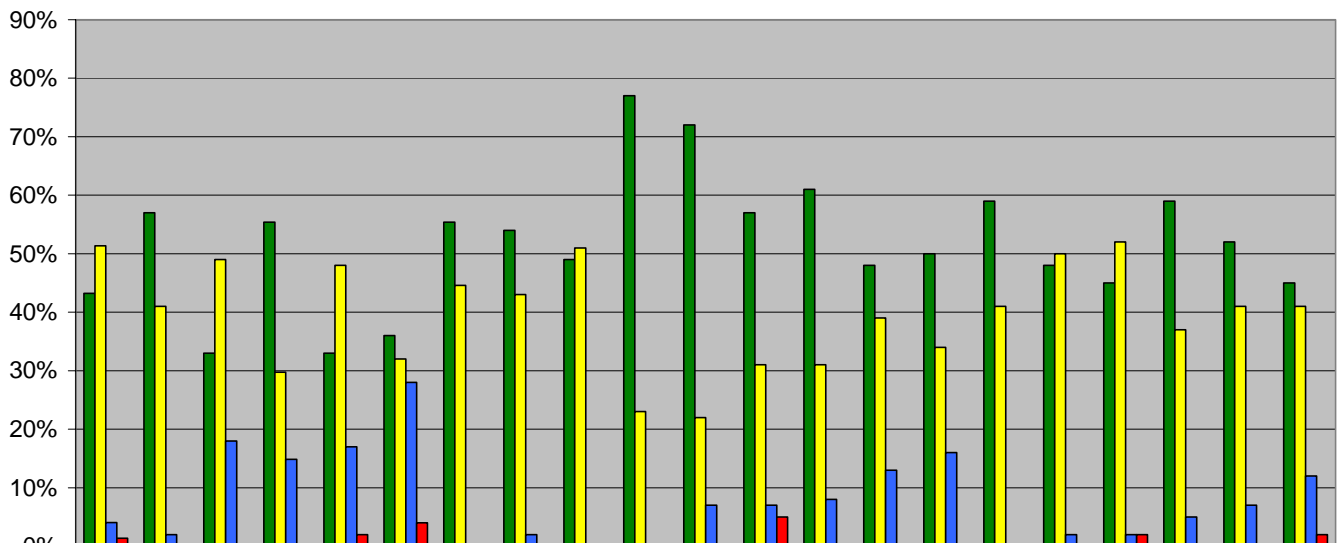
Procedure

Prior to Investors in People review meetings, all staff and operatives are asked to complete an Employee Satisfaction survey and forward it to the HR Department. Any low scores are addressed by either HR or the employee's line manager. All discussions are kept confidential.

Each question is ranked from Option 1 (low) to Option 4 (high). The KPI is calculated by counting the number of responses for each mark and presenting the total as a percentage of the aggregate score.

Results

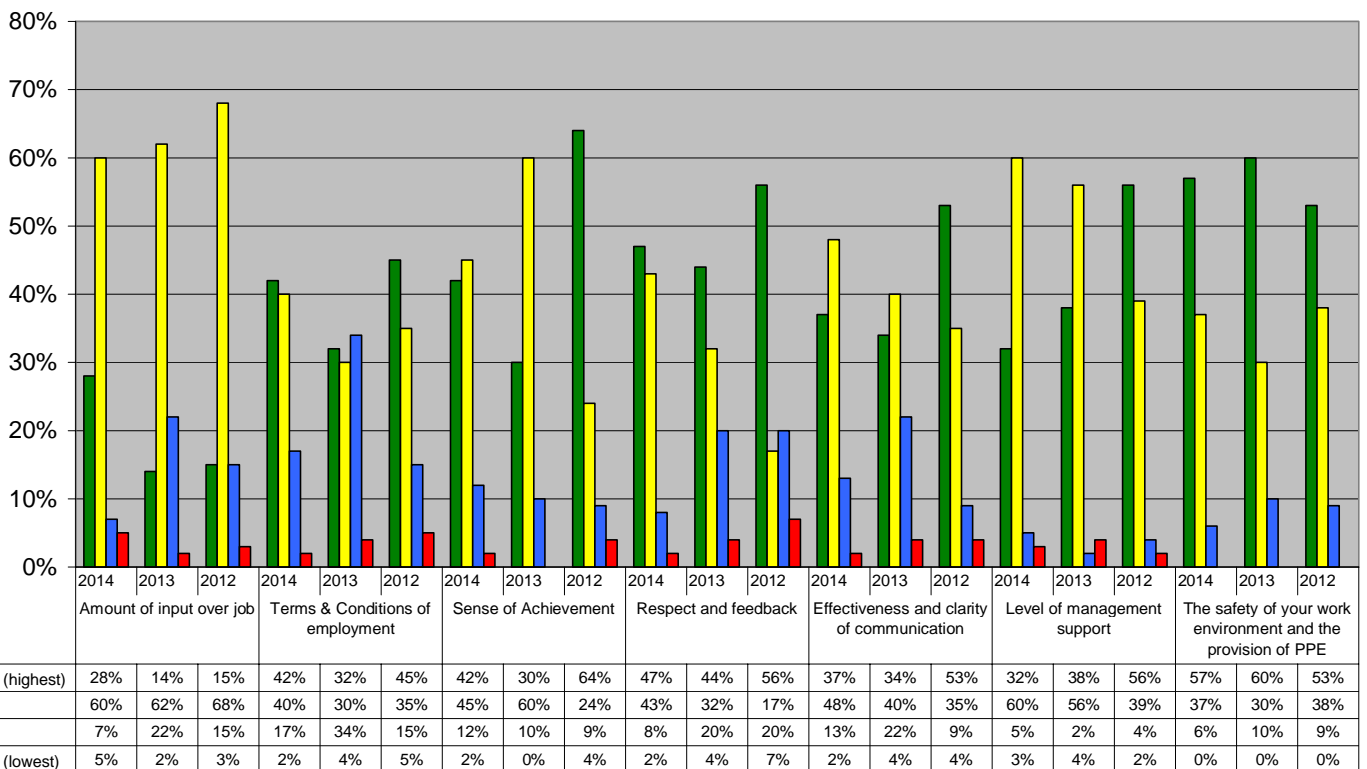
EMPLOYEE SATISFACTION - STAFF



	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012
Mark 4 (highest)	43%	57%	33%	55%	33%	36%	55%	54%	49%	77%	72%	57%	61%	48%	50%	59%	48%	45%	59%	52%	45%
Mark 3	51%	41%	49%	30%	48%	32%	45%	43%	51%	23%	22%	31%	31%	39%	34%	41%	50%	52%	37%	41%	41%
Mark 2	4%	2%	18%	15%	17%	28%	0%	2%	0%	0%	7%	7%	8%	13%	16%	0%	2%	2%	5%	7%	12%
Mark 1 (lowest)	1%	0%	0%	0%	2%	4%	0%	0%	0%	0%	0%	5%	0%	0%	0%	0%	0%	2%	0%	0%	2%

Overall there has been an increase in staff job satisfaction for 2014. In particular, top marks increased in Terms and Conditions, Respect and Feedback, Communication and Support. Achievement remained fairly static whereas Input fell. These increases could be attributed in part to a successful trading year.

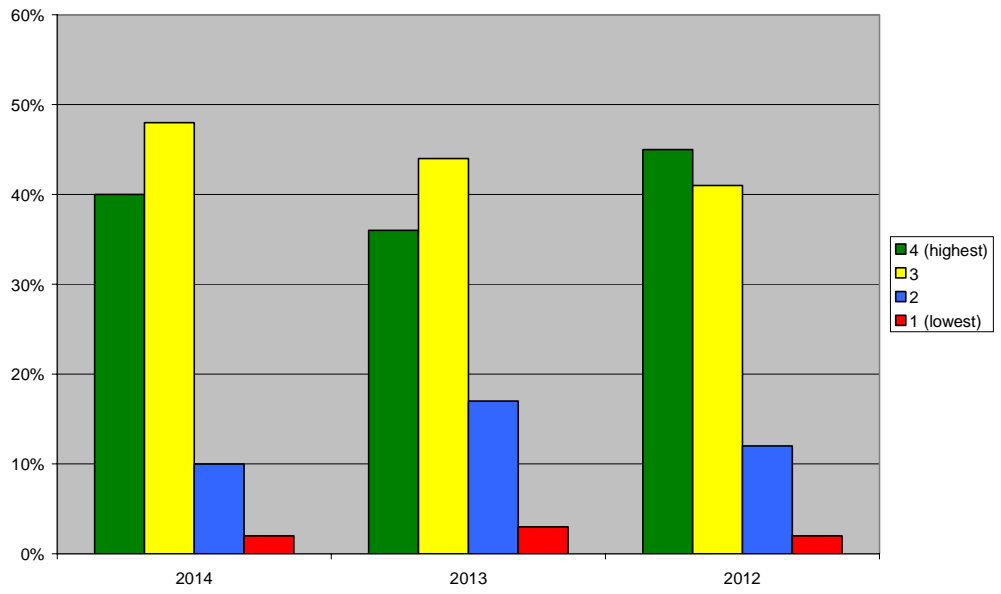
Employee Satisfaction - Operatives



Operative results show increases in the top marks for all bar Management Support and Safety, where there is a slight fall.

Combined Staff and Operatives

The following chart shows an overall increase in staff/operative satisfaction for combined categories.



FINANCIAL

Profitability

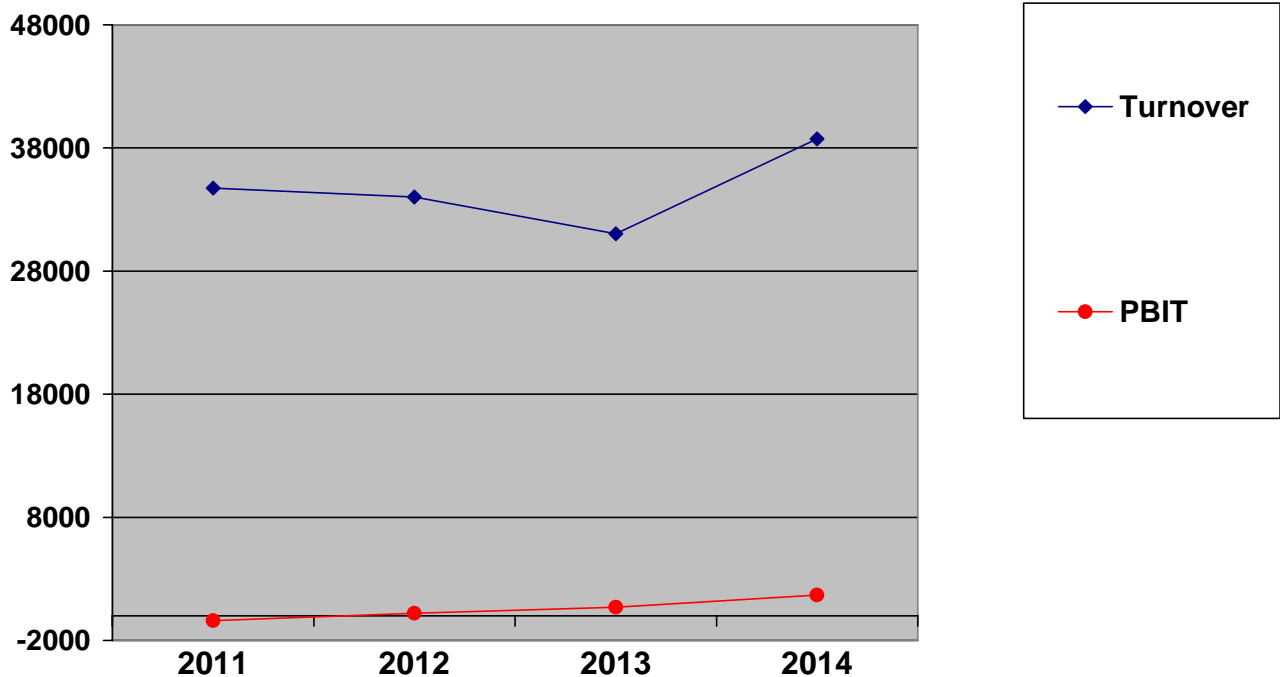
Objective

The objective is to measure profitability with a view to increasing the turnover to PBIT ratio which indicates more efficient contracting. This is an annual measurement based on audited accounts.

We don't expect large changes in this ratio, but a small continuous growth year on year.

Results

	2014	2013	2012	2011
Turnover £000	38,735	31,018	34,009	34,743
PBIT £000	1,697	691	207	(395)
%	4.38%	2.23%	0.61%	(1.14%)



Both turnover and profit increased in 2014 due to improved market conditions and contracting and purchasing efficiencies.

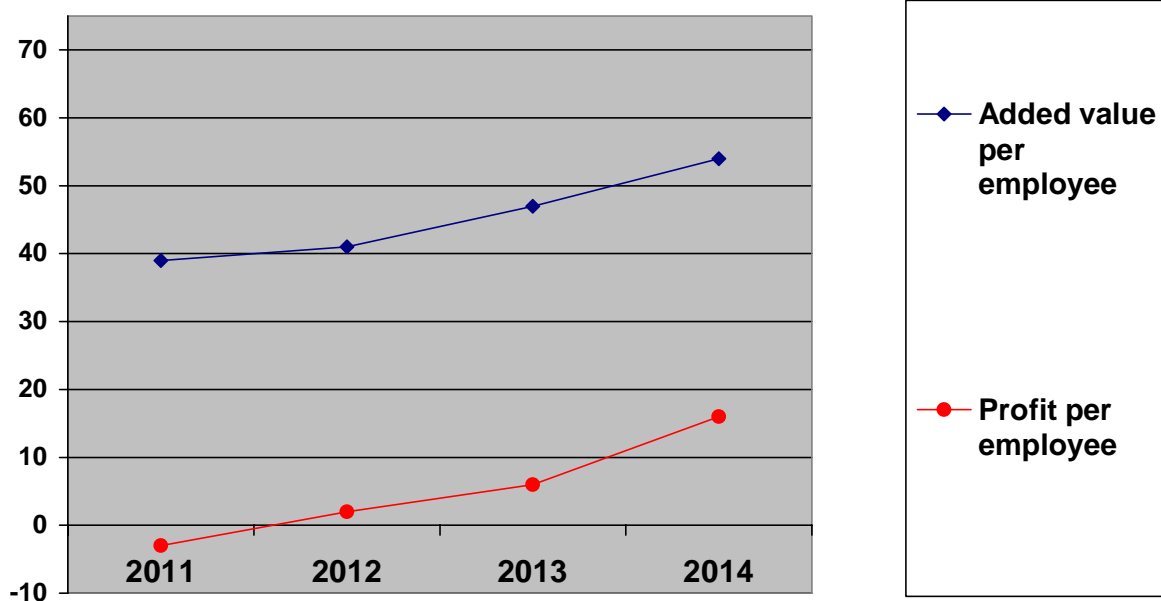
Productivity

Objective

The objective is to show added value per employee related to turnover and also the profit per employee (these figures exclude operatives). As with profitability, we don't expect large fluctuations in this figure, but a small improvement year on year.

Results

	2014		2013		2012		2011	
Turnover		38,735		31,018		34,009		34,743
Total Cost of Sales	-29,993		-23,168		-26,943		-27,348	
Total Overheads		7,045		7,159		6,859		7,790
Less Staff Costs	-4,979		-5,087		-4,840		5,004	
		-2,066		-2,072		-2,019		-2,786
Less Bought out Costs		0		0		0		0
Profit		6,676		5,778		5,047		4,609
No of Employees		123		124		124		118
Added Value per Employee		54		47		41		39
Total Staff Costs	4,979		5,087		4,840		5,004	
No of Staff	123		124		124		118	
Cost per Employee		40		41		39		42
Profit per Employee		16		6		2		-3



Both added value and profit per employee have risen sharply in 2014.

Again, this can attributed to greater efficiencies in our contracting processes.

SUPPLY CHAIN

Objective

Our objective with the supply chain KPI is to measure the performance of our preferred suppliers and ask them to complete a feedback survey for us so we can measure their perception of BriggsAmasco. This allows a 360° review to take place.

This is an annual appraisal and we aim for continuous improvement, however small, with an end aim of each category scoring 10.

The format of both questionnaires has been slightly amended to make it easier to complete. Instead of a number of statements for each category which were rated, each category is now in the form of a statement with the option to mark 5 as agree strongly and the lowest disagree strongly.

A mark of 1 indicated the poorest score with 5 being the best. *(Previous years were marked from 1-4; the comparison has been done by splitting score 2 between 2 and 3 equally)*. The results for each question have been calculated by counting the number of responses for each mark and then presenting the total as a percentage of the aggregate score. This is done per supplier/branch for review purposes and then for all suppliers jointly for the KPIs.

Preferred Supplier Performance Appraisal

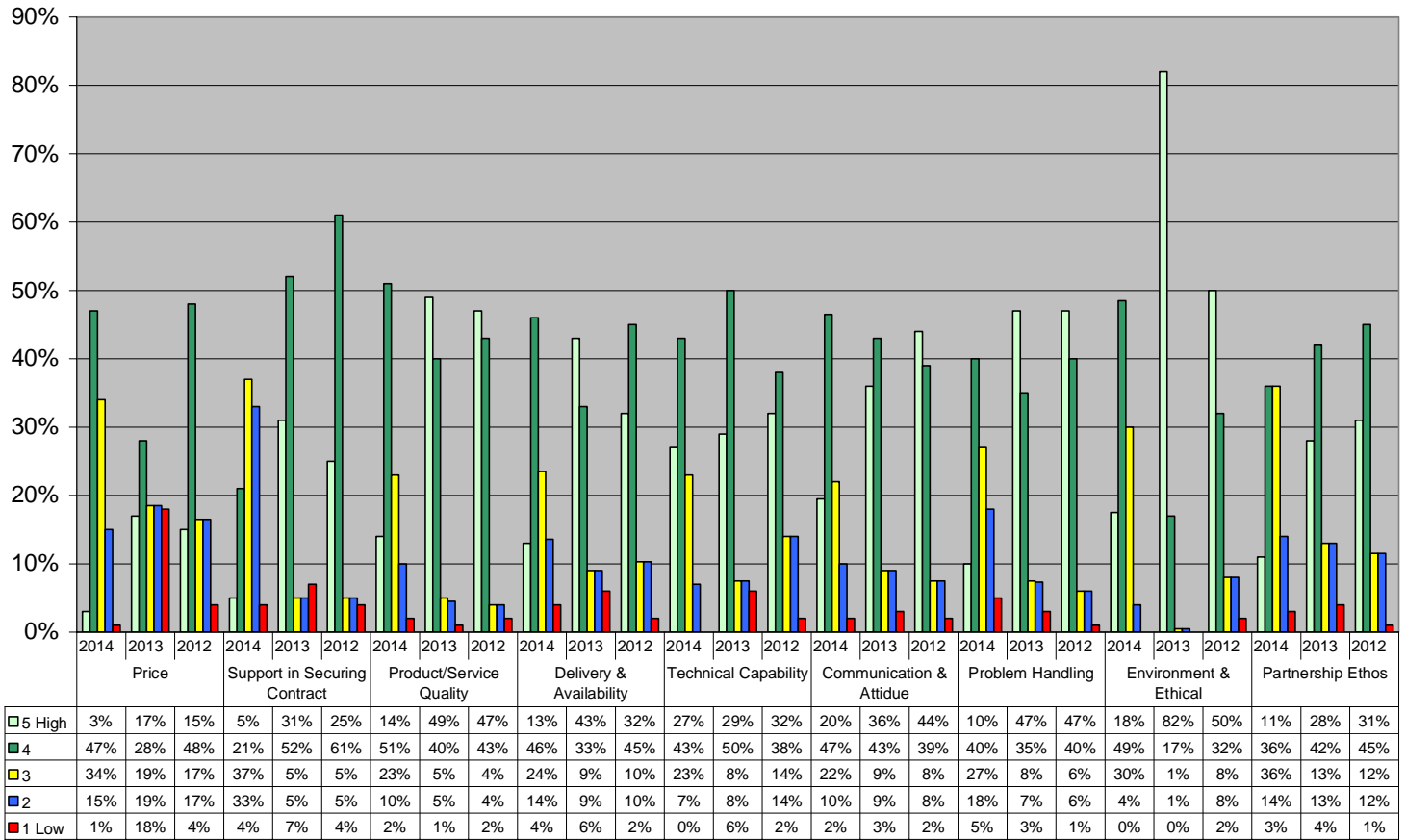
Procedure

The appraisal is conducted using an internet survey platform and prospective responders (managers, estimators, contracts managers and administrators in all branches, as well as directors) were sent an invitation to complete the questionnaire.

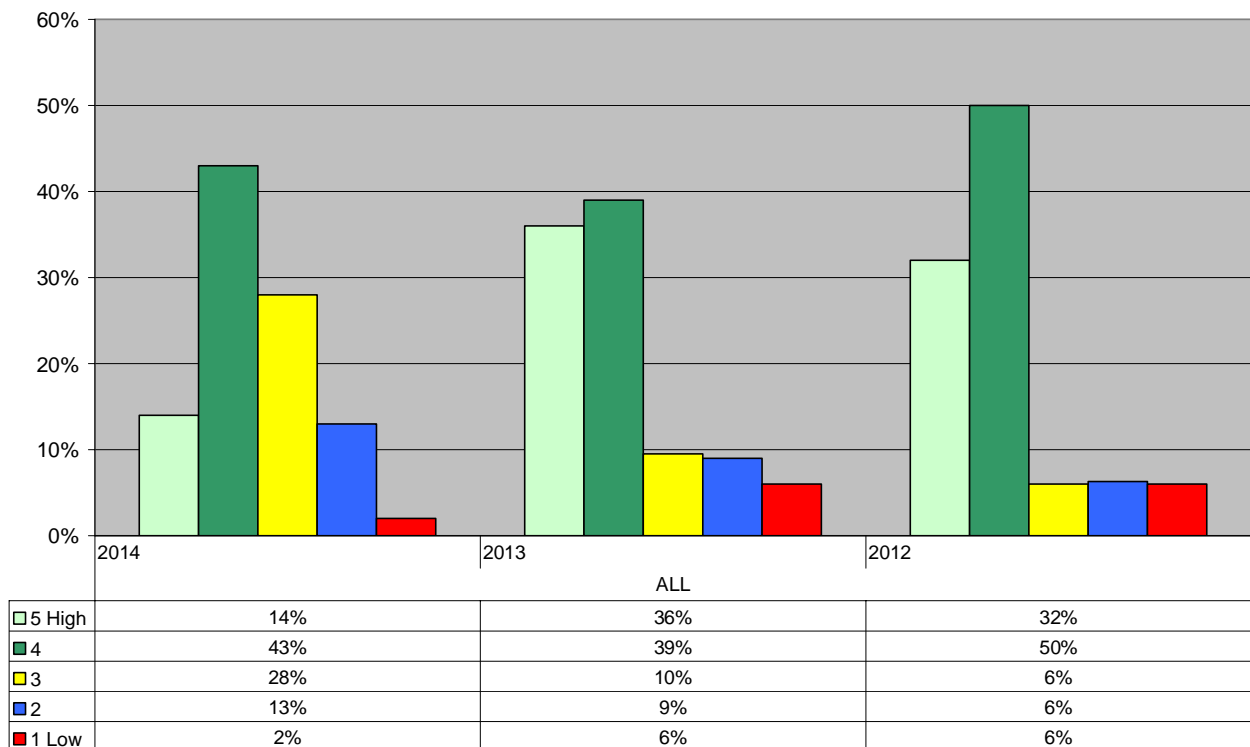
The categories covered were as follows:

- Price
- Support in securing contract
- Product/service quality
- Delivery and availability
- Technical capability
- Communication and attitude
- Problem handling
- Environment and ethical
- Partnership ethos

Results



Overall Scores



Preferred Supplier Feedback

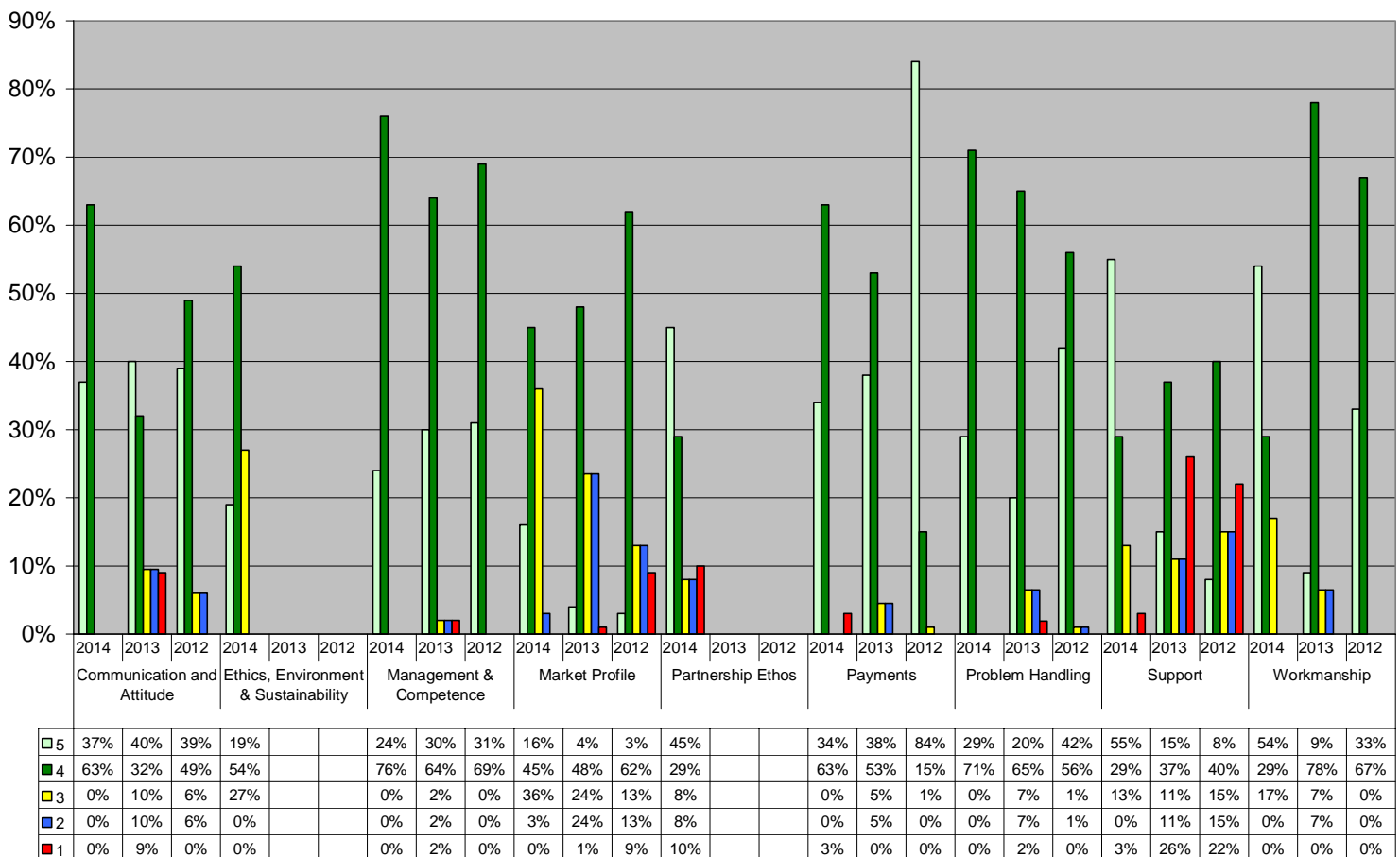
Procedure

Using an on-line platform, our suppliers are asked to complete a short survey on their perception of our branches and company overall in the following categories:

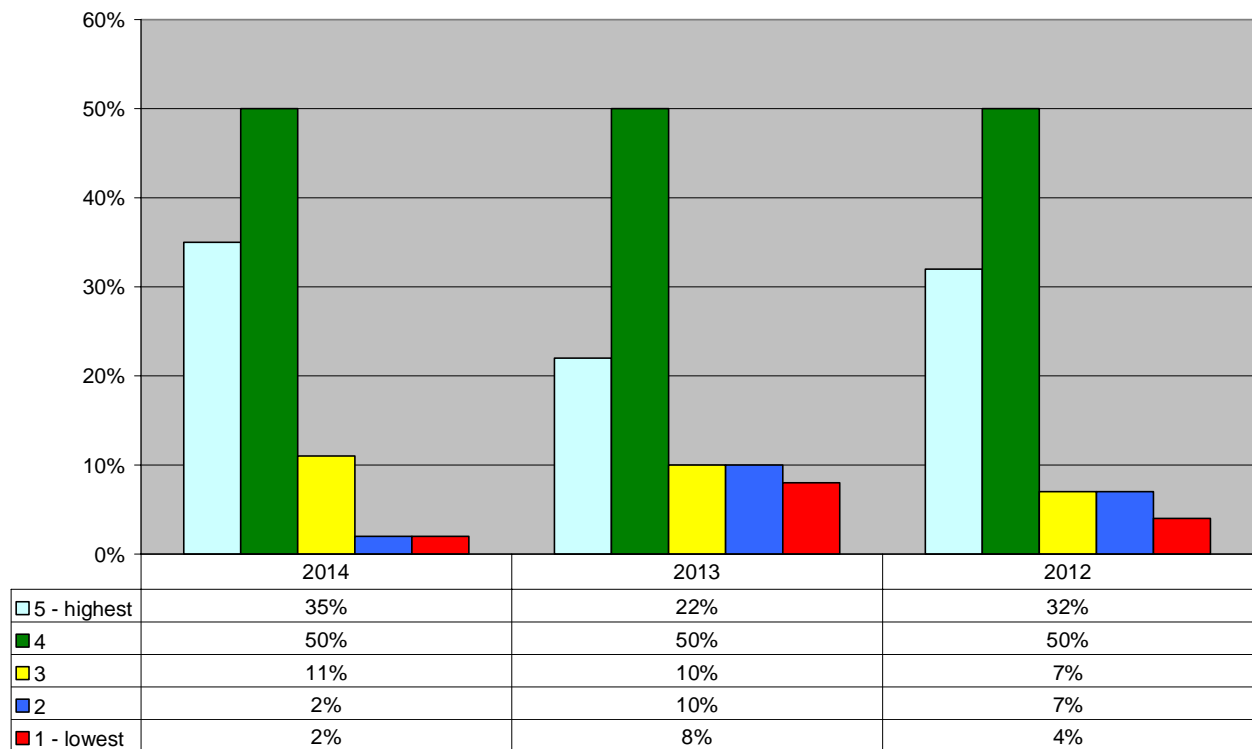
- Market profile and ability to win work
- Support to your operation
- Workmanship
- Problem handling
- Management and competence
- Payments and disputed invoice settlement
- Communication and attitude
- Ethics, Environment and Sustainability (new category for 2014)
- Partnership Ethos (new category for 2014)

The survey was sent to a number of personnel within each supplier company.

Results



Overall scores



These results are discussed and addressed at supplier reviews/meeting.

32 invitations to complete the questionnaire were sent out, with a very disappointing 14 responses, some from the same supplier.

SAFETY

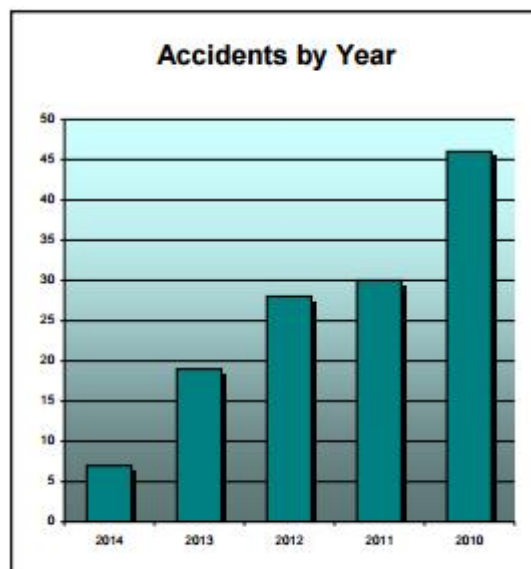
Objective

Our objective is to reduce frequency and severity of incidents year on year. Our target is always zero.

Procedure

Reports and statistics are provided quarterly by Safety Advisers and accident statistics are published annually on the company intranet.

Health & Safety Statistics						
Year	2014	2013	2012	2011	2010	
Fatalities	0	0	0	0	0	0
Major	0	0	1	2	1	
7/3 Day + Accidents	1	1	4	5	11	
Minor Accidents	6	18	23	23	34	
Total Accidents in Year	7	19	28	30	46	
T/O £MILLIONS	39	31	34	34	32	
Direct Employees	255	269	284	315	346	
L/O Employees	97	102	108	120	131	
Total Employees etc	352	371	392	435	477	
Annual Hours - Total	744,480	785,130	828,911	919,391	1,009,870	
Days Lost	15	22	197	502	422	
Hours - Lost	120	176	1576	4016	3376	
Analysis of Statistics - all staff						
Accident Frequency Rate [AFR]	0.13	0.13	1.48	2.54	2.09	
All Accident Frequency Rate [AAFR]	0.94	2.42	3.38	3.26	4.56	
Duration Rate	17.14	9.26	56.29	133.87	73.39	
Lost Time Accident Frequency [LTAF]	2.01	2.80	23.77	54.60	41.79	
Formulae used						
Accident Frequency Rate.						Accidents/Hours Worked * 100,000
All Accident Frequency Rate.						All Injury Accidents/Hours * 100,00
Duration Rate						Hours Lost/No of Accidents
Lost Time Accident Frequency						Days Lost/Hours Worked * 100,000
Major						
Annual Incident Rate per 100,000	0.00	0.00	0.13	0.24	0.11	
7 - Day						
Annual Incident Rate per 100,000	0.15	0.14	0.53	0.60	1.21	



ENVIRONMENT

In April 2014 we set three Environmental KPIs. These are as below.

Propane Gas Usage

As part of our ISO 14001 accreditation we have identified our usage of propane gas as something which we can attempt to reduce.

Objective

To reduce our use of propane gas year on year and corresponding quarters, insofar as type of work and weather conditions allow.

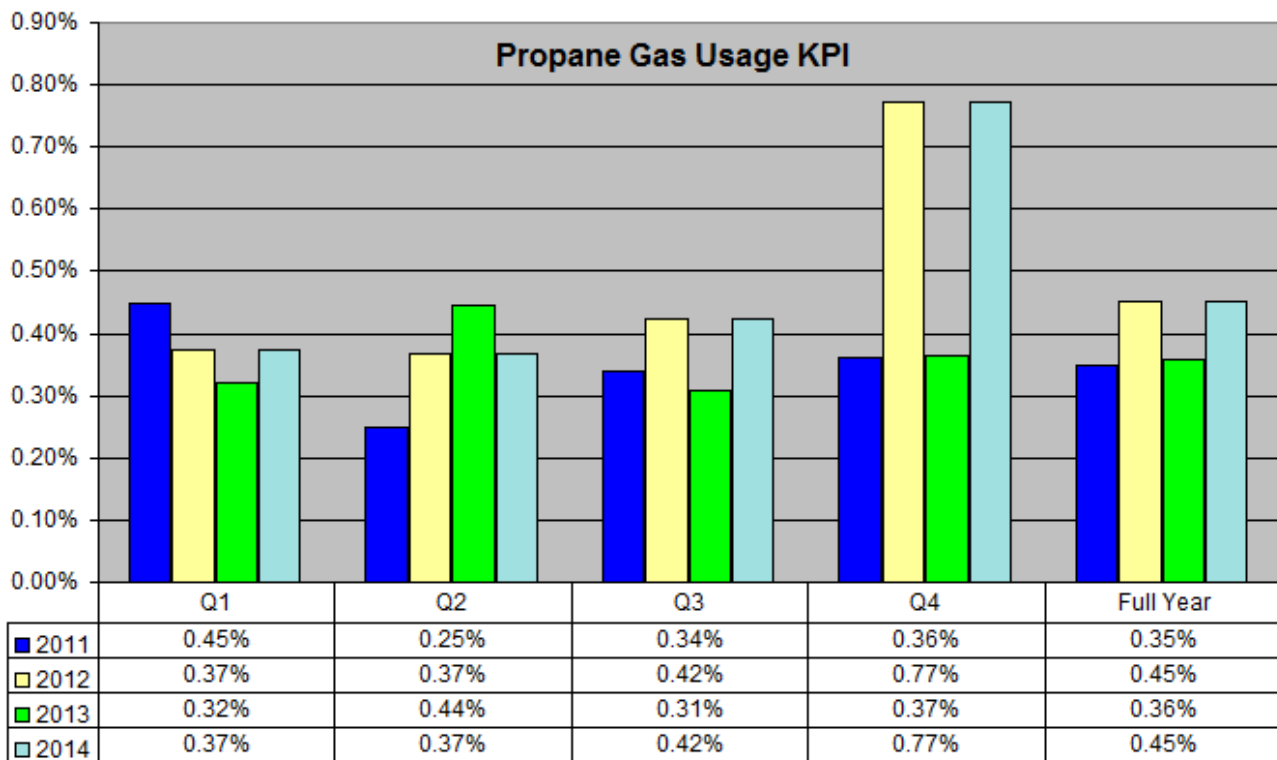
Procedure

2012 is our benchmark figure as the weather during that year meant it was exceptionally difficult to reduce our gas usage. Therefore, we would take that as a worst case scenario and improve on that year on year.

We take our quantities of gas purchased and assess them against turnover for each period. Type of work also has an implication on gas usage and we adjust the turnover to take account of that.

Results

% of propane gas used against applicable turnover



Weather implications

One of the difficulties of assessing this usage is that it can be weather dependent as we use more gas in wet weather. We therefore expect higher usage in the wetter/colder months than in the warmer/drier months.

The Met Office annual statistics for 2014 show that rainfall was 113% of the 1981-2010 average. This is borne out by the upward trend in use of propane gas. This also applies for Q1, Q2 and Q4 – all of which were above the average. The slight anomaly is in Q3, where rainfall was only 88% of average for the quarter, but these results have significant regional variations. Whilst it was the driest September in the UK from 1901, in October they were above average (in particular Scotland and East England). In November South East England where we had a large number of contracts, was very wet, as was Scotland with some places recording twice the normal rainfall. Our benchmark was 2012 and 2014 is entirely with that year, which was another very wet year.

CO₂e Emissions from Company Cars

Objective

To reduce CO₂e emissions from company vehicles by 5% over three years. This will also form part of the ESOS reporting via IKO where it may take a different form.

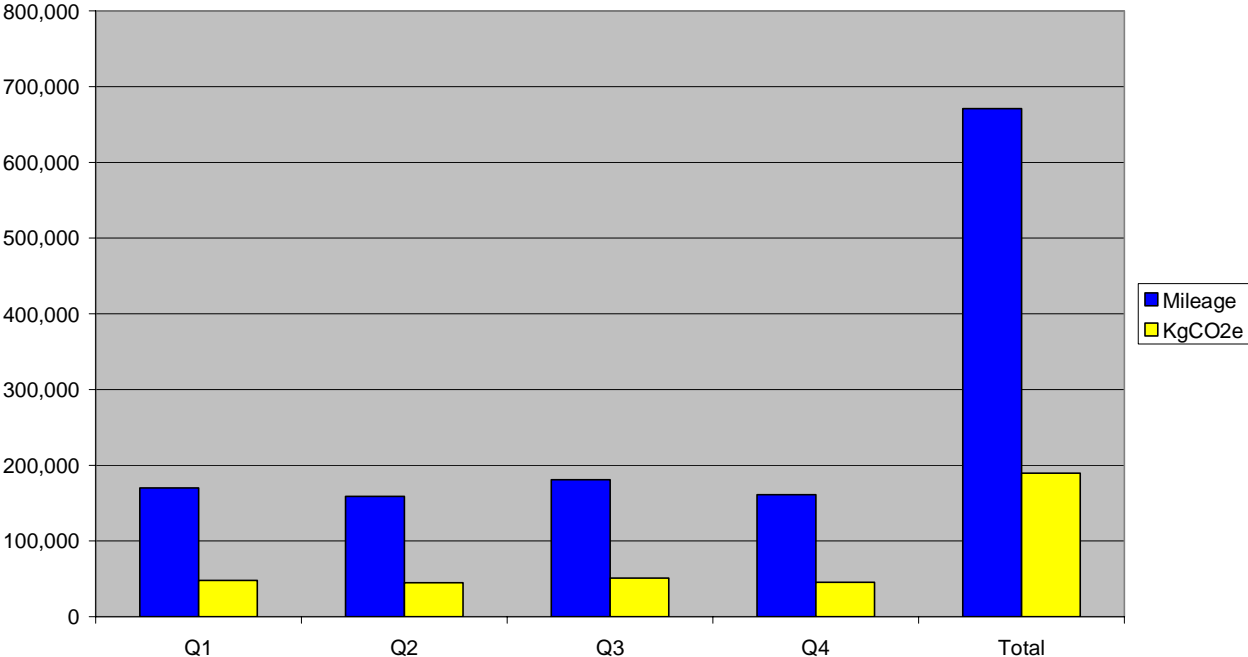
Procedure

Although the idea was to look at each car individually, this has not been possible due a lack of data on the older vehicles in the fleet. Therefore, we have calculated the emissions based on a diesel medium sized car, but using the aggregated mileage for all vehicles (as reported on company expenses forms).

We have used an on line calculator <http://www.carbon-calculator.org.uk/> to do this.

Note: To take account of the emission of other greenhouse gases in addition to carbon dioxide, scientists have devised an equivalent measure, CO₂e which is based on their relative global warming potential. Vehicle emissions are carbon dioxide, methane and nitrous oxide.

CO2e EMISSIONS - COMPANY CARS



Electricity and Gas Consumption in Company Premises

This is covered by ESOS and information is being collected by our group company. There is no data available as yet.

PROCESS EVALUATION

Incorporated within our formal Quality Procedures.