



KEY PERFORMANCE INDICATORS

2016 REPORT

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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
- Profitability & Productivity
- Supply Chain Appraisal and Feedback
- Environmental: Energy Usage (propane gas, vehicle emissions, energy consumption - offices)
- 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.

Response Numbers to Surveys

From a recommendation received at audit, we now include the number of responses received for Customer Satisfaction, Employee Satisfaction and Supply Chain, which all involve obtaining feedback. Whilst this is an interesting component of the KPI, not everyone wants to complete a survey and often will only do so when they have something negative to say. Therefore, a low number or reduction in responses could indicate positive feedback, but this is not quantitative and cannot be measured.

The following report summarises each KPI and includes Objective, Procedure and Overall Results.

More information on the results, analysis and data can be obtained by contacting Janice Tyler as below.

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CUSTOMER SATISFACTION

Objective

Our objective is to show an improvement in customer satisfaction compared to the cumulative average in the following areas of our work:

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

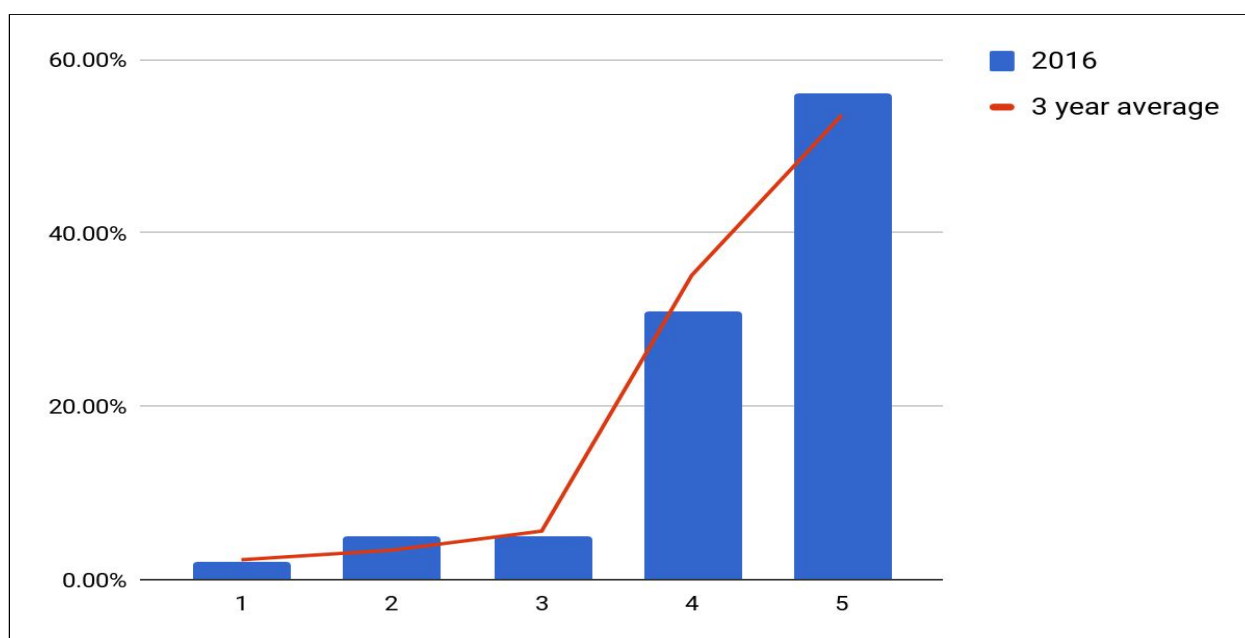
Procedure

Every month we ask our customers of completed contracts to rate the above categories from 1 (worst) to 5 (best). There is also the ability to make additional comments. All completed feedback forms are circulated to Branch Managers, Operations Directors and the Managing Director so that good feedback is recognised by senior management and any negative comments/low marks can be addressed with the client.

The result for each category is calculated by counting the number of responses for each mark and then presenting the total as a percentage of the aggregate score. All scores are then combined to give an overall result and compared with the three year average.

Results

We received some very positive marks, resulting in our overall top score being 2.4% above the three year average. However, our ratio of requests to responses remains low at 10%.



	1	2	3	4	5
2016	2%	5%	5%	31%	56%
3 year average	2.3%	3.4%	5.6%	35.10%	53.6%

EMPLOYEE SATISFACTION

Objective

Our objective is to show an annual improvement against the cumulative average 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)

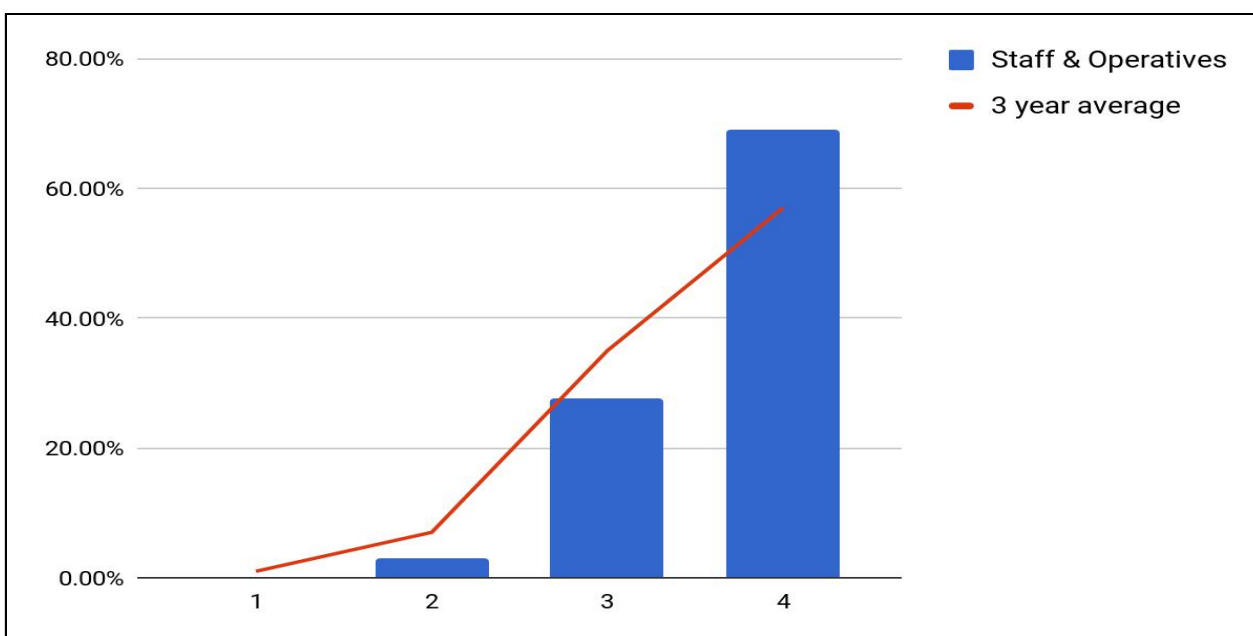
Procedure

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. The staff and operative results are then compared to the combined three year average.

Results

As with customer satisfaction, it is difficult to insist on a response and 2016 did have a low number of replies - 59 staff and 6 operatives, compared to 91 staff and 98 operatives in 2015. However, the combined results when compared to the three year average show the top score has increased by 12%, which is excellent.



	1	2	3	4
2016	0%	3%	27.5%	69%
3 year average	1%	7%	35%	57%

FINANCIAL

Profitability

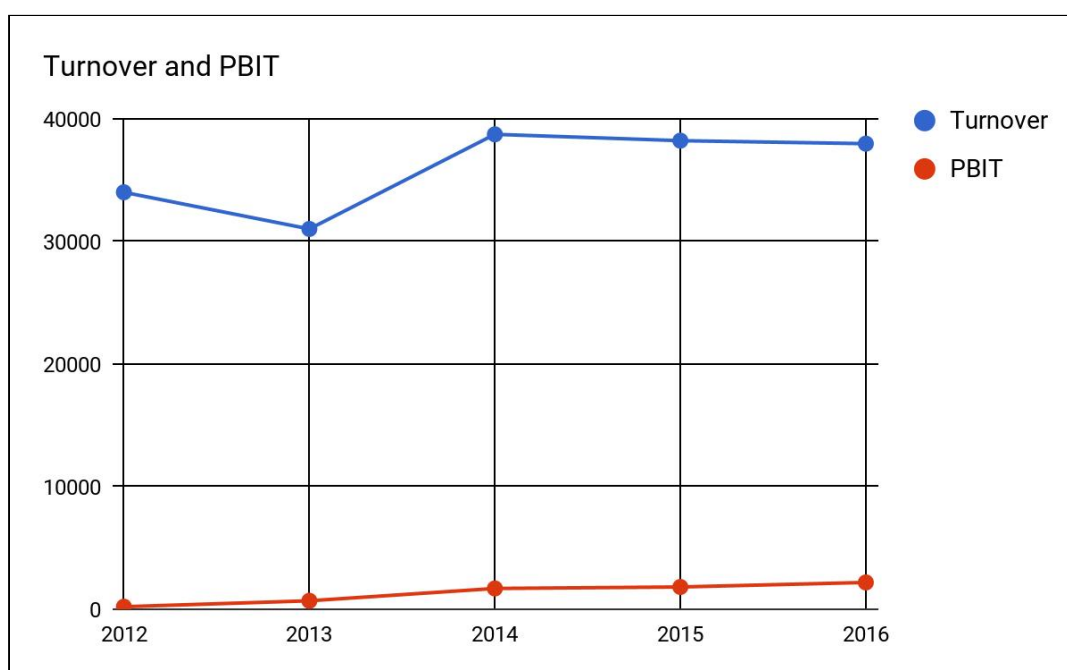
Objective

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

	2016	2015	2014	2013	2012
Turnover £000	37,974	38,218	38,735	31,018	34,009
PBIT £1000	2,187	1,818	1,697	691	207
%	5.76%	4.75%	4.38%	2.23%	0.61%

Although turnover was marginally down in 2016, profit was slightly up due to contracting and purchasing efficiencies. Over the five year period, turnover has fluctuated, but profit has risen year on year.



Productivity

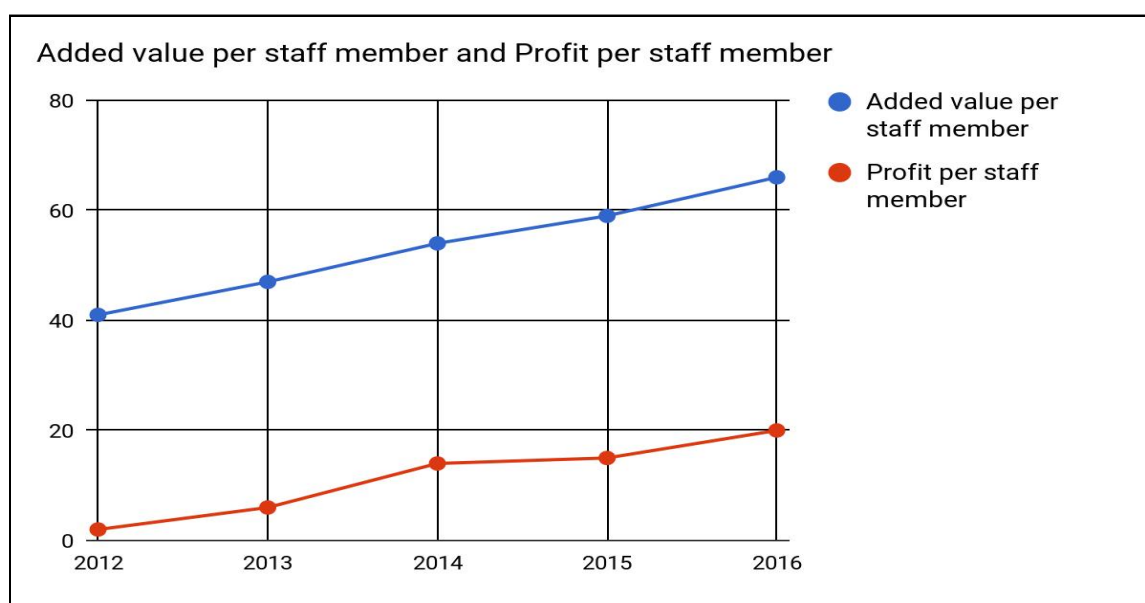
Objective

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

	2016		2015		2014		2013		2012	
Turnover		37,974		38,281		38,735		31,018		34,009
Total cost of sales	-28,474		-28,988		-29,993		-23,168		-26,943	
Total overheads		7,314		7,475		7,045		7,159		6,859
Less staff costs	-5,618		-5,460		-4,979		-5,087		-4,840	
		-1,696		-2,015		-2,066		-2,072		-2,019
Profit excluding staff costs	7804			7,278		6,676		5,778		5,047
No of staff		119		123		123		124		124
Added value per staff member		66		59		54		47		41
Total staff costs	5,618		5,460		4,979		5,087		4,840	
No of staff	124		123		123		124		124	
Cost per staff member		45		44		40		41		39
Profit per staff member	20			15		14		6		2

There is a steady rise in both categories, year on year.



SUPPLY CHAIN

Objective

To annually measure the performance of our suppliers and their perception of BriggsAmasco, with the objective of showing an improvement on an aggregated three year score.

Preferred Supplier Performance Appraisal

Procedure

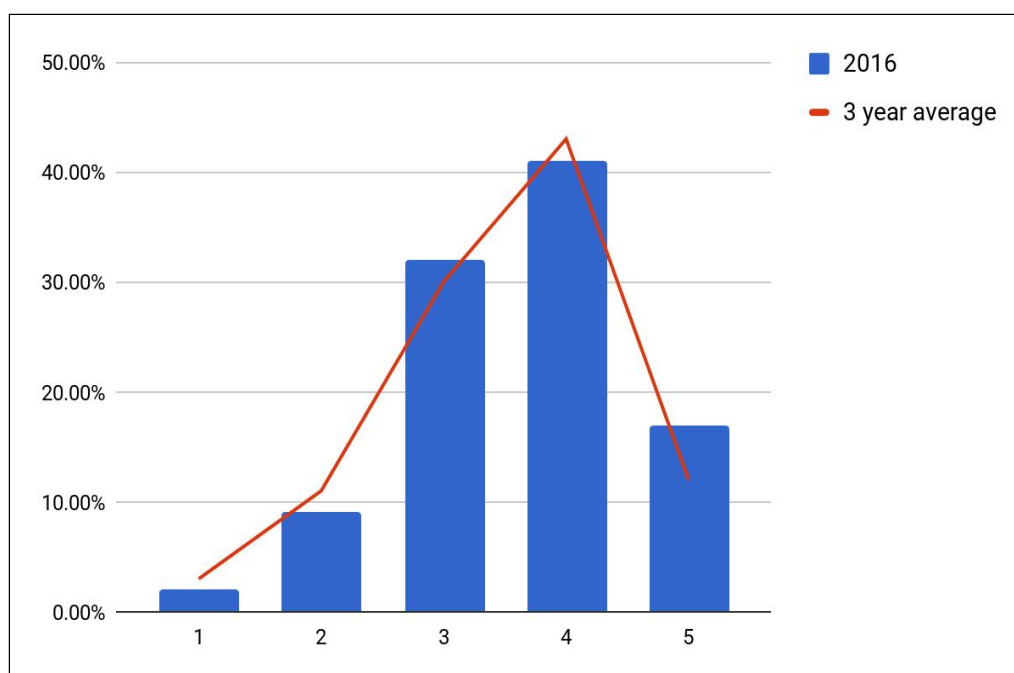
The appraisal is conducted using an internet survey platform and prospective responders (managers, estimators, contracts managers and administrators in all branches, as well as directors) are sent an invitation to complete the questionnaire.

The results for each question are calculated by counting the number of responses for each mark and then presenting the total as a percentage of the aggregate score. The current year is then compared to the aggregate score of the last three years, including the current year.

Results

Most scores have remained fairly static with only small movements from the three year average, apart from the top score which has seen an increase of 5%.

The number of people responding to the survey also rose from 24 in 2015 to 30 in 2016.



	1	2	3	4	5
2016	2%	9%	32%	41%	17%
3 year average	3%	11%	30%	43%	12%

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:

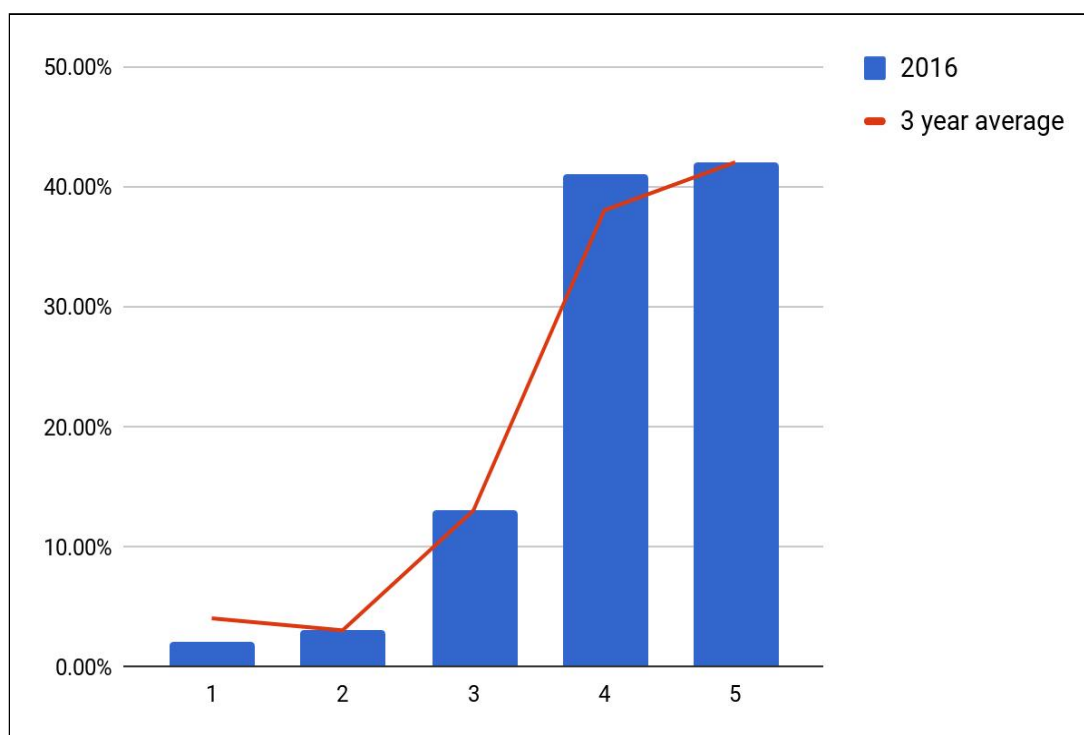
- Market profile and ability to win work
- Support to your operation
- Workmanship
- Problem handling
- Management and competence
- Payments and disputed invoice settlement
- Communication and attitude
- Ethics, Environment and Sustainability
- Partnership Ethos

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

Results

There is very little change in any of the scores, apart from a small drop in the lowest score and a small rise in 4.

As with the supplier appraisal, 2016 saw an increase in the number of respondents - up from 14 in 2015 to 23 in 2016.



	1	2	3	4	5
2016	2%	3%	13%	41%	42%
3 year average	4%	3%	13%	38%	42%

SAFETY

Objective

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

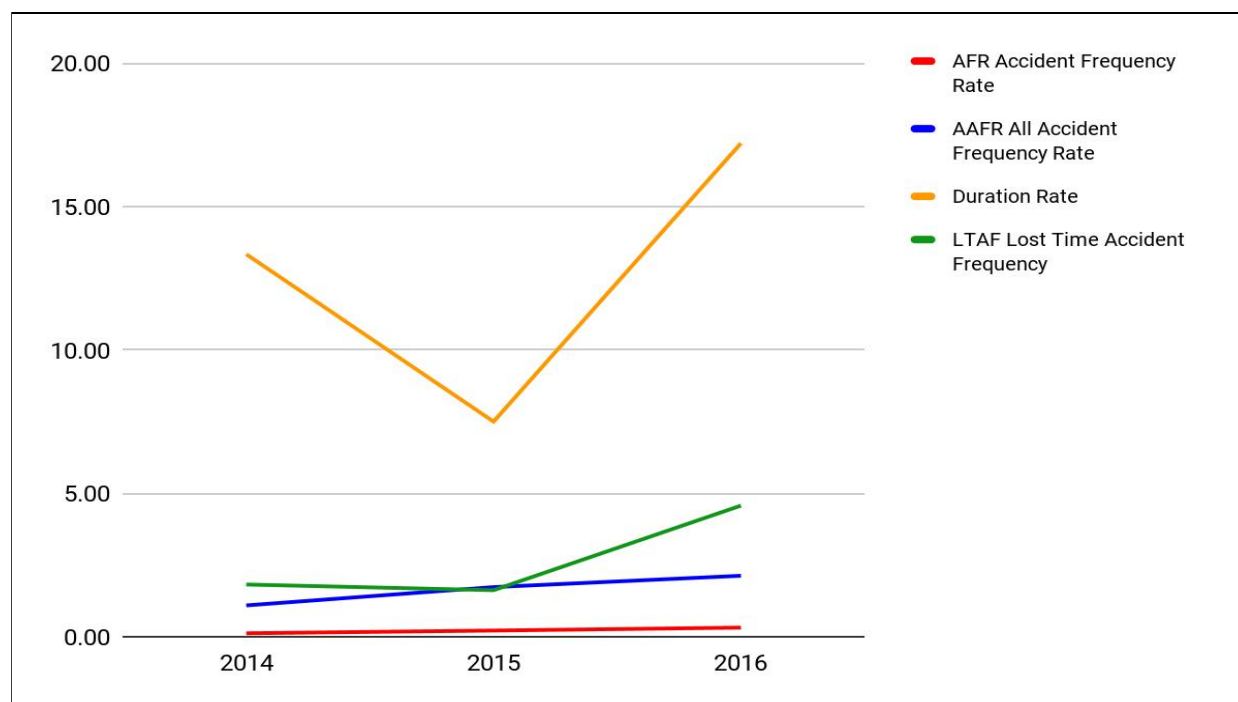
Procedure

Reports and statistics are provided quarterly by Safety Advisers and accident statistics are published annually on the company intranet. Incidents are divided into four categories - fatal, major, reportable, minor. The Accident Frequency Rate (AFR), All Accident Frequency Rate (AAFR), Duration Rate and Lost Time Accident Frequency are calculated using the number of incidents compared to hours worked.

Results

The following table and graph compares the last three years.

Data	2016	2015	2014	Calculation	2016	2015	2014
Fatalities	0	0	0	Annual hours - total	940,680	924,300	823,680
Major	0	0	0	Days lost	43	15	15
Reportable	3	2	1	Hours lost	344	120	120
Minor	17	14	8	Accident Frequency Rate	0.32	0.22	0.12
TOTAL	20	16	9	All Accident Frequency Rate	2.13	1.73	1.09
Turnover (£m)	39	40	39				
No. direct employees	243	260	255	Duration Rate	17.20	7.50	13.33
L/O employees	159	135	97	Lost Time Accident Frequency	4.57	1.62	1.82
TOTAL EMPLOYEES	402	395	352				



ENVIRONMENT

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

Propane Gas Usage

Objective

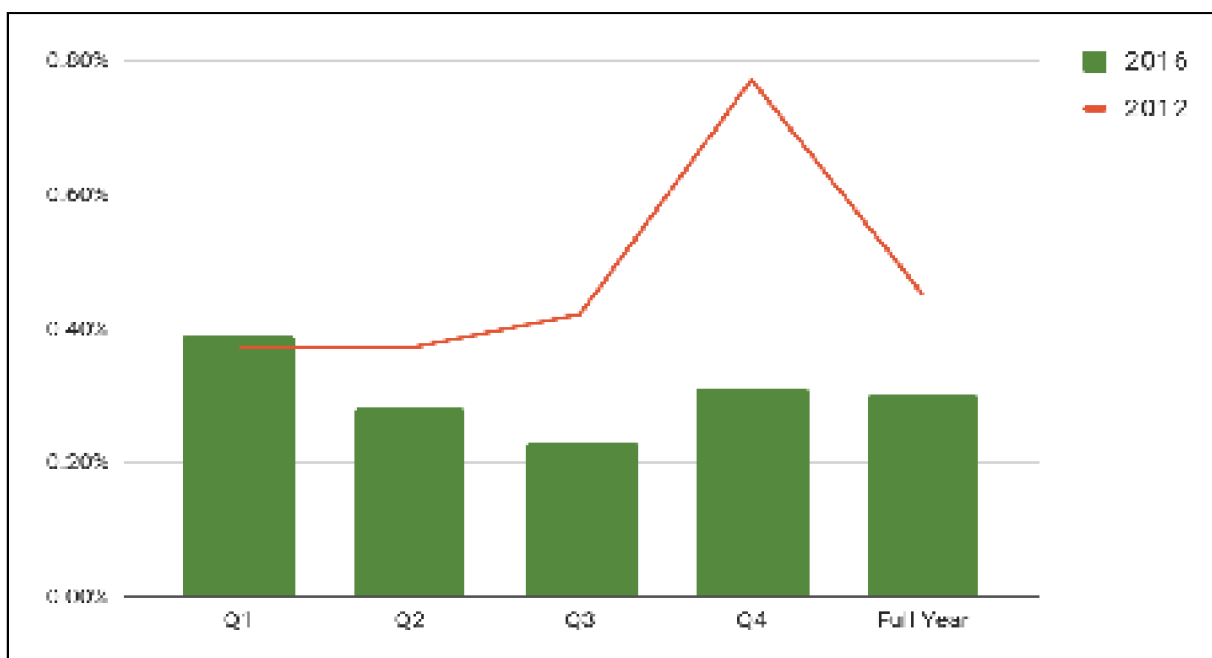
To reduce our use of propane gas year on year and corresponding quarters, insofar as type of work and weather conditions allow.

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



	Q1	Q2	Q3	Q4	Full Year
2016	0.39%	0.28%	0.23%	0.31%	0.30%
2012	0.37%	0.4%	0.4%	0.8%	0.5%

Weather implications

One of the difficulties of assessing propane gas usage is that it can be weather dependent, i.e. we use more gas in wet weather. We therefore expect higher usage in the wetter/colder months than in the warmer/drier ones. Winter 2016 was the second wettest winter on record and this is borne out by the first quarter reaching the 2012 benchmark. Other than that 2016 was the 13th warmest year and overall only experienced 95% of expected rainfall. This contributes towards the lower usage for quarters 2, 3 and 4 and also the whole year, overall.

Vehicle Emissions

Objective

To reduce CO₂e emissions from company vehicles by 5% over three years. This has also formed part of ESOS and CRC reporting via the IKO UK Group.

Procedure

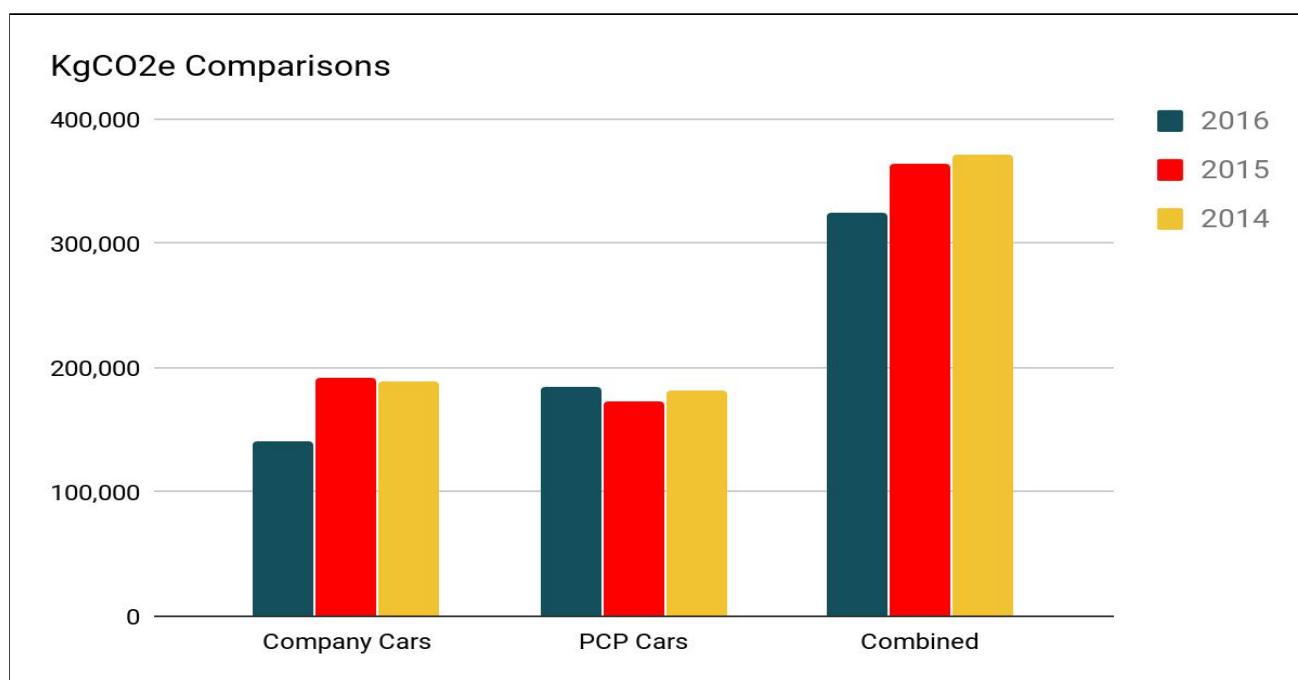
Company mileage is reported by both Company Car and PCP drivers on monthly expenses forms. The mileage is totalled and then using the carbon calculator (see link below) and using a standard “medium diesel” type, we calculate the CO₂e emissions. This is a simplified method as it does not take into account each individual car type.

The on line calculator we use is: <http://www.carbon-calculator.org.uk/>

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.

Result

The combined results for 2016 show a substantial decrease in emissions of 11% from 2015 and 12% from 2014, so we are currently above our 5% reduction target. This could have been influenced by a reduction in annual average car numbers (fallen by 5 since 2014). Turnover is stable with little fluctuation over the period being assessed. These figures do not include company vans.



	2016	2015	2014
Company Cars	140,630	191,726	189,584
PCP Cars	184,783	172,948	181,971
Combined	325,413	364,674	371,555

Electricity & Gas Consumption in Company Premises

Objective

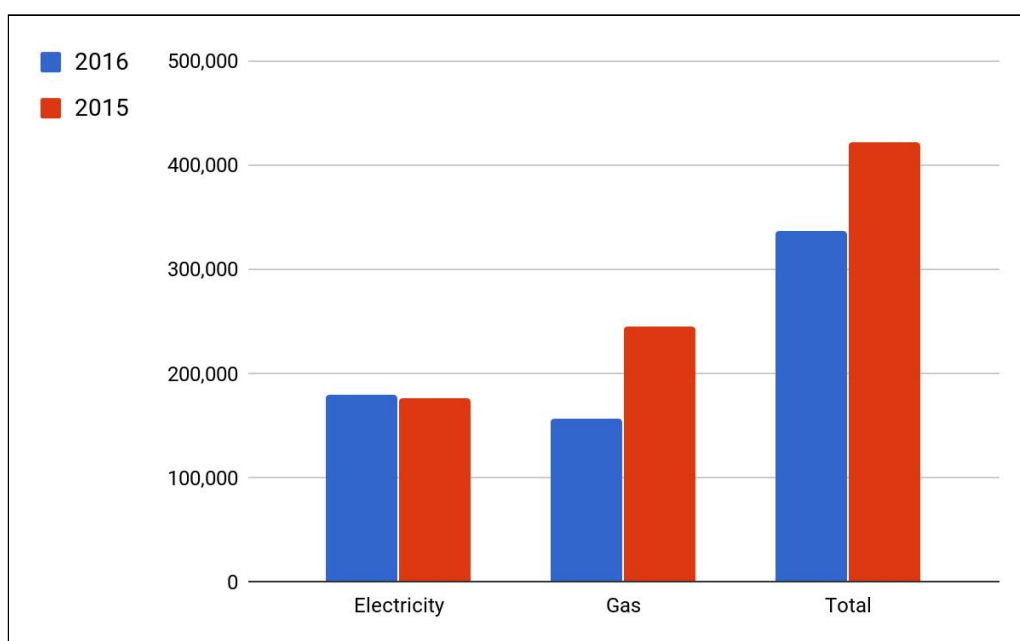
To reduce our energy consumption by 5% in three years.

Procedure

The branches report data to both the Environment Manager and external CRC management company. The data is analysed to see how many kilowatt hours are being used. The reporting period for CRC is April-Mar (tax year) so this KPI is calculated on that basis. It should be noted that not every branch is able to report data as some are resident in managed buildings. Therefore, this data is only for those branches where the facilities are owned by BriggsAmasco.

Results

Overall we have already achieved a reduction in gas usage of -36.47%, but electricity usage has risen by 2.35%, leaving a combined reduction of -20.27. Gas is used for heating and the 2016/17 winter was warmer than normal, which may account, in part, for the substantial reduction. We did introduce a “switch it off/turn it down” initiative which may also have contributed.



Kwh	2016	2015	Difference %
Electricity	179,810	175,661	2.36%
Gas	155,847	245,328	-36.47%
Total	335,657	420,989	-20.27%

PROCESS EVALUATION

Incorporated within our formal Quality Procedures.