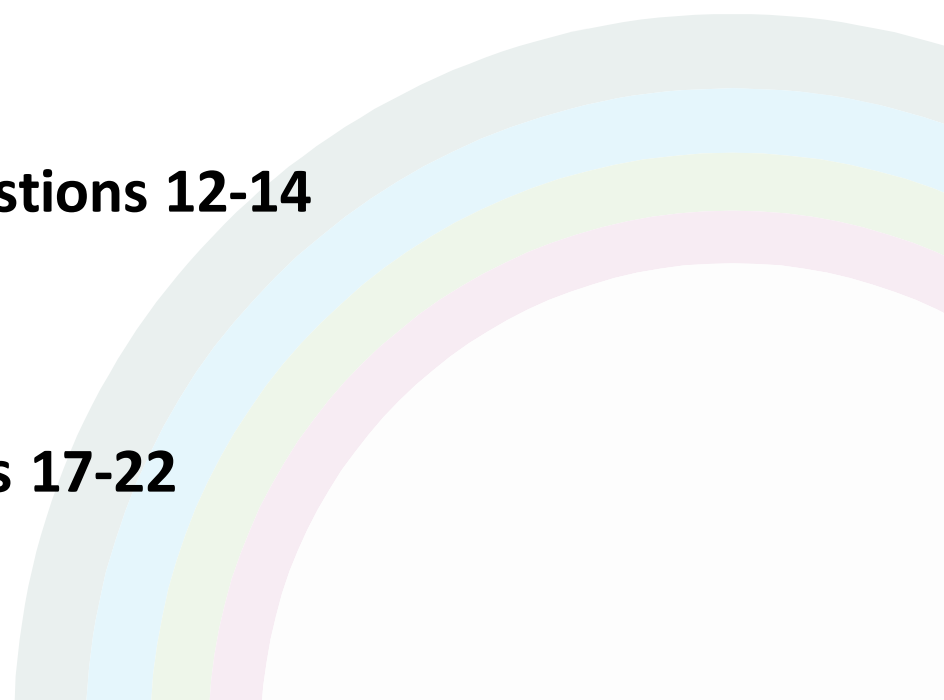


Today's Programme

- 0900** Welcome & coffee
 - 0930** Latest update of Self-Assessment
 - 0945** Asset Management questions 1-6
 - 1115** Morning break
 - 1130** Asset Management questions 7-8
Resilience questions 9-11
 - 1300** Lunch break
 - 1330** Customer interaction questions 12-14
Efficiency 15-16
 - 1445** Afternoon break
 - 1500** Service Delivery questions 17-22
 - 1615** Close
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Self Assessment Workshop

Session 4 Questions 17-22

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Questions 17-22

On highways service delivery

- 17. Reviewing service delivery arrangements**
- 18. Supply chain collaboration**
- 19. Undertaking LEAN reviews**
- 20. Working collaboratively with other authorities**
- 21. Longer term planning**
- 22. Applying best practice in procuring highway services**



17. Does your local authority have a mechanism in place to undertake a periodic review of its operational service delivery arrangements for the highway maintenance service?

Level	Specific description	Evidence
1	Recognise the need to periodically review operational service delivery arrangements but there is no process in place.	None
2	<p>Undertaking a review of the highway service supported by the HMEP Strategic Peer Review or some other equivalent challenge process. Making use of the HMEP Procurement Route Choices Toolkit or some other equivalent appraisal mechanism to identify suitable alternative service delivery options.</p> <p>For local authorities in long-term contracts, the review may be undertaken as part of the process to determine whether to award further extensions or not.</p>	<p>A report to the Council's Executive (or an appropriate political forum) of the review, including recommendations on the future approach, which could, for example, be to:</p> <ul style="list-style-type: none"> • Continue with existing arrangements. • Award an extension to a current contract. • Progress a new procurement process.
3	Implementation of the highway service review recommendations deliver a more efficient and effective service.	Measurable improvement in service, such as improvements in cost, quality and customer performance measures, as a result of the review's recommendations.

Does your authority have a mechanism in place to undertake a periodic review of its operational service delivery arrangements for the highway maintenance service?

This question is about encouraging local authorities to periodically review their operational service delivery arrangements, whatever model they are using. Without some form of review there is a risk the service may no longer be fit for purpose, particularly in relation to the need to deliver a more cost-effective service.

The timing of the review may be as a result of the following:

- An existing contract is coming to an end and there is need for a re-procurement.
- A periodic review of an existing long-term contract is necessary as part of a formal review process to determine if the contract extension should be granted.
- A review as a consequence of action following a HMEP Peer Review.
- A review as part of a corporate challenge to demonstrate value for money.
- Or some other reason.

The HMEP Procurement Route Choices Toolkit can be used in this process to assist in the process of considering alternative service delivery models.

At a Level 1 authority there is recognition of a need to undertake a service review but nothing has progressed.

At a Level 2 authority there is evidence that a periodic service review has been undertaken and the following has been assessed:

- Value for money.
- Performance against operational targets and customer service.
- Future resilience and sustainability.

A report of the outcome of the review should be reported to the appropriate political forum members.

At a Level 3 authority, following the implementation of the outcome of the review, there is evidence of measurable benefits in terms of costs, performance and/or customer satisfaction.

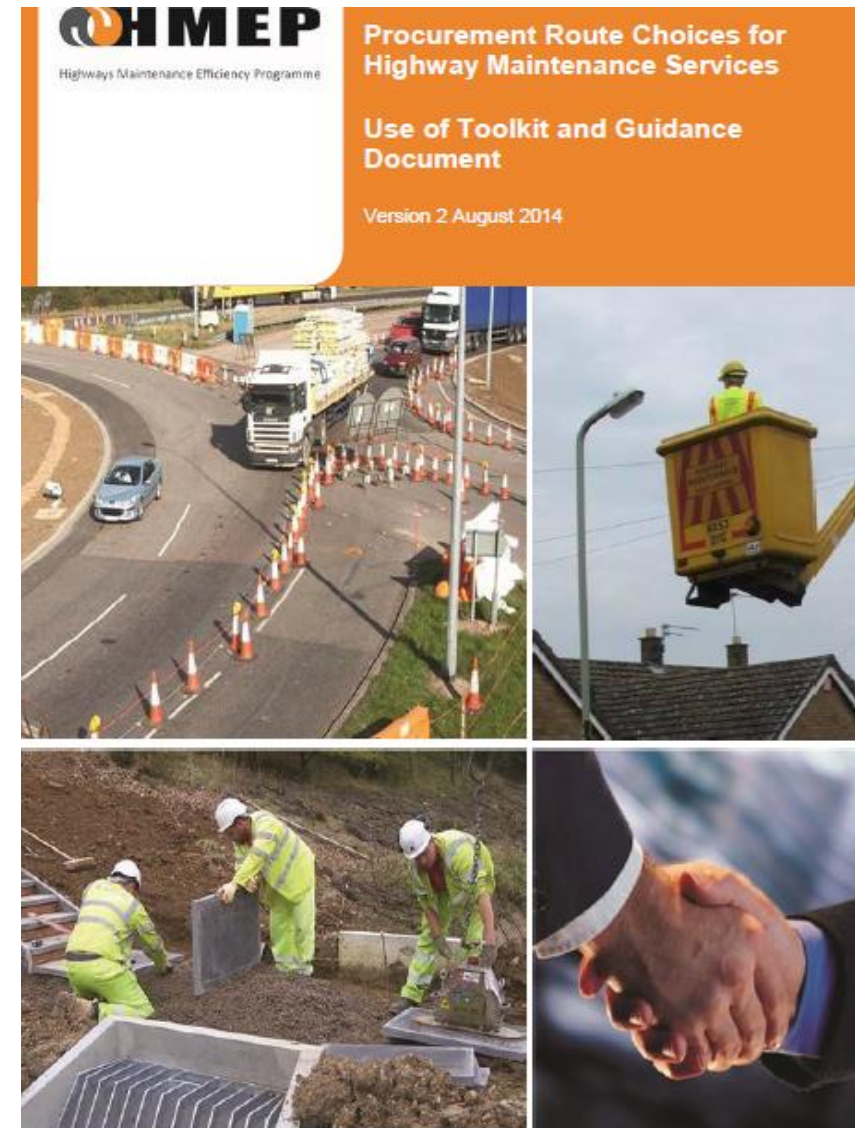
Resource: [HMEP Procurement Route Choices Toolkit](#)

Question 17

Periodic review of highway service delivery arrangements

Use of :-

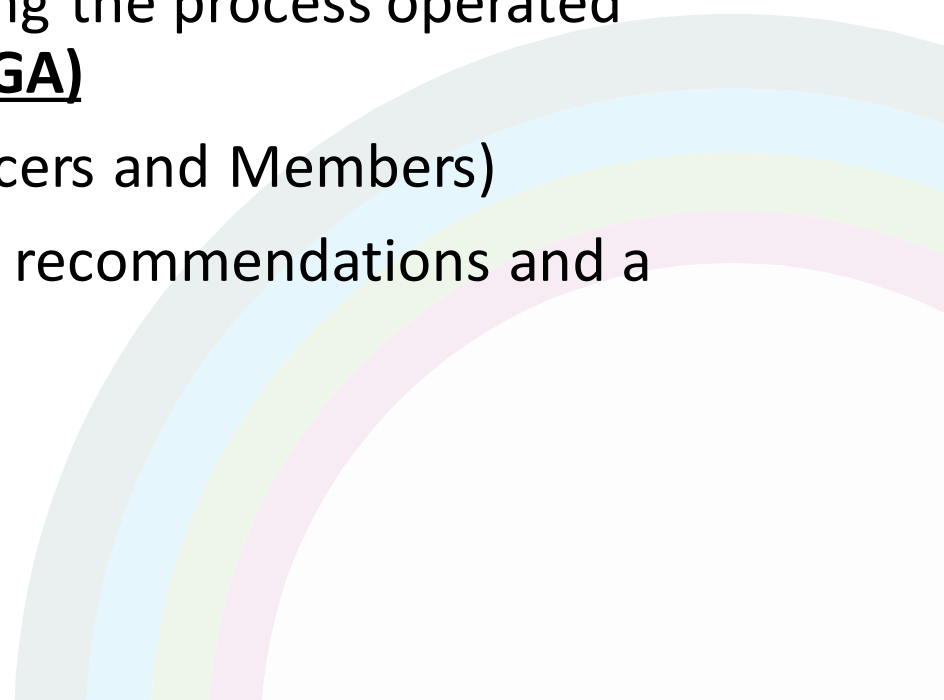
- the HMEP Routes to Procurement Toolkit
- and undertaking HMEP Strategic Peer Reviews



HMEP Strategic Peer Review

About

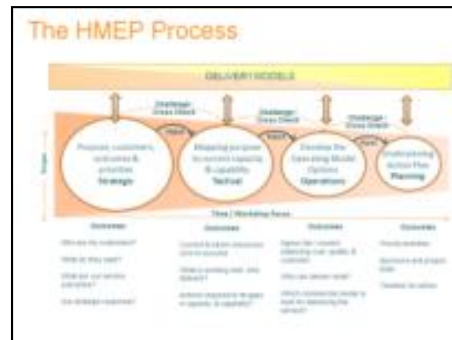
The HMEP Strategic Peer Review is designed by the sector, for the sector and includes:

- A **three day on-site** peer challenge process to help an authority's highway service identify more **radical opportunities for improvement**, greater efficiencies and change
 - Highly **flexible** in scope and scale following the process operated by the **Local Government Association (LGA)**
 - **Led by peers** from within the sector (officers and Members)
 - Action orientated to focus on developing recommendations and a **future action plan**
- 
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HMEP Strategic Peer Review

Purpose

- The main purpose of the Strategic Review is to help the Highways Authorities to identify more radical (transformational) opportunities to change and make in operating efficiency.
- A framework of questions led by peers, prompts activities and a strategic conversation with a mixed group of participants.
- Full release in 2014



Intangible resources (assets)
What have we got?

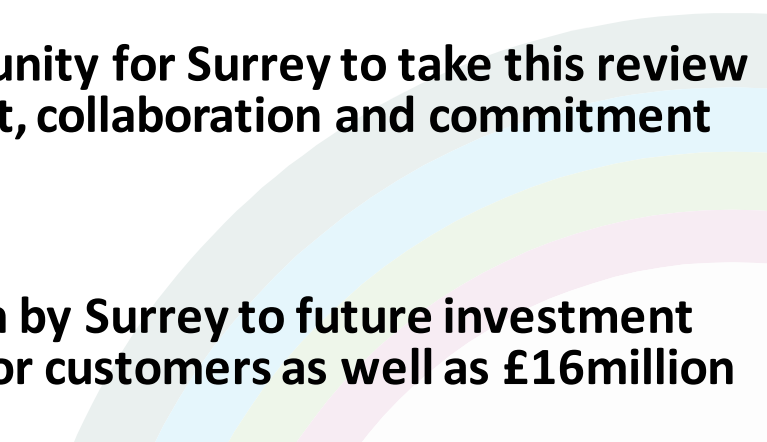
Human resources	Structural resources	Mix of resources
Knowledge & skills Etiquette Workforce qualifications Work-related experience Well-rehearsed competences Emotional intelligence Entrepreneurial spirit Employee satisfaction Flexibility/changeability	Formal relationships Informal relationships Social networks Partnerships Alliances Good image Trust Corporate reputation Customer satisfaction Licensing agreements Joint ventures	Corporate culture Corporate sales Social capital Management philosophy Intellectual property Reputation Data and info Codified knowledge Patents / copyrights Trade secrets Processes / methods Formal processes Routines/radix Management processes

What is the role of the Council?
The customers perception – 'we pay your wages'

Customer's role	The Council's role	What's the Council's role?
Who are the customers? What do they want? How do they spend? How do they spend? How do they spend?	Who are the customers? What do they want? How do they spend? How do they spend? How do they spend?	Who are the customers? What do they want? How do they spend? How do they spend? How do they spend?

Case Study: HMEP Strategic Peer Review

Surrey County Council:

- **Surrey CC undertook a ‘root and branch’ review of their whole approach to planning and delivery of services for roads and highways in the county – working with their contractor and key supply chain partners to develop a five year Capital Programme backed by 10 year warranties, quality controls and feedback mechanisms**
 - **The HMEP Strategic Review provided the opportunity for Surrey to take this review to the next stage by building greater engagement, collaboration and commitment to action from across the council**
 - **The holistic and ‘outside the box’ approach taken by Surrey to future investment and planning has resulted in improved services for customers as well as £16million of potential savings over the next five years**
- 
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18. Is your authority working in collaboration with your operational service provider and their supply chain in delivering the highway maintenance service or any component of it?

Level	Specific description	Evidence
1	Recognises the need to collaborate but have no formal processes in place.	None
2	Has a mechanism in place, such as that recommended by the HMEP Supply Chain Collaboration Toolkit, to improve relations with the local authority's key highway maintenance suppliers, which encourages collaboration.	Mechanisms utilised to improve supply chain relations across the breadth of highways services, for example not just on winter services.
3	Formalisation of working in collaboration with the supply chain. This could include working towards accreditation through BS 11000 or an equivalent Standard.	Measurable efficiency savings, better service outcomes as a result of supply chain collaboration. Demonstration of working towards accreditation to BS11000 or an equivalent standard.

Is your authority working in collaboration with your operational service provider and their supply chain in delivering the highway maintenance service or any component of it?

This question differs from Question 22 but is about a similar ethos of collaborative working through the provider and supply chain. The benefits of collaborative working are well documented and supported by HMEP products, including the HMEP Maximising Client / Provider Collaboration in Highways Maintenance Services toolkit and the HMEP Supply Chain Collaboration Toolkit.

This collaborative working is applicable to every type of delivery model, as even an in-house operational service will still be working with a supply chain in some form or another. It is expected that all authorities should consider taking on apprentices either directly or through their maintenance Framework Contractors. We would be looking at 1 apprentice for every £3 million provided to authorities for local highways maintenance funding. This follows the announcement made in 2015 -

<https://www.gov.uk/government/news/pm-unveils-plans-to-boost-apprenticeships-and-transform-training>

Level 1 authorities may be aware of the benefits but haven't made any progress.

At Level 2, evidence will be required to demonstrate there is some formal approach to collaborative working, whether that's between client and contractor or through the whole service supply chain.

At Level 3, measurable evidence will be required of ongoing outcome improvements through supply chain collaboration. These should include financial savings, and improvement in qualitative or customer satisfaction. This could be supported by evidence in working towards the principles of BS11000.

Resource: [HMEP Supply Chain Collaboration Toolkit](#)

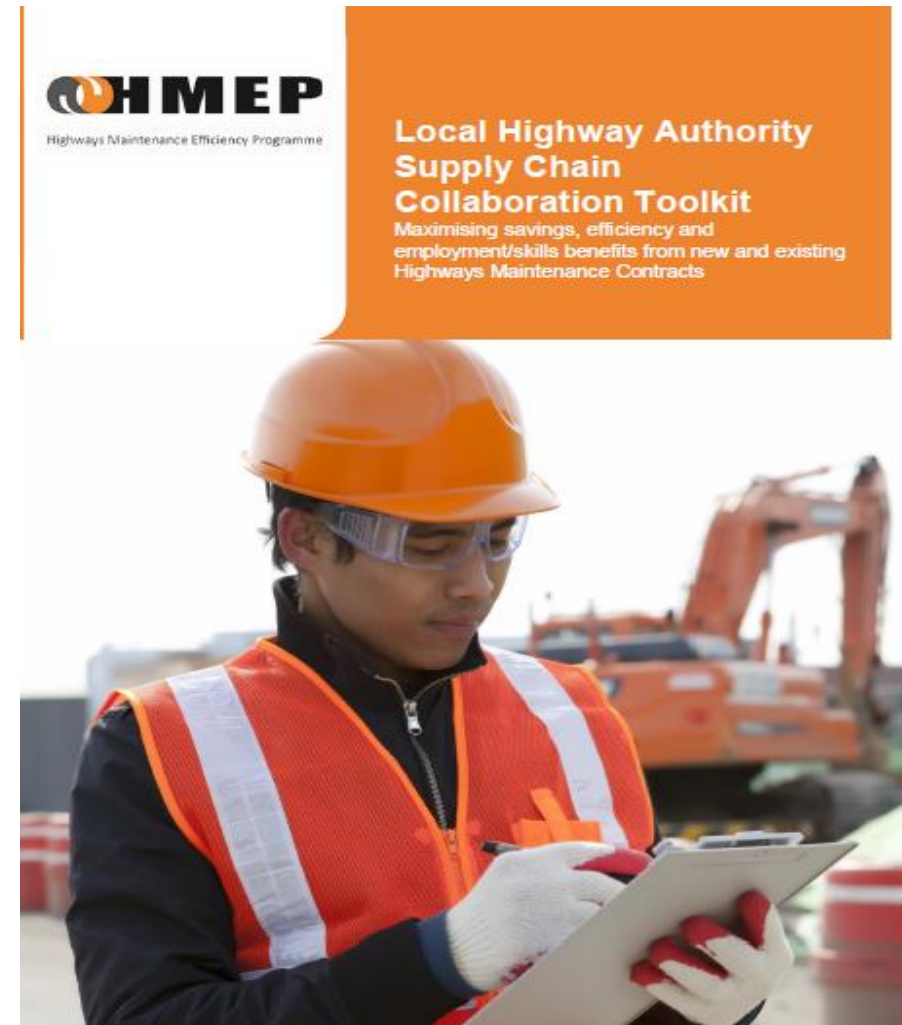
Resource: [Maximising Client / Provider Collaboration in Highways Maintenance Services](#)

Question 18

Supply Chain collaboration

Use of :-

- the HMEP supply chain collaboration toolkit
- the HMEP Client /Provider collaboration highway services
- the HMEP creating the culture to deliver toolkit



BS11000 – COLLABORATIVE RELATIONSHIP MANAGEMENT

- **Norfolk County Council let 3 long term contracts in 2013, which started in 2014 for highway works, consultancy and traffic signals, being awarded to Lafarge Tarmac, Mouchel and Imtech.**
 - **We recognised the benefits of working collaboratively, and in the contract documents included the need to work in the ethos of the new standard BS11000.**
 - **As part of the contract final offers, all gave clear commitments to working in this way, with Tarmac offering to lead on securing BS11000 by the end of year 2 of the contract (March 2016).**
 - **Accreditation was achieved in January 2016.**

BS11000 – COLLABORATIVE RELATIONSHIP MANAGEMENT

mouchel 
building great relationships

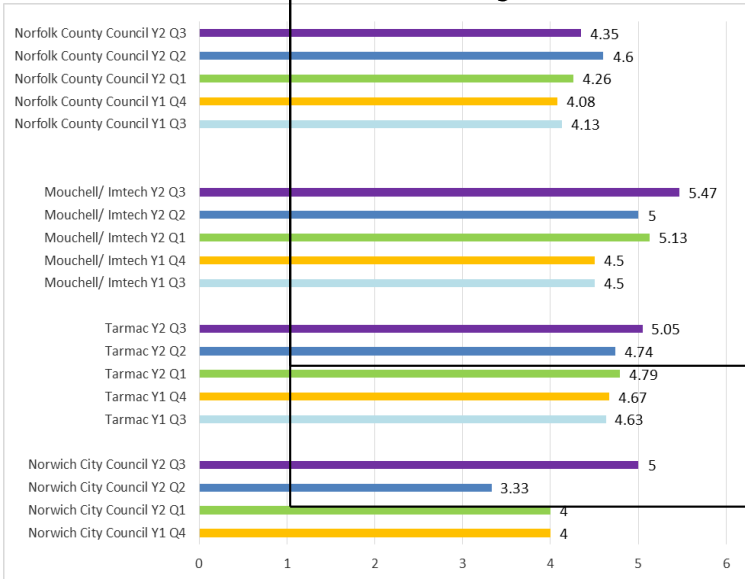
- BS 11000-1 first published in 2010
- A structured framework for building effective and profitable relationships
- Set out commonly agreed good practice
- Defines a common language for a collaborative approach



Initiative savings approaching £200k

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Collaborative Relationship Surveys



BS11000

bsi. By Royal Charter

Certificate of Registration

COLLABORATIVE BUSINESS RELATIONSHIPS - BS 11000:2010

This is to certify that: **Tarmac Trading Limited**
Contracting
The Village
South Normanton
DE55 2DS
United Kingdom

Holds Certificate Number: **CBR 630067**

and operates Collaborative Business Relationships which comply with the requirements of BS 11000:2010 for the following scope:

The management System for those Customers, Suppliers, Internal Department and External Collaborator relationships identified and managed within the Collaborative Relation Programme of Tarmac Contracting.

For and on behalf of BSI: **Frank Lee, EMEA Compliance & Risk Director**

Original Registration Date: 20/01/2016
Latest Revision Date: 20/01/2016
Effective Date: 20/01/2016
Expiry Date: 19/01/2019

Page: 1 of 1

...making excellence a habit.

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract. An electronic certificate can be authenticated online. Printed copies can be validated at: www.bsigroup.com/ClientDirectory

Working together for Norfolk

Our objectives:

- Performance
- Safety
- Funding Bid Support
- Stakeholder Liaison
- Collaboration
- Efficient and Effective



Your Joint Management Team
Scott • Adrian • Charles • Alistair • Nick • David • Justin



Bleed Area

19. Has your local authority undertaken a Lean or equivalent transformational change management review of its highway maintenance service or any aspect of it?

Level	Specific description	Evidence
1	Recognises the benefits of undertaking a documented transformation type programme of the highways service but not yet undertaken.	None
2	Undertaken a documented transformation type programme such as Lean review or systems thinking on the highway maintenance service or aspect of it.	Documented evidence of a documented transformation type programme, such as a Lean service review or some equivalent transformational change management review on the highway maintenance service or some aspect of it, together with evidence of starting to implement the recommendations.
3	Implementing the findings of any documented transformational service review and regular monitoring of the progress, to ensure a process of continuous improvement is in place.	Measurable evidence of service improvement, efficiency savings and/or improved customer satisfaction achieved through these reviews.

Has your local authority undertaken a Lean or equivalent transformation change management review of its highway maintenance service or any aspect of it?

This is about encouraging local authorities to undertake a documented transformation change review of the highway service or any aspect of it. There are numerous good practice case studies that demonstrate the benefits of undertaking Lean reviews. For example, the HMEP Lean Toolkit for Highways Services provides advice on how to undertake a Lean review. The benefits of undertaking a Lean review include that the process focuses on the customer and provides an opportunity for everyone involved in the service area under review to participate. A Lean review primarily focuses on identifying processes that don't add value and therefore can be eliminated and hence save money.

A Level 1 authority may be aware of the benefits of undertaking a targeted review of an area of service but has not made any progress.

A Level 2 authority has undertaken a transformation review into an aspect of the highway maintenance service, and has at least started to implement changes as a result.

A Level 3 authority has completed a transformation review, has implemented changes as a result and can demonstrate measurable improvements in service delivery, customer satisfaction and/or efficiency savings.

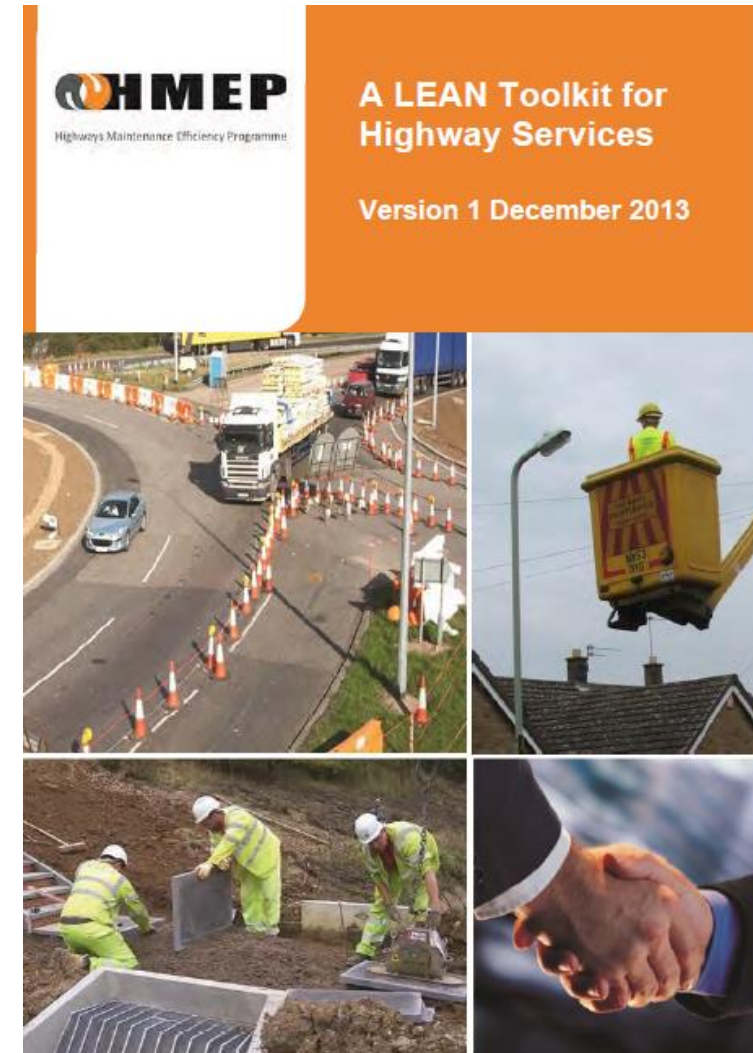
Resource: [HMEP: A LEAN Toolkit for Highways Services](#)

Question 19

Undertaking LEAN Reviews

Use of:-

- the HMEP LEAN Toolkit for Highway Services



20. Has your local authority produced a long-term forward programme of capital maintenance works for all its highway infrastructure assets?

Level	Specific description	Evidence
1	<p>There is no programme of works. Work that is undertaken is on a reactive basis and addresses problems on the network as they arise.</p> <p>or</p> <p>The intention to produce a multi-year works programme has been stated but no timetable for production is in place.</p>	None
2	<p>There is a minimum of a fully costed, prioritised and approved programme of works for all major assets, for the next one to two years. The schemes have been prioritised based on an agreed set of criteria reflecting current condition. The programme is in line with the asset management strategy agreed with the Executive, with scope for programme change to reflect any accelerated deterioration of these assets.</p>	One to two-year full programme, with prioritisation criteria.
3	<p>In addition:</p> <p>All major assets, as described in the asset management strategy, have an approach to prioritisation. This approach is to align with the asset management objectives of the organisation described in its strategy. Key stakeholders have been liaised with regarding the prioritisation process and their comments considered for inclusion. There is a single one to two-year programme of work across all assets, with a three to five-year indicative programme, and works have been combined where possible.</p>	<p>Prioritisation process for all major assets, aligning to asset management strategy, liaison with key stakeholders, single programme of works for one to two years, indicative programme for three to five years.</p>

Has your local authority produced a long-term forward programme of capital maintenance for all its highway infrastructure assets?

This question is encouraging local authorities to develop longer programmes of work, of 3 to 5 years, for highway infrastructure assets.

The programme will deliver the outcomes of the authority's highway infrastructure asset management policy and strategy.

The one to two-year programme should be fully costed and prioritised. It is good practice to communicate the programme to relevant stakeholders and the public. Having longer term information of when work is to be carried out will help avoid some of the dissatisfaction of residents when they are unclear about what work will be undertaken and when.

Finally, having an indicative three to five-year programme will enable the operational service provider and the supply chain to provide more competitive prices by having a guaranteed clear pipeline of work. There also may be scope through early contractor involvement to further optimise the delivery of the programme by aggregating the work across a geographic area.

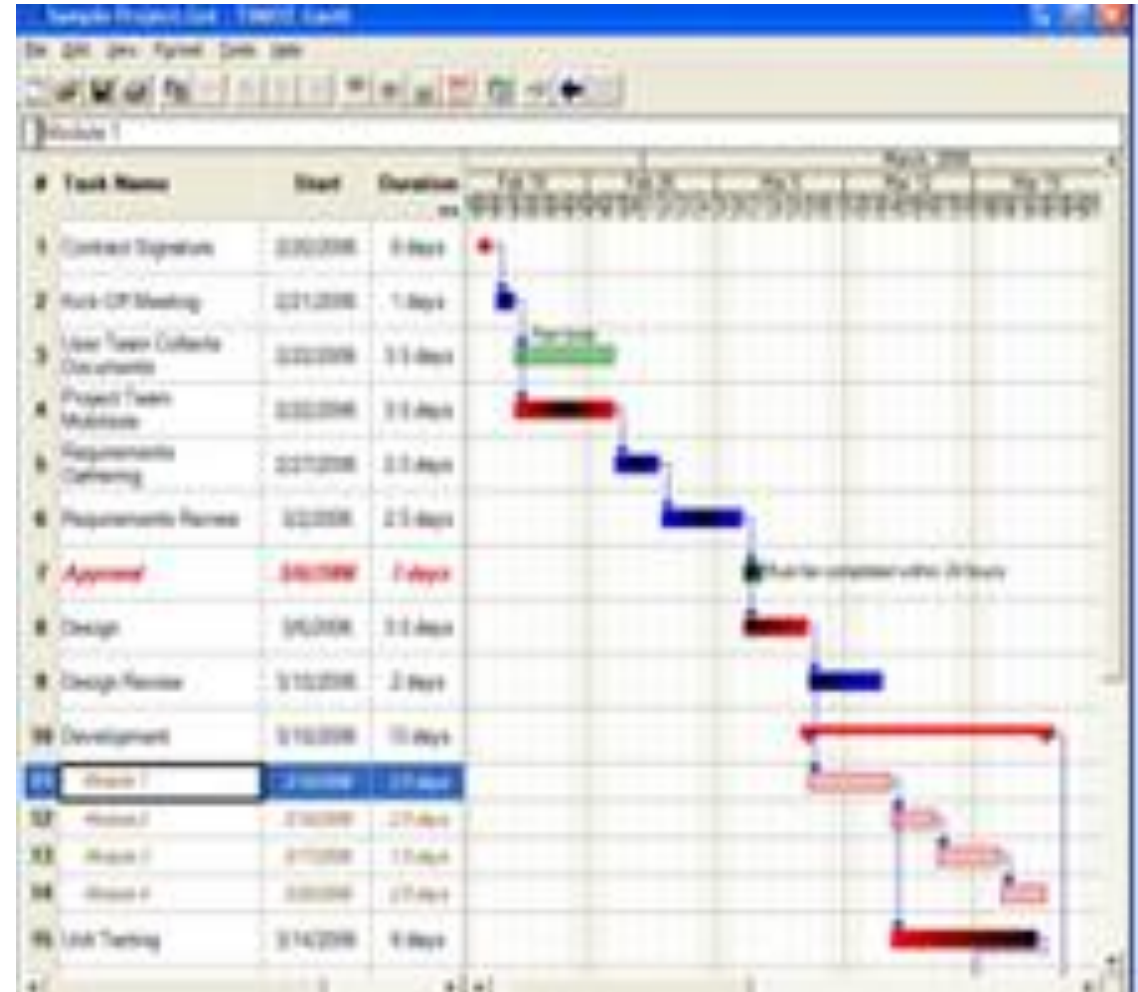
Resource: [HMEP / UKRLG Highways Infrastructure Asset Management Guidance](#)

Question 20

Longer term planning

Supports :-

- Strategic AM
- Greater efficiency
- Improved integration
- Customer satisfaction



PROGRAMME DEVELOPMENT



Typical Works programme

SCHEME NO	ROAD NAME	DISTRICT	HIER	SCHEME LIMITS	TREATMENT DESC	Capital £'000
2014/15 Approved carryover schemes from 2015/16 budget						
	A638 Bawtry Road	Bessacarr			Plane+Resurface 100mm	60
	C178 Watch House La+ Church St+Cooke St	Bentley			40mm Inlay	215
	C176 West End Lane (Ph1)	Rossington			Resurfacing	44
	C176 West End Lane (Ph2)	Rossington			Resurfacing	180
	Whitelea Grove	Mexborough			Plane and Resurface 100mm	48
	C53+C69 Moss Road	Moss			Resurface + Channels	130
	A630 Cleveland St/Trafford Way (extension)	Donc			Resurf	150
	Total					827
2015/16 Approved schemes for Q1+Q2						
	Christ Church Road	Doncaster			Resurface	86
	Cross St + Low Road + Tickhill Road	Balby			Resurface	130
	Warde Avenue	Balby			Resurface	77
	A1146 Hatfield Lane	Thorne			Resurface	326
	A635 Barnsley Road	Marr			Resurface	248
	A19 St Georges Bridge	Doncaster			Resurface	550
	Total					1417
2015/16 Approved Surface Dressing						
	SD Doncaster Borough	Various:-Doncaster Borough			Surface Dressing	760

21. Is your local authority or your operational service provider working in collaboration in delivering the highway maintenance service or any component of it?

Level	Specific description	Evidence
1	Aware of the benefits of working in collaboration but do not have any arrangements in place.	None
2	Working in collaboration or a shared service arrangement with one or more local highway authorities on any aspect of highway maintenance service delivery, or providing evidence that consideration has been given to try to work collaboratively with adjoining authorities but this has not progressed.	Some form of formal agreement for joint working, which may be a contract or agreement between one or more local highway authorities, or evidence of a process that has been undertaken to encourage collaborative working.
3	Maximising the potential of the joint working to deliver ongoing and wider long-term benefits, including financial and improvement in service delivery.	Measurement and capture of multiple service improvements and efficiency gains achieved through these joint arrangements.

Is your local authority or your operational service provider working in collaboration in delivering the highway maintenance service or any component of it?

This question is about encouraging local authorities to consider working together, on the basis that this will deliver better outcomes. HMEP has developed a number of products to support joint working, both through joint procurement – the HMEP Local Highway Authorities Collaborative Alliances Toolkit – or through some form of shared services – the HMEP Shared Services Toolkit. Both these documents provide clear case study evidence of the benefits of embracing these approaches. Another relevant and related HMEP product is the HMEP Creating the Culture to Deliver Toolkit, which helps to support the need for a change in culture by working collaboratively.

Level 1 authorities understand the benefits of collaborative working, but nothing has progressed.

Level 2 authorities have undertaken some aspect of collaboration in highway maintenance services. This should be of a reasonable level of significance, and involve more than 5% of the overall maintenance budget.

Collaborative frameworks for highway infrastructure projects that include major capital maintenance projects are relevant, as are engineering professional consultancy frameworks that include highway maintenance related activities.

Some authorities may have tried to work in collaboration by incorporating in their procurement OJEU notice the opportunity for adjoining authorities to use the contract but have not had any take-up. It would be acceptable to provide evidence of a contract notice that includes evidence of this.

To be in Level 3, specific evidence will be required to demonstrate the service outcome benefits achieved by working in collaboration. This can be through measurable efficiency gains, improvements in a relevant performance measure or an improved customer outcome.

Resource: [HMEP Shared Services Toolkit](#)

Resource: [HMEP Local Highway Authorities Collaborative Alliances Toolkit](#)

Resource: [HMEP Creating the Culture to Deliver Toolkit](#)

Question 20

Cross boundary collaboration

Use of :-

- the Local Highway Authorities Collaborative Alliance toolkit
- the toolkit for Shared Services in Highway Services



Q21 Cross Boundary Collaboration

What are they trying to achieve?

- Continue to provide the best highway services we can.
- Minimise potential cost increases when coming out of contracts.
- Obtain the best possible value for money in the face of reducing budgets.
- Improve ways of working and efficiency in line with HMEP.



Q21 Cross Boundary Collaboration

Benefits of collaboration:

- **Sharing skills & expertise in developing contracts and undertaking the procurement process. Stronger together!**
- **Opportunity to learn from each other and adopt the best practices.**
- **Creating a unique/ compelling offer for the market and opportunity for discounted rates.**
- **Maximise funding through DfT self-assessment (!)**



22. Is your local authority adopting a good practice approach in the way it procures external highway maintenance services?

Level	Specific description	Evidence
1	Aware of good practice in procuring external highway services but unable to implement.	None
2	Demonstration of the effective use of using good practice procurement such as an HMEP contract or a best practice equivalent	Adopting HMEP Standard Highway Maintenance Services Contract or an equivalent recognised good practice approach to secure an outsourced highway maintenance service or aspects of maintenance services from external providers.
3	By applying good practice in procurement achieving the desired outcomes through the external providers.	Measurable continuous improvements in outcome performance through use of good practice procurement.

Is your local authority adopting a good practice approach in the way it secures highway maintenance services?

It is recognised that local authorities only periodically go to market, so this evidence will be based on the most recent procurement. However, if an authority is about to or has very recently been to market, the information from the previous arrangement is equally relevant within 3 years.

There is no intention by asking this question to dictate how local authorities configure their approach to deliver highway services as it is recognised that there is a range of different delivery models. However, whatever the delivery model, all local authorities will need to procure certain goods and services from the market. These can range from commodities such as materials to specialist services both operational and technical. Some local authorities will purchase these services direct, others will use regional or even national procurement hubs using call-off framework contracts. Some authorities will periodically go to market using various delivery models, ranging from top-up term maintenance contracts, fully outsourced term maintenance contracts, integrated contracts or joint ventures. Whatever the arrangement, HMEP has identified the following good practice attributes:

- A standard form of New Engineering Contract (NEC), ideally NEC 3.
- A long-term arrangement – a minimum of 3 years but ideally 5 to 10 years.
- A mechanism that incentivises good performance and efficiency. This could be financial in terms of target pricing and offer pain/gain, or through performance based extensions.
- Encourages collaborative working, both by the client and contractor, and through the supply chain.
- It is flexible, and if there is a change of circumstance for whatever reason, there is an ability to renegotiate.
- Uses the HTMA/ADEPT indexing price fluctuation mechanism.
- Encourages innovation-evidence by quality statements.

Using the HMEP Standard Contract for Highway Services will include all these attributes but it is not necessary to use this product, so long as evidence can be demonstrated that the principles are being followed.

A Level 1 authority may be aware of the good practice approach but will not have adopted it.

A Level 2 authority will have adopted the approach and in doing so must be able to show the evidence through making reference to clauses in the contracts that cover these attributes.

A Level 3 authority will not only be required to provide the evidence for Level 2 but also evidence of the measurable improvements that are being achieved by adopting this good practice approach. This evidence must be provided by supplying performance management data demonstrating improvements in outcomes in terms of customer, quality and cost over a 3-year period.

Procurement good practice attributes

A standard form of New Engineering Contract (NEC), ideally NEC 3.

- A long-term arrangement – a minimum of 3 years but ideally 5 to 10 years.**
- A mechanism that incentivises good performance and efficiency. This could be financial in terms of target pricing and offer pain/gain, or through performance based extensions.**
- Encourages collaborative working, both by the client and contractor, and through the supply chain.**
- It is flexible, and if there is a change of circumstance for whatever reason, there is an ability to renegotiate.**
- Uses the HTMA/ADEPT indexing price fluctuation mechanism.**
- Encourages innovation-evidence by quality statements**

Question 22

Applying best practice in procuring highway services

Use of HMEP suite of procurement products including:-

- OJEU Guidance
- PQQ Guidance
- ITT Guidance
- Standard contract
- Standard specification
- Price List
- Method of measure





Highways Maintenance Efficiency Programme



THANK YOU
ANY QUESTIONS

