

Going through changes

Highways England came into being over a year ago and one of its first moves was to initiate a key change in the way it would manage contracts in the East Midlands, known as Area 7.

The aim was to create a direct and collaborative relationship with its East Midlands supply chain and for it to take full responsibility for the management, investment and planning of the network asset.

This month (July) Highways England takes direct ownership of the aspects of delivery, which are core to performance and which most affect customers in the East Midlands. This model will soon be extended to areas in the south west and the north. Here, Sharon Cuff, procurement director, recaps on the journey so far and what the future holds



“The new model will give us greater agility to adjust our services as we need to”

Sharon Cuff

What motivated Highways England to take this path?

We are delivering the largest roads investment programme for a generation – our delivery arrangements need to evolve.

The performance specification outlined in the Road Investment Strategy (RIS) – which sets out a long-term approach to improve England’s motorways and major roads – was described as challenging, yet achievable. This, alongside the increased certainty of funding provided by the transformation of Highways England into a government-owned company, led us to make a commitment in the delivery plan to design and implement an alternative approach to maintenance and investment delivery.

To evolve in this way, we need to take more ownership of investment decisions and increase our intelligence on local factors that influence where work is needed, and this is how we came to implement the asset-led delivery model approach – a brave, but exciting move for us as a company.

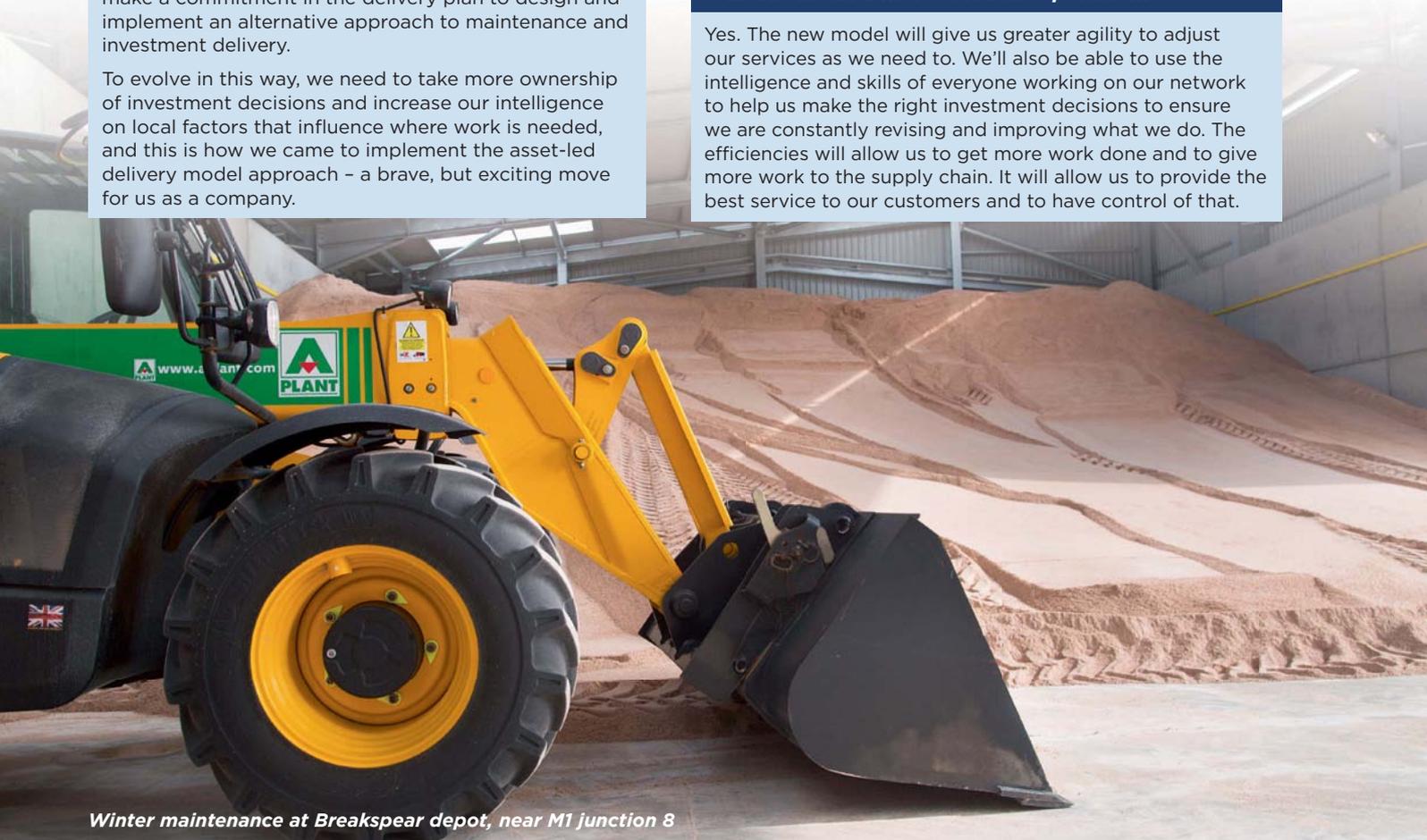
Is it a real step-change then? Why?

It is – this new approach will see us taking on board many roles we’ve not previously undertaken. These include network occupancy, scheme identification and decision-making around incidents such as severe weather.

It represents not just a change of delivery model for the areas, but a complex organisational change, as we bring multiple organisations together with a set of new processes, systems, infrastructure and commercial arrangements.

Will this mean a more efficient operation?

Yes. The new model will give us greater agility to adjust our services as we need to. We’ll also be able to use the intelligence and skills of everyone working on our network to help us make the right investment decisions to ensure we are constantly revising and improving what we do. The efficiencies will allow us to get more work done and to give more work to the supply chain. It will allow us to provide the best service to our customers and to have control of that.



What do you see as being the key benefits for customers and taxpayers?

The asset-led delivery model (ALDM) programme is symbolic of our commitment to continually driving improvement in how our roads are maintained, improved and operated, so that we can provide the best possible quality of service to our customers.

In practice, we'll be taking direct ownership of the aspects of delivery which are core to our reputation and performance. This will allow us to improve the quality and flexibility of our service. We will be making decisions based on using our resources in the most efficient way possible to deliver what's best for our assets and our customers, without being influenced by commercial drivers.

By taking more ownership of investment decisions and improving our intelligence on local factors, we'll be able to drive down cost and waste, which will provide the best possible value for money for road users and taxpayers.

And what about the benefits for the supply chain, and Highways England itself?

As Highways England will take on processes previously overseen by the management contract, our suppliers will have direct relationships with us. Collaboration is absolutely key to the model. In Area 7, for example, we will be focusing on working closely with our supply chain partners to form an Area 7 community, which will be pivotal to the success of the new approach. We will also be motivating this community to continuously improve and innovate – which is good for everyone.

New processes will support the fair and appropriate allocation of work to our supply chain, and we will be listening to our supply chain partners so that we make the right decisions for our customers and our asset.

We are looking forward to working collaboratively with our new colleagues from the supply chain over the coming months and years, and believe that this approach will benefit all parties, from the supply chain through to drivers on our roads.

What are the main things you've learnt throughout the last year and what might you do differently when it is extended to other areas?

We are continually talking to our supply chain and working to improve the way we contract with them. In time for the next iteration of the model, we have been able to improve our documents and simplify the way we carry out our tender exercises so that suppliers who may not be used to contracting with us will find it easier to bid for ALDM contracts.

Will this approach be reviewed? If yes, when?

The asset-led delivery model approach is under constant review to ensure that not only is it improved, but that it's also achieving its key principles.

What is the timeline going forward to extend this approach to other areas (in the south west and the north)?

We will be rolling out the asset-led delivery model in the South West (Areas 1 and 2) and either side of the Pennines (Areas 13 and 14). Tenders for the South West will be invited from mid-August, with contracts set to go live in July 2017. ➔

Work being carried out on the M6 junction 5 to 8 smart motorway scheme

