

DELIVERING EFFICIENCY TO HIGHWAY AUTHORITIES

HEADLINE

By setting up and managing a regional collaborative procurement framework, significant efficiencies have been delivered in both service & cost.

THE CHALLENGE

CWC was asked to support the establishment of collaborative working between the Highways Agency and ten Local Authorities (which has since grown to 12).

THE APPROACH

- A business plan was prepared in co-operation with funding organisations and the complex governance & administrative aspects were organised.
- Five working groups were established, each with a nominal lead Authority. They were:
 1. Major Schemes
 2. Medium Schemes
 3. Commodities
 4. Term Contract Best Practice
 5. Open Book Cost Management



OUTCOME

- A medium schemes framework has been established for projects up to £8million. In its first year the framework procured projects in excess of £50 million in value.
- A comprehensive best practice exercise, involving in-depth interviews and a series of workshops, has led to sharing of innovations & practice in term maintenance arrangements, leading to a collective programme of improvement for both in-house and external arrangements.
- Significant savings were identified through the commodities group including salt which had previously been procured individually.
- Extensive training and practical workshops have increased the use of Open Book Cost Management & Collaborative Contracts.

VALUE CREATED

- The client has reported savings of almost £10m to 2009.
- The largest part of the savings came from the medium schemes framework. Authorities avoid procurement costs; ECI & OBCM means that there is greater cost certainty and risk sharing.
- Sharing best practice has led to ongoing improvement.

THE DELIVERY TEAM

Alistair Jefford provided a central role in establishing the agency and played a major part in its success. Ian Stuart now manages overall activity. John Rutter provided input into two working groups. Joe Dowling has maintained an overseeing brief.