

Cheshire East Highways Contract

Progress to Date

The Cheshire East Council Highways Services Contract was awarded to Ringway Jacobs Ltd in May 2012 and commenced on 6 October for a minimum of five years with a possible two year extension. This contract was the second of its kind in the country, bringing together the best of the public and private sector with the shared aim of delivering efficient highways services that meet the needs of the residents and road users of Cheshire East.



This briefing note is an update on progress made to date as we head towards the end of the first year of the contract.

Delivering Value for Money

One of the key objectives of the new contract is to deliver value for money to Cheshire East Council and, in turn, the tax payer of Cheshire East. This has been achieved by Ringway Jacobs, a private sector company, embedding itself into the heart of Cheshire East Council, bringing together the best of the private and public sectors. Ringway Jacobs delivers value for money by integrating the operations and delivery teams thereby eliminating non-value adding interfaces by, for example, reducing man marking as well as accessing the buying power from the wider shareholder businesses combined with rigorous commercial and technical processes.

Processes have been established to encourage all staff to operate in an efficient way. Ringway Jacobs' efficiency programme, Value Plus, encourages and rewards staff for generating ideas to identify cashable and non cashable efficiencies in the way we operate to ensure the service can either save money or put the money back into delivering the service.

Scope of the contract

The Highways Services contract includes the following functions:

- Routine, Cyclical and Planned Maintenance
- Design and Construction of Schemes
- Winter Maintenance
- Management of Streetworks including the Coordination of Utility companies
- Traffic Management
- Highway Verge Maintenance from March 2012



Mobilisation

As soon as the contract was awarded Ringway Jacobs moved into the Cheshire East Council offices in Brierley Street and began the mobilisation of the contract.



'One to one' meetings were held with every member of staff who had a right to transfer from the incumbent, BAM Nuttall, and the existing council employees. This resulted in over 150 employees having a designated time with the Ringway Jacobs corporate team to understand their existing roles and career aspirations. In addition, staff briefings were held to update on the progress of mobilisation. In excess of 50 vehicles were sourced and branded ready for 6 October whilst building and development work began at our super depot in Congleton. Brunswick Wharf was open for Day One operations and was formally opened in March this year, giving Cheshire East Council a presence in Congleton. This depot was under utilised up

until this point and required £0.5m of investment from Ringway Jacobs, at no cost to the council, to bring it up to the required standard. The depot includes new mess facilities, improved office space and purpose built storage buildings with wash down facilities for vehicles.

The plan for the first 6 months of the contract was developed in conjunction with the Strategic Client Team. Our plans covered areas such as our readiness to deliver the service on day one of the contract, winter and, importantly, how schemes that were carried over would be completed. Our plans were tested on day one with an emergency call out at 8:30am and further tested on day two by a major incident on the outskirts of Nantwich. A testing start, but successfully delivered by the teams.

Looking after our People

Looking after and developing the potential of our people is a key objective for Ringway Jacobs and Cheshire East Highways.

In October 2011, 114 members of staff transferred into Cheshire East Highways. The wider team is led by Mark Averill, Service Leader and his management team: Chris Shields, Pryce Evans and Gary Mallin.



As part of the mobilisation and contract start all members of staff received the relevant induction training, whether it be Health and Safety, the use of our systems, or an investment in an individual's personal development, including customer service training and other formal qualifications.

Whilst a supply chain is important to the contract, we are moving towards only using it for specialist work. For our routine work we are seeking to reduce the reliance on the supply chain and directly employ our own staff instead. We know from our experience elsewhere that this generates efficiencies and provides a consistent work force that has a vested interest in the area in which they work. The result will be a further eight operatives, all LGV qualified supplemented by the recruitment of four apprentices.



Our co-located offices now mean that we have our employees working in the same depots and offices as those they deal with on a day to day basis. For example, a street lighting engineer is now sitting with a street lighting works supervisor, allowing for closer and more efficient working.

Delivering value on the ground

We have inherited a workforce with a good operational culture. As with any TUPE arrangements, adjustments need to be made and cultures changed from their previous employer. This has meant some modernisation in the way the teams work. Through our investment in technology and training this has progressed well. We are pleased to report that, to date, we have not experienced any lost time through injury at work, nor have we had any significant Health and Safety incidents. The performance in relation to H&S is particularly important as one of Ringway Jacobs' main objectives is to treat the safety of employees as its top priority.

The addition of grass cutting responsibilities means that we are now able to build a more resilient work force which will, in times of need, be well placed to deliver further efficiencies in operational delivery across the contract. Our street lighting function is now delivered in an integrated fashion, meaning that the whole team sits and works together to develop programmes of work that the operative gangs can deliver. A key project of note is the approach that we have adopted that focuses on energy saving initiatives to generate both monetary and carbon savings for the council, wherever possible delivered whilst working on their routine maintenance programmes.

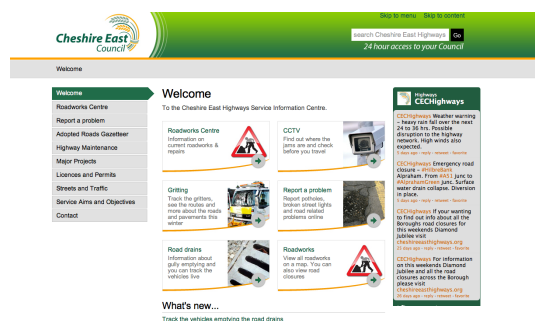


During the early stages of dialogue Ringway Jacobs recognised that Cheshire East Council already had a good winter service provision. Working with the teams we were able to deliver that same high level of service with minimal disruption to the network. In addition, a no cost trial of an alternative spreading technique was carried out on two routes in the north of the borough. Our investment provided two suitability equipped spreaders, at no cost to the council, to trial 'pre-wet' spreading. The trial is still being evaluated but early indications show it to be a success with improved effectiveness and less salt used. Ten five-year-old spreaders were purchased by Ringway Jacobs on behalf of Cheshire East Council, reducing the average age of the fleet considerably. By using our links to the shareholder companies these units were purchased below the list price and come ready equipped with pre-wet capability, delivering further potential savings should we decide to increase the number of routes that use the technique.

Engaging with Members and the community

Two all Member briefings were held during the early days of the contract and were attended by around 50% of Members. These briefings allowed us to introduce the new style of contract and have a lively discussion about priorities in Members' individual areas. Further briefings are planned for the near future to discuss our approach to street lighting, winter service and to offer further training on the use of the Cheshire East Highways' website to see where we are working and how to report faults.

We have appointed Local Highways Officers who align with each of the LAP areas so that Members and other community groups have one point of contact for all their highways issues in the area. These officers are familiar with all of the work that is both planned and on site for their area and are, in effect, the 'eyes and ears' of the service in their designated patches.



Wider communications is dealt with on a project by project basis. Our dedicated Communications Officer works closely with the Cheshire East Central Communications Team to develop plans and ensure the public is informed of key projects on the network. One the key objectives of the team is to encourage self service for the seeking of information and receiving of communication through the Cheshire East Highways' website. Our communications team also provides regular updates on network

activity, this work being typified by our regular winter service updates and the work that was carried out as a part of the Olympic Torch Relay, by providing regular 'tweets' we help to ensure that the public can make informed decisions about their travel during extreme network conditions.

Investing in Information Technology

Significant investment in Information Technology has allowed Cheshire East Highways to deliver a much more effective and efficient service to the residents and road users of Cheshire East. This same technology has also allowed the public to be better informed about the work we do.

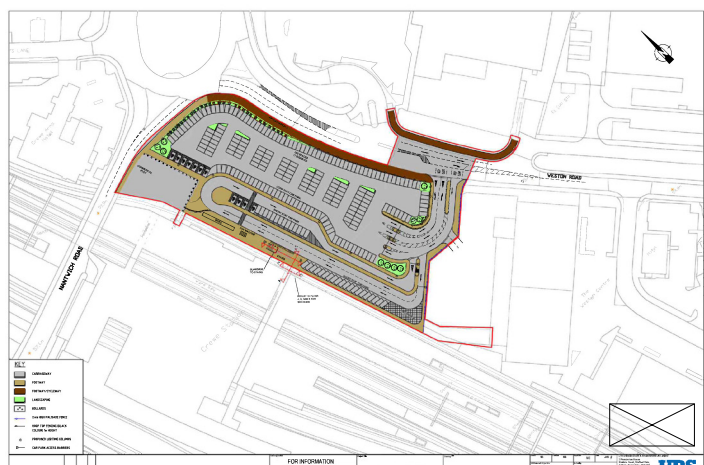
We have invested heavily in technology that brings together our use of hand held devices, vehicle tracking and works programming/ scheduling. Our solutions have been tailored to effectively communicate with the existing Cheshire East systems, namely Confirm. These new systems allow our teams to issue work remotely to crews and gives them the ability to re-deploy the most suitable crew should a high priority emergency job arise. Previously, gangs would have been working to paper systems and not necessarily deployed to the highest priority jobs. Our systems also allow us to manage the performance of the gangs, reduce their mileage and deploy the right resources to the right location more efficiently.



All these back office systems talk to our website, allowing the public to receive real-time information on where we are working and when jobs are completed. From the website the public can see where we are working on any given day, track our gritters online and report faults and monitor their progress. This open and very public approach has built confidence in the services delivered and has reduced calls into the contact centre significantly.

Monitoring Performance

In the early stages of mobilisation a robust performance monitoring framework was agreed to ensure Ringway Jacobs delivers against the key objectives of the council. 6 key strategic indicators will determine whether contract extensions are awarded and 19 key performance indicators will determine how much profit Ringway Jacobs will receive for delivering the services. Profit is capped and non-performance will only result in profit being lost. In addition, 14 non-scoring indicators give a feel for the health of the contract. These are monitored regularly through the Operations and Strategic Board. All performance indicators create the base of detailed business plans for every team.



Delivering Major Schemes

Capitalising on Ringway Jacobs' expertise, Cheshire East Highways has already been able to deliver against two major projects for the Borough since the start of the contract. The schemes are a £6m project to improve access to the Crewe Railway Station, due to be completed in November 2013, and a £26.5m project to deliver a new link road in Crewe, due to be completed in June 2015.

We have successfully project managed these two schemes on behalf of the Borough, working with key partners throughout. On Crewe Green Link Road our early involvement realised a saving of

£1M, projected, by suggesting an alternative design for the new rail overbridge. As the projects approach their key delivery dates we will be keeping the public informed and ensuring we deliver to budget and continue to drive out efficiencies.

Managing Traffic

At contract award, Ringway Jacobs invested £175,000 to move the existing UTMC to Delamere House from Backford Hall in Chester. The facility houses all of our UTMC equipment and has CCTV feeds from the control room in Macclesfield. The integration of the signals team has meant greater use of the room, allowing us to closely monitor traffic in and around the Borough.

Summary

Cheshire East Highways is pleased with the first few months of the contract. All of our systems are in place and staff have received all essential training.

Ringway Jacobs are pleased to serve the people of Cheshire East and feel that we are working towards the same aims and objectives of the council, working in a more efficient manner while improving service provision.



Key Contacts

Below is a list of helpful contact numbers and e-mail addresses for the delivery team. If you have any queries at all, please do not hesitate to contact us:

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