Regional Transport Forum – 10th September 2010

The Eastern Highway Alliance (EHA)

Report by: Colin Chick (EEDET Project Sponsor)

Recommendations:

The RTF is asked to help sustain the momentum of the Eastern Highway Alliance by:

1. Noting that good progress has been made to date towards forming a Highway Alliance, with most authorities participating and agreeing the way forward;

2. Supporting and promoting the importance of a Highway Alliance and the use of frameworks/best practice models with fellow Cabinet Members as a means of self help and improvement with neighbouring authorities; and

3. Agreeing to have some publicity of the initiative and particularly using the “photo-opportunity” provided by this meeting to help this publicity.

1 Introduction

1.1 Under the guidance of EEDET, collaboration between highway and transport authorities in the East of England has been developing for a number of years. This collaboration is now entering a new phase with the agreement that a formal Highway Alliance should be formed to help promote best practices and to keep costs as low as possible in highway activities. The initial work on the Alliance has been promoted by Cambridgeshire through the Highways Network Board of EEDET assisted by CWC Ltd. This report describes progress to date.

1.2 The external cost of this work has been funded by Improvement East from money made available by the Department for Transport (DfT). In so doing the DfT is seeking to encourage collaboration between authorities, to reduce procurement costs and delivery time scales and to identify and promote best practices.

2 Progress to Date

2.1 All highway authorities in the East have been surveyed regarding current practices and needs and a seminar was held on 11th May. Subsequently ten out of eleven authorities indicated they support the formation of the EHA, with eight confirming they would be founder members (Cambridgeshire, Essex, Hertfordshire, Luton, Norfolk, Southend, Suffolk, and Thurrock). This is an excellent critical mass of authorities.

2.2 An Alliance Agreement has been agreed, modelled on the successful Midlands Highway Alliance (MHA) and has been circulated to all authorities. The Agreement makes provision for annual membership subscriptions to be paid; £2,500 for Unitary Borough Councils and £5,000 for County Councils. No fees will be charged in the current year.

2.3 The EHA’s first priority will be the procurement of a medium schemes framework led by Hertfordshire. This work is being scoped using experiences from the MHA. An initial planning meeting took place in July. The intention is to select three contractors to be on the framework. These contractors will be used to deliver schemes costing...
between £50k to £10m. The expectation is that this framework would be mobilised early in the 2011/12 financial year when the current arrangements of several authorities will “run-out”. These arrangements mean that authorities will not need to go through separate procurement process. In addition the use of the collaborative framework will help drive good performance and best practices. Some authorities are already using the Highway Agency’s Asset Management Framework and the new framework will replace both this and other authorities’ individual arrangements.

2.4 Initially, it is also proposed to undertake two further strands of activity:

1. A programme of work to establish best practices in highway term maintenance procurement and delivery and an analysis of each authority to establish what has to be done to enable it to work towards best practice

2. A programme of work to improve benchmarking, incentivisation and value for money which also identifies the savings and innovation achieved by the Alliance.

2.5 As the Alliance develops the confidence gained by working together could lead to other opportunities in relation to developing skills, purchasing of commodities, professional services call-off framework and so on.

3 Discussion

3.1 Experience from the MHA, in particular, shows that having collaborative frameworks cuts down procurement time and drives best practices, not least allowing early contractor involvement to develop buildability and the programming of work. Whilst most authorities in the East have current arrangements in place, these will run out over the next several years and so the new framework will be available for their use, avoiding re-procurement costs. Further, as there will be several contractors on the framework, there will be an appreciation that their selection for further work depends on their performance on schemes already procured through the framework.

3.2 Whilst the work is starting off as a collaboration between highway authorities, it is clear that such frameworks can be of significant advantage to second tier authorities. For example, the MHA district councils are using the framework to deliver public realm works in their town centres. The EHA Agreement makes provision for such authorities to join.

4 Recommendations

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