



meeting	HIGHWAYS SELECT COMMITTEE	
date	9 OCTOBER 2006	agenda item number

Report of the Service Director, Highways

NOTTINGHAMSHIRE HIGHWAYS PARTNERSHIP

Purpose of the report

1. This report summarises the current position and future aspirations for all County Council partners currently operating under the Nottinghamshire Highways Partnership umbrella, together with details of the collaborative work being carried out with Derbyshire and Leicestershire County Councils.

Highway Operations Partnership with Tarmac

Background

2. In January 2006 the County Council entered into a 10 year agreement with Tarmac Ltd to provide an extension to our internal Operational resources and capabilities. During the term of this agreement Tarmac are expected to deliver between £8M and £10M of work annually (budget dependant).

Issues

3. Current Situation

To date Tarmac have completed approximately £3M of work. It is anticipated that a further £4 to £5 million of work will be allocated to Tarmac in this financial year. Work is ongoing to ensure anticipated delivery profiles are achieved. The majority of the work to date has been carried out with NCC staff acting as Project Managers. To further improve the efficiencies and benefits that can be delivered by the partnership Tarmac will shortly be taking on Project Manager role for some schemes, thereby relieving the pressure on internal resources and creating efficiency savings.

Over the last few months significant effort has been put into ensuring the existing County Council procedures are aligned with, or can work alongside, the partnership processes for all Partners. Using feedback

received from all parties involved, guidance has been created and will be rolled out to all relevant Operational staff during October. Once adopted this will facilitate the accurate recording and reporting of Key Performance Indicators (KPI) and financial data and enable meaningful benchmarking and comparison to take place.

Future Aspirations

There are several areas identified for development over the coming months:

- **Rates for Work Development.**
The proposals are to develop a set of rates for work that build on each of the Partners' strengths. Utilisation of purchasing powers, construction expertise and specific capabilities for example should allow the partnership to move towards generating and working with a defined common schedule of rates which reflect Best Practice and Best Value.
- **Forward Workload Planning**
Work is underway to improve our understanding and planning of future workloads. This will allow more efficient use of partnership resources and provide more confident budgetary control / awareness. Ultimately it is hoped that an increased awareness will allow the historical end of financial year expenditure peak to be addressed and be reduced or removed.
- **Strategic KPI Development**
Whilst the contract includes performance and financial based KPI measures work is ongoing to develop a set of strategic KPIs that should give an understanding as to how the partnership is developing. Areas being considered are relationships, value for money and staff morale.
- **Sharing of Expertise**
Work is ongoing to share and build upon the expertise and experience of both the County Council and Tarmac Ltd., thereby gaining efficiencies and developing partnership working.
- **Projects**
A number of discrete joint projects are being worked upon , the initial focus being on recycling and waste reduction.

Manage and Operate Partnership (MOP) between the County Council, Mansfield DC, Ashfield DC and Broxtowe BC

4. Background

The MOP partnership has been in place since early 2004 and allows the MOPs partners to deliver highways maintenance based services on behalf of NCC. This partnership replaces the previous highways Agency Agreements formerly in place with Mansfield, Ashfield,

Broxtowe, Gedling and Rushcliffe.

5. Current Situation

The partnership is now well established, with many of the principles and operating procedures in place. All Partners deliver the outputs required and have adopted the principles of the partnership including actual cost working, open book sharing of information and benchmarking of relative performance.

6. Future Aspirations

As this partnership has developed since its inception the current and future focus is on some of the more specific items. Four sub groups meet regularly and are currently considering improvements to, amongst others, the following areas:

- **Electronic Notice Board.**
A system is being developed that will allow key partnership documents to be held centrally and be accessible to all Partners, also providing excellent communications within the partnership.
- **Cross Boundary Working**
Work is ongoing to understand the implications and processes that need to be in place to allow cross boundary working on functions such as winter maintenance, verge maintenance and highway repairs.
- **Performance Analysis and Benchmarking**
This aligns with the principles of the Tarmac rates development issue where it is intended that efficiencies will be gained through joint understanding and analysis of costs and performance of each Partner.

3 Counties Alliance (3CA) Nottinghamshire CC, Derbyshire CC and Leicestershire CC

7. Background

The current agreement with Jacobs Babbie Group to provide support to our Engineering Design Services comes to an end at the end of September 2006, and it is necessary to secure support for these Services for future years.

8. Current Situation

In order to procure a replacement Engineering Consultant NCC have joined with Derbyshire CC and Leicestershire CC to form the 3 Counties Alliance (3CA) and are currently preparing documents to carry out a joint procurement process.

Due to the value and nature of the proposed contract it is necessary to advertise in the European Journal and it is anticipated that the advert will be placed by early October.

The current programme targets a contract award in Spring 2007, which will be with a single Consultant providing services to all three Counties. This is intended to generate efficiencies both through the joint procurement and also when in place through economies of scale.

9. Future Aspirations

It is hoped that, once secured, the engineering services partnership will develop using both the experiences and lessons learnt through our other partnership arrangements and also experiences brought to the arrangement by the new private and public sector Partners.

Collaboration between the three Counties is being developed in the areas of street lighting, health and safety and training, and it is hoped that further opportunities will arise in relation to other functions.

Strategic Partnership Developments

10. The areas detailed below focus on developments that have been identified which cover all existing and proposed partnerships within the County Council:

11. Board Rationalisation

Management of the existing partnerships utilise a set hierarchy of Boards and Working Groups - Strategic Board, Operational Board and several Sub / Working Groups. This model has been found to work well, and is at present in place for each partnership.

In order to ensure consistency of workload planning, allocation and procedure implementation, generate efficiencies and further embrace the principles of partnership working it is proposed to rationalise and combine the existing management hierarchy into a single organisation dealing with all partnerships within the Nottinghamshire Highways Partnership.

12. Partnership Team

The Partnership Team within the present Highways Division of Environment (soon to be a part of the new Communities Department) are providing a focus for all partnership based queries and issues. This is providing a consistent approach to problem solving, communications and ongoing partnership development.

The Partnership team are also working proactively with key stakeholders to promote partnership working, develop awareness of stakeholders' needs and capabilities and provide procedural guidance where necessary.

Recommendation

1. It is recommended that:

the Highways Select Committee consider and comment on the information presented in this report.

Bob Hart
Service Director, Highways

Background papers: nil.