



CONSTRUCTION

3 Counties Alliance Partnership: Professional Highways Services



Summary

Nottinghamshire, Derbyshire and Leicestershire County Council's together with Scott Wilson are working in partnership to provide professional services for the three local authorities. Formed in July 2007, The Three Counties Alliance Partnership (3CAP) is designed to enable the three authorities to deliver professional services across county boundaries, either in partnership with one another or with consultant firm Scott Wilson.

The 3CAP project has been funded by the East Midlands Centre of Excellence (EMCE) and will work under the banner of the Midlands Highway Alliance (MHA). The MHA is a national exemplar framework initiative that is transforming the way that local highways are designed, procured and maintained.

3CAP will ensure that professional services including; policy and planning; operation and management; engineering design and monitoring; and surveys are jointly delivered. Thus saving time and money; supporting local skills; and ensuring that authorities are not competing with one another for resources and hampering potential new projects.

Improvement through efficiency



Project background

3CAP is the outcome of a process designed to facilitate innovative public-private partnership. It is a good example of a 'second generation' initiative as advocated by national drivers and legislation including; Rethinking Construction, Comprehensive Performance Assessment (CPA), the Value for Money (VfM) agenda, and local government performance culture which typically seeks to deliver more for less.

3CAP believe that the delivery of Highways Professional Services on behalf of the three county councils should be carried out in a way that is responsive, efficient and meets the needs of their communities.

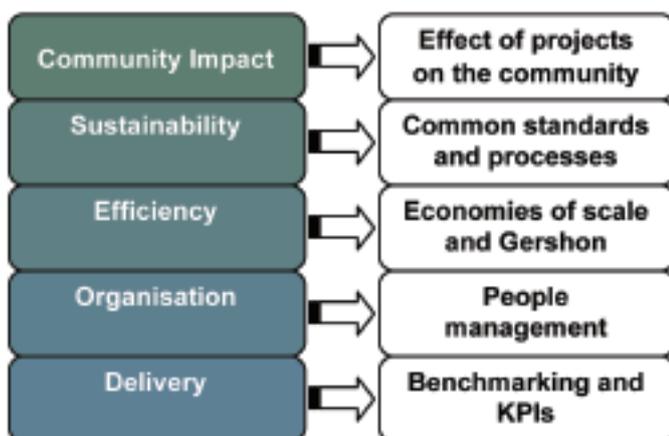
Derbyshire, Leicestershire and Nottinghamshire County Councils recognised that this would be best achieved by adopting a flexible approach to service delivery which would enable for a quick, efficient and effective response to be made.

3CAP is intended to be an exemplar model for others to emulate and welcomed the opportunity to develop this initiative, 3CAP aspires to achieve and maintain a leading position in the provision of efficient and effective public services through this arrangement.

This arrangement will, therefore:

- Develop openness and trust between the three counties and, in time, other local authorities in the region where there are obvious synergies to be found
- Encourage a step change in innovation and continuous improvement
- Openly share successes and learn from initiatives that are less successful.

To achieve best in class status 3CAP will adhere to Scott's 'Building blocks':



Objectives

The aim of 3CAP is to provide local government with a new procurement process which balances the need for innovation within public/public and public/private partnerships yet satisfies the need for probity and general compliance with the local authority duty to achieve excellence in performance and continuous improvement in service provision.

The primary objective of the project was to engage all three counties in developing the principles of partnering for an Unincorporated Association by Agreement (referred to as the Alliance Agreement). 3CAP's Alliance Agreement will assist the counties to maximise the use of their in-house resources by working in partnership to:

- Develop a flexible approach to the procurement of Highways Professional Services based on a region-wide strategy
- Rationalise systems and procedures enabling administrative and support costs to be reduced
- Foster innovation within 3CAP's Members
- Create more open processes and performance benchmarking
- Develop valuable management and staff resources through a 'skills matrix', enabling the Alliance to find a best fit for resources, project by project, across the 3CAP workload.

The Alliance Agreement will then be used as a tool to drive the project forward and achieve the secondary objectives which are to:

- Achieve continuous improvement in the cost and quality of service provision
- Demonstrate even better VfM
- Enhance CPA ratings
- Contribute to Gershon efficiency savings.

Phases of the project

Developing a project of 3CAP's magnitude requires commitment, effort and a considerable amount of time. The project manager also identified four key stages to the project; exploration, examination, evaluation and engagement.

The **exploration** phase (Jan-Mar 2005) enabled the local authorities to understand each others' requirements and to determine those factors which will stimulate each others' interest.

The **examination** phase (Apr-Oct 2005) enabled the authorities to develop a range of propositions which would maximise the use of the joint authorities resources - be they employees, assets and/or a knowledge/skill base. Together they jointly procured a private sector consultant partner to bridge the gap between meeting community service expectations and available local authority resources within the three counties.

The **evaluation** phase (Nov-Dec 2005) enabled the three local authorities to determine the value of their joint contribution and to compare it in the context of partnership options and the status quo.

The **engagement** phase (2006) enabled the counties to develop the optimum partnership solution which best accommodates each other's needs.

Benefits achieved

3CAP's members have a shared understanding of Best Value, Rethinking Construction and the need to demonstrate exemplar performance, to this end 3CAP will be using a number of complementary measures to track their progress.

The members of 3CAP are also members of the Highways Design Benchmarking Club (HDBC). The HDBC is a collection of similar authorities who compare how well they are performing on a number of Key Performance Indicators (KPIs) against their peers.

Individual projects and 3CAP as a whole will also be audited with quantitative performance targets, open book accounting and demanding arrangements for project development.

An analysis of 3CAP by the East Midlands Centre of Excellence using the RSe Consulting 'Return on Investment Model' also indicates that 3CAP is projected to deliver cashable (Gershon) efficiency savings of £600k per annum until 2009-10, rising to an expected £900k per annum in 2010-11. Total cashable savings over the four year partnership will be approximately £2.7m.

The ROI tool also identified a positive 67% qualitative impact across external and internal service users and management capability, including:

- More accurate service
- Speedier service delivery
- Better information and data with which to deliver the service
- Easier management of caseload/workload
- Reduced number of cases/contacts for other departments to follow-up
- Better sense of process with department
- Improved quality of audit trails
- Improved ability to gather feedback from customers.

Critical success factors and lessons learned

3CAP was fortunate enough to be able to build on the foundations of earlier highways partnership working in the East Midlands, this was clearly one of the key ingredients for the success of this project. In 1998 Parkmans Ltd, Leicestershire and Nottinghamshire's (PLaN) consortium won the Highways Agency (HA) Area 7 award for managing agent for this area of the truck road network.

Engaging authorities

Another key element concerned the buy in to the project from Senior Officers and Members in all three authorities and Scott Wilson. At the time of 3CAP's formation it was not possible to engage the regions other authorities with responsibility for highways due to a lack of synergy, the remaining highways authorities had typically outsourced design and professional services, and were hindered by geographical location. Because the other local authorities were not really up to speed they didn't have sufficient time to consider their position.

The Official Journal of the European Union (OJEU)

Aside from geographical and organisational variances it also proved difficult to encourage engagement from authorities before an OJEU notice was submitted. Changes in OJEU legislation also forced a late change in the proposed contract period, it was originally planned to form the partnership for an initial 5yrs, with performance clauses allowing for either a 1 or 2 year extension. This was later scaled down to the maximum permissible legislative length of 4 years.

Dealing with numerous parties

In expanding the partnership from PLaN to 3CAP it was noted by the project management team that additional partners increased the time taken to get the project running, it took 3CAP approximately 18 months to commence the tender process.

Despite the above problems 3CAP's Members were still committed to making this initiative a demonstration of best practice in the East Midlands and looks forward to working with the regions remaining highways authorities in the near future through the MHA. The MHA is a national exemplar framework initiative that is transforming the way that local highways are designed, procured and maintained.

Forward workload planning and programming – commissioning and delivery

Since 3CAP went live in July 2007 the Alliance Manager has noted the need to eliminate workload peaks and troughs, thus enabling a fair spread of work across the members and facilitating the maximum benefit and efficiency rewards from the contract. 3CAP working group are now investigating how this will be achieved and are due to implement their findings in 2008.

3CAP partners

Derbyshire County Council
Leicestershire County Council
Nottinghamshire County Council
Scott Wilson Group plc

Role of RCE

The EMCE has part-funded the launch of the 3CAP for professional services with grant aid funding of £15k, a further £237k funding has been allocated to the MHA in order for the work of highways authorities in the East Midlands to become a national exemplar of partnership and frameworking.

3CAP in action

Swadlincote Regeneration Route: Preliminary route study

Derbyshire County Council, acting on behalf of South Derbyshire District Council, had been asked to arrange a study of a proposed development route through an area of land at Swadlincote. Staff within Derbyshire County Council and at Scott Wilson's closest office to Matlock were fully utilised on other projects, so available staff from Scott Wilson's Nottingham office stepped in to undertake the task.

As a direct result of the flexibility of resource the preliminary route study was completed during winter 2007. By defining the route so promptly Derbyshire County Council were able to instruct phase 1 environmental studies of the site before spring 2008. The route study also identified a number of additional areas where further investigation would be needed to enable the proposed development to obtain planning consent.

Without the flexibility and additional resource provided by 3CAP it is doubtful that the route study would have been completed in time and would have missed out on the opportunity to allow for the environmental assessment to commence at the correct time. As a result of this, the development programme avoided any unnecessary delays and Derbyshire County Council are now planning a programme of investigatory work for the route.

Contacts

Steve Smith

3CAP Alliance Manager
3CAP (Nottinghamshire County Council)
tel: 0115 977 4481
email: steve.r.smith@nottsc.gov.uk

Chris Allison

Regional Director
East Midlands Centre of Excellence
tel: 0115 977 4921
email: chris.allison@nottsc.gov.uk