







## Case study

Name: Highways England in

partnership with

Ringway

Sector: Professional Engineering

Location: South West

# Building the road to a successful partnership

Highways England (HE) changed to a national Asset Delivery (AD) model in 2017 with Ringway, selected as their chosen delivery partner for the contract in the South West 2 years into the 15-year partnership, however it was clear there were a number of frustrations regarding the operation of the new contract model on both sides. The contract was not achieving the expectations of either party, impacting on the cost-effective delivery of network maintenance in the region.

Given the frustrations and slow progress in enabling contract changes, Nick Harris, Highways England Executive Director of Operations and Scott Wardrop, CE of Ringway, were keen to create a more collaborative and cohesive operation as quickly as possible. As such, they invited Managementors to conduct an external, objective review of the operation to understand and quantify the opportunities to improve and to identify the root cause of some of the key issues impacting on the efficiency and effectiveness of the operations.

## Key challenges

- A strained working relationship.
- Limited performance reporting to identify plan vs actual, utilisation and productivity.
- Short lead in times for works ordering, leading to a maintenance programme that involved constant firefighting and unproductive delivery of work.
- Inadequate workflow management and order raising processes leading to inability to schedule workloads cost effectively, fully load operative teams and drive productivity
- Current ways of works ordering, planning and road space management were not providing a platform to deliver value for money.

#### Key gains

- Significantly improved relationships across the South West operation.
- Reduction of backlogs and completion of over 95% of all outstanding 19/20 cyclical works.
- 40% improvement in operative productivity.
- A smoother commercial process that has streamlined the Application and Certificate process and reduced commercial queries/ rejections of submitted accounts from 40% each month down to less than 5%.
- Closer management and a greater scrutiny and visibility of performance, to drive further improvements into the future.



## **Background**

The South West Maintenance & Response (M&R) contract delivers the maintenance of 1,695km of strategic road network within Cornwall, Devon, Somerset, Dorset, Wiltshire and Gloucestershire – the largest of the 13 operational HE areas. The contract includes the provision of all aspects of cyclic and reactive maintenance, incident response, severe weather response and associated traffic management across the South West's major road network.

As the first new area to form exclusively under the new Asset Delivery contract model, and with Ringway taking on their first Highways England M&R contract, there were a number of complex challenges to overcome to deliver the expected service capability within the budget framework.

From the contract outset the challenges around the quality of asset information, planning and coordination of resources hindered the ability of the partnership to deliver the required level of service. This focus became commercially driven instead of focusing on operational excellence and strained relationships and collective frustration prevented the necessary forward-thinking progression.

Having built an established relationship with HE through previous engagements, Managementors was invited by Nick and Scott to conduct an initial operational review. Both Highways England and Ringway were seeking a trusted advisor to support them in achieving the shared objectives of the contract.



### The Challenge

Having transitioned to the new Asset Delivery (AD) model in 2017, there were still unresolved operational and commercial challenges some 2+ years down the line.

Under-performance, backlogs of work and constant commercial disputes were, over time, creating a tension filled working relationship between the two organisations.

Chris Regan, Head of Service Delivery – South West Region, Highways England, commented that "trust between the teams had broken down. Operational delivery problems were being thrown back and forth, rather than a pragmatic, sensible and engaging conversation to resolve key issues."

Mike Notman, Managing Director of Ringway, added that "for one reason or another the relationship never really got started on the right footing. Collaborative behaviours weren't being encouraged – we weren't working together, we were working very much separately and blaming each other."

Creating a true partnership between Highways England and Ringway would require input from all sides, and could only be achieved by addressing the issues with a one team mindset.





#### Approach

Taking a facilitative approach, Managementors developed solutions in partnership with both organisations. These were the internal processes and management controls required to improve service delivery and develop a stronger, more productive working relationship, in order to ensure better results for motorists and taxpayers.

Upon starting the engagement with Managementors, Mike highlighted the fact that "we were on the same wavelength. The Managementors team were very proactive in enabling conversations. It was really refreshing being able to utilise the existing relationship Managementors had with Highways England to facilitate improvements to our own relationship with Highways England."

Initially it was important to get agreement on what the key issues hampering performance actually were, and to provide perspective on how each function impacts another; how small issues and workarounds in one area can create significant operational problems elsewhere. To achieve this, a set of workshops were initially organised for various levels in both organisations to jointly explain and critique existing end-to-end processes, share frustrations and identify opportunities for improvement across all elements of the process, including those for which they were not directly responsible.

The opportunities for improvement defined by the attendees of the workshops were collated into an opportunity log; the goal now was to convert these opportunities into tangible operational improvements. This was achieved by focusing on:

- Improving relationships through closer collaboration
- A revised cyclical maintenance process
- A new reactive process for safety critical and non-safety critical works
- A full overhaul of commercial processes
- Implementation of a new Management Operating System to drive improved productivity

"Like any engagement, the day job doesn't stop," adds Chris. As the project progressed, "the biggest challenges were getting people to become more open minded in their outlook, getting their heads in the right gear to start moving forwards and forget the past."

"Managementors helped us to get the wheels turning collectively together, whereas before we were blinkered as to the opportunities that existed and ended up battling against each other – there was limited willingness to move. When our teams started to realise the potential, the wheels freed up and off we went!" adds Chris.

With Managementors' support, Mike highlighted that "we were now getting feedback on issues, which helped us recognise where the real changes needed to be made. Momentum got better and better as the programme went on. We quickly started to realise that if we continued to work in this way then the overall engagement would bring great benefits to both parties."

"Our teams have been really positive. We've embraced the Managementors process – starting, and then maintaining, a very open mind and positive attitude has led to some great improvements which are helping us to deliver continual improvement for customers in the South West."

Mike Notman, Managing Director, Ringway



Working with the key stakeholders involved at each step of the way, steering groups were created and new processes were designed, developed and signed off, with an implementation plan owned by various action owners. A Management Operating System (MOS), including new planning and reporting tools, supported by daily online coaching sessions, was developed with input from both Ringway and Highways England.

Chris commented that "we had some brilliant people who got the programme moving forwards in the right direction. These positive people really knuckled down and had a significant influence on others who were perhaps less receptive, helping bring everyone on a journey together."

"There's a real openness now to find better ways of doing things – with us both working together and investing in some of these ideas we can really start to make a difference."

Chris Regan, Head of Service Delivery – South West Region, Highways England





#### **Outcomes**

Upon project completion, Chris reflected that "I really didn't expect that we would be able to come as far as we did."

Through the tools implemented by the Managementors team, the project saw great achievements in productivity, processes, backlog reduction and planning.

Overall, a 40% improvement in programme delivery productivity was recognised. A much smoother commercial process is now in place, with a focus on 'right first time' processing that has reduced commercial queries/rejections from around 40% per monthly application to less than 5%.

The backlog accumulation has been significantly reduced, along with completion of over 95% of all outstanding 2019/20 cyclical works, so the teams are in a good position for next year's programme.

Furthermore, an agreed Annual Commercial Plan and a detailed forward programme of works mean the new cyclical programme is underway for 2020/21, aligned to the new way of working. As a result, by the end of the project, the contract had performed to the highest productivity and output levels since the start of the AD model.

Mike agreed that "it's fair to say everyone feels that the project has turned out more positive than we anticipated. The Managementors programme has helped change people, create the right focus and generate the momentum that we never thought we'd be able to achieve in this timeframe."

Through a series of collaborative workshops, joint planning, co-locating and improved governance, relationships have significantly improved across the South West operation, and the relationship between Highways England and Ringway is now much stronger than it's ever been before.

Whilst Chris recognised the benefit of the cost savings, he emphasised that "for me it was really about the other benefits, such as the teamwork. There have been massive benefits in the opportunities that have come out - people's mind sets now being in a state where we can look ahead, innovate and drive efficiency. This will, in turn, support our partnership objectives moving forwards and deliver for our customers."

Overall, Managementors helped both Highway England and Ringway to achieve their key aspirations for the project; a new improved process, better trust and working relationships and overall efficiency of the contract.

"With the help of Managementors, we now actively listen and understand one another's perspective better than ever before. It's a great achievement to be seen as an equal and valued partner to Highways England."

Mike Notman, Managing Director, Ringway



Moving forwards, the programme has enabled closer management, a greater visibility of performance and a pragmatic, solution focused approach to issue resolution. The area is set up well to continue to drive further improvements into the future.

"Now the initial hurdles have been overcome, we are at the point where we are on an upward curve that has the momentum to keep going – everyone involved are now all pulling in the right direction," concludes Mike.

"I think things will progress very well," adds Chris. "I'm confident we'll see operational delivery and efficiency continuously improve. People now have the time to lift their heads up and focus on what's next, rather than run around the mouse wheel trying to keep up with the day-to-day – this is a very positive place to be."



"Managementors turbo charged our operations and got the contract going in an incredibly short period of time, which made a real difference. Where everything was a bit of a battle before, we've changed people's mind sets, we've changed people's attitudes - we've changed people. We've now got everyone working together, and when everyone works together, the outcomes deliver themselves."

Chris Regan, Head of Service Delivery – South West Region, Highways England

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