

## Resource type: case study

### Surrey County Council (SCC) Roads Renewal Programme – Surrey County Councils role as an Owner

SCC as the network owner aimed to save £20m on a roads renewal programme utilising the Alliancing Code of Best Practice to create an Enterprise. This was achieved through a collaborative model that included both tier 1 and 2 of the supply chain. The original cost of the works was £120 over 5 years. By introducing the principles of Infrastructure Alliancing SCC managed to reduce price in the region of 15%, whilst ensuring that the whole life value was maintained.

Total savings from the first two years totalled £7m enabling the council to resurface an additional 30 miles of road. And by the end of the programme 15% savings was achieved.

#### Ingredients of success

- Utilised learning from others through the Alliancing Code of Practice.
- Extended procurement cycles from annual to 5 years.
- Enabled market to be focused on innovation, waste reduction and quality.
- Co-location of the team and development of interpersonal relationships of team members.
- Early involvement of specialist suppliers.

#### What they did

SCC recognised that the three key enablers to the programmes successful delivery were:

- Clearly defined outcomes.
- a broader procurement cycle of 5-years.
- and a close alignment between the Owner and the key suppliers and advisors.

The outcomes to be delivered were clearly defined by SCC, and early discussions were held between SCC and their Integrator (Keir) to discuss the programme, and the potential opportunities for savings. These discussions indicated that savings in the region of 15% were possible, if long-term certainty could be provided, and if constraints on delivery were minimised. Agreement was then sought from SCC's Cabinet (the Investor) to commit to a five-year budget, rather than an annual budget. Initial approval to this was given, subject to a clear demonstration that this would provide the claimed benefits.

#### Benefits and outcomes

The programme is now into the third year, and to date nearly £60m of work has been successfully completed. Total savings in years one and year two of the programme have amounted to over £7m, enabling Surrey to resurface an additional 30 miles of roads.

#### Improved quality

In addition, the teams have achieved significantly improved quality of work, meaning that over 95% of schemes are covered by the ten-year warranty, and also resulting in improved satisfaction of the highway service amongst Surrey's residents. The long-term commitment has also enabled an additional investment in apprenticeships as part of the Employment and Skills Plan.

#### Moving forward

As the programme completes they expanded the scope beyond road maintenance to the whole capital maintenance portfolio. SCC also instructed their to extend their supplier engagement to build a supply chain alliance. The SCC have also set out their desired outcomes of assets over the next 15 years (assisted by Atkins).