



Kier Group plc
Infrastructure Services Seminar
6 July 2016





Haydn Mursell
Chief Executive
Kier Group plc



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Today's schedule

10:30	Corporate update	Trading, market and Group overview	Haydn Mursell / Bev Dew
	Operations (Part 1)	Construction & Infrastructure Services	Nigel Brook
		Construction - Infrastructure	Sean Jeffery
		Guest contributor (video)	Jim O'Sullivan, Highways England
		Services – Highways	Dave Wright
12:45	Lunch		
13:15	Operations (Part 2)	Guest contributor	Geoff Dobson, Suffolk County Council
13:40		Introduction to Area 3 followed by tour of Dummer depot	Scott Cooper, Service Director Kevin Cotterall, Operations Manager, Area 3
16:00	Basingstoke train station / return to hotel		

Kier executive presenters



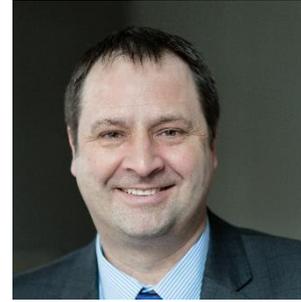
Haydn Mursell
Chief Executive



Bev Dew
Group Finance
Director



Nigel Brook
Executive
Director
Construction &
Infrastructure
Services



Sean Jeffery
Executive
Director
Construction -
Infrastructure



Dave Wright
Executive
Director
Services -
Highways

Area 3 operations team

Guest contributors



Jim O'Sullivan
Chief Executive
Highways England



Geoff Dobson
Chief of
Resource Management
Suffolk County Council

Group update

**Current
trading**

**Market
conditions
& Brexit**

**Core
businesses
and
market
position**

**Simplifying
the
portfolio**

**Vision
2020
summary**

**Group
summary**

Current trading



Property

- >15% ROCE
- >10 schemes completed annually
- Avg capital £100m



Residential

- c1,450 Mixed Tenure units
- c750 Private units
- Avg capital £240m
- NCP launched



Construction

- c£2bn revenue
- c2% operating margin
- Order book c£3.5bn
- Improving risk profile



Services

- c£2bn revenue
- c5% operating margin
- Order book c£5.5bn
- Mouchel integrated

Group

- Net debt ahead of expectations and strong cash conversion
- Resilience increased

Market Position and Brexit



Property

- 75% UK regions
- Non-speculative focus
- >£1bn pipeline
- SDLT budget changes = increased cost
- Greater local authority interactions



Residential

- 100% regional private player
- Average sale price <£250k
- Mixed tenure pipeline >£600m
- UK structural deficiency
- Rent reductions will be overcome

Brexit potential implications

Property

- Non speculative = yield producing
- Modest value, lower individual transaction exposure
- Pipeline provides reassurance
- Capital available for buying opportunities

Residential

- Low end of sale price range, least impacted sector
- Pipeline provides reassurance
- UK structural deficiency (not building enough affordable homes)

Market Position and Brexit



Construction

- UK building market good and less competitive
- Infrastructure projects slower to market
- Middle East stable with ongoing UKEF support



Services

- Mouchel performing well and LA highways strong pipeline
- Utilities maturing
- Facilities Management growing
- Housing Maintenance stable and consolidation will be positive

Brexit potential implications

Construction

- 85% secured for FY17
- Building – long term frameworks, less competition, risk profile improving
- Infrastructure – current workload through 2017, uncertainty around growth (HS2, Hinkley, Heathrow)

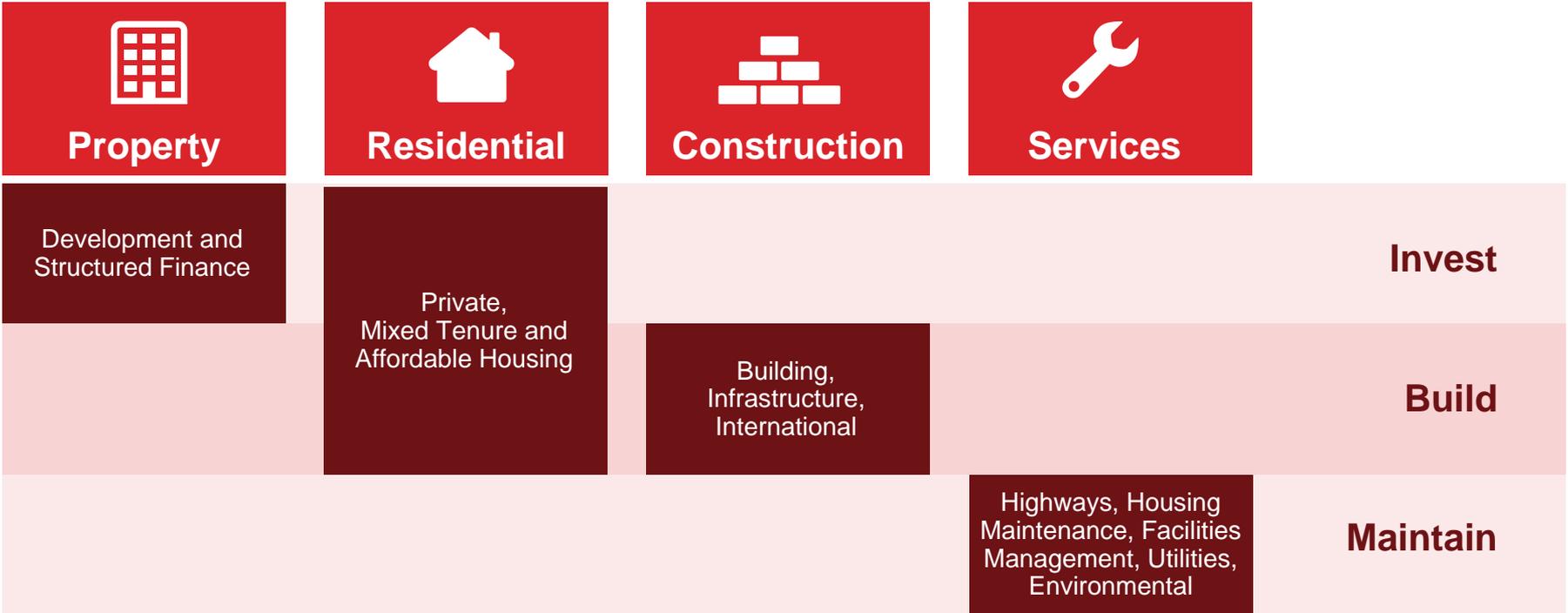
Services

- 85% secured for FY17 (c50% in 2020)
- Essential, everyday services
 - Funds ringfenced in Highways
- Austerity measures will continue

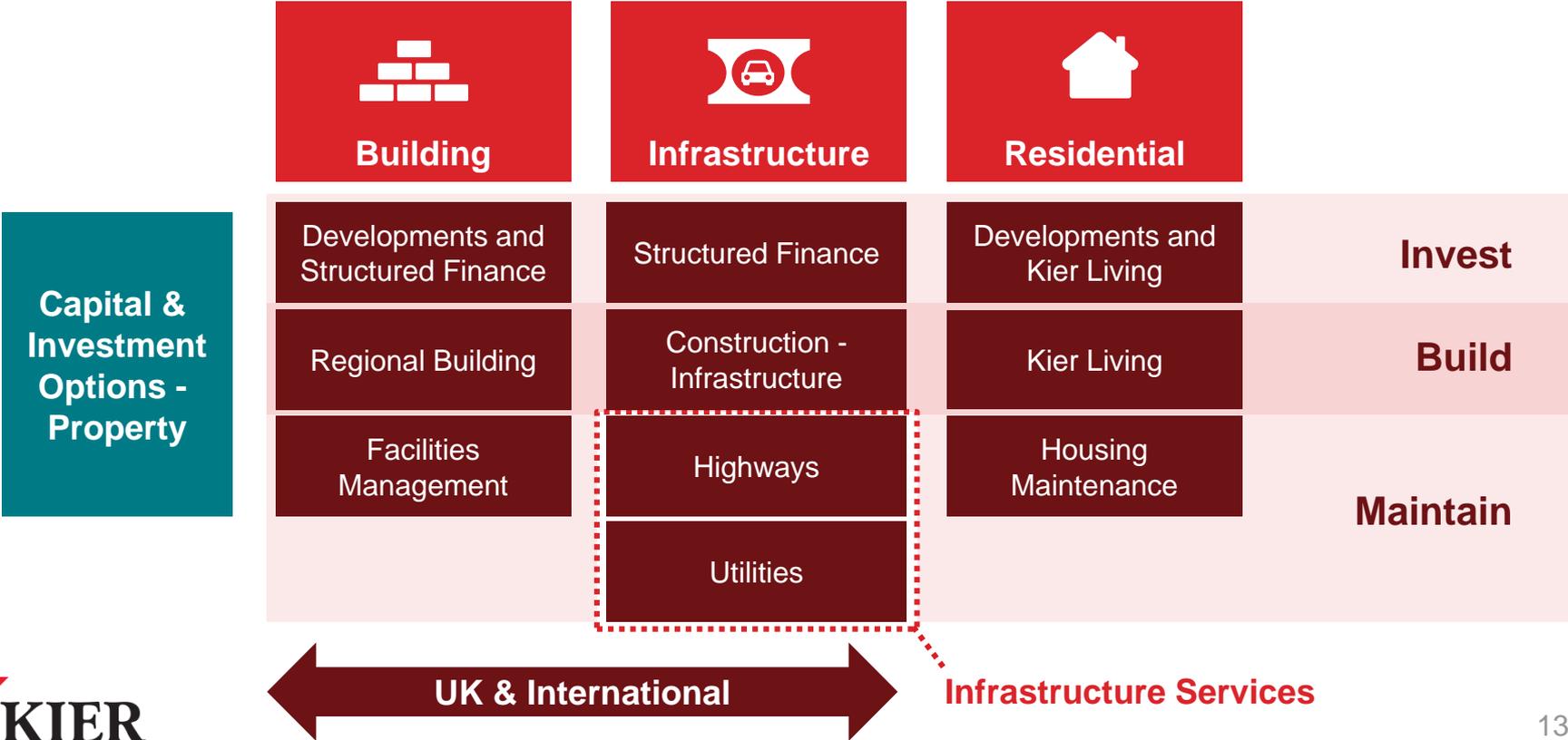
Group Brexit Summary

- Largest part of the Group (Services) is least affected
 - c60% of Group profit
- Breadth of activities provides flexibility and resilience
- Order book of c£9bn
 - > 85% secured in Construction and Services for FY17
 - c50% of Services secured and probable to 2020
- Disciplined approach proven
 - Work-winning and risk management
- Track record of self-help
 - Efficiency of operating structure
 - Integration of Mouchel, c750 headcount reduction
 - Strengthening balance sheet
 - Strong cash performance and recent bank support for fixed rate Euro PP
 - Capital available should opportunities arise

Current portfolio



Core businesses



Market position

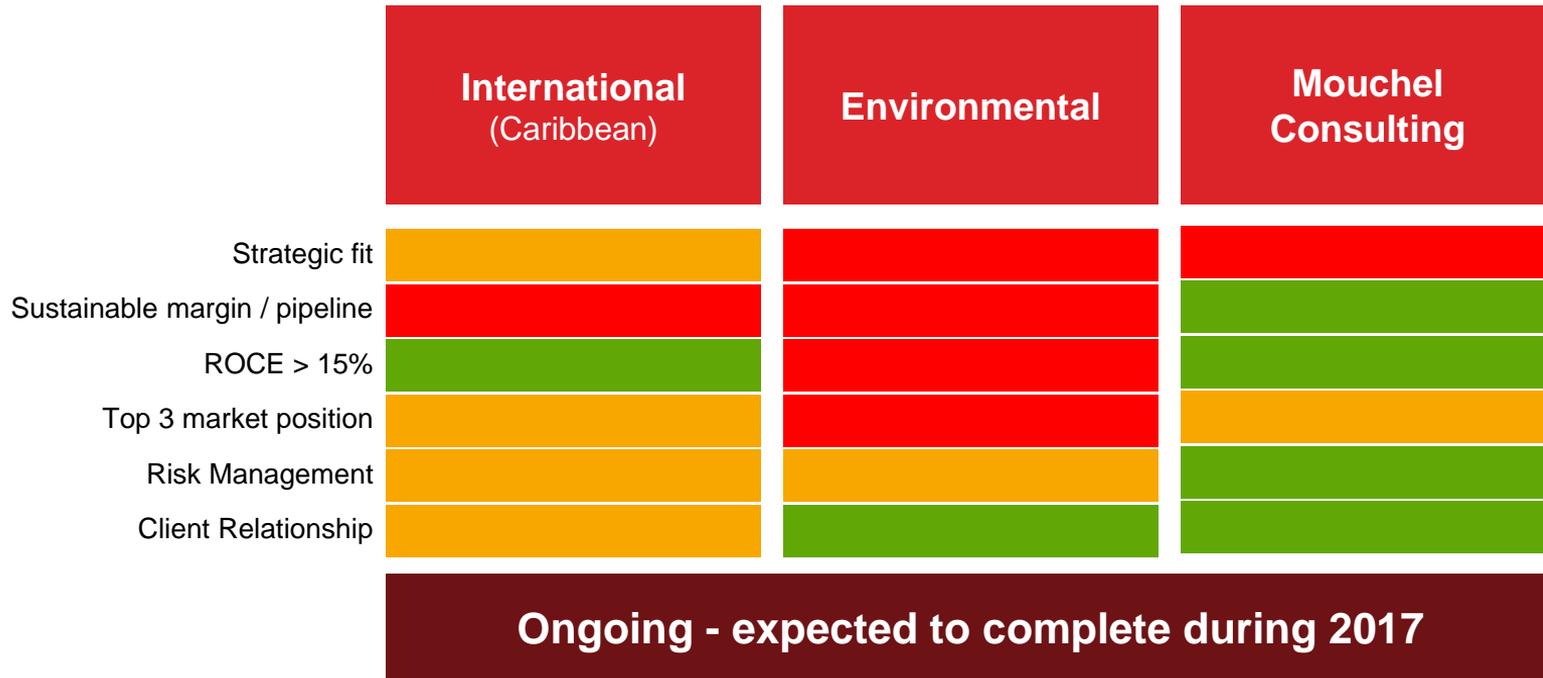


Key future portfolio determinants

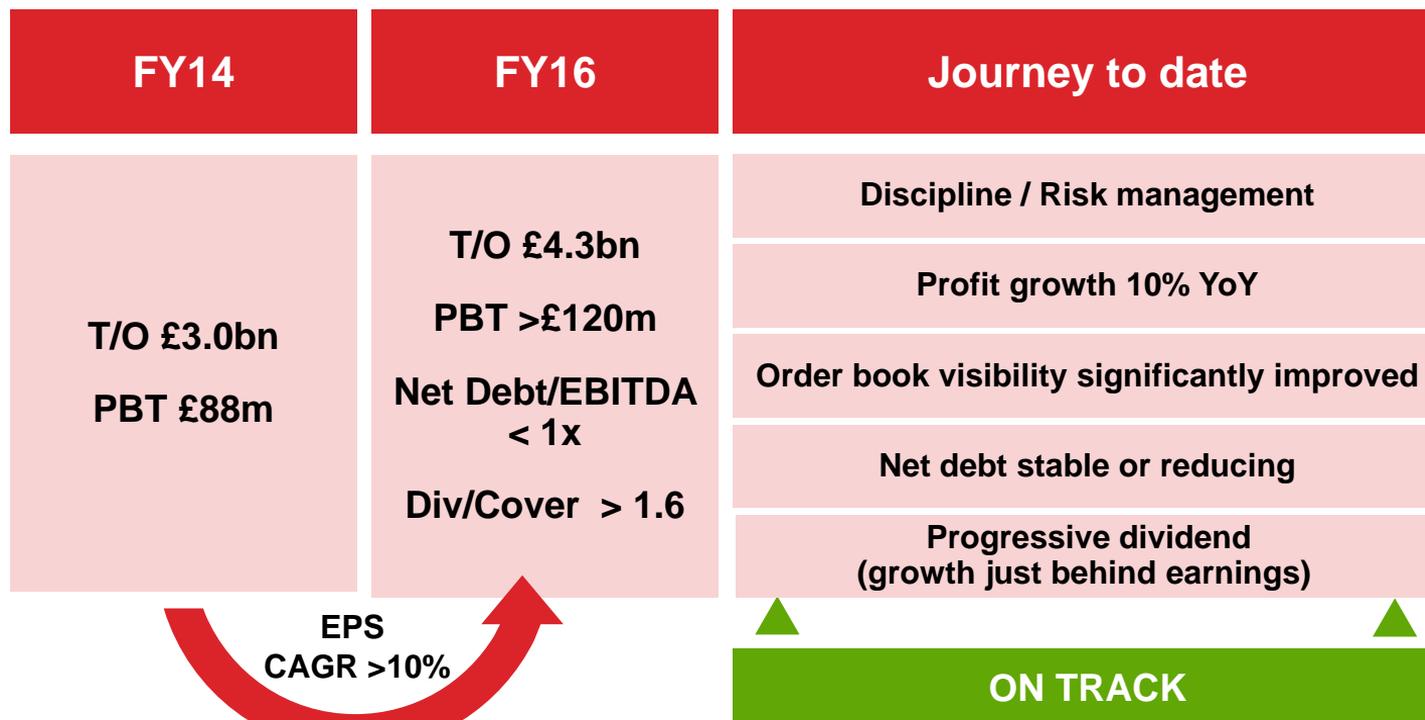
Vision 2020



Simplifying the portfolio



Vision 2020 summary



Group summary

**Positive
FY16
trading**

**On track with
Vision 2020
goals**

**Acquisitions
integrated**

**Disciplined
and proven
track record**

**Focus on
our core
businesses**

**Growth
trajectory**

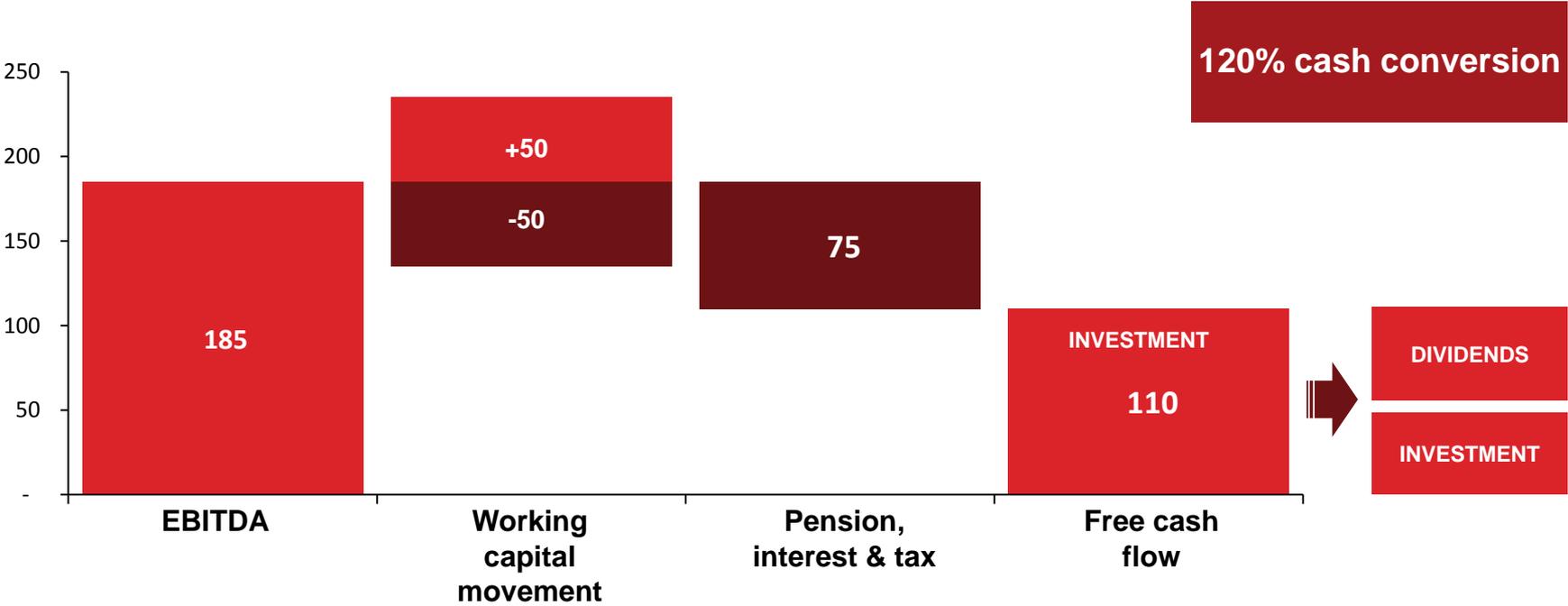


Bev Dew

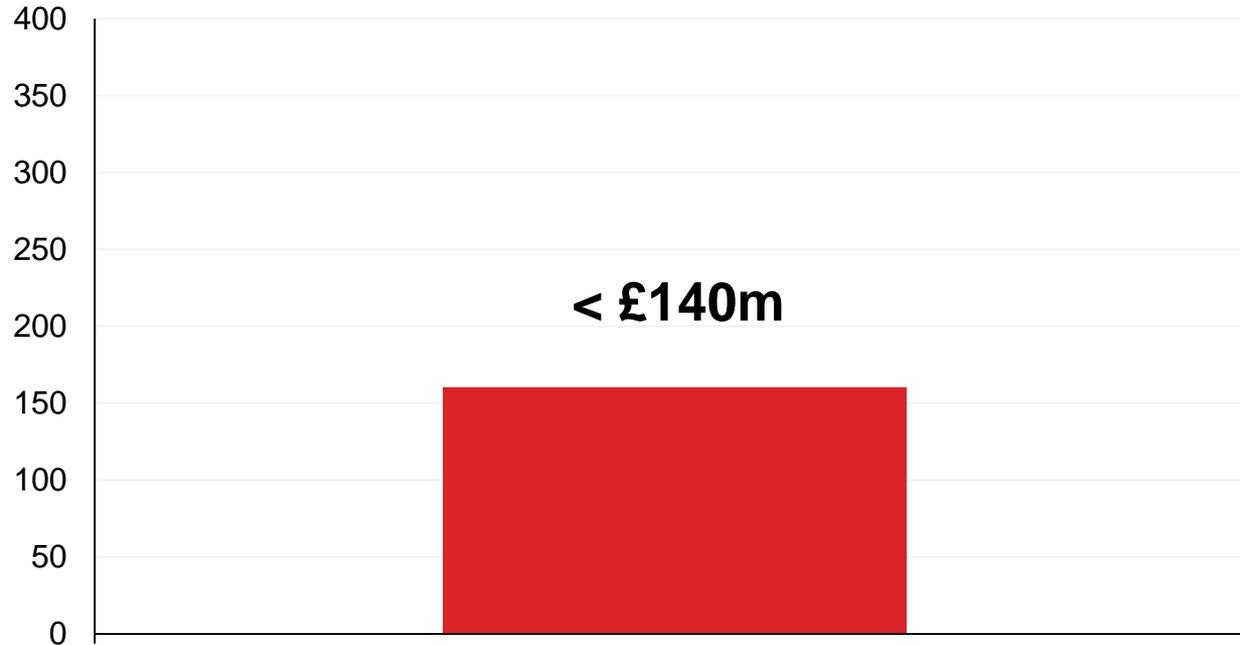
Group Finance Director



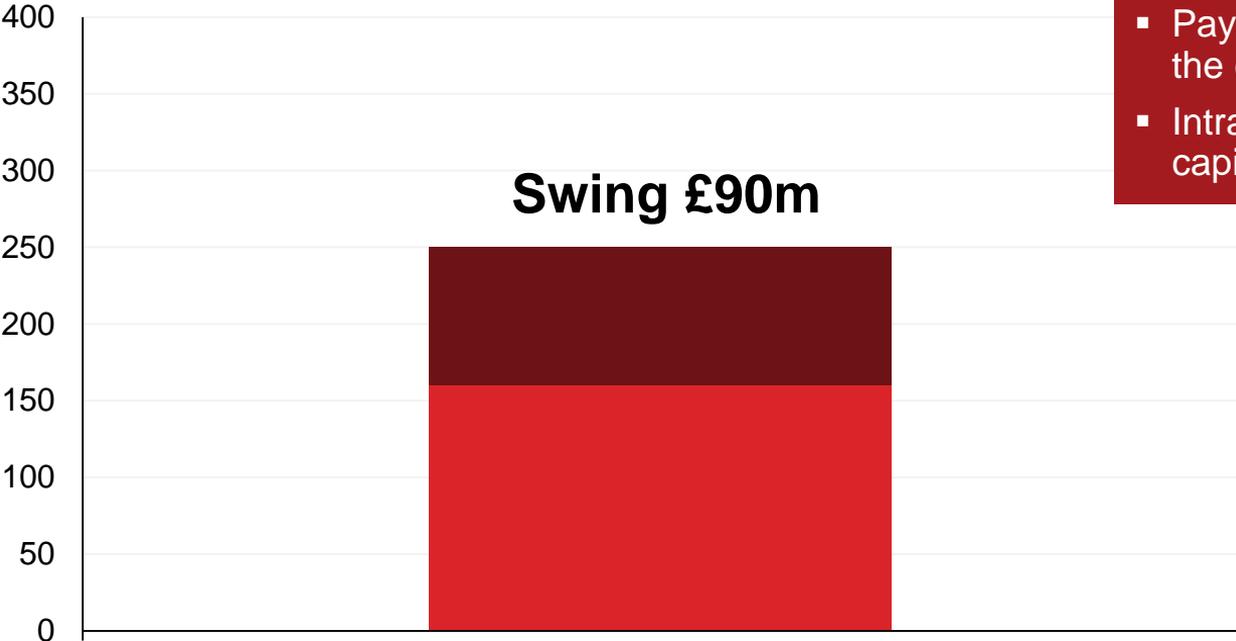
Cash utilisation



Net debt

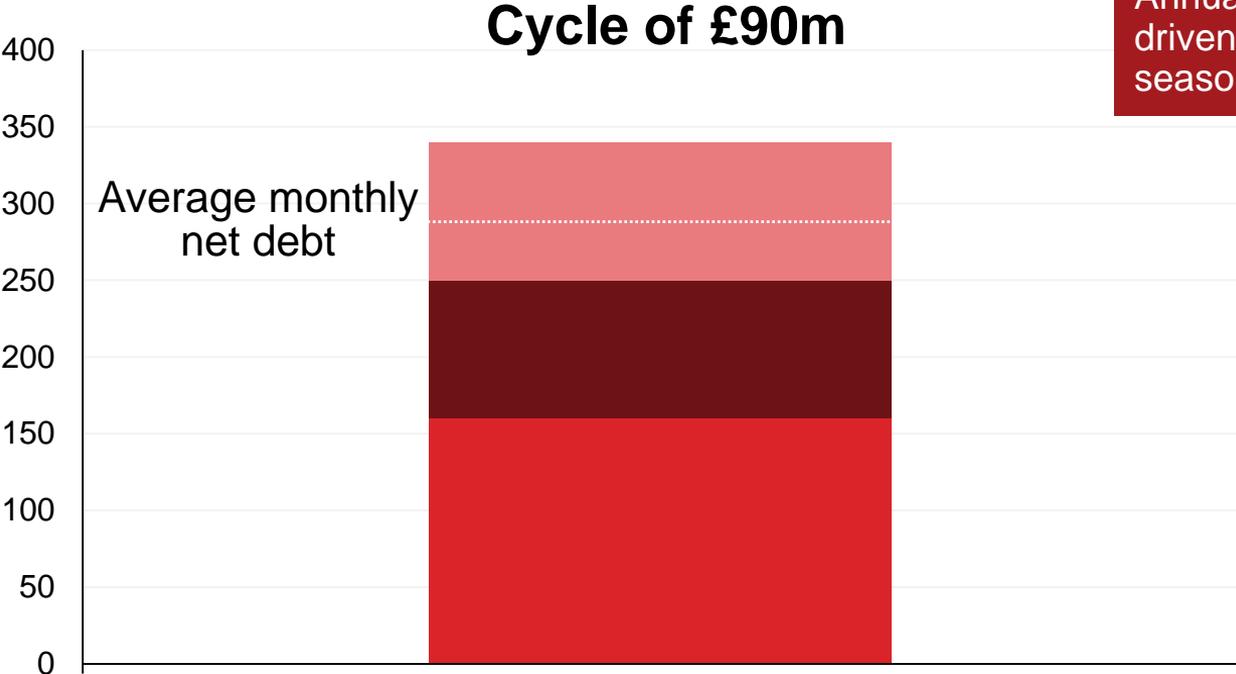


Working capital - monthly



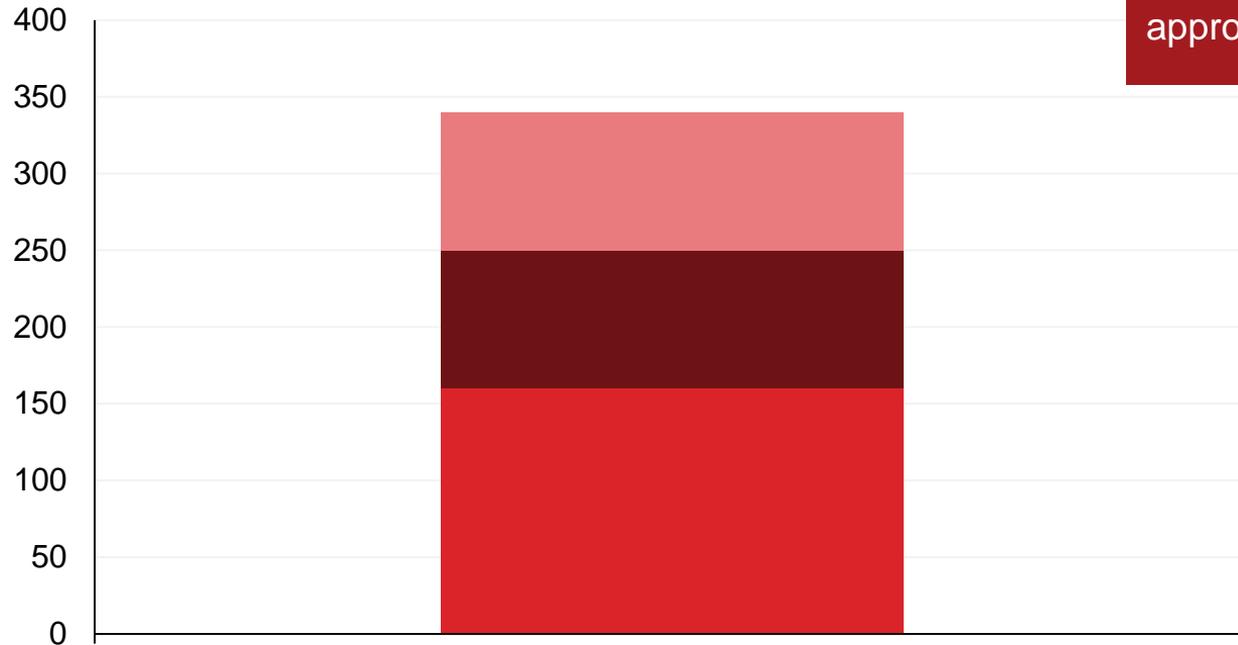
- Monthly cash cycle
- Payment made at the end of month
- Intra-month working capital £90m

Working capital - annual



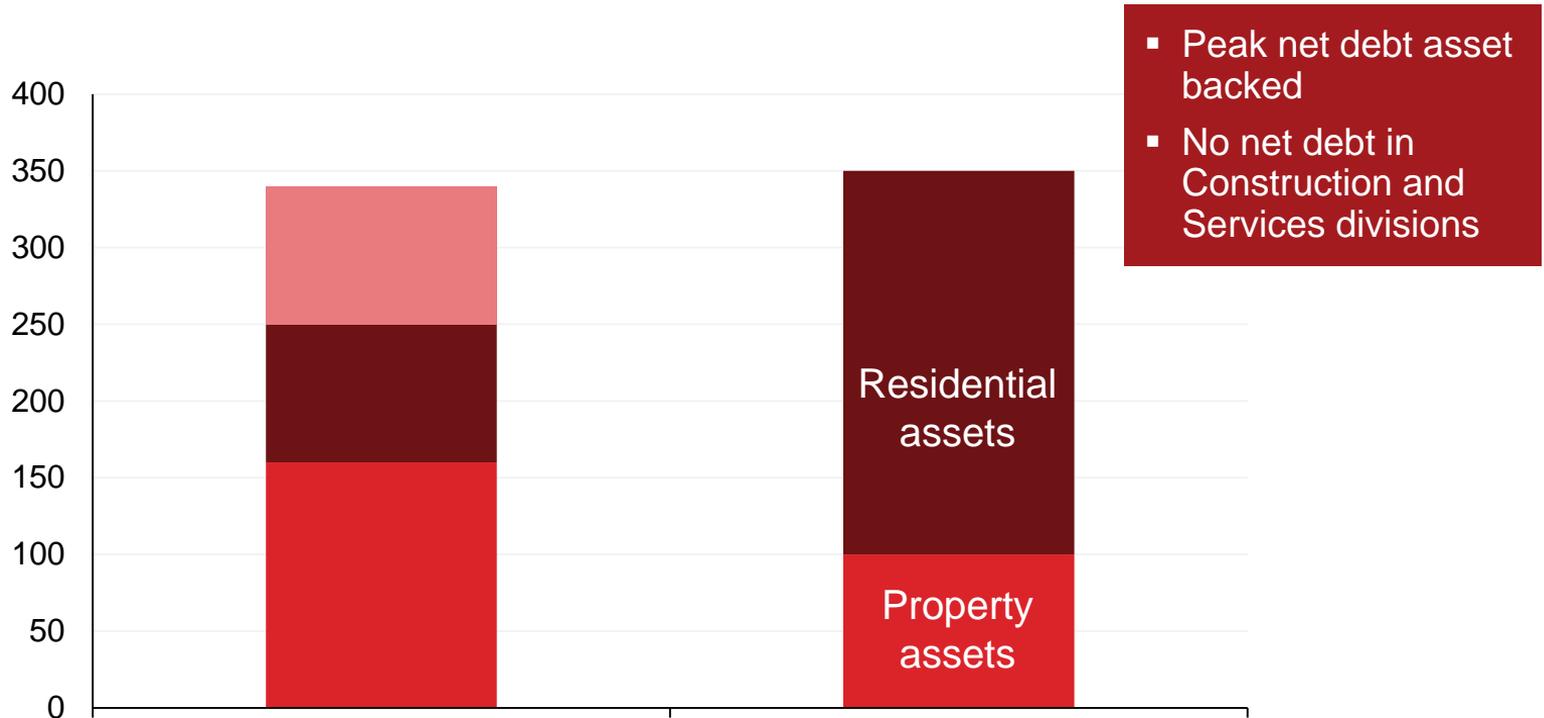
Annual cash cycle driven by work-led seasonality

Peak net debt mid Feb

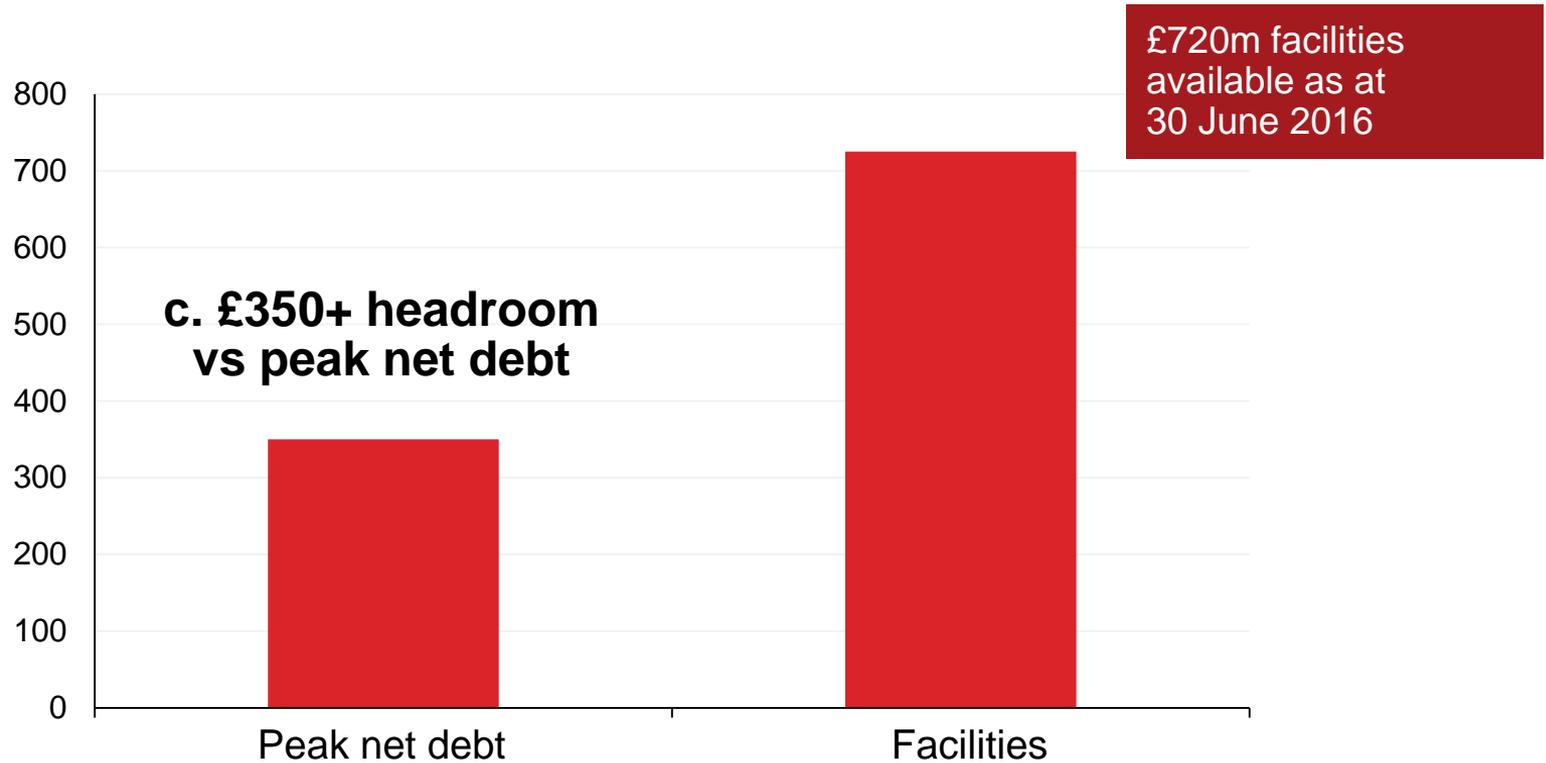


Peak capital structure approaching £350m

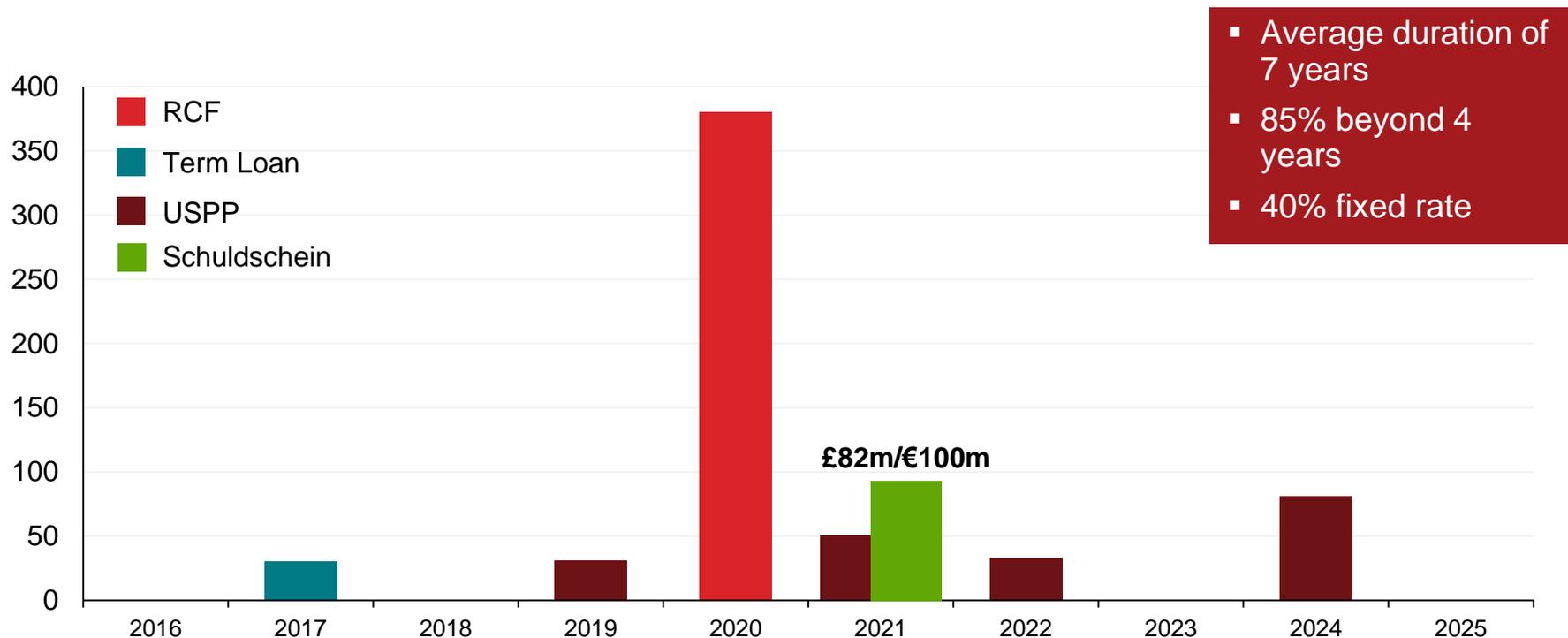
Peak net debt



Facilities

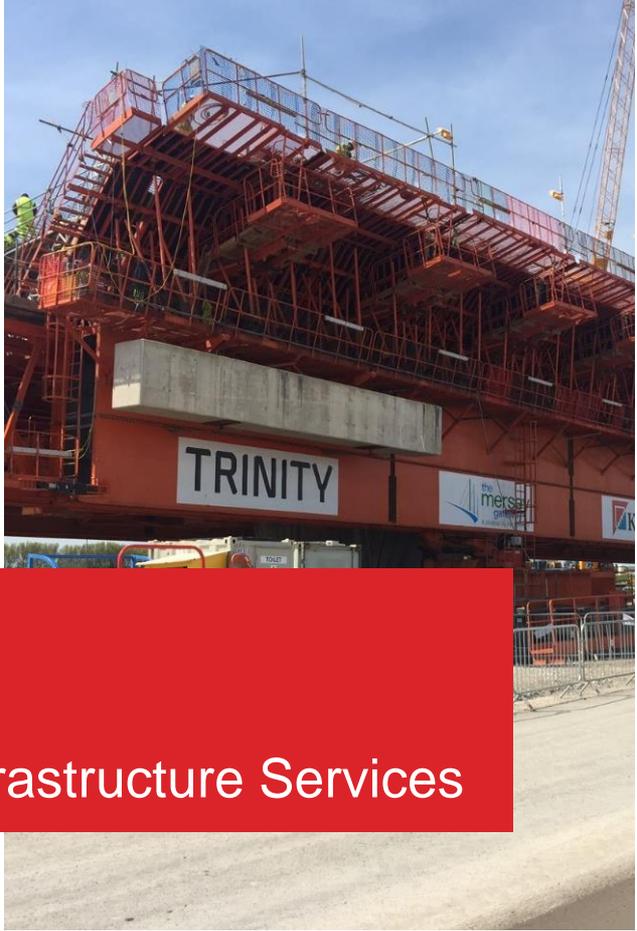


Facilities



Net debt conclusion

- Vision 2020 metrics re-validated
 - Net debt to EBITDA 1:1 by 2017 – achieved one year ahead of target
- Group cash cycle results in peak net debt in line with assets in mid Feb
- Facilities give Group long-term core financial strength and flexibility to invest
- Maintenance of debt vs assets and EBITDA is key discipline
- Additional cash from working capital discipline will provide investment options



Nigel Brook

Executive Director
Construction and Infrastructure Services



Today's operational team presenters



Sean Jeffery
Executive Director
Infrastructure

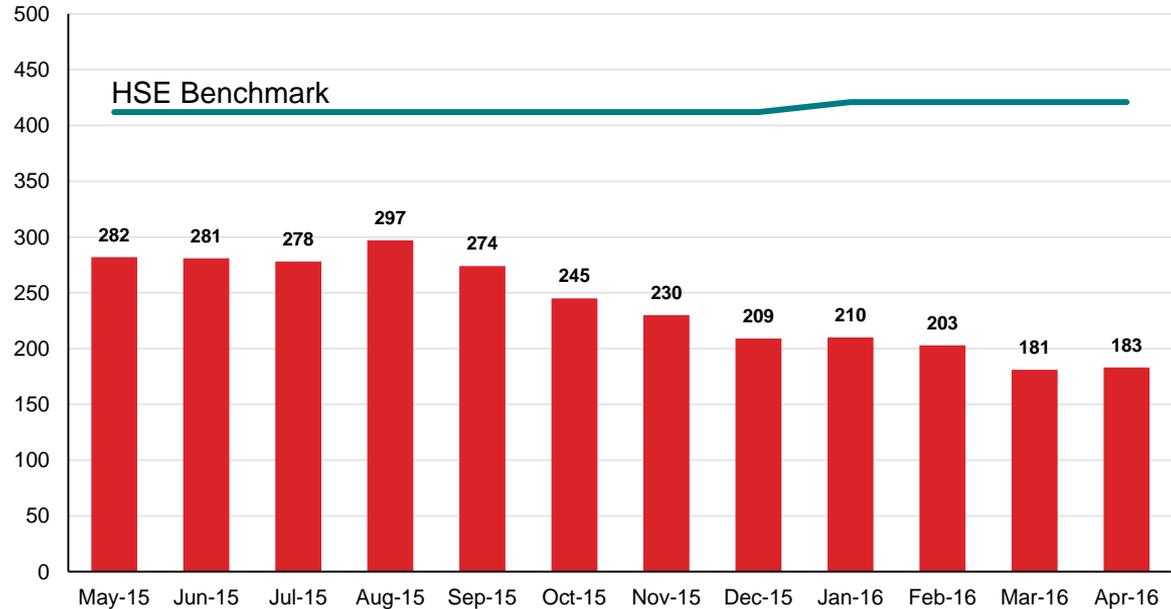


Dave Wright
Executive Director
Infrastructure -
Highways



Scott Cooper
Service Director
Highways

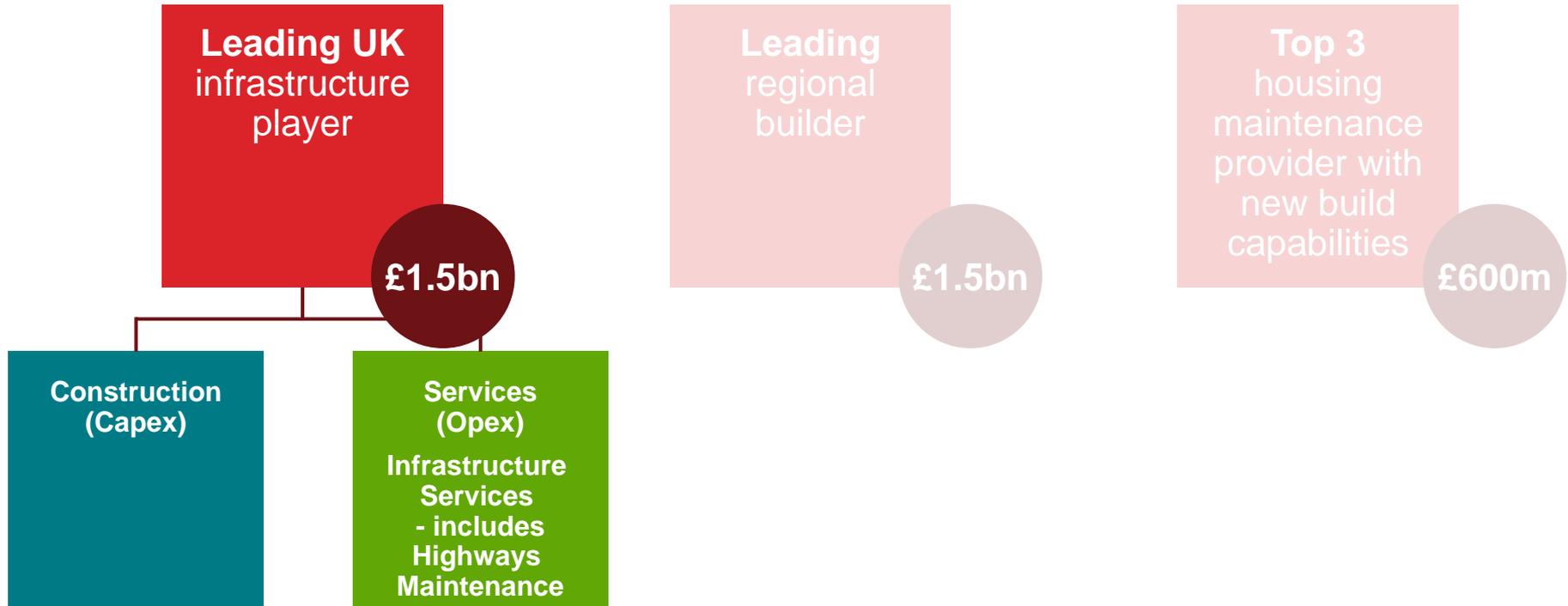
Health and Safety – Accident Incidence Rate (Kier UK)



Market position

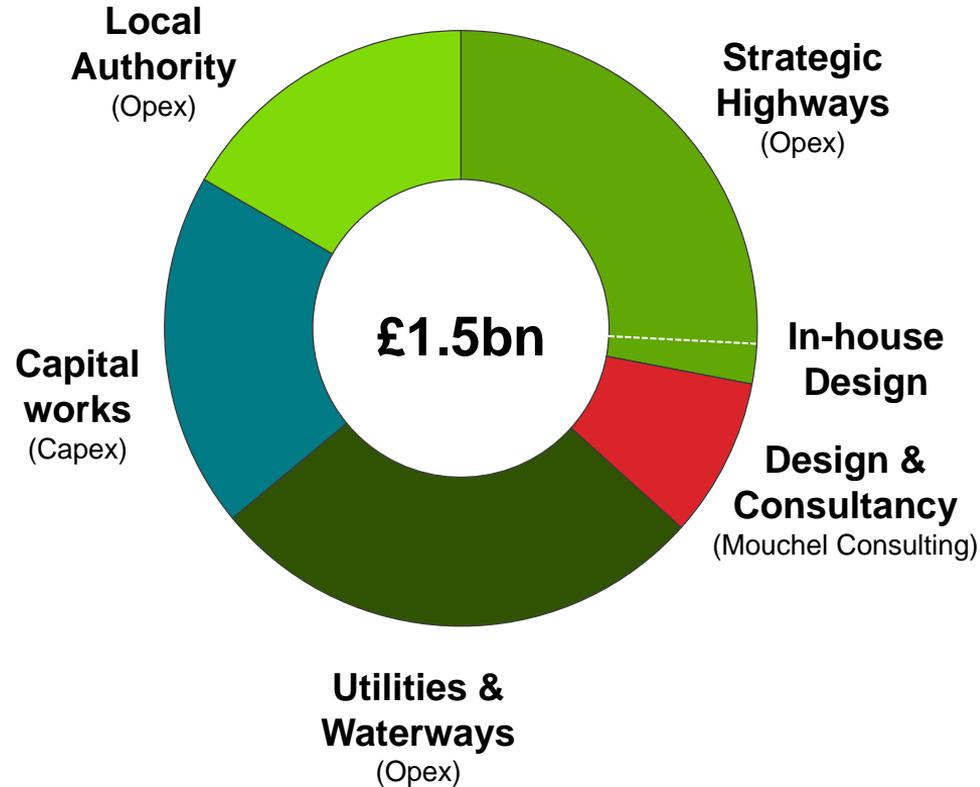


Market position

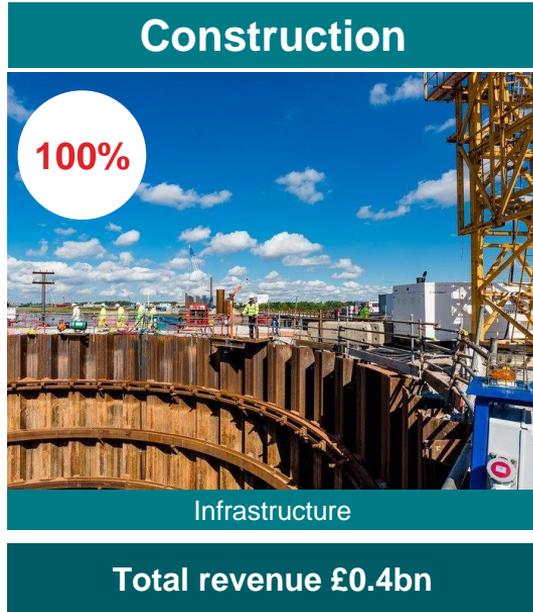


Kier's areas of expertise

- Breadth of capability
- Aligned to Government spending
- Wide skill base



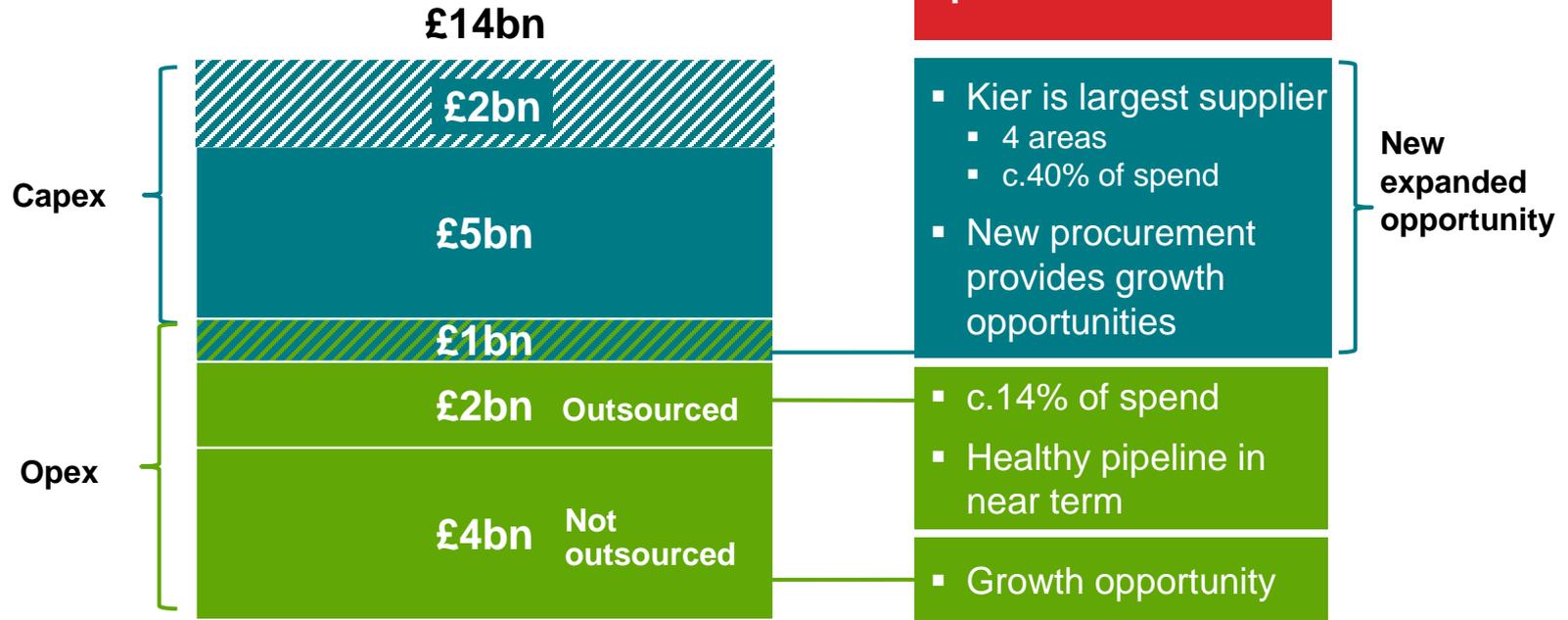
Infrastructure Services



Infrastructure Services accounts for c.30% of Group revenue

UK Highways market

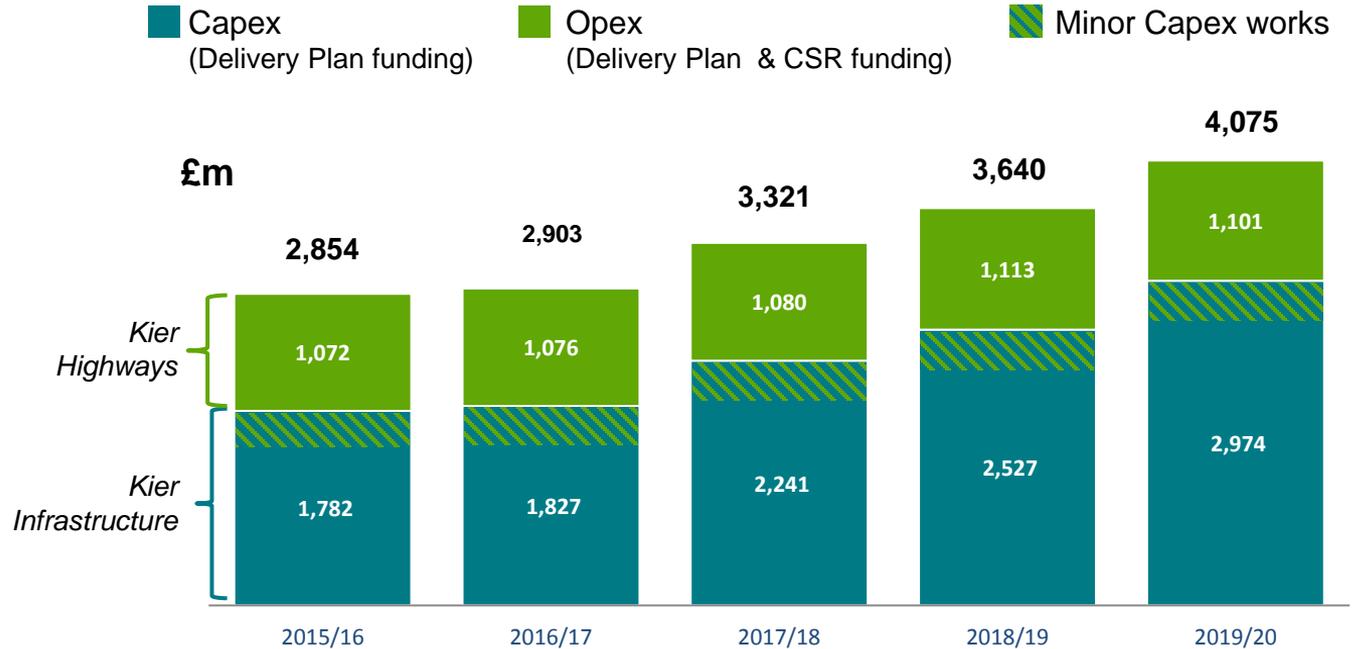
 Highways England
   Local authorities and others



Source: Credo, Highways England Delivery Plan

Highways England funding

- Five year funding visibility
- Road Investment Strategy (RIS) Government backed
- RIS1 totals £17bn over five years



Note: Highways England Delivery Plan confirms capex and opex funding. Additional CSR funding from 2017 will be confirmed in the next Spending Review.

Acquisition rationale

JULY 2013



Local Authority
Services focus including highways and utilities



JUNE 2015



Strategic Highways



NOV 2015

Integration of Kier Highway operations



APRIL 2016

Integration of infrastructure and utility business units

Development of an integrated capability in the Highways and Infrastructure sectors

Capital works: Infrastructure projects

Over thirty
projects across
the UK



Capital works: Highways projects

A number of highways projects including:

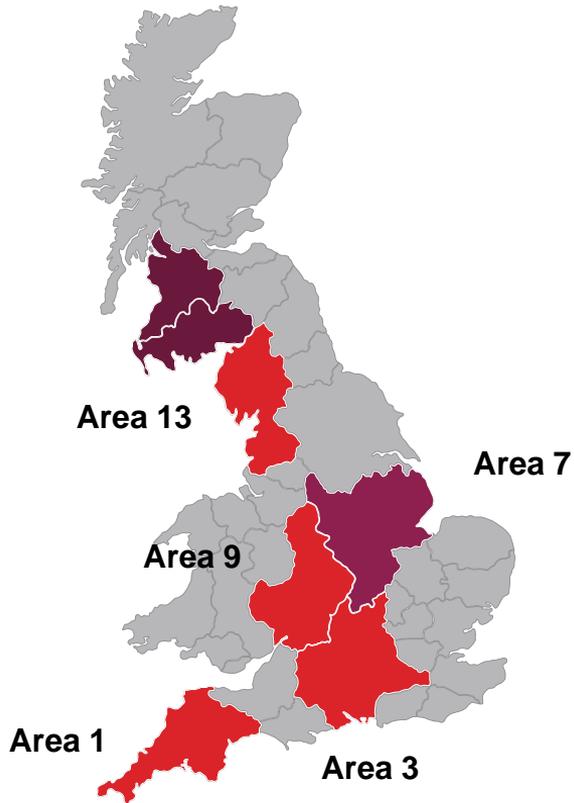
- Mersey Gateway
- Smart Motorways – M6
- A30



Opex: Highways England footprint

Maintaining approximately one third of England's Strategic Highways network

Kier hold a share of one of the four Scottish regional Highway contracts

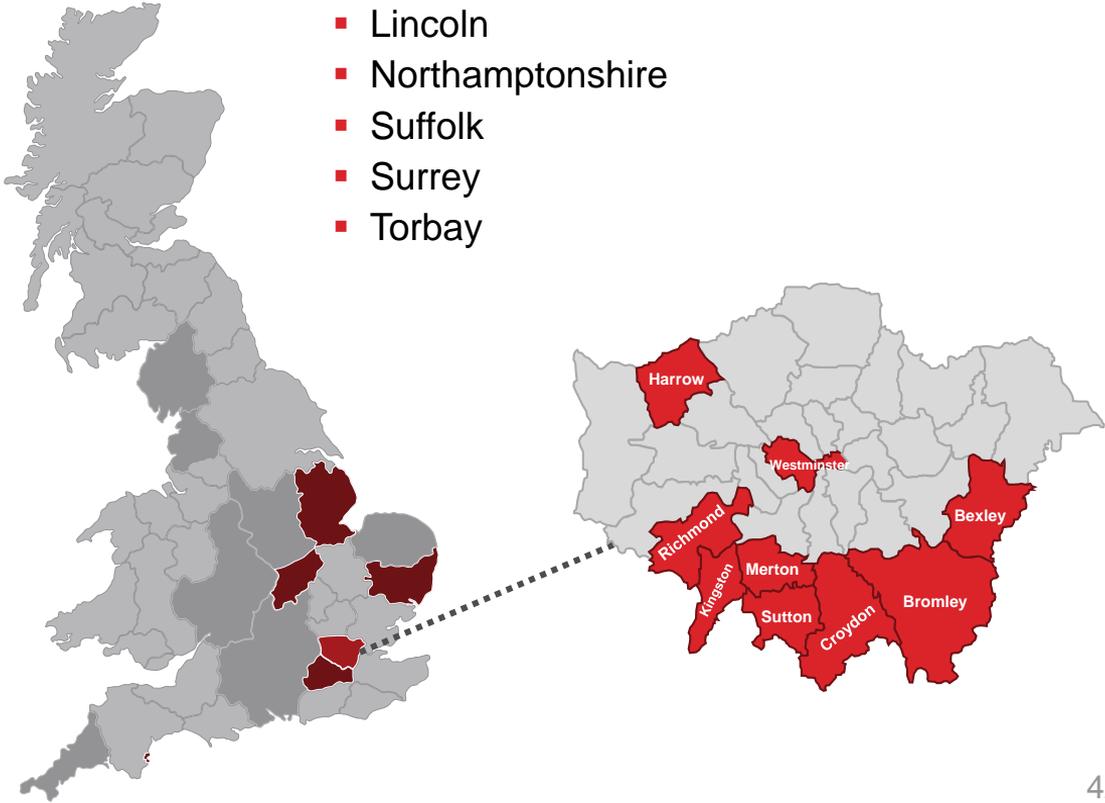


Opex: Local Authority Highways footprint

Responsible for maintaining over 16,000 miles of Local Authority roads

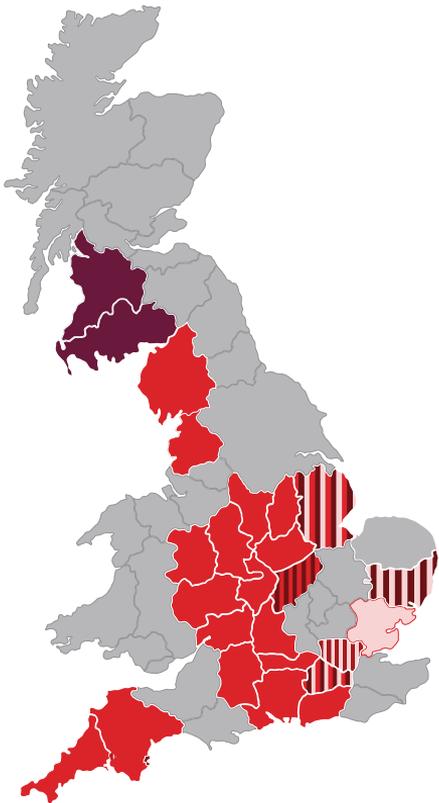
c.70% of Highways services not outsourced

- Lincoln
- Northamptonshire
- Suffolk
- Surrey
- Torbay



Total Highways footprint

Kier's Highways footprint is roughly one fifth of the UK landmass



- Highways England
- Local Authority
- LoHAC
- Streetlighting services
- Scotland Transerv



Infrastructure Services - order book and pipeline

	Order book	Pipeline
Infrastructure capital projects	£1.5bn	£20bn
Strategic Highways	£1bn	c.£3bn
Australia (JV share)	£0.5bn	c.£1bn
Local Authority Highways	£0.5bn	c.£2bn
Total Infrastructure Services	£3.5bn	+ £25bn

Our risk approach

JULY 2013

**Services
Pre-Contract
Committee
implemented**



JULY 2015

**Continued
operation of
existing
robust Mouchel
controls**



JAN 2016

**Rolled out
Kier
processes to
Mouchel
businesses**



**Risk Review
Committee**

Pre-contract gateway standards rolled out

People and skills

- Over 1,000 on Kier early career schemes
- Significant projects coming on stream requiring skills
- Focus on managing the competitive market for early talent
- New entrant, graduate and undergraduate placements or post A Level Foundation Degrees
- 2016 target - Recruiting 230 – 240 p.a. apprentices / undergraduates / graduates



Outlook

**Infrastructure
Services
business
growing**

**Significant
market
opportunities**

**Acquisitions
accelerated
platform for
growth**



Sean Jeffery

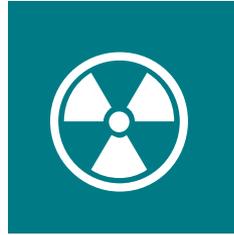
Executive Director
Construction - Infrastructure



Infrastructure – active sectors



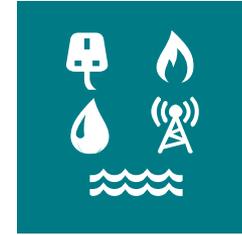
Highways



Nuclear



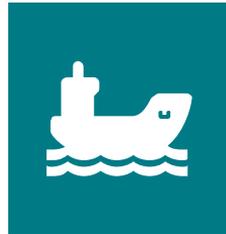
Energy



Water



Rail



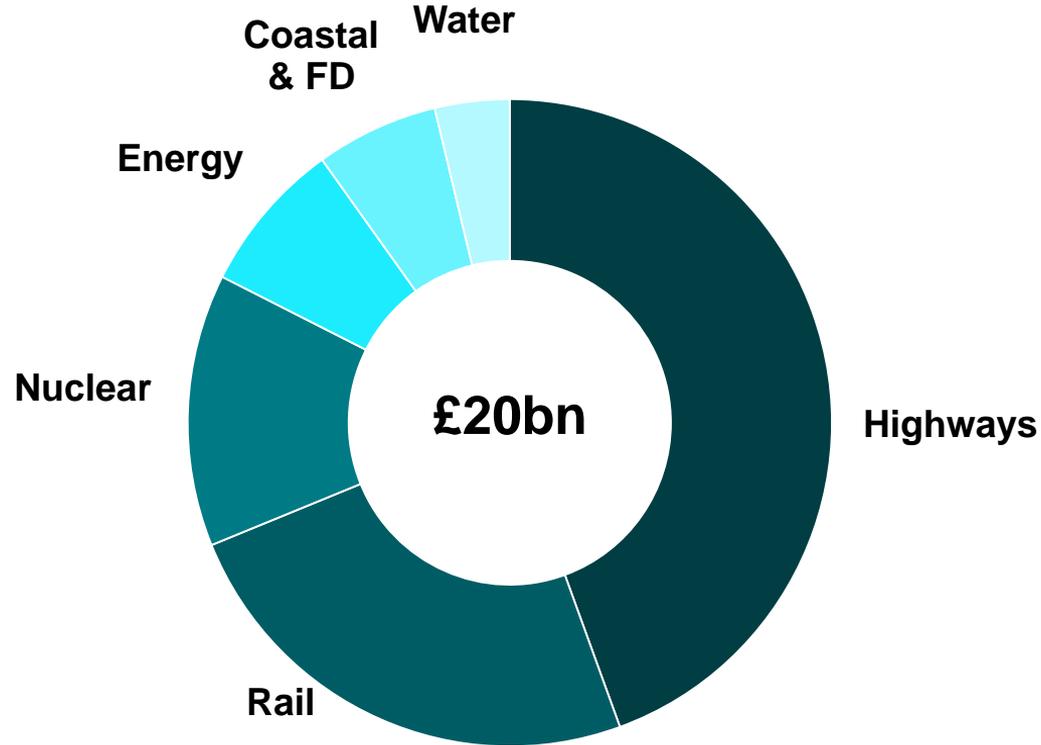
Coastal and Ports



Airports

Infrastructure capital pipeline

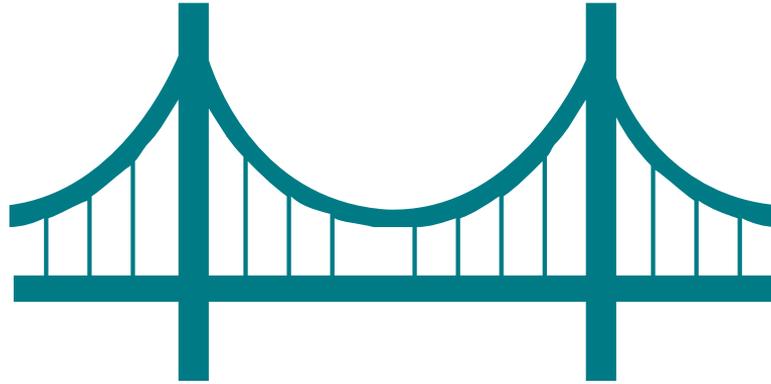
- £20bn opportunity
- Strong opportunities in Highways and Rail



Kier Infrastructure pipeline

- Highways
 - Silvertown
 - Congleton by-pass
 - East Leeds Orbital
- Rail
 - HS2
 - MerseyRail
 - Network Rail
 - London Underground
- Nuclear
 - Hinkley
 - Sellafield
 - Wylfa
 - Moorside
- Energy
 - Spalding power station
 - Trafford CCGT power station
 - Gateway
 - Knottingly
 - Damhead Creek 2
 - Hirwaun
 - South Hook CHP

Highways



Mersey Gateway

- Joint venture with Samsung C&T Corporation and FCC Construction SA
- £450m four-year road scheme with six lane toll bridge
- 9.5 miles in length
- Largest moving scaffold system currently in use in the world
- Completion early 2018



Smart Motorways – M6

- Highways England project to upgrade highways
- Award for packages – one live, three coming on stream
- Package 3 awarded in July 2015 to Kier j/v



A30, Cornwall

- Cornwall – Temple and Higher Carblake
- Capital investment project between Cornwall County Council and Highways England
- Value £33m
- Due to be open early 2017

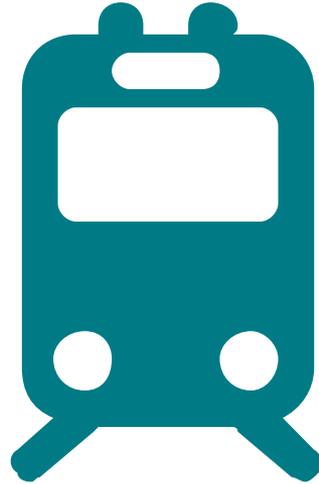


Silvertown, London

- Integrated offer
- Transport for London PFI project
- PQQ expected Autumn 2018
- Expected start date Q4 2018
- Value £700m



Rail



Rail

- National presence covering broad range of works
 - Port Talbot
 - Windsor Road
 - Parson Street
 - Chelsea
 - Kingston
 - New Cross Gate
 - Wales and Western frameworks
 - Signalling
 - NLCRPR framework
 - Selby swing
 - Black Cart



Crossrail

- Joint venture with BAM Nuttall and Ferrovial (BFK)
- Biggest engineering project in Europe
- Value £1.4bn



**C300 / 410
Western
Running
Tunnels**

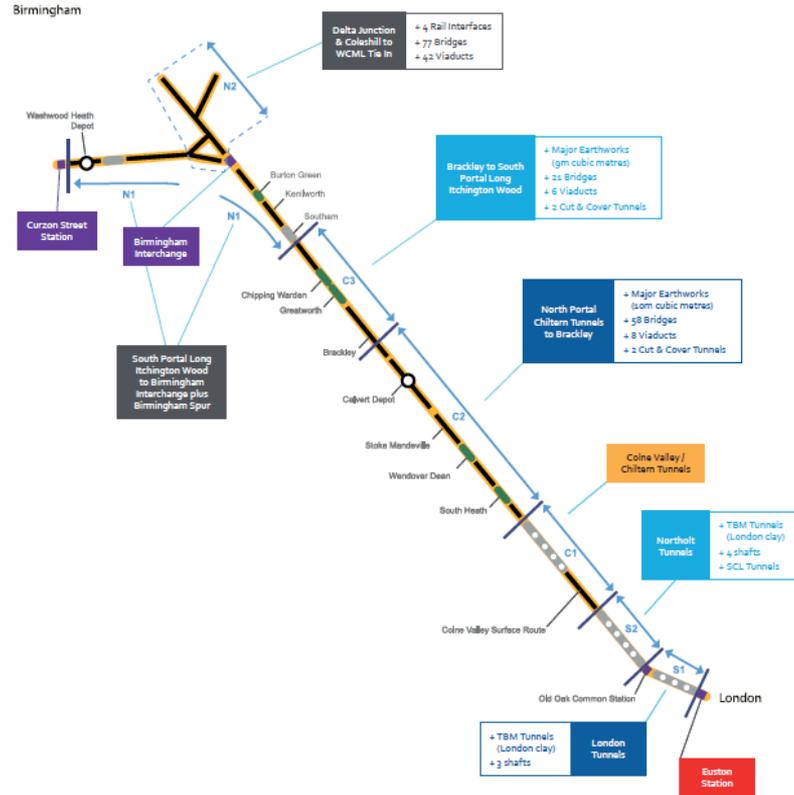


**C435
Farringdon**

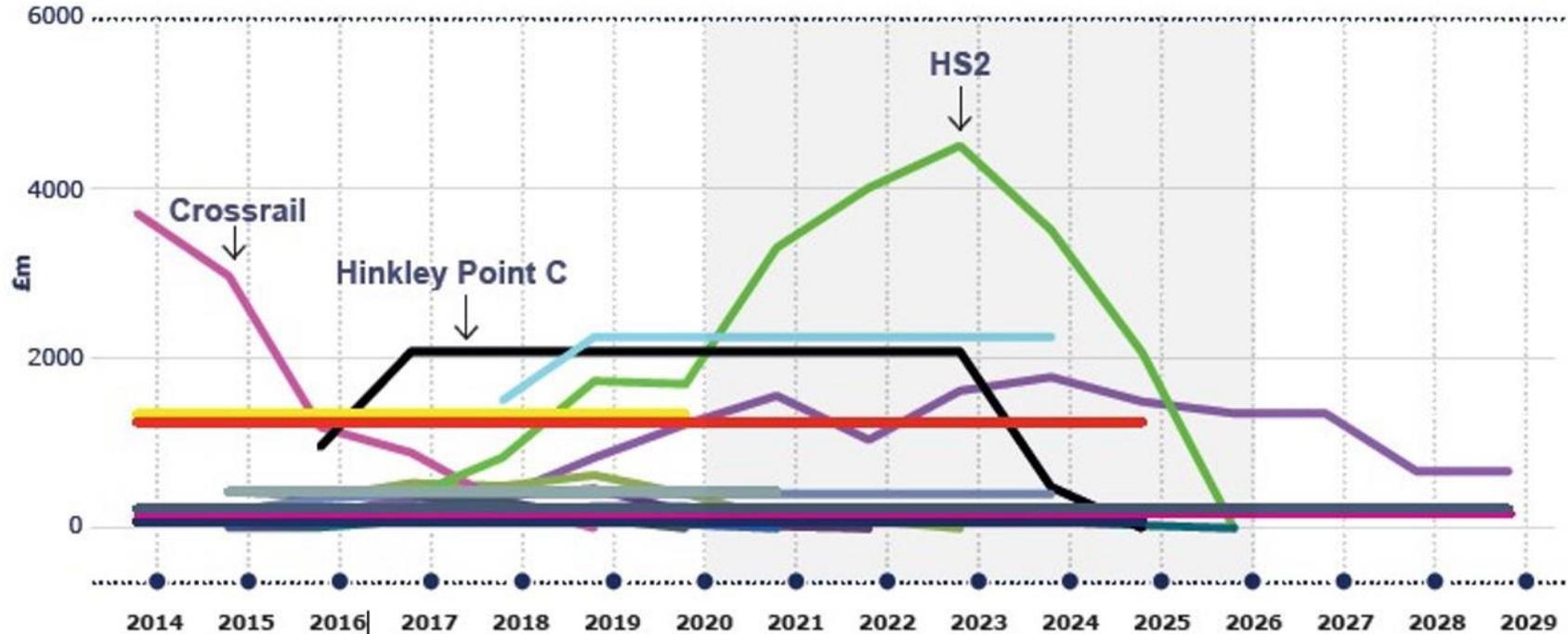
HS2 Enabling Works & Main Works Contract



Civils			
London Tunnels [£0.6bn – £0.9bn]	Northolt Tunnels [£0.85bn – £1.4bn]	Colne Valley / Chiltern Tunnels	South Portal Long Itchington Wood to Birmingham Interchange plus Birmingham Spur
North Portal Chiltern Tunnels to Brackley [£0.8bn – £1.3bn]	Brackley to South Portal Long Itchington Wood [£0.6bn – £0.9bn]	Delta Junction & Coleshill to WCML Tie In [£0.8bn – £1.3bn]	
Stations		Other	
Curzon Street Station / Birmingham Interchange	Euston Station	Rail Systems (Route Wide)	



Infrastructure Opportunities





Jim O'Sullivan
Chief Executive
Highways England



Dave Wright

Executive Director
Kier Highways

What we do

Manage

- Communications with the public and stakeholders
- Management of Roadspace and access to the Highways
- Network needs identification
- Value engineering
- Scheme design project management and supervision
- Incident management
- Third Party Claims administration
- Health and Safety Management



Maintain

- Incident response
- Winter maintenance
- Vegetation maintenance
- Defect identification and repair
- Manage and construct large asset renewal schemes
- Maintenance of highway assets including traffic signals and lighting
- Roadside technology systems



Improve

- Value management
- Improvement scheme construction and delivery
- Congestion management and reduction
- Structural surveys and assessments to identify improvements
- Develop sustainable, low noise and low energy asset improvements
- Advice on impact adjacent to the highway



Build

- Deliver improvement schemes to carriageway / structures renewal and major widening projects.



Highways clients

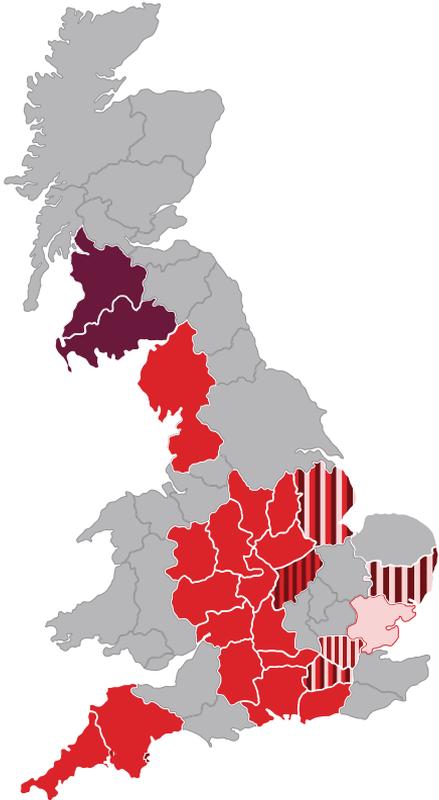


SURREY



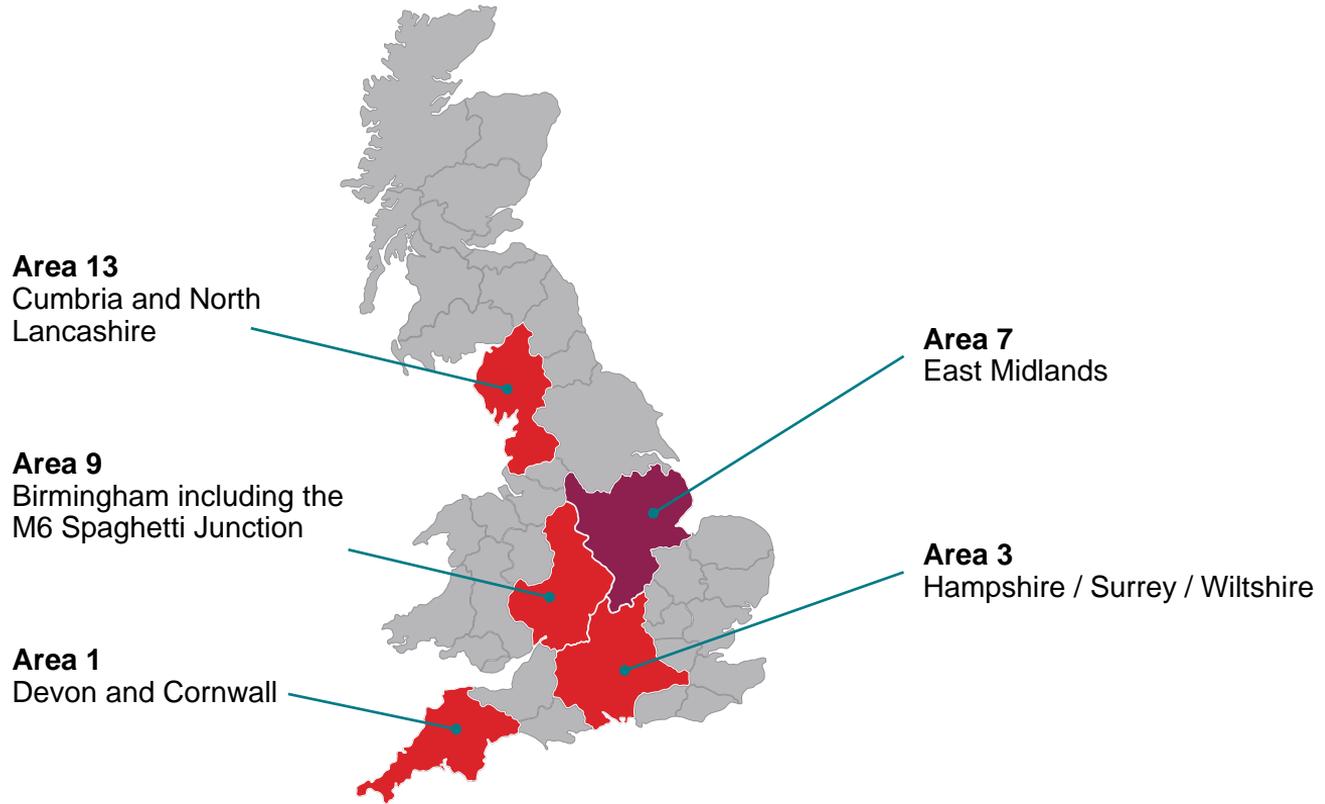
Total UK highways footprint

Kier's Highways footprint is roughly one fifth of the UK landmass



- Highways England
- Local Authority
- LoHAC
- Streetlighting services
- Scotland Transerv

Kier Highways England contracts



Kier Strategic Highways current contracts

Area	Order book	Expiration
Area 1	£25m	2017
Area 3	£300m	2018
Area 9	£400m	2019
Area 13	£30m	2017
Area 7	£50m	2021

- 5 areas now available
- No % limit

New Procurement

Current tenders provide opportunity for future growth

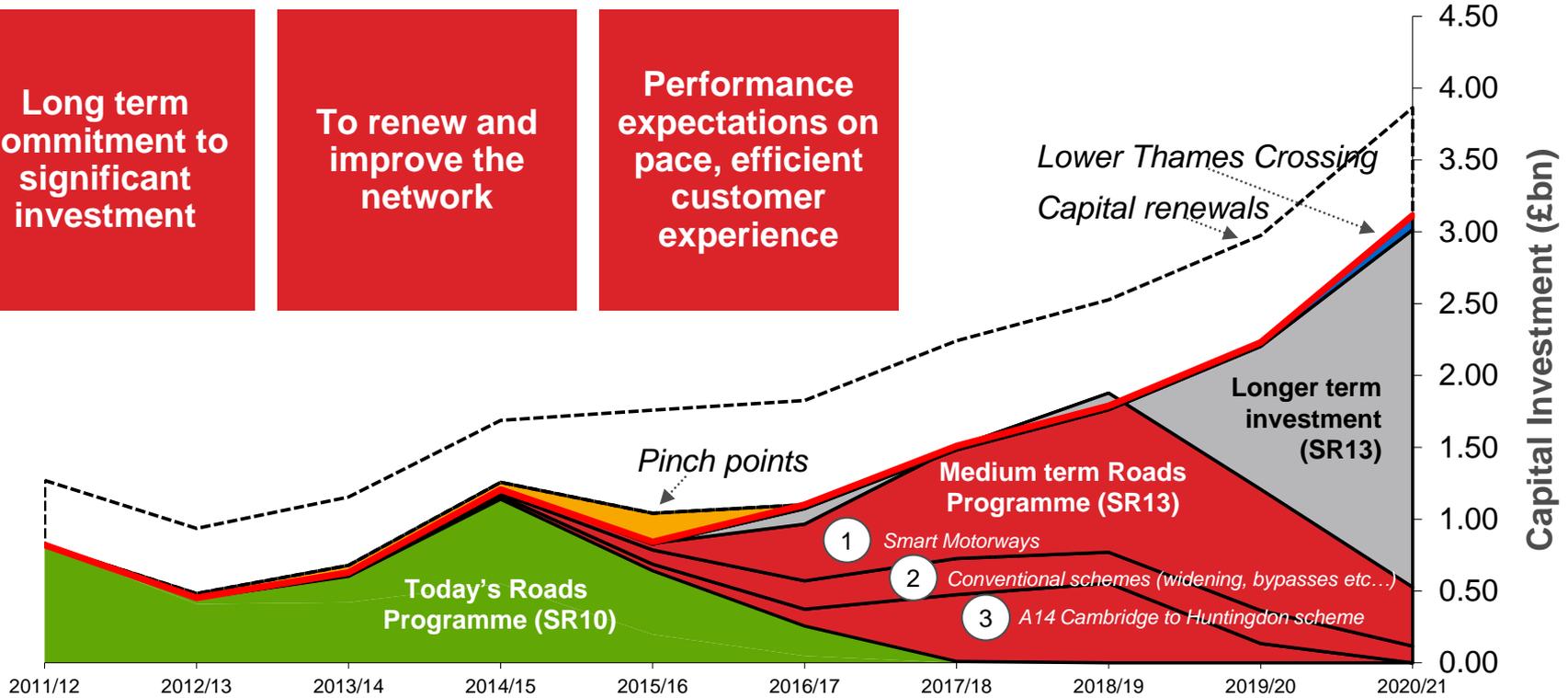
Recent Area 7 £50m design contract award

Strategic Highways market opportunity

Long term commitment to significant investment

To renew and improve the network

Performance expectations on pace, efficient customer experience

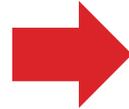


Kier Strategic Highways - order book and pipeline (UK)

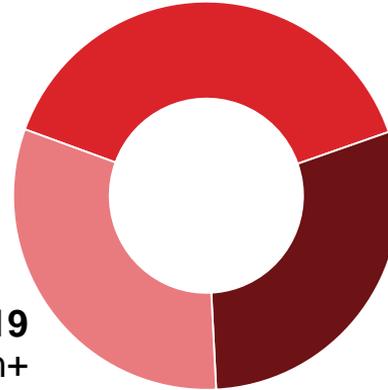
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Australia (JV share)	£0.5bn	c.£1bn
Local Authority Highways	£0.5bn	c.£2bn
Total Infrastructure Services	£3.5bn	+ £25bn

£1bn
Order Book

c£3bn
Pipeline



2019
£0.9bn+



2018
£1.0bn

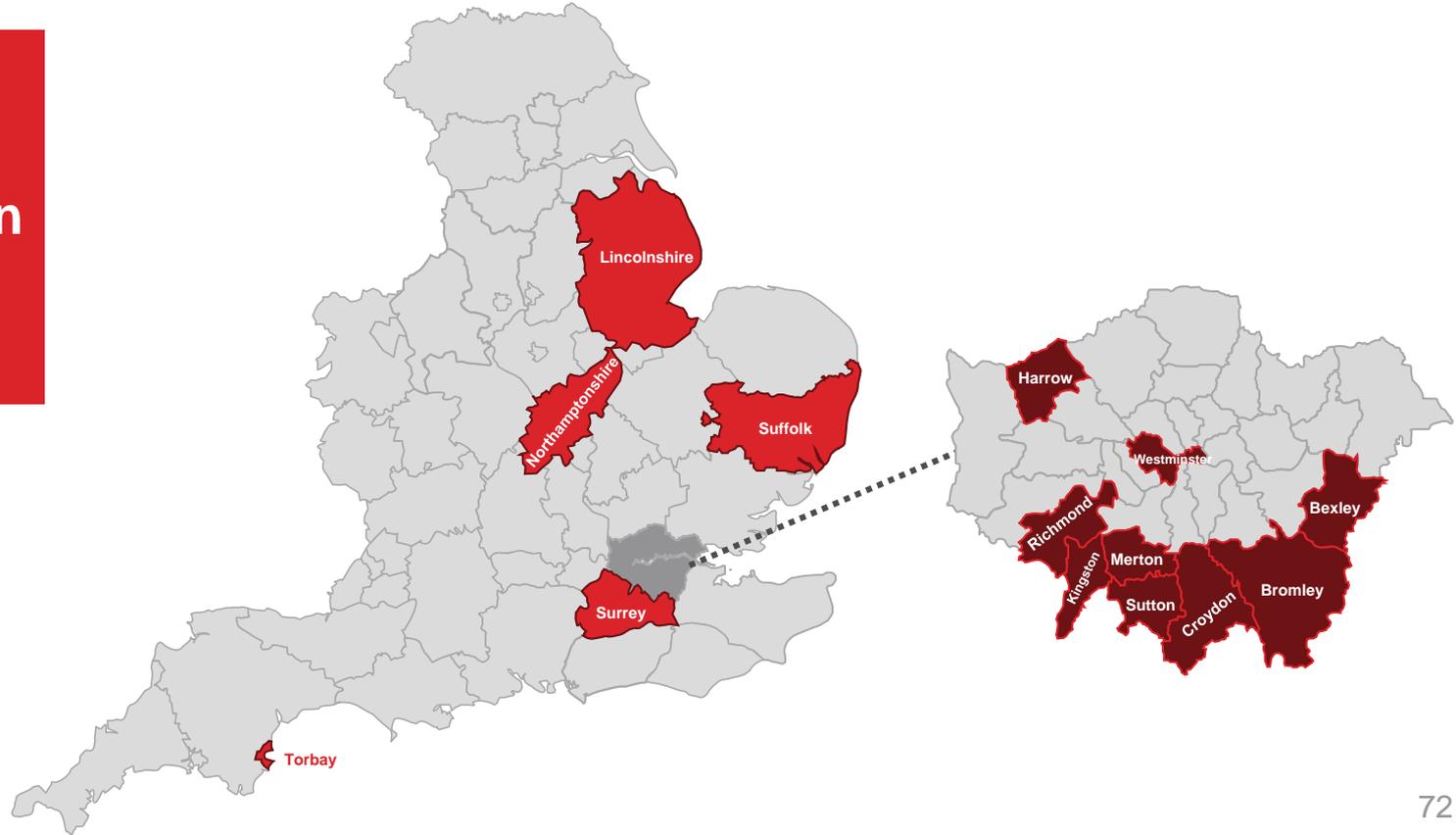
2017
£1.1bn

2017/18 opportunities

- Areas 1 and 2 - £550m
- Areas 13 and 14 - £500m
- NRTS2 - £450m - 2018

Kier Local Authority Highways contracts

Five contracts plus London presence



Local Authority market - London

£2.2bn addressable market up to 2021 to transform London's roads, including:

£1.4bn

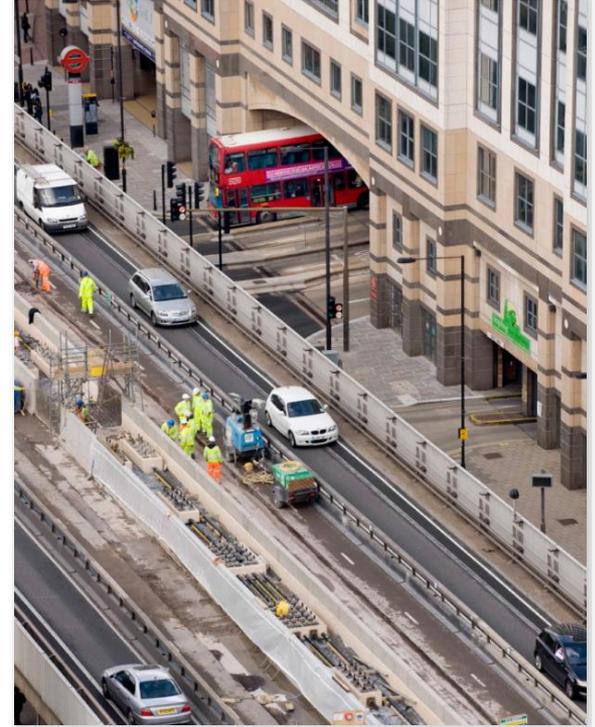
To maintain asset performance including £1bn of capital improvements

£350m

Major Highway enhancements to support growth

£450m

For cycling, road safety and keeping London moving



Kier London Highways Alliance Contract (LoHAC)

- Four area based frameworks for TfL and London Boroughs
- 8 year term, expires 2022, potential reductions
- Open to TfL and all 33 London Boroughs
- One provider per area capable of delivering the full range of services
- Streamline providers – Pre LoHAC 101 contracts let across London
- Authorities can select services as required – 25 ‘Service Lines’
- No minimal contract value or term – i.e. one off projects acceptable
- Complements Local Authority work e.g. Surrey

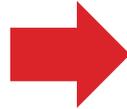


Kier Local Authority - order book and pipeline

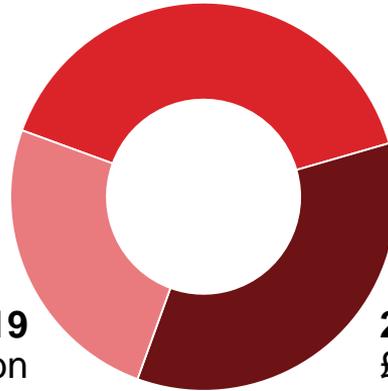
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**£0.5bn
Order Book**

**c.£2bn
Pipeline**



**2019
£0.5bn**



**2018
£0.7bn**

2017 opportunities

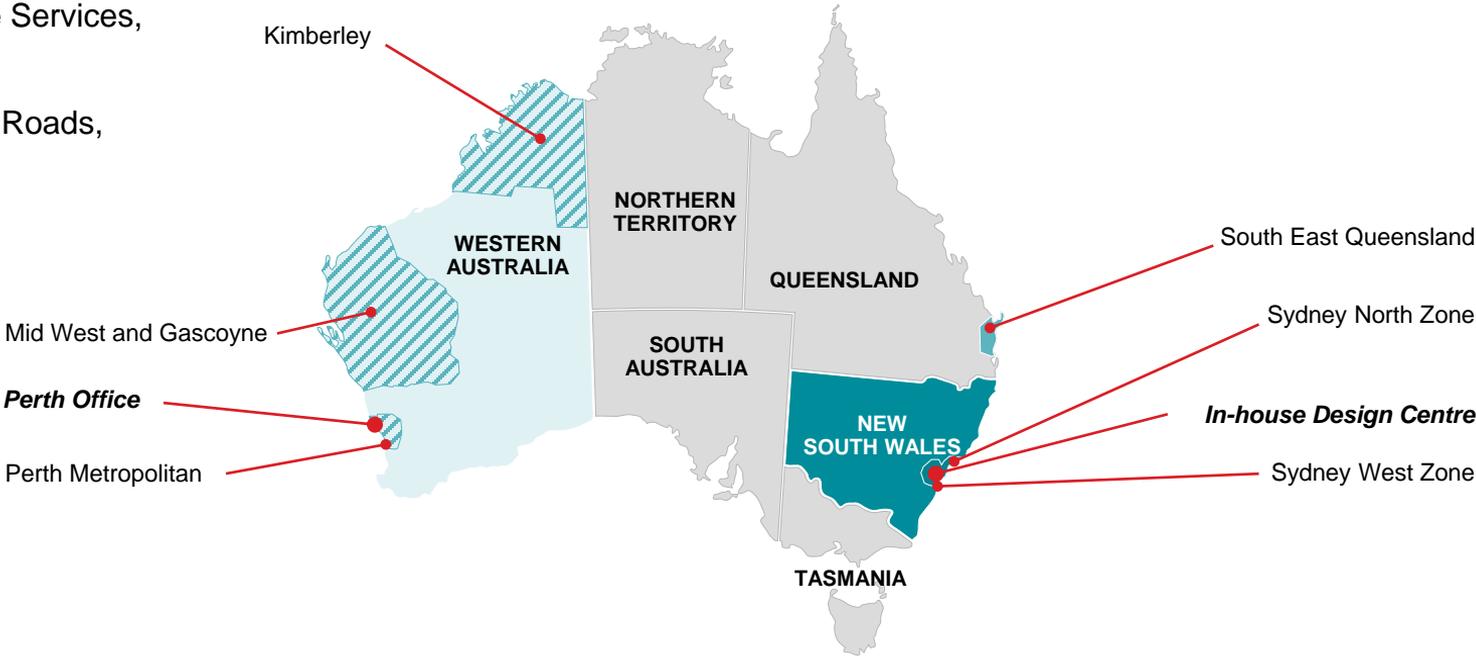
- Cambridgeshire - £600m
- Devon and Plymouth - £300m

Australian Highways footprint

■ Roads and Maritime Services,
New South Wales

■ Transport and Main Roads,
New South Wales

■ Main Roads,
Western Australia



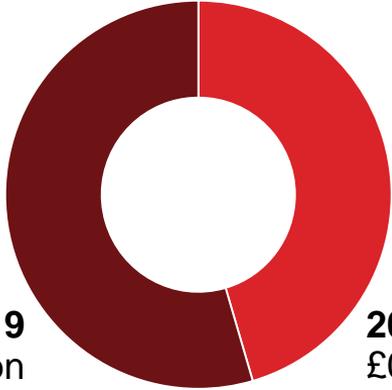
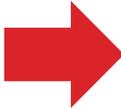
Represents c.15% of Highways revenue

Australian order book and pipeline

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Local Authority Highways	£0.5bn	c.£2bn
Total Infrastructure Services	£3.5bn	+ £25bn

**£0.5bn
Order Book**

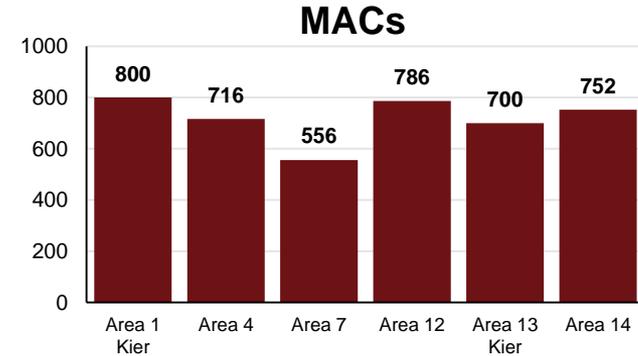
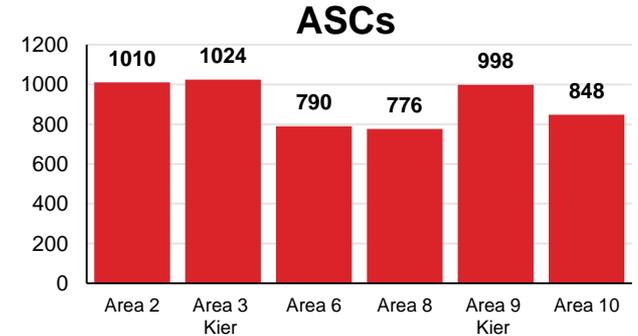
**c.£1bn
Pipeline**



- 2017 opportunities**
- Western Australia - £150m
 - New South Wales - £250m

Highways England performance (March-May)

- HE operates two types of contracts – Asset Support Contracts (ASCs) and Managing Agent Contracts (MACs)
- Based on Highways England's performance scoring
 - Kier ranked first (Area 3) in ASCs
 - Kier have the best performing MAC with Area 1
- HE use a Strategic Alignment Review Toolkit (START) to evaluate tenders for contracts
 - Kier have the highest START score of all HE contractors



Systems

- Fully integrated market leading solution
 - Intelligent costing
 - Efficient and seamless
 - Electronic workflow
- On track to go live 1 July 2016
- For future use by combined Strategic and Local Authority highways
- BSI – pioneers UK's first 11000 alliance arrangement for SMEs



Awards and certification



The Government Standard



A591 - Reconnecting Cumbria





Kier Group plc

Analyst / investor seminar

6 July 2016





Geoff Dobson

Chief of Resource Management
Suffolk County Council



A Suffolk County Council Perspective

Kier Analyst and Investment Seminar
6th July 2016

Geoff Dobson
Director of Resource Management



- About Suffolk
- Some Facts & Figures
- Council Priorities
- Financial Environment
- Devolution
- Commercial Council
- Our Relationship with Kier





Where is Suffolk?



**WELL
CONNECTED**



**40% OF THE UK'S
POPULATION LIVES
WITHIN 80 MILES
OF SUFFOLK**

**ACCESSIBLE
TO EUROPE
IN 45 MINUTES**

**VIA LONDON
STANSTEAD**



**AN HOUR TO
LONDON**



**FOUR
TRAINS
AN
HOUR
TO
LONDON**

About Suffolk

Source: www.investinsuffolk.com

HOME TO
THE PORT OF
FELIXSTOWE



THE UK'S BUSIEST
CONTAINER PORT



HOME TO
ADASTRAL PARK



BT'S GLOBAL
INNOVATION AND
DEVELOPMENT
CENTRE

40%

COMMERCIAL
PREMISES
ARE 40% MORE
COMPETITIVE
THAN LONDON

EMPLOYMENT
COSTS ARE 30%
MORE COMPETITIVE
THAN LONDON



About Suffolk

Source: www.investinsuffolk.com



About Suffolk

Source: www.investinsuffolk.com

Suffolk today

£489.50 
average weekly wage – 6%
Lower than national average (£520.8)

76.3% 
Employed

23% 
projected increase
of people aged over
85 by 2020

1300 
Jobs in Gt Yarmouth &
Waveney Enterprise Zone

£250 million 
Received in Business Rates

738,512 
Population

£2.7 billion 
Total public sector spend

447,100 
working age population

£18.5 billion 
Inward investment in
offshore **energy** sector

6% 
Workforce qualifications
below national average
at Level 4 and above

£430 million 
Spent on DWP work
related benefits

6.9% 
of adults with a learning
disability paid employment

87% 
love to live
in Suffolk

£176,235 
July house price index

145,039 
aged 65 and over
in 2011

Facts & Figures

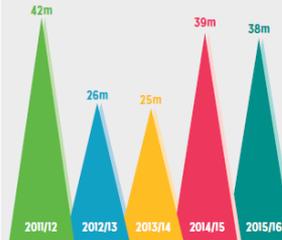
36% of Suffolk designated for wildlife and landscape value



Councils external spend on goods, services and works

£488m

Savings delivered



Savings target 2016-18



People attending activities in libraries



2013/14

84,368

2014/15

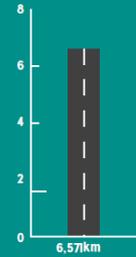
90,694

81

'No Cold Calling Zones' established

81

Length of roads we are responsible for



Municipal waste sent to landfill

2013/14 **47%**

2015/16 **1%**



2015

55%

2014

52%

Pupils achieving 5 or more GCSEs at grades A*-C

including English & Maths

2014/15

4,780

2010/11

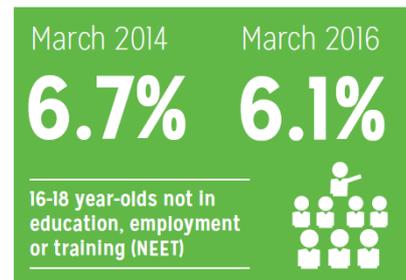
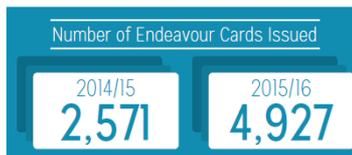
6,501

Number of emergencies responded to by the Fire & Rescue Service

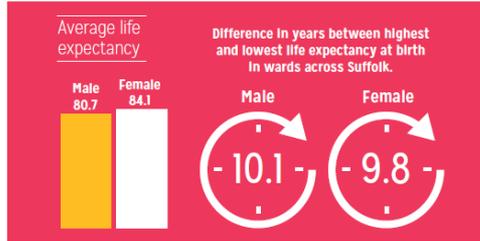
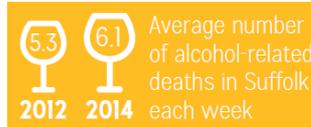


Suffolk
County Council

Facts & Figures



A few more Facts & Figures!!





Support those most vulnerable in our communities



Raise educational attainment and skill levels



Support the Local Enterprise Partnerships (LEPs) to increase economic growth



Develop Suffolk's infrastructure and maintain roads

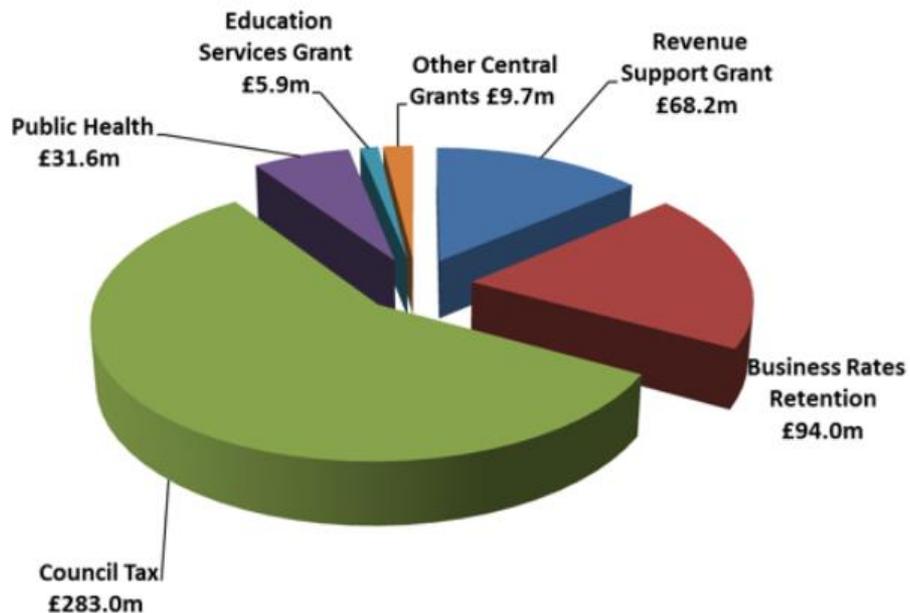


Empower local communities

Suffolk's Priorities

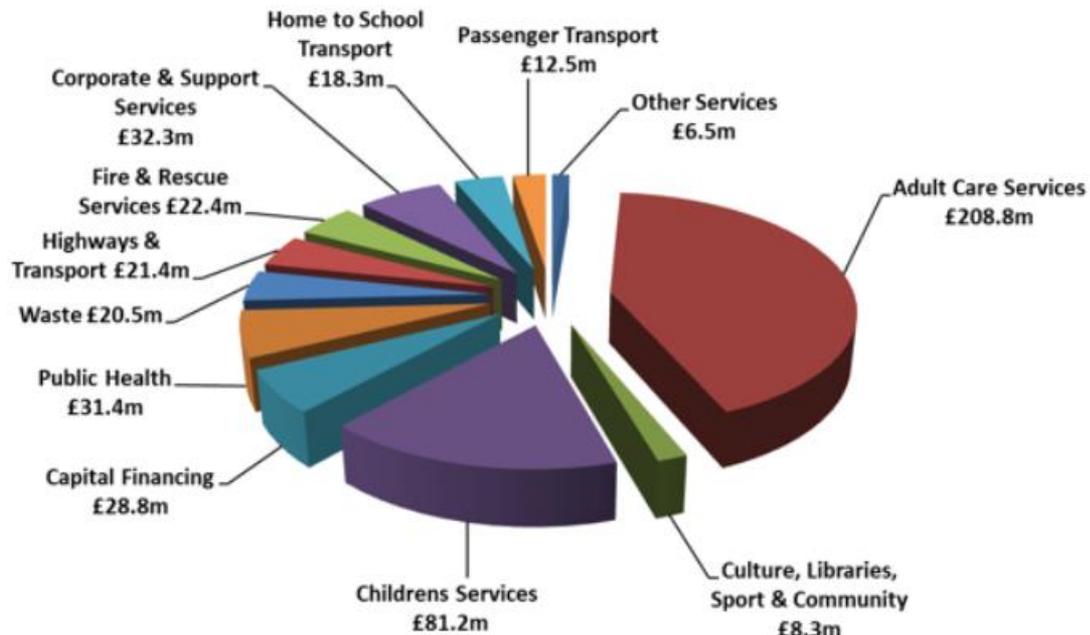
Suffolk's Finances 2016-17

Where does our £492m revenue funding (excluding schools) come from?

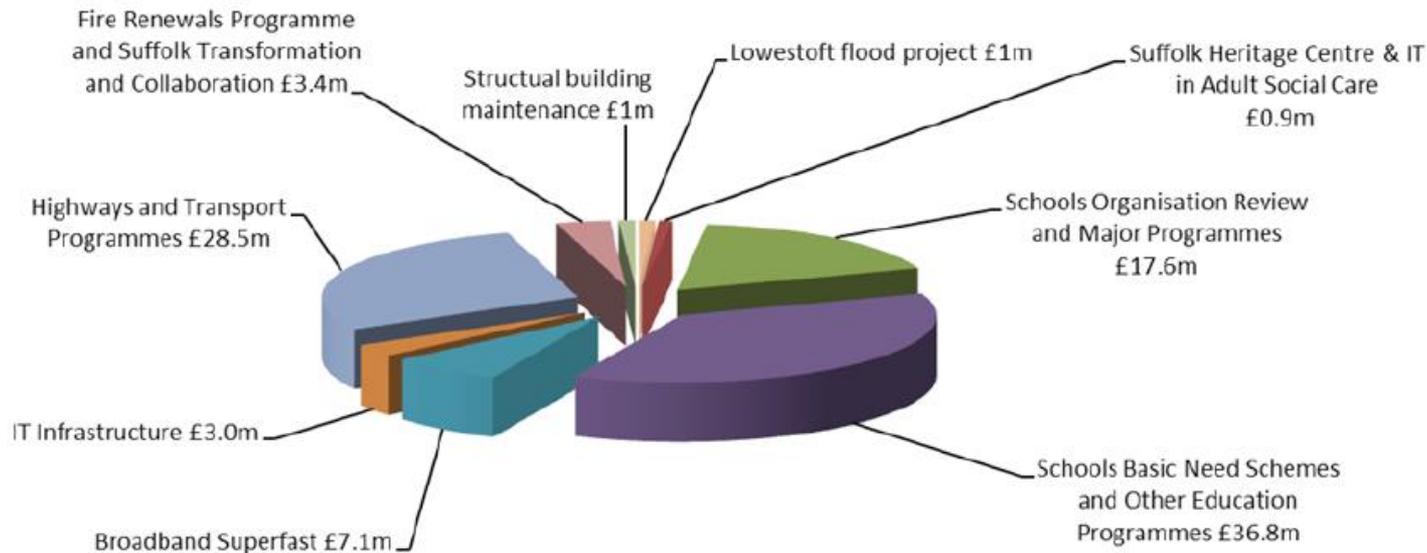


Suffolk's Finances 2016-17

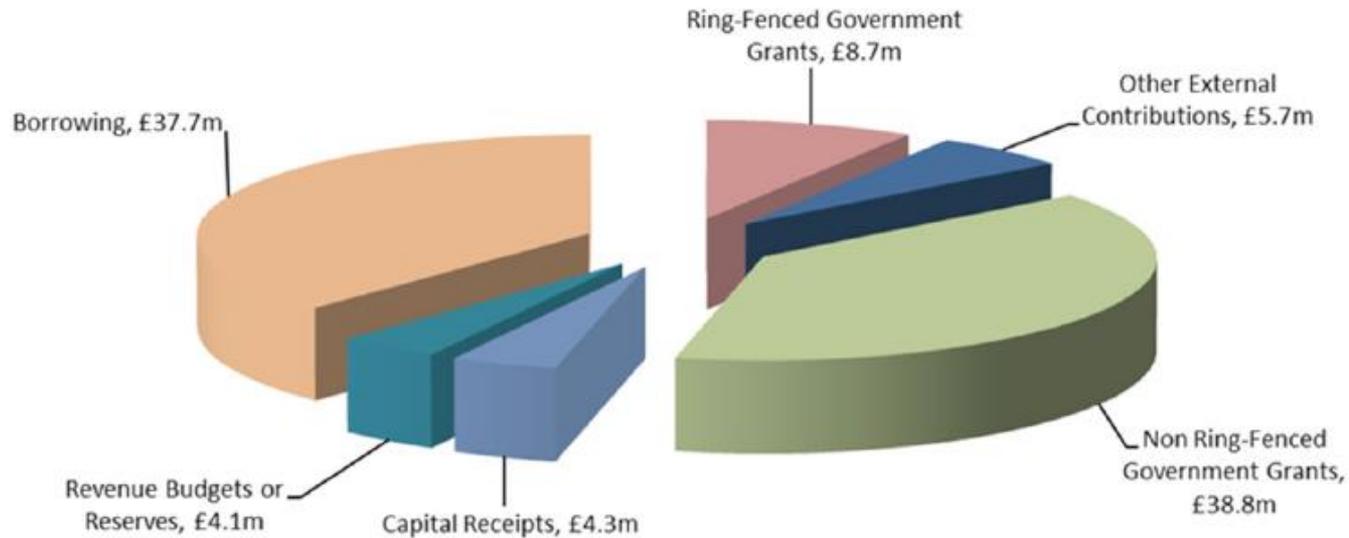
...And where is it spent?



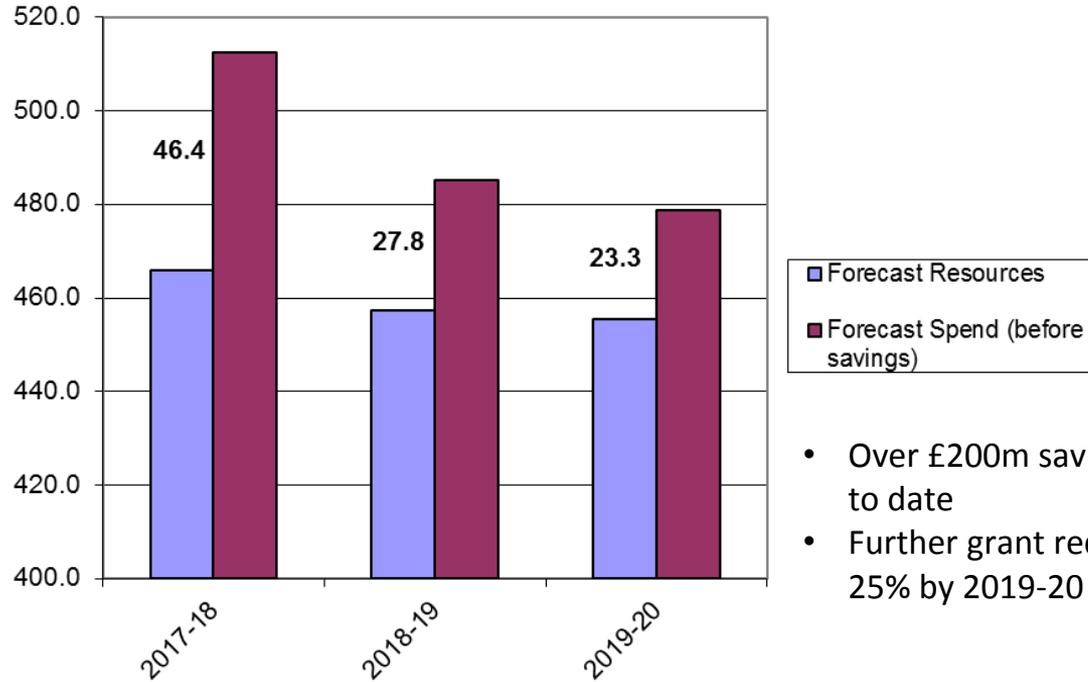
Capital Investment 2016-17



Financing of Capital Programme 2016-17



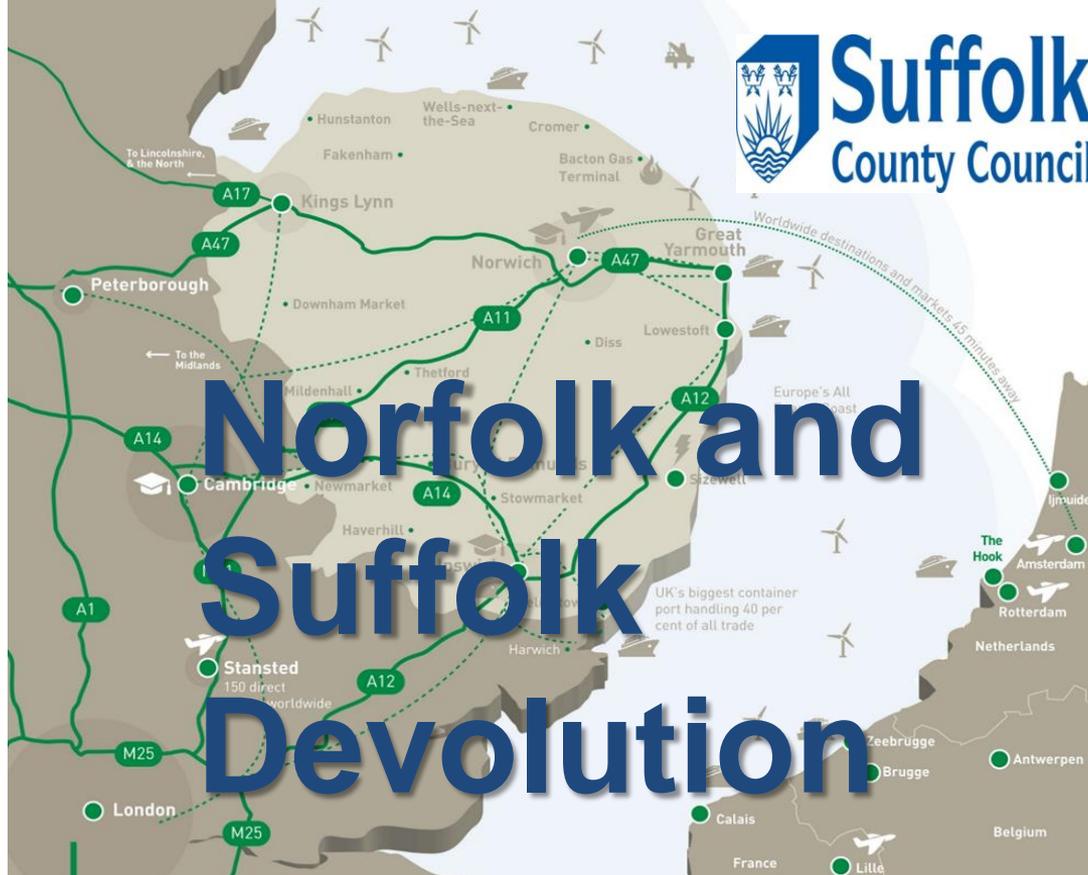
Suffolk's Budget Gap 2017-18 – 2019-20



- Over £200m savings made to date
- Further grant reductions of 25% by 2019-20

Financial Challenges

- Demography and Demand
- Higher Customer expectations
- Fragile Care Market
- National Living Wage
- Academisation
- National Funding Formula for Schools
- New Local Government Finance System from 2019-20
- Health and Social Care
- Lack of Money (continual grant reductions)
- Capacity
 - Devolution
 - Health and Social Care Integration
- Brexit
 - Inflation? Interest Rates?
 - Incentivisation and Growth?
 - More or longer austerity – where next?



Norfolk and Suffolk Devolution

The Devolution Deal for Norfolk and Suffolk

- £25m over 30 years - £750m for **economic growth, infrastructure and jobs**
- £130m over five years **for housing investment** to deliver new homes
- £225m **transport** budget over four years
- £20m annual **skills** fund and £2m annual **apprenticeship** grant
- More control and influence over investment in **key roads** across Norfolk and Suffolk
- Norfolk and Suffolk wide approach to **flood and coastal risk** management
- Locally integrated **employment** service, and the opportunity to co-design and co-commission the new national work and health programme

Combined Authority	30 year fund (£m)	fund as % of GVA (2014)
Norfolk & Suffolk	750	4.23%
The East (overall)	1350	3.94%
Tees Valley	450	3.60%
Liverpool City Region	900	3.20%
Sheffield City Region	900	2.80%
North East	900	2.50%
West Midlands	1095	2%
Greater Manchester	900	1.60%

Outsourcing, Insourcing and Divestment

- To be a smaller and more effective Council
- To put a much greater emphasis on commissioning and have much lower levels of direct service provision.
- To improve services whilst spending less money
- Over a three year period the Council divested eight different services and set up 5 trading companies
- Through this process:
 - Transferred 4500 staff out of direct Council employment
 - Set up contracts totalling over £100m.
- During 2014 SCC in-sourced its Back Office Services from a Joint Venture with BT (700 staff transferred into the Council)

Commercial Council



Commissioning Council

- 70% of our budget is now spent with suppliers
- 2000+ contracts

REALISE
FUTURES

KIER

care^{UK}

your
Suffolk libraries
... expanding horizons

Simpler Council

LeadingLives
Your life / Our support

SUFFOLK
ARCHAEOLOGY

SensingChange

Together we create opportunities for people
with sight and hearing loss



Local Authority Procurement Process

- All local authority procurement processes are governed by the Public Contracts Regulations (2015).
- The Regulations contain two basic procurement processes:
 - Open tendering - without use of a pre-qualification questionnaire process
 - Restricted tendering – using a pre-qualification questionnaire
- Local Authorities are obliged to use one of several electronic tendering systems.
- Types of contract that may be tendered:
 - A Framework
 - A Closed or Call-off Contract
- Relationships
 - Basic 'Client'/'Contractor'
 - Partnership
- Our last Highways procurement was run as a 'Competitive Dialogue' process.
- We ran this process using our electronic tendering system 'Suffolk Sourcing'

Procurement Process: Assessing Service Providers

- We use the government standard pre-qualification questionnaire which contains questions on:
 - Legal standards compliance;
 - Company information;
 - Financial Information;
 - References; and,
 - Technical.
- We set evaluation criteria against the essential requirements in the specification. At the highest level:
 - Price
 - Quality
- Quality criteria are broken down into different areas depending on the specification. In the last Highways procurement, we were interested such things as:
 - Innovation;
 - Asset Management; and
 - Customer Care

Suffolk Highway Services Contract

Suffolk County Council Mission Statement:

'We will make a positive difference for Suffolk. We are committed to working together, striving to improve and securing the best possible services'

The 'early years' (October 2013 to August 2015):

- Great contract mobilisation with promising prospects
- A culture shock to County Council staff with the loss of its in-house service
- The two organisations were not achieving the 'integrated team'
- The service did not improve for the customer - innovation was stifled
- The 'best possible services' increasingly seemed unachievable!

A 'Highways Transformation Programme' was necessary



Ten months of change...

- Punitive operational performance measures ditched
- Performance management now based on achieving 'outcomes'
- Most outcomes revolve round 'customer satisfaction'
- Kier no longer acting as Suffolk County Council's financier!
- Integrated teams being formed for function-based service delivery and one-off tasks
- 'Highways' no longer seen politically as Suffolk's 'problem child'
- Heavy additional investment (£10m over two years) from SCC coffers into highway maintenance
- Issues being addressed rather than 'swept under the carpet'
- Service information (e.g. future programmes of work) being openly shared for the first time
- An award-winning online reporting tool & increased customer usage
- Increasingly seeing customer compliments

The not-too-distant future...

- A holistic, leaner, integrated highways service
- True and formally endorsed collaboration – ISO11000
- Long-term perspective (2023) taken, allowing investment
- Partners in a circa £50m p.a. business
- ‘Suffolk Highways’ delivering services to private clients in Suffolk and beyond the county’s boundaries
- Further exploration of service expansion and profit sharing opportunities!
- ‘Suffolk Highways’ seen as the market leader and innovator for local authority highway services

Finally, a bit of Suffolk fun...



The must-see event of the summer!
The streets of Ipswich have been taken over by stunning pig sculptures as part of the highly anticipated Pigs Gone Wild interactive art trail.

The 39 large pig sculptures will be auctioned to raise funds for St Elizabeth Hospice on 22 September 2016.

<http://www.pigsgonewild.co.uk/>

“Ed Sheerham!”



Thank you...



Scott Cooper
Service Director
Highways

Area 3 Team



Scott Cooper
Service Director
Highways



Rees Evans
Contracts Director
Area 3



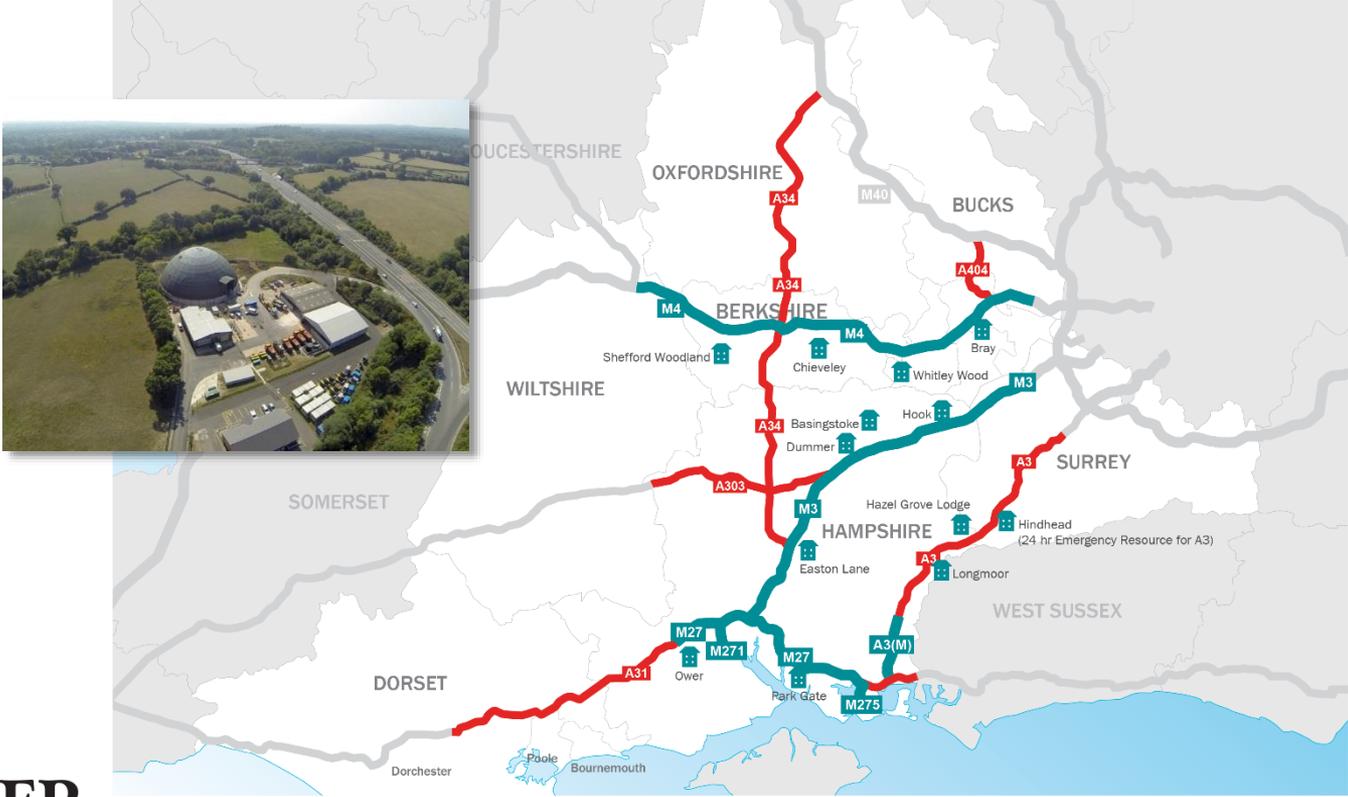
Kevin Cotterall
Operations Manager
Area 3

Area 3 overview

- First contract started in 2008
- Current contract: 1 November 2013
- Contract period: 5 years (with possible extension to 8 years)

Asset	Miles
Route length	321
Road Restraint (Barrier)	569
Carriageway length	778
Bridges / Large Culverts	747
Lane length	1780
Hindhead Tunnel	1.05

Area 3 network map



Scope of Area 3 contract

- Integrated network management identification of need, design, maintenance, improvement activities, incident management, event management and contingency planning on the all-purpose trunk roads and motorways
- All routine road and bridge maintenance works, including winter maintenance and capital schemes
- Provision of planning advice, design, co-ordination and supervision of network maintenance and improvement schemes



Area 3 senior management



AN INTEGRATED BOARD

Performance

- Health and Safety
- Cost
- Quality
- Sustainability
- Time



Asset Development Manager
Nicky Potts



Highways England Service Director
Scott Cooper



Area 3 Contract Director
Rees Evans



Asset Delivery Manager
Simon Duke



Highways England Priorities

- Safety
- Customer
- Road building programme



Assistant General Manager
Victoria Hynes



Asset Delivery Manager
Kevin Cotterell



Asset Development Manager
Bob McLean



Performance (%)



ASC PMF scores (Nov 13 - Mar 15)

	Area 3 Position	Area 2	Area 3	Area 6	Area 8	Area 9	Area 10
Nov-13	1st	52	56	N/A	N/A	N/A	39
Dec-13	1st	44	54	N/A	N/A	N/A	46
Jan-14	1st	36	54	N/A	N/A	N/A	31
Feb-14	1st	42	49	N/A	N/A	N/A	30
Mar-14	1st	50	54	N/A	N/A	N/A	43
Apr-14	1st	38	50	44	44	N/A	44
May-14	1st	38	48	40	43	N/A	29
Jun-14	1st	46	47	36	40	N/A	34
Jul-14	1st	39	48	28	36	38	36
Aug-14	1st	40	52	40	40	52	39
Sep-14	2nd	40	48	35	44	51	39
Oct-14	2nd	40	42	35	35	44	28
Nov-14	2nd	38	40	26	34	47	32
Dec-14	1st	80	83	6	10	67	37
Jan-15	1st	67	88	11	3	79	43
Feb-15	1st	68	82	26	14	65	42
Mar-15	1st	68	82	43	37	53	31

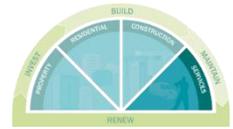
- Collaborative performance framework replaced by a performance management framework from 1 April 2015
- Area 3 is a consistent top performer

ASC CPF scores (Apr 15 - May 16)

2015										2016			
Apr	May	Jun	Apr	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
86	85	89	87	85	88	85	91	82	86	83	85	85	86



Asset delivery - Network control centre



Primary tasks include:

- Single point of contact for HA Regional Control Centre (RCC)
- Command and control of incidents
- Monitoring and deployment of incident resources
- Tunnel operations
- Network occupancy (Road Space)
- Stakeholder liaison, incl. HA Information Line (HAIL) enquires
- Disseminating the Area 3 Winter Maintenance Decisions
- Recording near misses
- Monitoring lone working
- Reporting to Silver Command



NCC Telephone Number
0845 603 4466

Selected supply chain community members



Area 3 team successes

- Highways England Supply Chain Awards 2016
 - Inclusion for First Military
 - Supply Chain Management for BS11000 Alliance
- Chartered Institute of Highways and Transportation (CIHT) 2016
 - Supply Chain Management
 - Health and Safety
- BS11000 Accreditation
 - Area 3 Alliance Model 2016
- Considerate Constructors 2016
 - Gold Award for Depots





Kier Group plc
Infrastructure Services Seminar
6 July 2016