



Getting to the heart of winter service

Dominic Browne reports from the launch of Cold Comfort 2014 on the latest in a series of Surveyor roundtable debates asking how contractors, local authorities and suppliers can work more closely together to deliver more effective and efficient winter service strategies.

As with any area of local government winter maintenance has seen some important developments in recent years. Chief among these is the revised Appendix H addition to Well Maintained Highways, but of course there is also the constant threat of reduced budgets and fluctuating weather patterns that appear to be getting more and more extreme. Last winter may have been mild but there was plenty of rain, raising issues around ice and highways degradation.

Of course one thing that has not changed is the importance of the men and women, the officers, decision makers, engineers and strategists behind the service that keeps us safe on the roads and keeps our country moving throughout the winter season. Who these people are however, what uniforms they wear and how they interact with either the private or public sector is a changing landscape.

With more councils using private contractors to do part or all of winter service delivery, Surveyor magazine in partnership with leading manufacturer Aebi Schmidt held a roundtable at the launch of this year's Cold Comfort to analyse the changing relationship between authorities, private sector contractors and their suppliers as they seek to improve the overall delivery of winter service in the UK.

Opening remarks from attendees outlined some of the reasons why councils are choosing to outsource services but also demonstrated that there is a spectrum of outsourcing and as with so much in local government there is no one-size-fits-all approach.

One attendee from a large council said: 'We have been an outsourced provider for more than 10 years now. We were in-house but from our perspective this created a whole host of issues, these included machinery supply, drivers' hours, and the cost of the service. So we went to market and have been with the same contractor ever since under various different contractual arrangements. We find it is beneficial because we can negotiate to get up to date equipment, we can get the efficiency of not losing staff overnight, we don't have fleet maintenance issues, and these costs can be re-invested into the delivery itself and finding innovations.'

'Decision making is still in-house. Our service delivery teams from the contractor operate completely under our direction. We kept decision making in-house because of tradition really. We have invested in our knowledge-base over many years and it's never something we really thought about outsourcing as there are no cost benefits from what we can see. We have the number of people we need, with the level of expertise



required to be able to take those decisions. It's also about loss of control, as a local authority you want to make sure the decisions being taken are right for your community. This means the liability is with us, and only goes to the contractor if they fail to maintain their contractual responsibilities.'

He added they would struggle to go back in-house and predicted more outsourcing with local authorities possibly becoming 'large administration centres'.

Another attendee from a council which runs an in-house operation said they might consider outsourcing because of the issues around workers' hours and shift patterns, which they found were difficult to arrange in winter season considering the need for workers' breaks. This raised

the question as to whether the service might be delivered more cost effectively by private contractors with larger staff pools.

One attendee said they are currently going through a TUPE transfer arrangement with a new contractor and are entering into a partnership arrangement where decision making, and therefore liability, could be shared between the council and the contractor.

'We are already having those discussions, obviously if liability sits with the contractor in its entirety they will want to have ownership of the decision making process, and quite right too' he said.

'We decided to outsource because we wanted the private sector's innovative ways of working and we wanted to bring investment in. Although

a big driver was the fact our existing highways maintenance contract was ending and so we were going to have to tender the highways side anyway.'

He added that there was also an ageing fleet which was raising more and more issues over the costs of maintenance and repairs. Another delegate agreed and said the cost of repairs as fleets get older did make it more likely they would consider outsourcing.

It was agreed that liability and risk was a key driving factor behind the nature of the arrangements between authorities and their contractors, while issues such as staffing costs, shift patterns, the need for capital investment in fleet assets and the drain on revenue funds from keeping operations in-house were issues that made councils consider outsourcing.

Attendees raised the issue of different types of payment method for winter service, with one attendee saying there were lump sum arrangements in some cases and in others payment by work done. Another attendee said the idea of a lump sum payment raised alarm bells as winter service can be so unpredictable.

There was also the issue of Appendix H, with some attendees saying it was adding to their costs as they sought to upgrade fleets to allow for spreading in more efficient 1g increments rather than the 5g increments some were still using. It was clear from attendees there is still a lot of concern and uncertainty around Appendix H and on certain issues, such as sheet covering for gritters, this left contractors as well as councils potentially exposed to risk.

An attendee from an in-house winter service authority did raise the concern that outsourcing is a one way process and once you lose control of one area, other aspects of the council's work including wider highways services and environmental services could soon follow, leaving small councils with little left under their control.

From the contractor's side it was suggested that there was a definite commitment to keep business as usual from day one of taking over a service, so there would be no reduction in standards as new arrangements and cultures took time to bed in. It was added that while contractors would often make arrangements to upgrade the fleets being used, which was a major benefit of outsourcing, some authorities set tenders based on the fleets they have at the time. It was suggested this led contractors to 'tailor the solution to the fleet available' instead of producing the most efficient improvement programme.

Tendering processes and the local government culture of keeping these price driven was raised as an issue that needed to be considered by coun-

cils, contractors and manufacturers alike.

One attendee said they saw many tender documents and there was a lot of 'cut and paste procurement focused on price'. It was agreed around the table that there was an unhelpful division between the experts running winter services and those from the client side who were in charge of fleet and contract procurement, with one council attendee adding it was difficult to get the specialist input into tender documents these days. Another attendee said he had even seen this lead to a tender asking for completely the wrong size of chassis, which then had to be phoned in and double checked by the manufacturer.

Among the problems raised by this division in procurement was the issue of moving towards multi-purpose vehicles. While the table agreed there were pros and cons to dedicated fleets versus multi-purpose, it was agreed that at least having some multi-purpose vehicles could be cost-effective. Although as they cost more up-front, it could at times be difficult to make the business case for this investment. It was highlighted by one attendee that there needed to be a demonstrable business case for authorities to invest the extra cash in innovative solutions, but once the evidence was there councils would be willing to make the leap.

It was also suggested that demonstrations should form part of the tender process so council officers could see the vehicles in action. One attendee raised the point that in Germany procurement processes operated more like open days with several suppliers offering demonstrations and presentations in front of each other and the client, leaving them 'nowhere to hide'.

Finally there was much talk of new technology and automated gritting. It was suggested this could present an opportunity to contractors and councils to not only reduce costs but also tackle some of the skills gaps the sector was experiencing.

From the manufacturers' side it was suggested that while greater automation was associated with job losses, this is not always the case. Aebi Schmidt's Autologic was designed around the idea of allowing councils to collate local knowledge from drivers and deal with events and the idiosyncrasies of a route.

While it indeed provides automation the idea behind it is client driven, allowing councils to form route strategies based on their own expert knowledge. This would then in turn need to be updated. So while local knowledge and experience would never be removed from the equation, automation could lead to a new driver drawing - perhaps without even knowing it - on all of the experience of those who came before.

Roundtable attendees	
Adrian Tatum	Hemming Group Editor Traffic and Transport
Alison Conroy	Aebi Schmidt
Fraser Boyd	M50
Steve Dixon	Manchester City Council
Darren Corcoran	Staffordshire CC
Peter Turland	Doncaster BC
Mike Moore	Aebi Schmidt
Richard Guy	Amey
Carl Bell	Tameside MBC
Dave Botfield	Staffordshire CC