

Smart Motorways Alliance

Supplier Network Engagement Launch Event

Monday 24th August, 2020

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Jacobs



Balfour Beatty

Introductions



Tony Slater
Alliance Manager



John Grimm
Delivery Director



Peter Winnicott
CP&F Director



Bruce Donaldson
DED Director



David Bray,
Highways England
Smart Motorway
Programme Director



Chris Hickey
Head of Supplier Networks



Sarah Thomas
Supplier Networks Lead



Faye Hodgkinson
Supplier Networks Lead



Richard Burnell
Supplier Networks Lead

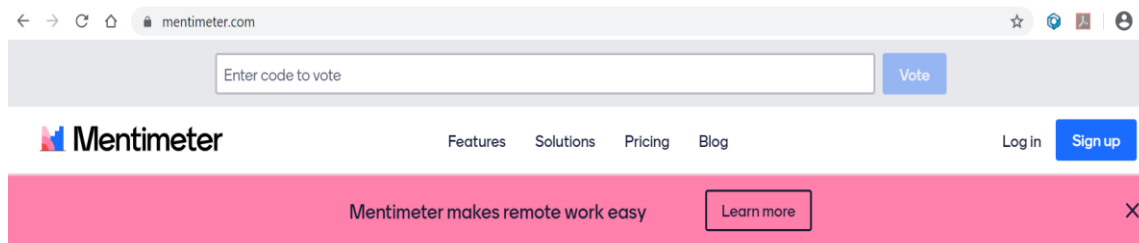
Housekeeping

- Participants will be automatically muted during presentation.
- Questions can be submitted throughout the webinar via the GoToWebinar application.
 - We will look to respond to questions via written response following the event.
 - Responses will be published along with the event material.
- Polls will be held at intervals for participants to take part.
 - We would welcome your participation to seek feedback during the event.
 - Responses to polls will be anonymous.
- A short survey will be issued following today's webinar.
 - We would welcome your feedback to help inform the Alliance's supplier network strategy.

Interactive Polls - Mentimeter

- www.mentimeter.com

- Website Version



- Poll Codes will be provided!



Smart Device Version



Please enter the code

12 34 56

Submit

The code is found on the screen in front of
you

Points to Note

- Non-participation in this engagement event will not prevent nor prejudice any future participation in any subsequent Smart Motorways Alliance procurement activity.
- The same information will be accessible to all interested parties throughout the market engagement exercise and be made available via TED/Contracts Finder.
- Participation in the market engagement exercise, and any information provided will not be used for evaluation purposes in any future procurement processes.
- Any information/feedback provided by the market may be used by the Smart Motorways Alliance in undertaking analysis necessary for the finalisation of its supplier network strategy.
- No information provided by the Smart Motorways Alliance during the engagement exercise should be relied upon as a representation or commitment by the Smart Motorways Alliance for how the final supplier network strategy will work.
- The names of individuals who have attended this engagement event will not be published. However, the names of organisations who have participated will be listed.
- The information provided by the Smart Motorways Alliance in this document has been prepared in good faith and does not purport to be comprehensive nor independently verified. The Smart Motorways Alliance does not accept any liability or responsibility for its accuracy, adequacy or completeness, nor do they hold any representation or warranty, expressed or implied, with respect to any information provided during this engagement exercise.

Agenda

Item	Presenter
Safety Moment	Chris Hickey
Event Objectives	Chris Hickey
Our Journey So Far	John Grimm
Our Vision for the Future	Tony Slater
BREAK 1	
Partner Perspective	Bruce Donaldson
Alliance Supplier Network Vision & Strategy	Peter Winnicott
Supplier Network Development & Implementation	Chris Hickey
Closing Remarks	Peter Winnicott

Health, Safety & Wellbeing Moment

Chris Hickey
Head of Supplier Networks

#RespectOurRoadworkers Campaign

<https://www.youtube.com/watch?v=u8zx9EsYpmk>

#RespectOurRoadworkers

- #RespectOurRoadworkers, let's get them home safe and well.
- The continued exposure of our road workers to road users when implementing or working within Temporary Traffic Management (TTM) that is either static or mobile continues to be one of the biggest health and safety hazards in our industry.
 - The most significant incidents have tragically resulted in fatalities, life changing injuries and significant mental health effects.
- Total number of incursions recorded in AirsWeb since (2017) is 5,966 (as of June 2020) – that's circa 38 a week.
- Industry-wide Incursions Working Group established with a primary focus of taking action to minimise the risk of incursions.
 - Video made and funded by Highways England and its supply chain, showing the dangers of incursions and highlighting that the people working behind road cones have as much right to get home safe and well as everyone else.
 - The video has been produced to educate the public that driving into roadworks puts construction and maintenance workers at risk and that they should abide by roadwork markings.
 - This video coincides with a series of 13 short films produced by members of the national incursions working group. These short films aim to educate construction and maintenance workers about what to do if someone drives (or walks) into works. These videos are designed to be used in training, and in briefings at the start of shifts to help keep the people on site safe from incursions.
- Reasons for highlighting this campaign...
 - Continued awareness; incursions/IPV strikes still occurring on a far too regular basis.
 - A great example of all parties working together as an one/integrated team for a common purpose. Some great working going on in this area to help further eliminate, reduce, isolate and control to ensure our roadworkers get home safe and well.

Purpose & Objectives

Chris Hickey
Head of Supplier Networks

Purpose of today

- Today forms a key part of our broader engagement with the market on the smart motorways programme on behalf of the Smart Motorways Alliance, open to all who express interest.
- The purpose of this event is to outline the ambition for the Smart Motorways Alliance and to commence dialogue with the market regarding the Alliance's supplier network strategy in order to test thinking and gather feedback as the model develops.
- Any feedback from this event will be used by the Smart Motorways Alliance in the continued development of the emerging supplier network strategy and delivery model.

Objectives

- Provide an overview of the Smart Motorways Alliance
 - Alliance members and roles & responsibilities
 - Alliance brand, values, objectives and goals
 - Operating model
 - Programme of works
- Provide information regarding development of the Alliance's supplier network strategy and programme.
- Provide visibility regarding future supplier engagement and future procurement opportunities.
 - How suppliers can participate in developing the supplier network strategy, and participate in any future procurement.

Our journey so far...

John Grimm
Delivery Director

What is a Smart Motorway?



- Smart motorways safely increase capacity, reduce congestion and improve journey time reliability by making the hard shoulder available as a traffic lane, supporting economic growth
- All Lane Running allows us to add capacity to the busiest sections of the network at 60% less cost of traditional road widening
- Smart motorways are proven to be **at least as safe** as traditional motorways.

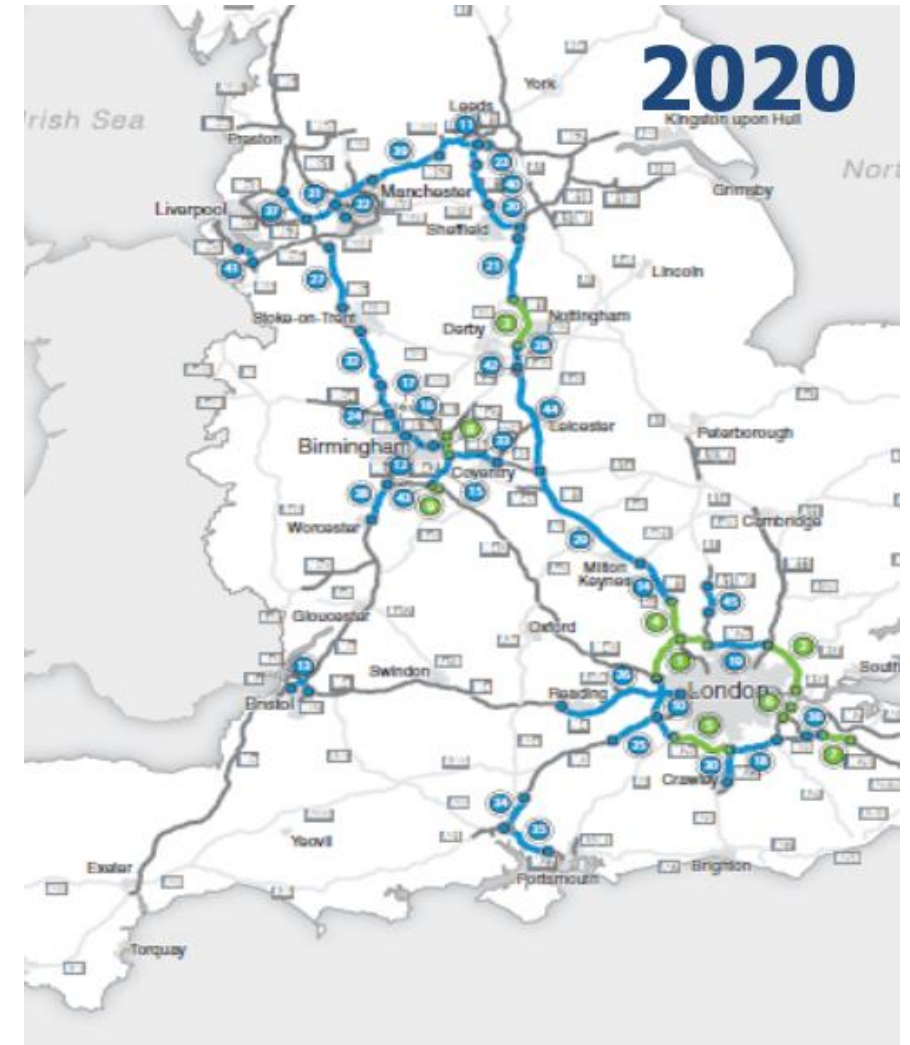
Smart Motorways in Numbers

£3billion – invested on smart motorways to 2020

350 miles – of smart motorway in operation as of March 2018

240 miles – of smart motorways will be completed between April 2015 and 2020 (12.9% of motorways).

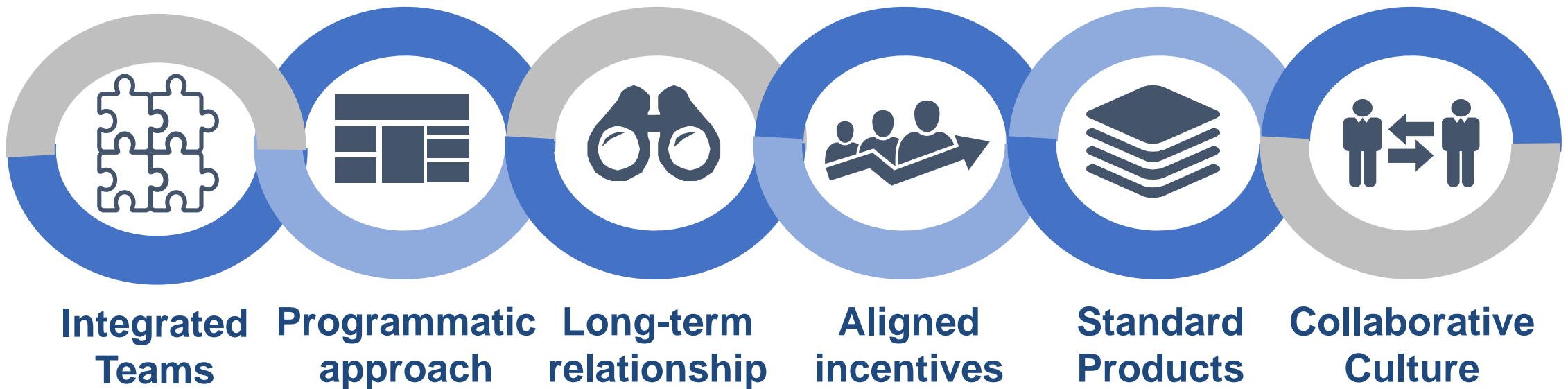
512 miles – of smart motorways in operation, construction or planned (27.4% of motorways).



Opportunity areas

Smart motorways and other parts of Highways England procured products and services through the Collaborative Delivery Framework (CDF). This framework reached it's headroom in 2019.

Significant opportunities were identified to further develop the smart motorways delivery model to drive greater efficiency and non financial benefits.



Why the Smart Motorways Alliance?



What is an Alliance?

An alliance is a multi-party contract, under which the client and its main delivery partners all sign up to a single set of terms.



- A **collaborative and integrated** team brought together from across partners and owners to deliver a programme or project
- **Shared goals**, aligned directly with customer or project outcomes
- Underpinned by a commitment to key working principles and **trust-based relationships**
- An emphasis on creating the **right culture and behaviours**
- **Strong, collective and unanimous leadership**

Key Facts about the Smart Motorways Alliance

- The Alliance comprises seven members:



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- The Alliance will deliver the Smart Motorways Programme across RIS 2 and 3, over a 10 year period.
- Highways England will **share risk and reward** with its partners. Partners will be collectively responsible and rewarded based upon **collective outperformance against a common programme budget** (rather than outperforming on an individual basis) and other objectives aligned to Highways England's imperatives.
- The Alliance will **operate programmatically** (rather than scheme by scheme) to deliver packages, to encourage standardisation and efficiency.

Seven Members

- Highways England
- 1 x Production Mgt Partner
- 2 x Digitally Enabled Design Partners
- 3 x On Site Assembly Partners



What we are looking for:
 Information Leaders
 Business Leaders
 Safety Leaders
 Collaborative Leaders
 Capacity & Strategic Leaders

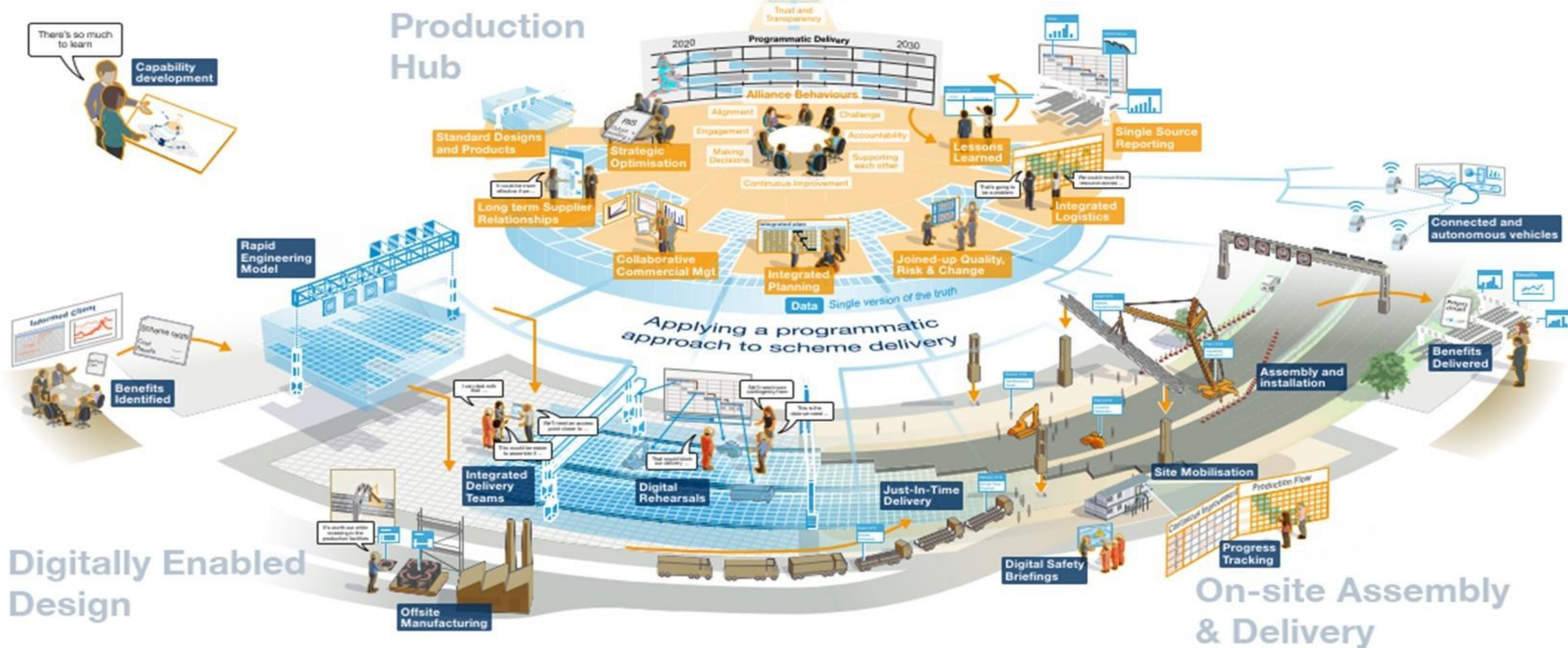
Single approach



Aligned Goals

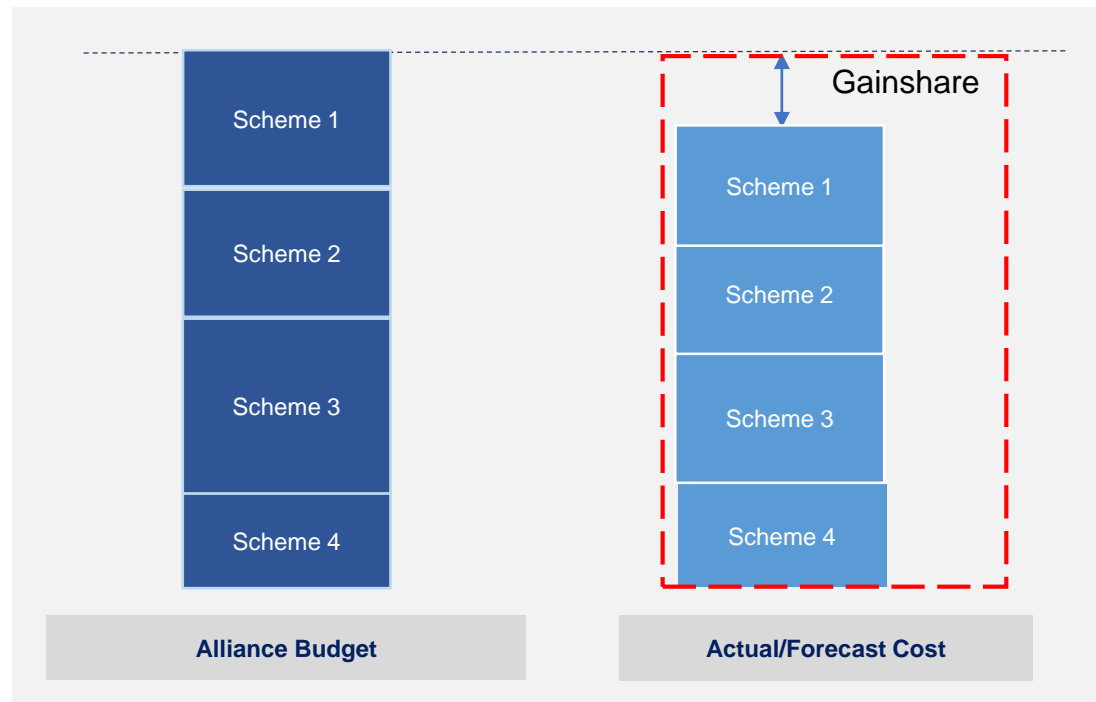
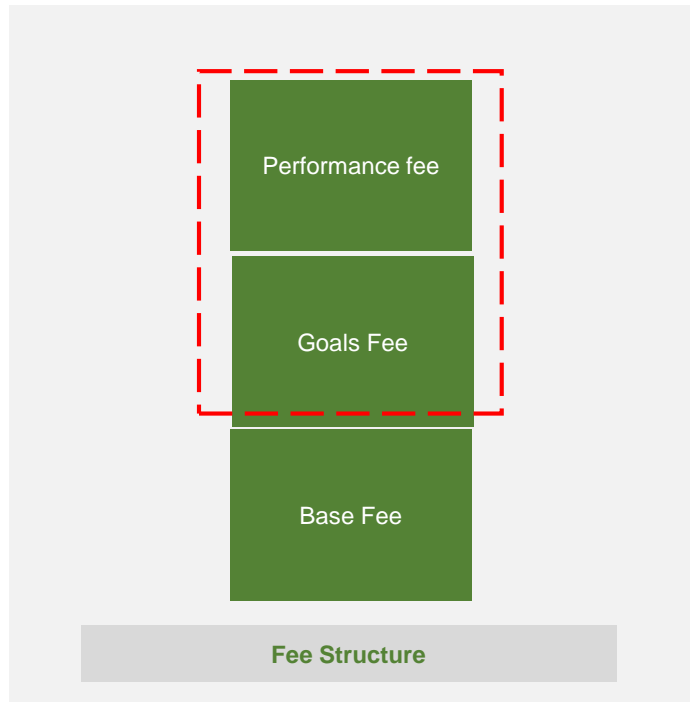
HE Imperatives

- ✓ Safety
- ✓ Customer
- ✓ Delivery of RIS



Incentivisation based on collective outperformance

- Highways England will pay the Alliance Partners a fee to manage and deliver the Smart Motorway Programme. Part of the fee is conditional on the Alliance collectively delivering in line with the Imperatives: delivering safely, taking due consideration of our customers, timely (Goals Fee) and to budget (Performance Fee).
- Highways England will pay a bonus (gainshare) on top of the fee for outperforming the Alliance budget.
- With the exception of the Base Fee, financial return is determined by performance across the programme and not at scheme or partner level to incentivise true collaboration across all of the Alliance members.



Returns based
on collective
performance

Alliance Mobilisation

Draft
Scheme
Orders
Issued

14/05 – 28/05
(2 weeks)

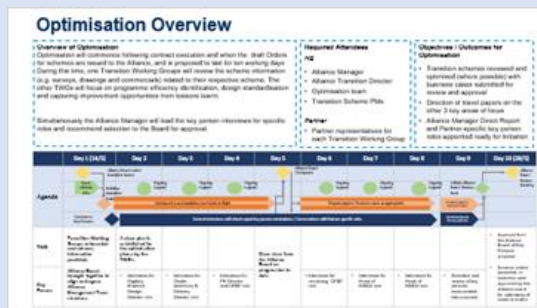
Final
Scheme
Orders
Issued

01/06 – 12/06
(2 weeks)

15/06/20 onwards
(c.6 months +)

Optimisation

- Review of the draft scheme orders and propose an optimised business case where appropriate.



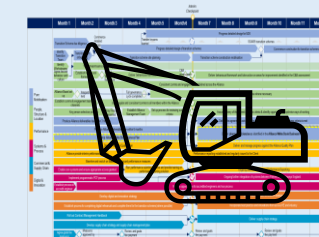
Initiation

- The Alliance comes together to develop a common understanding of the Alliance purpose and to collectively develop and agree key deliverables to enable a smooth mobilisation.



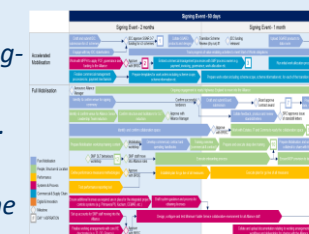
Accelerated Mobilisation

- Accelerated mobilisation will focus on the delivery of schemes / projects with key milestones shortly after contract award.



Full Mobilisation

- Full mobilisation will focus on the activities to set the Alliance up for long-term success and realisation of the benefits outlined in the Business Case.
- This includes the production of contractual deliverables outlined in the implementation plan.



Our vision for the future...

Tony Slater
Alliance Manager

Our Vision

Inspire each other every day to be ever more innovative and successful in delivery



Our Mission

Unite diverse teams, unleash fresh thinking and transform delivery



Our Outcomes

Home safe and well

Everyone arrives home safe, well and feeling even better. The working environment is not just safe, it positively enhances our people's sense of wellbeing and self-worth. The alliance adopts leading working practices to support our customers travelling through our roadworks to be safe at all times

Inspiring workplaces

Our people feel inspired to maximise their own and each other's potential. We have an environment where innovative thinking and new ideas are welcomed and developed as team drawing on each other's strengths and capabilities

Resilient frontier businesses

Phenomenal delivery generates healthy rewards and resilience for all. The alliance will transform the highways sector by setting new benchmarks for safety, productivity and quality. This will generate outperformance which will enable the partners to generate fair profits and Highways England to reinvest in the SRN

Satisfied customers

Everything we do is focussed around our customers. The customer experience is centre-stage in our delivery strategy. Our aim is that our customers will have an informed and positive experience while travelling through our roadworks

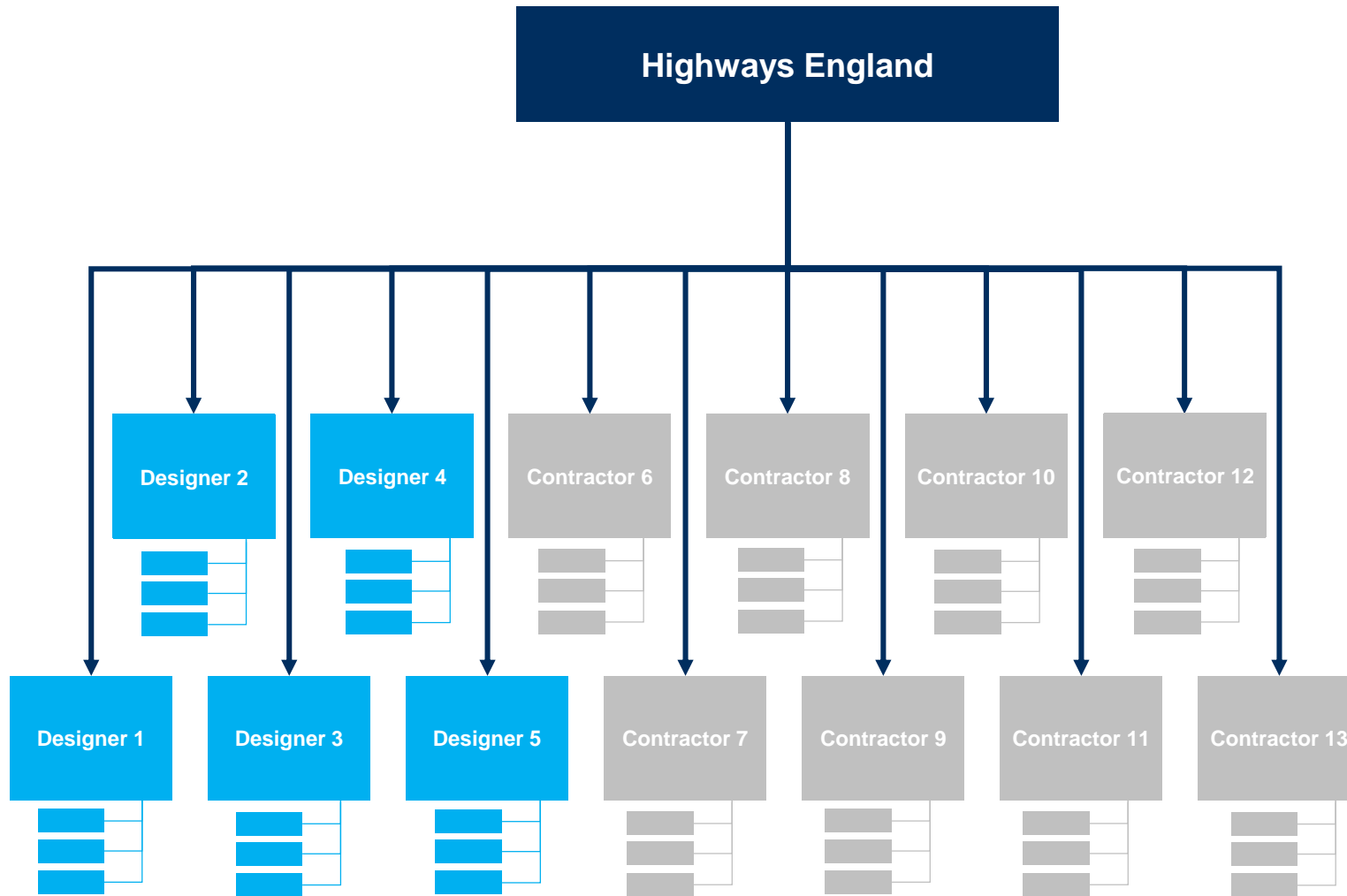
Enriched communities

The work the alliance undertakes enriches people's lives and improves their prospects. Opportunities abound, for example, attracting new talent of all ages into the industry, inspiring children to study STEM subjects, and continually finding new ways to add lasting value to local communities.

Flourishing environments

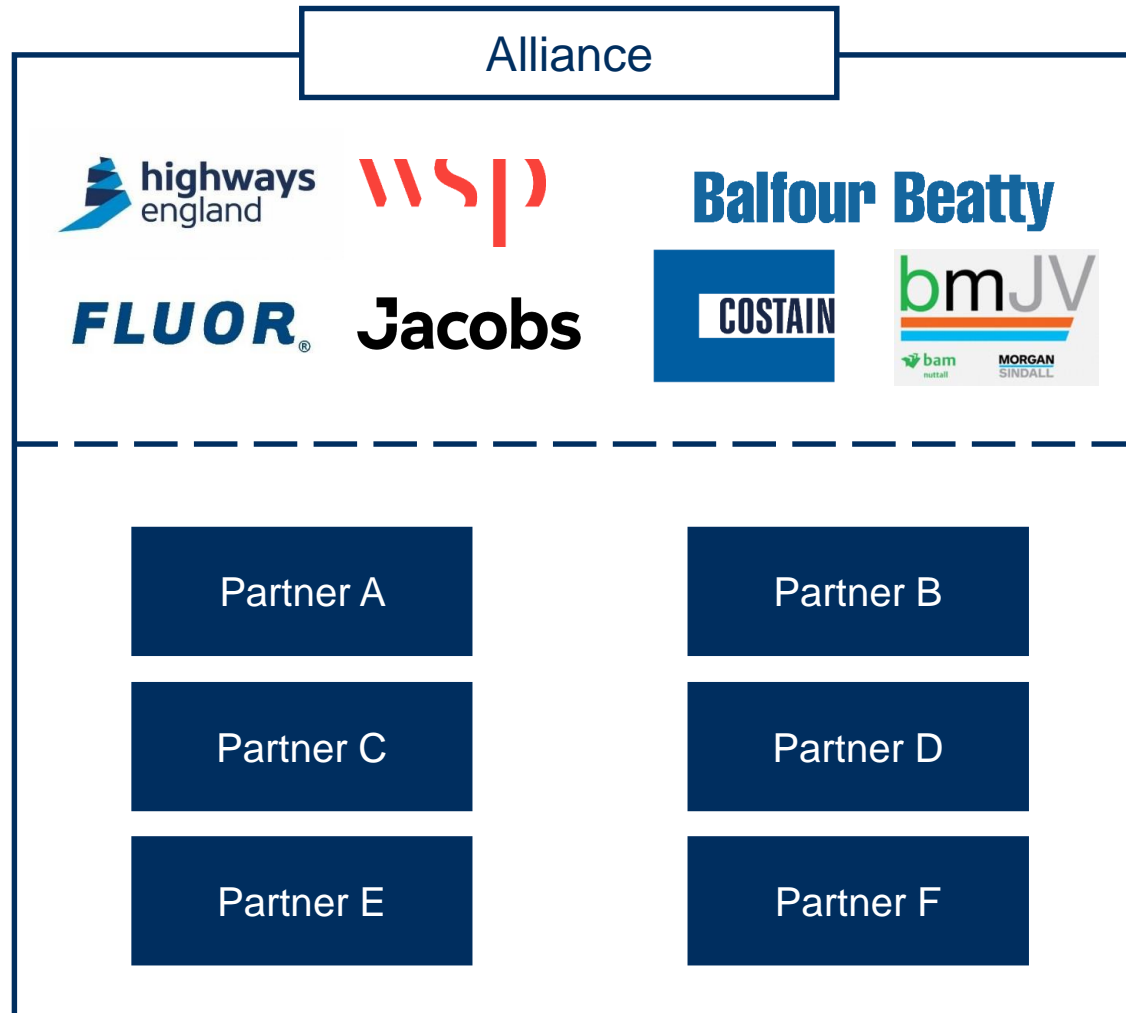
Local ecosystems and natural habitats are improved as a result of our projects. Our investment in sustainability makes us feel proud of the positive influence and effect we have, knowing we are protecting and enhancing local environments long term.

How work was awarded in the past



- Highways England had multiple short term project based relationships with Designers and Contractors.
- Each Designer and Contractor created their own supply chain for a project.
- The supply chain had limited visibility and certainty of work.

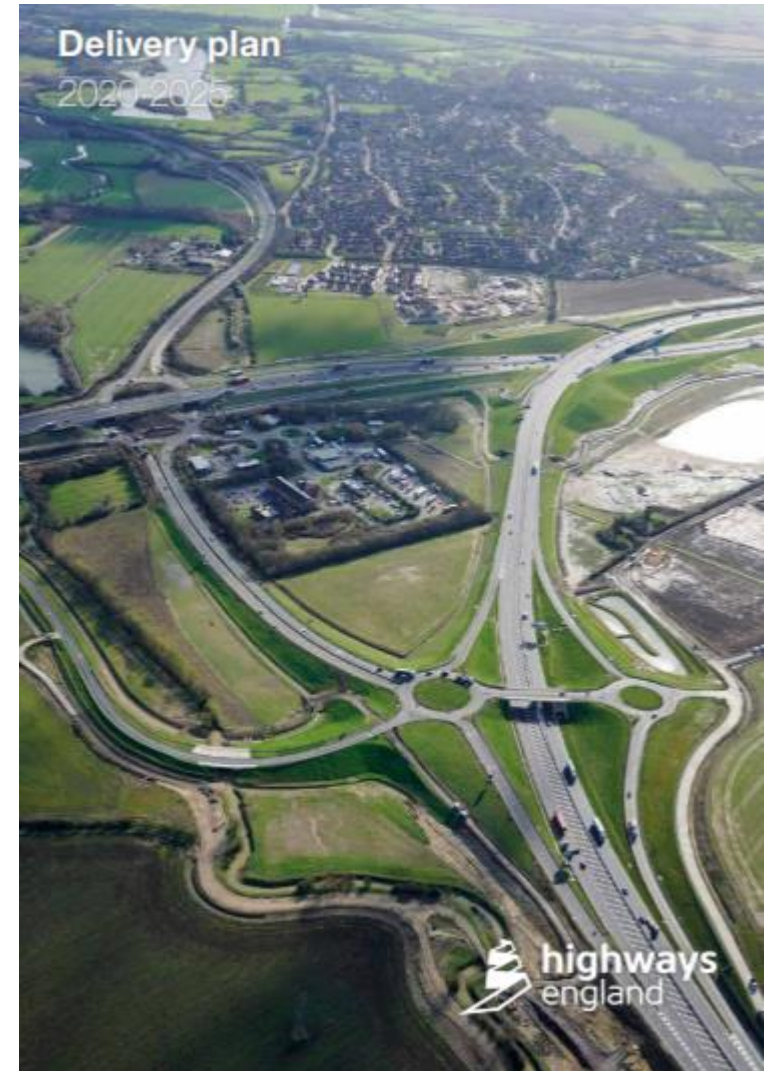
The vision for how we'll work together in the future



- Move to an enterprise model where all members of the Alliance utilise a common supplier network
- Create long term relationships and a stable workload to enable our supplier network to invest and upskill with confidence
- Utilise the knowledge and expertise of the supplier network to improve the end-to-end delivery of schemes
- Create an incentivised model to support the realisation of our outcomes
- Identify opportunities to improve performance.

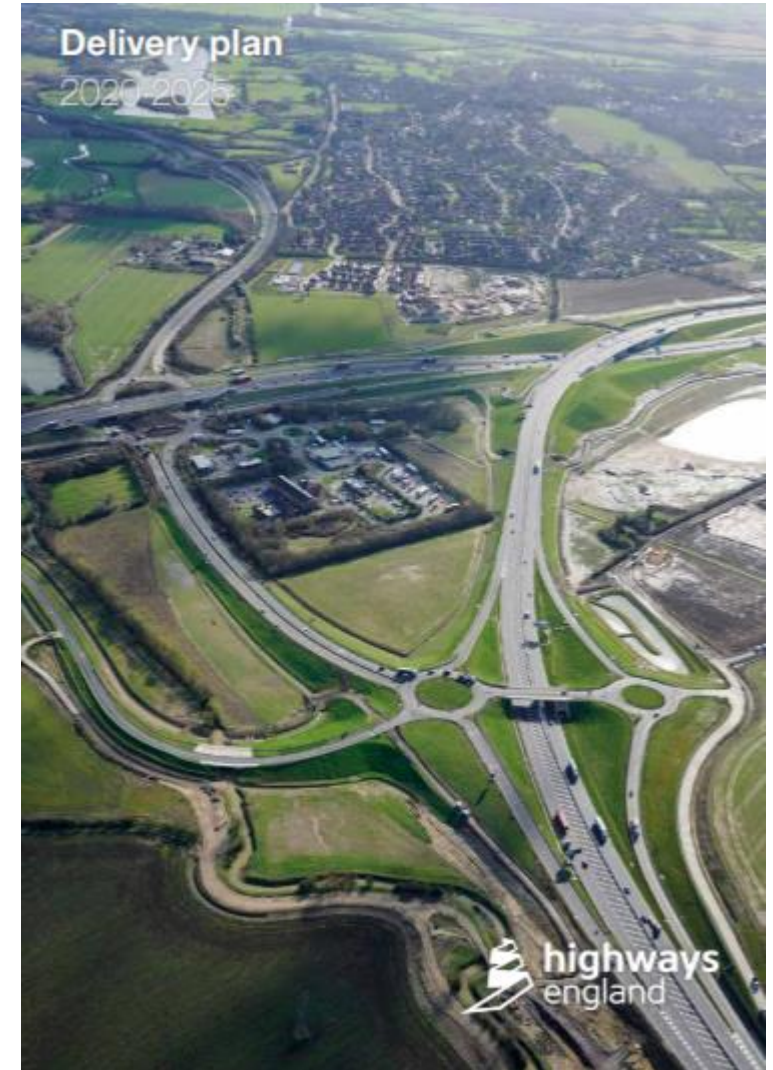
Smart Motorway Programme – RIS2

- Highways England published its Road Investment Strategy 2 (RIS2) Delivery Plan on Friday 21st August.
 - Headline investment of £27.4bn over the next 5 years.
 - £14.1bn enhancement programme (inc. smart motorways)
- Smart motorway programme overview;
 - Installation of additional smart motorway across the network (all lane running solution)
 - Delivery of the smart motorway stocktake action plan, including;
 - National stock vehicle detection roll out across the entire smart motorway network,
 - Conversion of dynamic hard shoulder solutions to all lane running solutions.



Smart Motorway Programme – RIS2

- Smart Motorways projects;
 - M62 Junctions 20 to 25
 - M6 Junctions 21a to 26
 - M40/42 Interchange M42 Junctions 4 to 7 (upgrade dynamic hard shoulder running to all lane running)
 - M6 Junctions 4 to 5 (upgrade dynamic hard shoulder running to all lane running)
 - M6 Junction 5 to 8 (upgrade dynamic hard shoulder running to all lane running)
 - M6 Junctions 8 to 10a (upgrade dynamic hard shoulder running to all lane running)
 - M1 Junctions 10 to 13 (upgrade dynamic hard shoulder running to all lane running)
 - M3 Junctions 9 to 14
 - M25 Junctions 10 to 16
 - M4 Junctions 19 to 20 and M5 Junctions 16 to 17 (upgrade dynamic hard shoulder running to all lane running)
 - National implementation of Stock Vehicle Detection across the entire smart motorway network.
- Delivery of remaining stocktake action plan.
- Proposed pipeline of future schemes;
 - A1m Junctions 6 to 8
 - M6 Junctions 19 to 21a
 - M1 Junctions 35 to 39



We welcome your feedback

- We will be inviting feedback following the webinar to help inform and develop our plan.
- Please take the opportunity to contribute.
- Supplier engagement and feedback is fundamental to us developing our future strategy.
- Further details will be provided later in the webinar.

Break 1 (15 minutes)

Mentimeter Poll ID:

Q1 – 54 75 243

Q2 – 65 95 195

Partner Perspective

Bruce Donaldson
Digitally Enabled Design Director

Partner Perspective

- Why the partners engaged in the Smart Motorways Alliance
- How we want this to work
- Key themes of change (what is different).

Why the partners engaged in the Smart Motorways Alliance

- Partners have a wealth of experience in Smart Motorways and Alliances
- Long Term, Secure 10 Year Planning
- Alliance approach and collaboration
- Transformation and Change
- Commercial Alignment.

How we want this to work

- Engagement – Alliance is client, contractors, designers, production hub all in one.
- Alignment – Coming together as an Alliance we are focussed and motivated on safety, customers and efficiency. Talk the same language.
- Looking for Commercial Alignment on Efficiency
- Alliance approach and collaboration
- Transformation and Change.

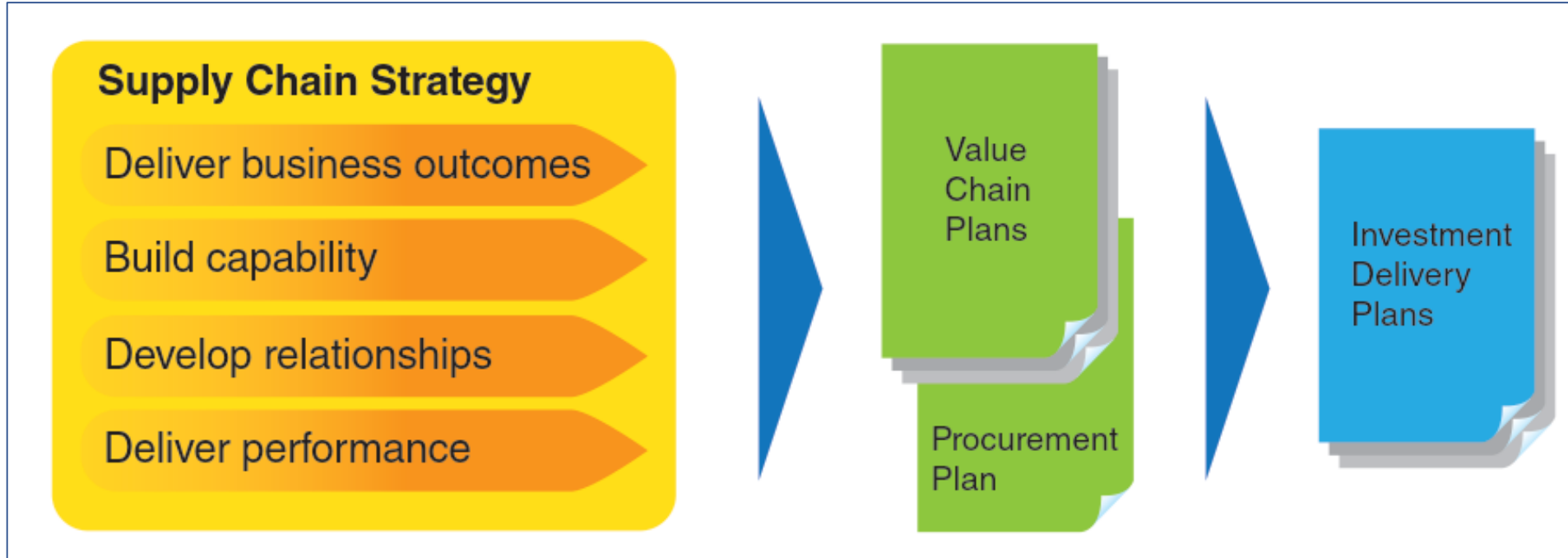
Key Themes for Change

- ~~Designers and Contractors~~ – Products, assemblies, systems, offsite manufacture
- Digital (talk our language)
- Innovation
- On site experience
- Learning and Developing.

Alliance Supply Chain Vision & Strategy

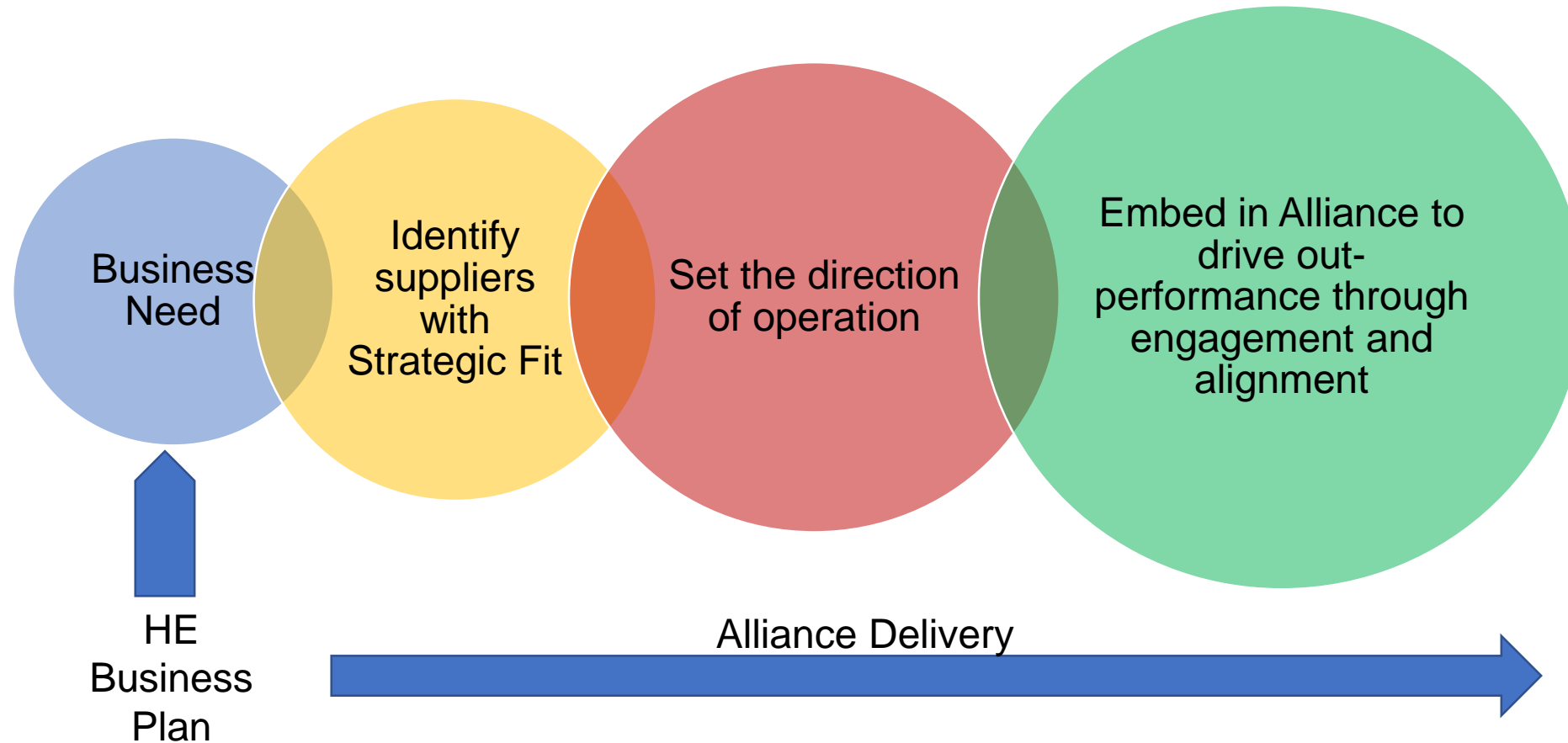
Peter Winnicott
Commercial, Procurement & Finance Director

What do we want from our Supplier Network?



Driving Value and Performance

- Alliance approach drives value through strategic alignment and engagement
- Combined benefits and learning through a stable and predictable environment



Building on the Project 13 Blueprint

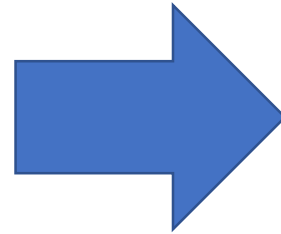
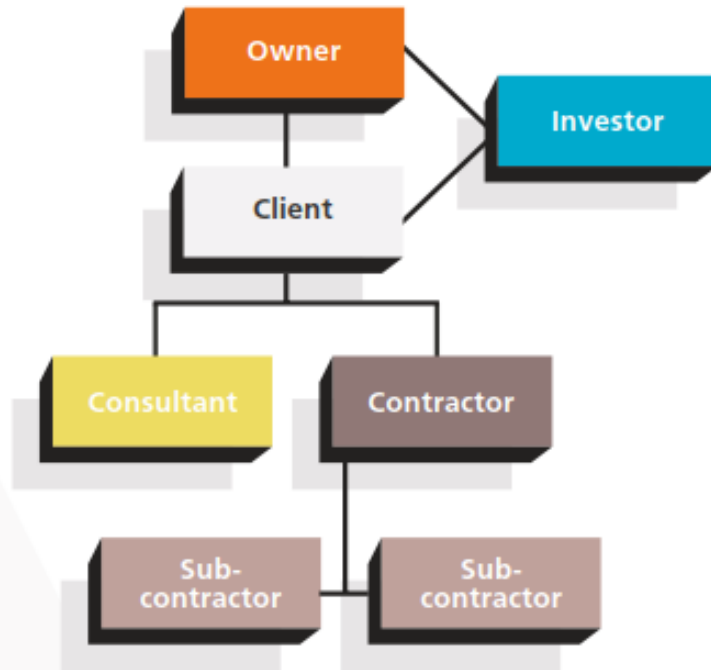
- Project 13 – Initiative by ICE and Infrastructure Client Group
- Address issues facing our industry
 - Capacity
 - Delay & Cost Overruns
 - Poor Quality
- Promotes a better way of working
 - Alignment of risk and reward
- Supports Alliance working
 - De-fragmenting the industry
 - Promote long-term relationships
 - Shared goals and rewards
 - Transactional to Enterprise Model



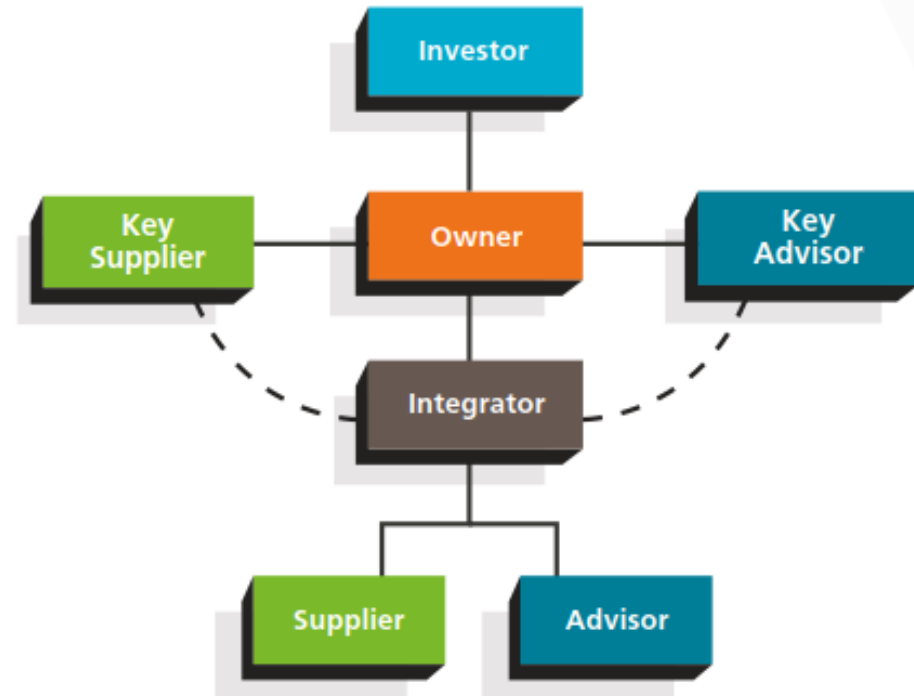
Building on the Project 13 Blueprint

What is an Enterprise Model?

Transactional Structure (Public Sector)



Project 13 Enterprise Structure



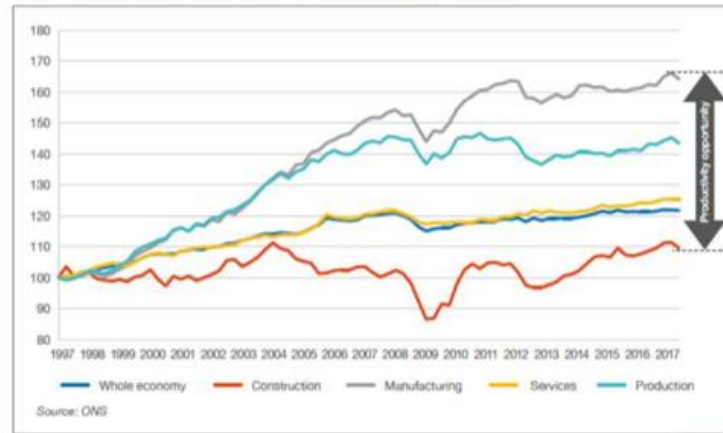
The Case for Change...

Poor productivity in the construction sector

"Productivity in manufacturing has nearly doubled, whereas in construction it has remained flat"

Source: McKinsey&Company, "The construction productivity imperative" By S Changali, A Mohammad and M van Nieuwland, July 2015

Chart 1: Productivity Growth – Output per worker (1997=100)



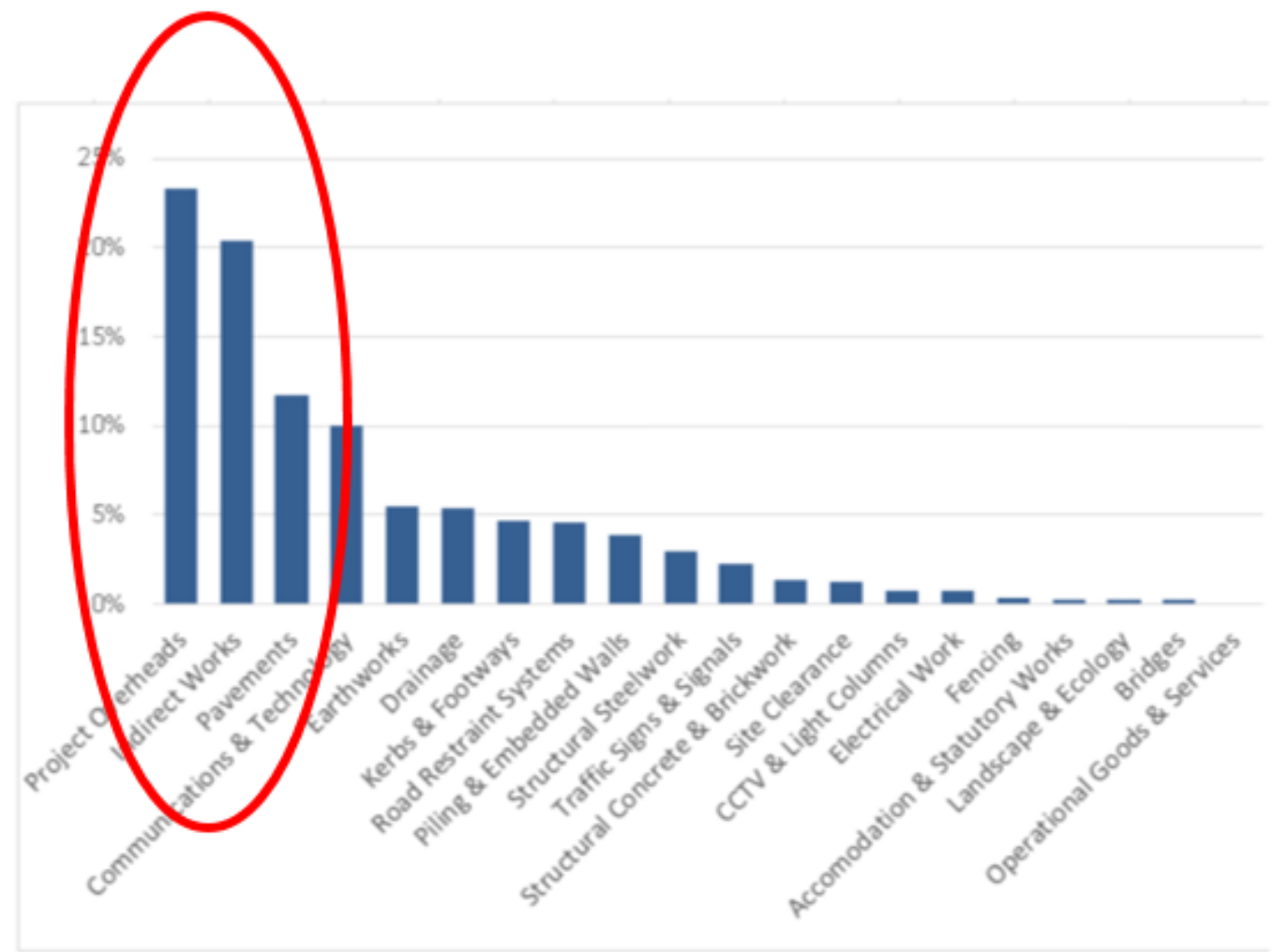
ICG

#joinProject13

Project 13

Manufacturing	Construction
Long Term Supplier relationships	Project by project procurement
A market that understands value and will pay a premium	Lowest price wins
Successful products lead to repeat business	Successful products lead to re-tender and start from scratch
Higher margins with funding for innovation and development	Low margins reduce scope for innovation and development
Competition drives efficiency and product development	Competition drives price cutting

The Case for Change...



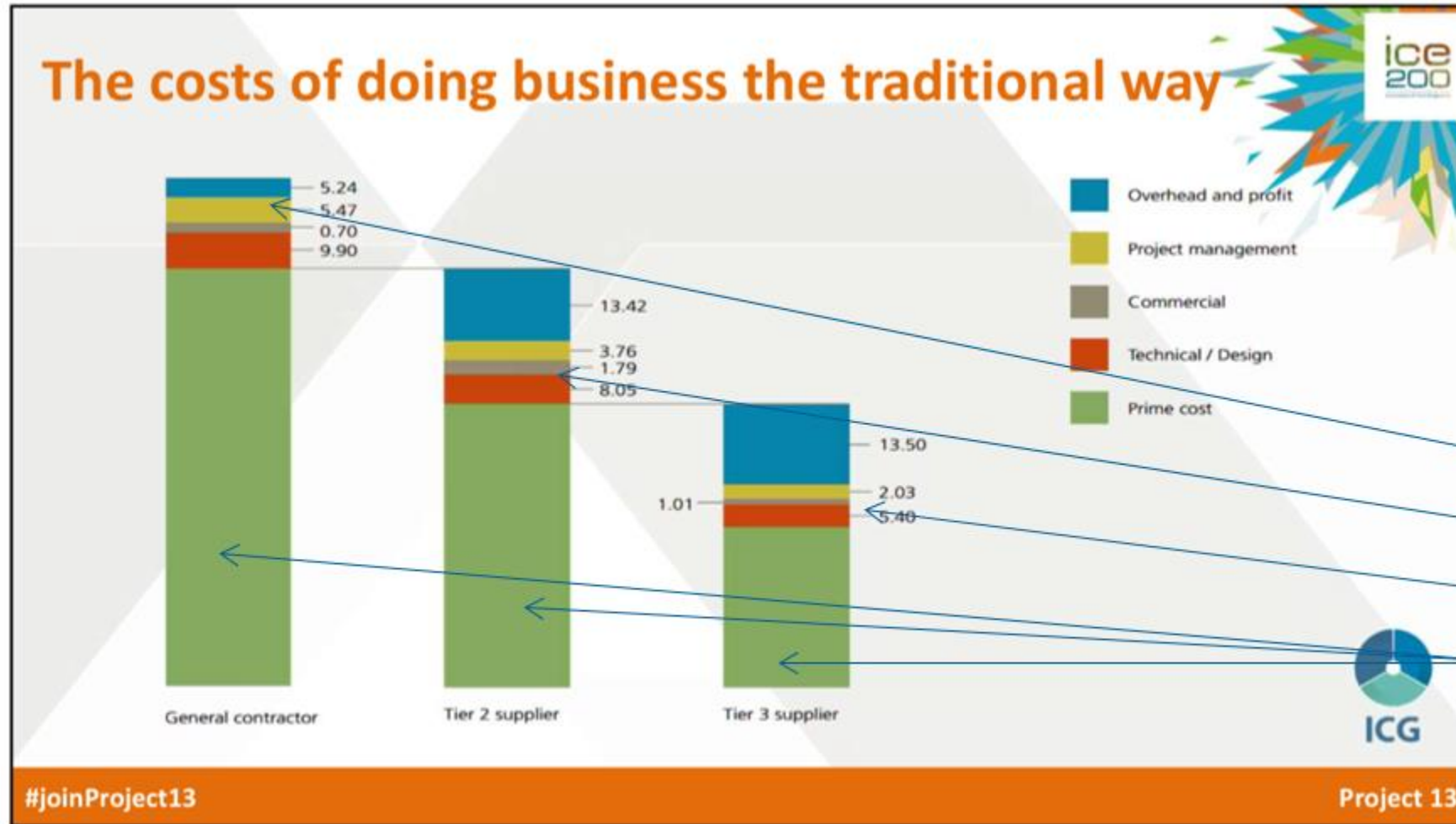
Project Overheads – 23%

Indirect Works – 20%

Actually building something – 57%

Fig 1: Smart Motorway Expenditure Breakdown

The Case for Change...



Our Ambition

What is our vision for our supplier engagement?

- Freeing the shackles of the supply chain to form a wider Alliance network driving innovation and efficiency.

Our goal?

- An innovative and committed network of suppliers embedded as partners delivering value throughout the project lifecycle from the heart of the Alliance.

Our objectives?

- Longer Term relationships – 5+5 contracts to promote investment
- Engagement on aligned terms where appropriate, back to back with the Alliance
- A diverse supplier network that truly value the Alliance and commit their best people.

Strategic Features

- The Partners procure as one Alliance, and procure on a programmatic basis.
- The Alliance establish long term relationships with suppliers to enable investment.
- Standard subcontract terms and conditions from whichever Alliance partner.
- Supply partners are embedded in the production hub allowing early involvement in scheme design and development.
- Supply partners are aligned and incentivised to Alliance objectives and goals.
- Deployment of strategic, core and commodity supplier relationships and arrangements.

Alliance Supplier Network Strategy & Programme

Chris Hickey
Head of Supplier Networks

Supplier Network Approach



Strategy Development

- Key products which will inform supplier network development and procurement;



Core to the Alliance Supplier Network Strategy

- Key objectives, reflective of our contract commitments.

Create an environment where safety, health and wellbeing is not compromised

Deliver innovative, value for money solutions at a fair and appropriate cost with zero defects

Be compliant with our contract and all relevant legislation

Create a high performing supplier network based on long term, mutually beneficial relationships

Create a supplier network strategy focused on value creation not cost reduction

Ensure activities are conducted in a fair, objective and transparent manner

Adoption of sustainable and responsible procurement practices

Supplier development, integration and management

Alliance Supplier Network Strategy Principles

- Key principles, reflective our of contract commitments.

Collaborative Leadership	An integrated Alliance team embedded in the production hub.
Health, Safety & Wellbeing	At the core of everything we do. Key component when procuring our supplier network.
Effective Market Engagement	Open and transparent engagement with the market.
Intelligent Procurement & Strategic Sourcing	Programmatic procurement, procuring on best value with opportunities advertised and open to participation.
Sustainable Procurement	Develop and embed industrial plans which support local economic growth and SME participation. Prompt Payment code.
Commercial & Contracting Model	Create a common contracting environment, aligned to the Alliance contract, appropriate flow down of terms and risk allocation.
Supplier Management	Supplier risk management, supplier induction, supplier relationship and supplier performance regime(s).

Supplier Network Categories - Example

Category	Pre-Construction	Prelims	Civils	Roadworks	Structures	Technology
Subcontract (Level 1)	Surveys	Site Set Up	Earthworks	Pavement	Gantries	Roadside Infrastructure**
	Specialist Services	Labour & Supervision	Drainage	Specialist Surface Treatment	Retaining Structures	M&E installation
	Digital Technology	Plant	Landscaping	Road Marking	Over/under bridge Structures	
		Traffic Management	Fencing	Road Restraint Systems		
		Recovery	Foundations			
		Temporary CCTV	Temporary Works			

NB: Illustrative example (not exhaustive) providing an overview of some of the key subcontracts the Smart Motorway Alliance will be looking to procure. A similar set of categories will be further developed for plant, material and labour.

** MPI76 – Highways England procure Roadside Technology centrally on behalf of the Alliance

Developing & Implementing our Strategies

We will be developing and implementing our suite of strategies over a period of time, targeting and prioritising initial packages, whilst maintaining our delivery programme.

- Development
 - Subcontract (inc plant, material & labour) strategies will be developed for use by the Smart Motorways Alliance.
 - Members of the Smart Motorways Alliance Supplier Networks team will be leading on development of these, on behalf of all Partners.
- Implementation
 - Initial packages will be prioritised, targeted and procured to support our upcoming construction programme (Q2 2021)
 - Strategies will be developed and implemented over time.
 - May be some instances of project specific procurement in the short term whilst longer term strategies implemented.
 - Will be a residual need for tactical purchasing.

Can I get involved in developing or contribute to the Alliance Supplier Network Strategies?

- Pre-procurement engagement forms an integral part of the overall Alliance supplier network strategy.
- This will be considered and tailored as part of each particular strategy.
- Engagement methods that the Alliance may look to call upon to undertake such engagement.

Method	Description
Market Sounding	Can include the use of questionnaires. Useful in establishing the feasibility, capability, maturity and capacity of the market.
Product Surgery	Where we have an idea of what we want to buy, product surgeries could be implemented to allow potential suppliers to present possible solutions.
Prior Information Notices	Provide an opportunity to seek feedback from potential suppliers.
Supplier Dialogue	Used to capture potential suppliers' views on our requirements, including viability and possible delivery options.
Solutions Exchange	Informal postings about what we need to buy in future allowing potential providers to respond and explain what they can offer.

- Involvement / non-involvement will not prejudice any future procurement.

How will the Alliance procure?

- The Alliance will be consistent in its procurement approach, operating a open fair and transparent procurement procedure.



How do I register / keep abreast of supply chain opportunities?

- Smart Motorways Alliance will utilise Contracts Finder to advertise its opportunities.
 - Aligned to central government policy regarding the use of Contracts Finder to advertise public sector opportunities.
 - Registration is free and simple to set up.
 - <https://www.contractsfinder.service.gov.uk/>
- As the Smart Motorways Alliance is not a registered company, these opportunities will be listed by the collective Alliance members.
 - Opportunities may be published by any of the Alliance members.
 - All contracting authorities will be listed as buyers on such notices.

Mentimeter Poll ID:
Q3 – 26 55 929

Closing Remarks

Peter Winnicott
Commercial, Procurement & Finance Director

Q&A

Q&A

No	Question	Answer
1	In line with your aim to foster long-term relationships and a collaborative culture, can you confirm that you will be utilising the Highways England Ground Investigation Framework to undertake all future investigations, as this has been built on exactly that basis. Having already gone through a 2-year development and procurement process, this approach will save your partners significant time and expense, while procuring works from proven and vetted suppliers.	The overarching Alliance Supplier Network Strategy will consider and set out how the Smart Motorways Alliance can utilise Client and/or central government agreements. This principal similarly applies to any existing agreements held by Alliance Partners which can be utilised by the Smart Motorways Alliance. Any existing routes to market will be considered as part of the 'Engage & Define' phase described in the Supplier Network Approach to allow the Alliance to develop each specific strategy. The Alliance Supplier Network Strategy will also consider in house capabilities of the Alliance members.
2	With the Alliance aiming to have no barriers in bringing people together, will the suppliers on the supply chain get a dedicated point of contact?	Pre-Contract, the Smart Motorways Alliance will provide contact details on advertisements/notices issued to the market. The Alliance is currently looking to develop a means of receiving enquiries from the marketplace (e.g.'Contact Us'). More information will be published on this in due course. The Alliance will also implement a supplier management regime post contract.
3	My company provide a unique Lean & BIM Collaboration Solution. Already working on some HE projects with Contractors. Are you looking for suppliers like ourselves, or more relating to Sub-Contractors as suppliers?	Respective strategies developed by the Smart Motorways Alliance will consider the most appropriate means to procure its requirements.
4	Will there be one set of subcontract terms for the whole Alliance or will each partner have their own?	One of the strategic features included in the developing Alliance Supplier Network Strategy, is that the Alliance will have a standard set of terms and conditions which are used by all Partners. As the Smart Motorways Alliance is not a registered company, goods/services/works will be let by any of the members of behalf of the Smart Motorways Alliance.
5	In the past, tier 2 Piling contractors could rarely challenge the pile design set in the AIP. How will we be allowed to offerr innovation in the future.	One of the strategic features included in the developing Alliance Supplier Network Strategy, is to embed our supplier network into the Alliance as an integrated team that provide early involvement in scheme design and development.
6	Hi. How far down the supply chain does the alliance gain share get shared out?	The commercial and contract model is currently under development and may also be tailored to each particular strategy for goods, services or works the Alliance procure. Principally we want our supplier network to be aligned and incentivised to Alliance objectives and goals, and for all parties to share in the success of efficient delivery ('win/win' scenario as described during the presentation).
7	Hi, I am keen to find out what the Alliance's view is on Greener and Renewable fuels? We are a Fuel Distributor that has brought a product called [Redacted] to the market and we would welcome an opportunity to present the benefits of a renewable fuel and how this would help support the Alliance's delivery process. I appreciate fuel is more likely to be purchased via the Sub Contractors but many government based projects inc HS2 are looking in more detail at using a Greener Fuel is the preferred option.	The Smart Motorways Alliance is aligned to Highways England in terms of delivering better environmental outcomes as part of the next Road Investment Period (RIS2). The Alliance will embed environmental considerations into all parts of our schemes from design to delivery and will also be embedded in our Supplier Network Strategy. We are open to use of alternative products and materials.

Q&A

No	Question	Answer
8	Will you be procuring any companies within your supply chain tendering process that cover project management / project control disciplines	At this stage we recommend suppliers register with Contracts Finder, using the appropriate CPV codes - so you can keep informed of opportunities as and when they arise.
9	Clear presentation; however, you appear to be relying wholly on service providers to manage their own supply chains, with no central overview of how the overall supply chain and inventory is performing. You therefore have little idea about where supply chain risk lies, and will be wholly reactive to any upstream supply chain disruption or problems. How can you have an overview of critical inventory items across the supply chain (presumably you have common items - (overhead signs etc) or ensure that there is no unnecessary competition between suppliers for different smart motorway projects for similar items? This seems like an ideal area to employ digital technology to provide inventory optimisation and demand forecasting across multiple SM projects.	One of the key principles of the Alliance Supplier Network Strategy is around supplier management. The Smart Motorways Alliance will deploy a supplier management system which will cover supplier risk management, supplier induction, supplier relationship management and supplier performance management. These will form part of the services delivered through the production hub environment. We are also engaged with Highways England as part of its sustainable procurement initiative looking across the wider delivery programme and its supply chain requirements.
10	[Redacted]– is a specialist consultancy organisation whose goal is to improve project quality & safety for both client and contractor organisations, whilst reducing management overheads and costs giving you a better ROI. [Redacted] could be an ideal Partner for providing the Alliance Hub Programmatic Quality function in an independent capacity, who is best to contact to discuss the [Redacted] offer further?	<p>The Smart Motorways Alliance will provide contact details on advertisements/notices issued to the market. The Alliance is currently looking to develop a means of receiving enquiries from the marketplace (e.g.'Contact Us'). More information will be published on this in due course.</p> <p>In the meantime we recommend suppliers register with Contracts Finder, using the appropriate CPV codes - so you can keep informed of opportunities as and when they arise.</p>
11	Please can you explain how the CDM 2015 Duty Holder responsibilities of Client, Principal Designer and Principal Contractor are discharged.	These responsibilities are defined as part of the contractual orders issued by the Client to the Smart Motorways Alliance. The allocation of Alliance scope and Scheme scope is defined between the Partners. More information can be found within the Alliance contact which has been published on Contracts Finder.
12	Which contractors have won the work?	The Smart Motorways Alliance is formed of seven members. Highways England, Fluor as the Production Management Partner, WSP & Jacobs as the two Digitally Enabled Design Partners, and Costain, BMJV and Balfour Beatty as the three On-Site Assembly Partners. The Smart Motorways Alliance will collectively deliver its programme of works.
13	Can we get a copy of the presentation following the event?	The presentation will be published along with responses to questions submitted during the webinar, via Contracts Finder.
14	Will the Smart Motorway Alliances (SMA) be directly responsible for the purchase of Technology Assets, such as signs & signals (VMS), or will they be supplied into SMA via another route or Framework.	Highway England will centrally procure roadside technology on behalf of the smart motorway programme and issue to the Smart Motorways Alliance.

Q&A

No	Question	Answer
15	Will there be a share of the Gain Share passed down to the tier 2 supply chain? Much innovation arises from this level of the supply chain and is where the benefits of collaboration are sometimes most realised	The commercial and contract model is currently under development and may also be tailored to each particular strategy for goods, services or works the Alliance procure. Principally we want our supplier network to be aligned and incentivised to Alliance objectives and goals, and for all parties to share in the success of efficient delivery 'win/win' scenario as described during the presentation.
16	This looks really good and can deliver a lot of value but how are you going to make sure the sub-contractors (to the onsite delivery teams) buy into this when they are looking to hire equipment or purchase materials on these projects?	We believe this can be achieved through:- <ul style="list-style-type: none"> - Adopting an enterprise model whereby we integrate our supplier network into the Alliance, - We align our supplier network to Alliance goals and outcomes, - We align our supplier network to the collective incentive/commercial arrangements and principles.
17	Will a copy of the presentation be provided via email after the webinar?	The presentation will be published along with responses to questions submitted during the webinar, via Contracts Finder.
18	Could you please advise your terms and conditions for engagement, as I will need to send it to our commercial department. Thank you	These are currently under development. Further information will be shared and/or dialogue held as part of any pre-procurement engagement or be made available as part of the procurement process. The Alliance terms and conditions have been published on Contracts Finder, and are readily available if you wish to review these in the meantime.
19	Will there be a structured selection and approval process for suppliers to the Alliance and if so when will that begin	Yes, the Alliance will stipulate its selection/contract award criteria as part of its procurement procedure. Commencement of procuring initial packages will commence in the near future to support construction starting in Q2 2021. As per the presentation, procurement of packages will be done on a phased basis.
20	Procurement - There is reference to 'open and competitive' procurement. How will alignment with the Alliance Partnership goals and objectives be tested and how will cost competitiveness be tested?	The Smart Motorways Alliance will develop selection criteria for its respective packages and make this available as part its procurement procedure.
21	How 'local' will the supply chain be or will national contractors be allowed to sweep up all opportunities?	Use of SMEs and localised suppliers will form part of the overall Alliance Supplier Network Strategy and this strategy will be embedded throughout our supplier network. We will be aligning our supplier network to common outcomes in these areas. We anticipate opportunities to work with local and SME suppliers both directly and indirectly through our supplier network.

Q&A

No	Question	Answer
22	What overview by the alliance will ensure fair payment terms to the supply chain?	Fair payment terms will be embedded throughout our supplier network, and be monitored both by the Smart Motorways Alliance and the Client. We will also be using project bank accounts to pay our supplier network.
23	We are a civil engineering contractor and equipment hire company. What level of digital competence will the alliance expect?	Minimum requirements will be published for respective packages as part of the procurement procedure. These requirements may vary from package to package depending on the goods/service/works being procured.
24	Whilst it is anticipated that dispute will be minimised through an alliance approach there may be disputes occur. Will other members of the alliance arbitrate in disputes between other partners and wider supply chain. There was no mention of supply chain contractual arrangements and FOCs?	The commercial and contract model is currently under development. The Alliance intends to develop standard terms and conditions used by all Partners which would include dispute resolution provisions.
25	Is there a maintenance aspect to the alliance for existing Smart Motorways schemes?	<p>Primarily the Smart Motorways Alliance has been procured by Highways England to deliver enhancements to the national smart motorways programme. Where required, the Alliance may also co-ordinate Highways England wider programme of works beyond smart motorways. The Alliance may also support Highways England to deliver further technology-led work and wider autonomous and connected vehicles road implementation strategies.</p> <p>The RIS2 Delivery Plan published by Highways England outlines the programme of works to be delivered across the smart motorway programme during Road Period 2. Please see the delivery plan for further information.</p>
26	Is this alliance all about new build only?	<p>Primarily the Smart Motorways Alliance has been procured by Highways England to deliver enhancements to the national smart motorways programme. Where required, the Alliance may also co-ordinate Highways England wider programme of works beyond smart motorways. The Alliance may also support Highways England to deliver further technology-led work and wider autonomous and connected vehicles road implementation strategies.</p> <p>The RIS2 Delivery Plan published by Highways England outlines the programme of works to be delivered across the smart motorway programme during Road Period 2. Please see the delivery plan for further information.</p>
27	When is works to start?	Start of Works Dates and Open for Traffic dates have been published and are included in the Highways England RIS2 Delivery Plan published on Friday 21st August 2020. Main construction is forecast to commence on initial schemes from Q2 2021.
28	Who is responsible for placing orders?	As described in the presentation the Smart Motorways Alliance will look to procure as an integrated team driven through the production hub environment. Principally all Alliance members have the ability to procure and put in place agreements on behalf of the Alliance. The Alliance will provide contact details on advertisements/notices issued to the market.

Q&A

No	Question	Answer
29	Have you got contact details of site teams & who is placing the orders?	As described in the presentation the Smart Motorways Alliance will look to procure as an integrated team driven through the production hub environment. Principally all Alliance members have the ability to procure and put in place agreements on behalf of the Alliance. The Alliance will provide contact details on advertisements/notices issued to the market.
30	Normally procurement, commercial and finance activities are split to mitigate potential fraudulent activities occurring. Why are all these activities under one person and what governance arrangements are in place to mitigate this risk?	The Smart Motorways Alliance will operate in accordance with its business management systems, and in accordance with its contract requirements. Further information on our governance arrangements can be found in our contract, which has been published on Contract Finder and is freely available.
31	Who will be the counter party in any subcontracts, HE, the Alliance, individual alliance members? Clarity is required to understand the risks from non payment and overly commercially aggressive terms and conditions.	The Smart Motorways Alliance intends to have standard terms and conditions. As the Smart Motorways Alliance is not a registered company, any of the Alliance members have the ability to place agreements on its behalf. Such agreements will be placed between an Alliance member and the proposed subcontractor. The Alliance also have contractual obligations with Highways England regarding payment of its supplier network, this contract is readily available on Contracts Finder if you wish to review in further detail.
32	One of your key objectives is to align all suppliers to the requirements contained in the Alliance contract. Will this contract be shared?	The Alliance contract has been published on Contracts Finder and is freely available.
33	Have you targets to achieve with respect to engaging and contracting with SMEs? If so what are these targets? What is your strategy to engage with and develop SMEs?	The Smart Motorways Alliance has a number of provisions included its contract with respect to enabling and encouraging SME participation. The Alliance contract has been published on Contracts Finder and is freely available if you wish to review these provisions in more detail. The Alliance Supplier Network Strategy will outline how the Alliance will deliver these requirements and is currently under development. We will be aligning our supplier network to this strategy. We anticipate opportunities to work with local and SME suppliers both directly and indirectly through our supplier network.
34	Will the procurement with subsuppliers be undertaken in accordance with public procurement rules and best practice or the more traditional private sector approaches?	The Smart Motorways Alliance will undertake procurement in accordance with its contract requirements. The Alliance Supplier Network Strategy has been developed to align to these requirements. Please see the presentation for more information. The Alliance contract has also been published on Contracts Finder and is freely available if you wish to review in further detail.
35	How will the terms and conditions reflect the risks associated with COVID19 and other future pandemics?	The commercial and contract model is currently under development. Further information will be shared and/or dialogue held as part of any pre-procurement engagement or be made available as part of the procurement process.

Q&A

No	Question	Answer
36	What is the time line and approximate value for the procurement packages?	Procurement of initial packages will commence in the near future to support construction works commencing in Q2 2021. Packages will be procured on a phased basis. Estimated package values will be stated as part of advertisements/notices issued in due course.
37	Who will be the contacts for design of projects at WSP and Jacobs ?	The Smart Motorways Alliance will provide contact details on advertisements/notices issued to the market. The Alliance is currently looking to develop a means of receiving enquiries from the marketplace (e.g. 'Contact Us'). More information will be published on this in due course.

