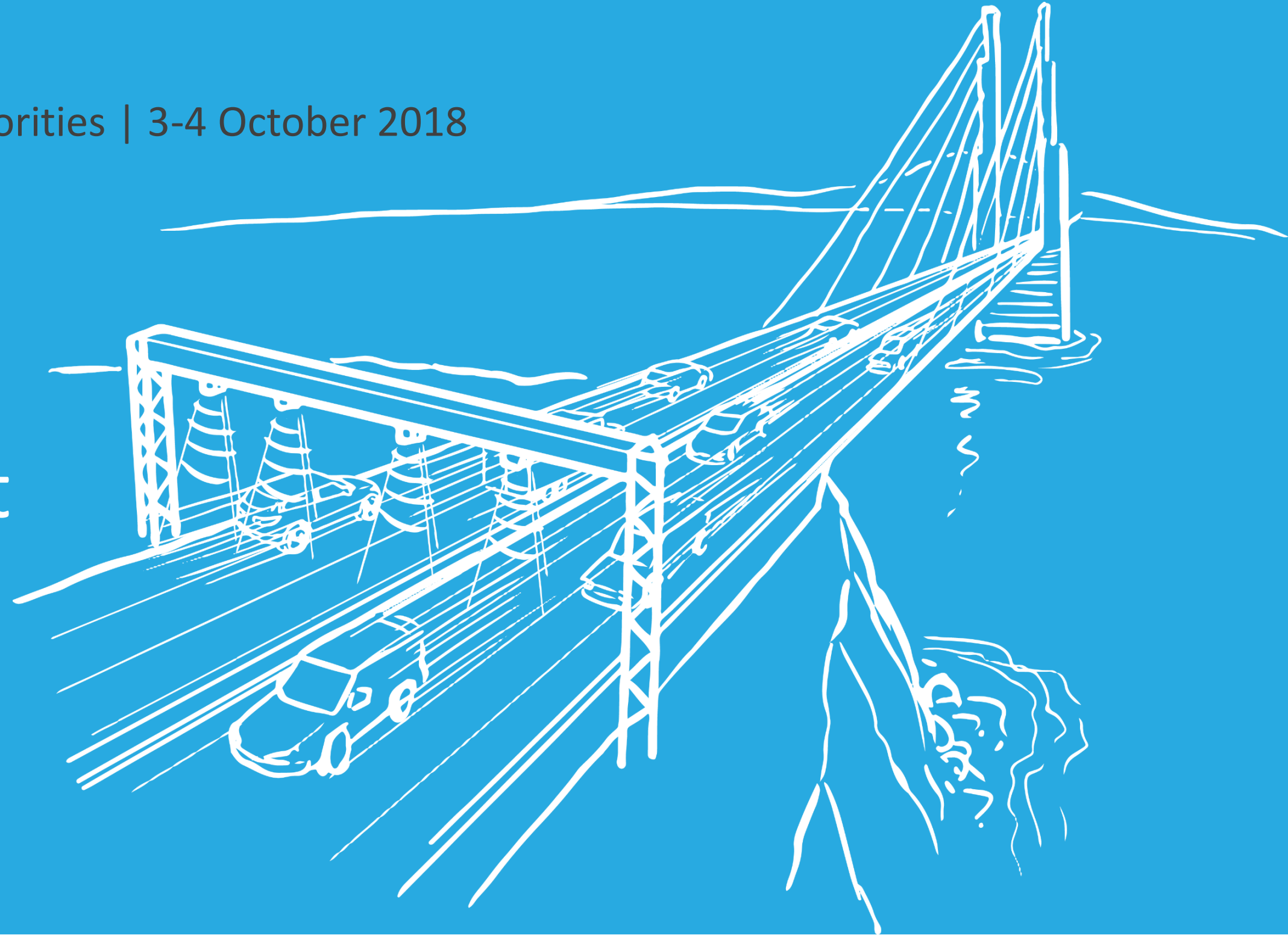


Head of Information Systems in Local Authorities | 3-4 October 2018

M50 Tolling Operation

Contract Management Case Study



When we started

As a public infrastructure agency we had transport **objectives for the free-flow operation** – i.e. to relieve congestion;

We also had a **contractual and technical focus** - i.e. technical performance and contractual budgets;



Lack of Experience

“you don’t know what you don’t know!”

Public agency that primarily built infrastructure with **limited experience of management of an outsourced operation;**

Outsourcing is a “whole new world”

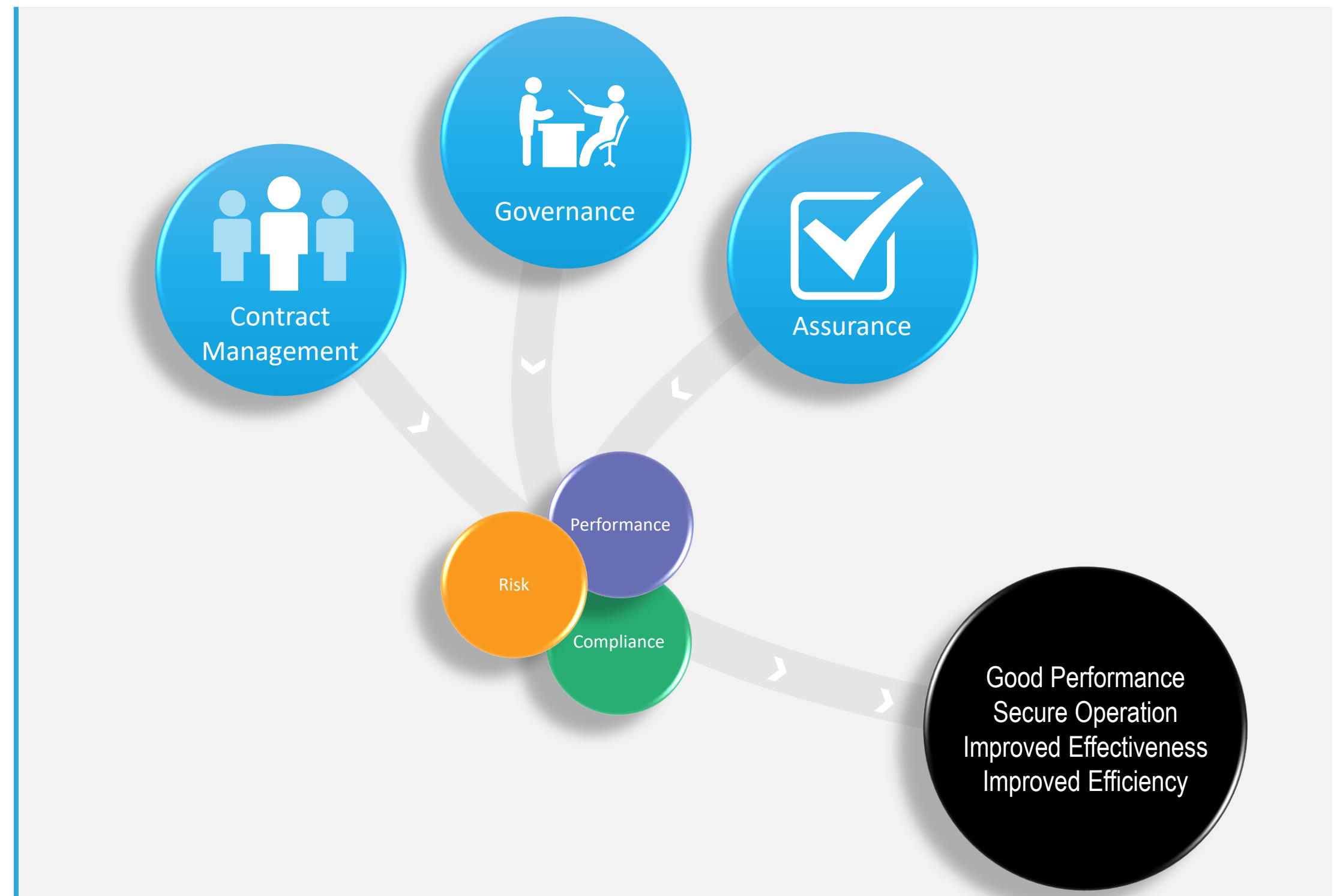
- **Managing an outsourced service** is about relationships, service delivery processes and effective governance;
- **Contract Management** requires resources and structure and should be viewed as a ‘tool’ in the governance framework;
- **Good governance** is a necessity not a hurdle to be overcome and is critical to success;



PWC's 2012 Global study on Project Management trends identified that weak governance was the main contributor to project failure.

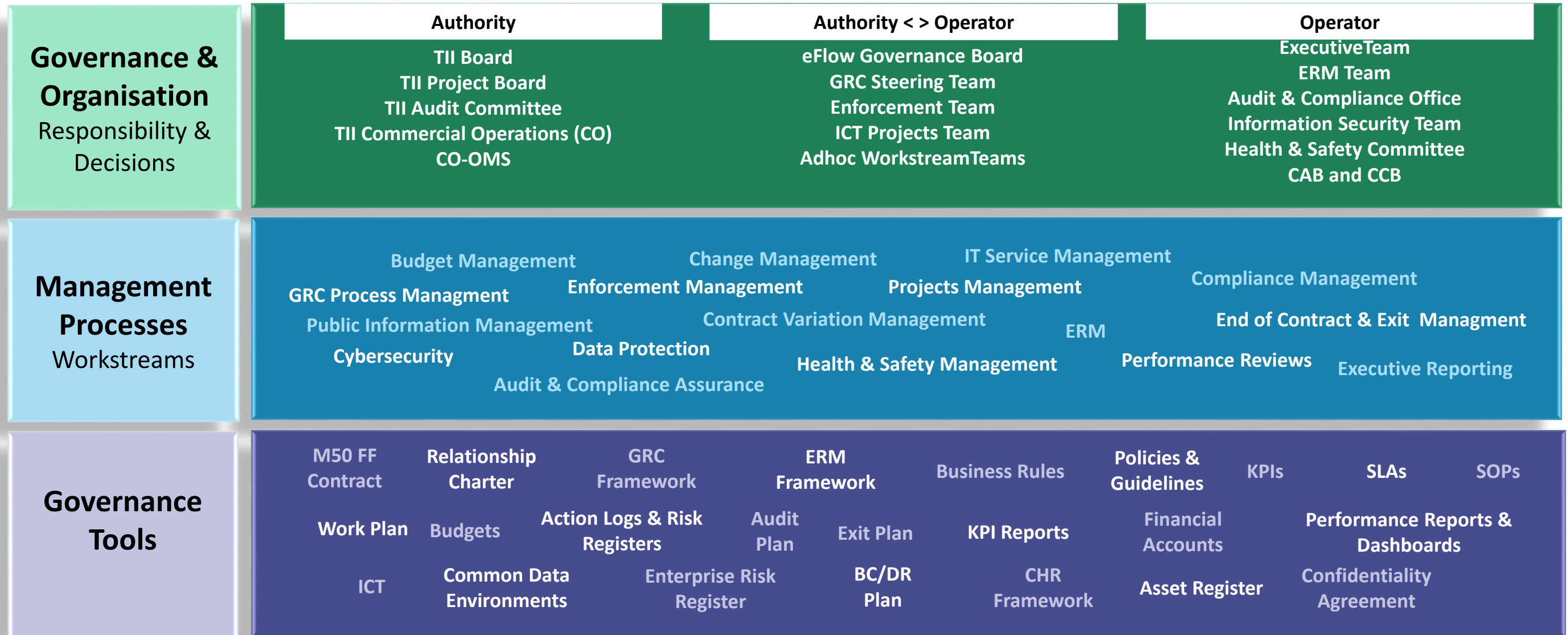
What we put in place

- **Holistic framework for managing the operation** what we termed the ‘Governance, Risk and Compliance’ Framework;
- **Contract and Operational Management Services**
- **Relationship Charter**
- **Communications and Reporting**



Governance and Contract Management Model

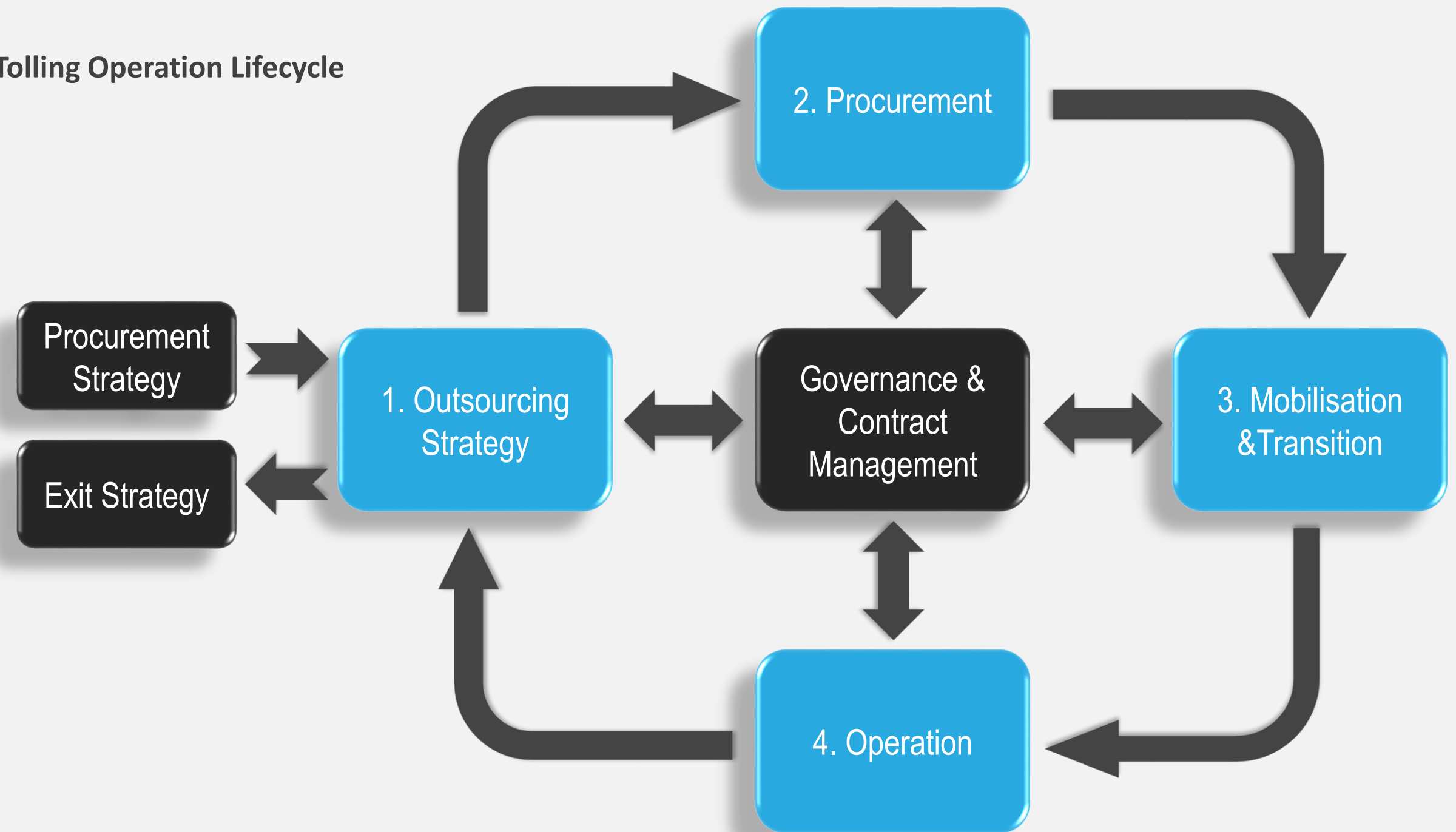
Governance and Contract Management Map



Operations life-cycle

- **Planning & Strategy**
- **Procurement can be difficult but it is really only a stepping stone**
- **Invest in a good contractual framework**
- **And remember all good things come to an end!**

Tolling Operation Lifecycle



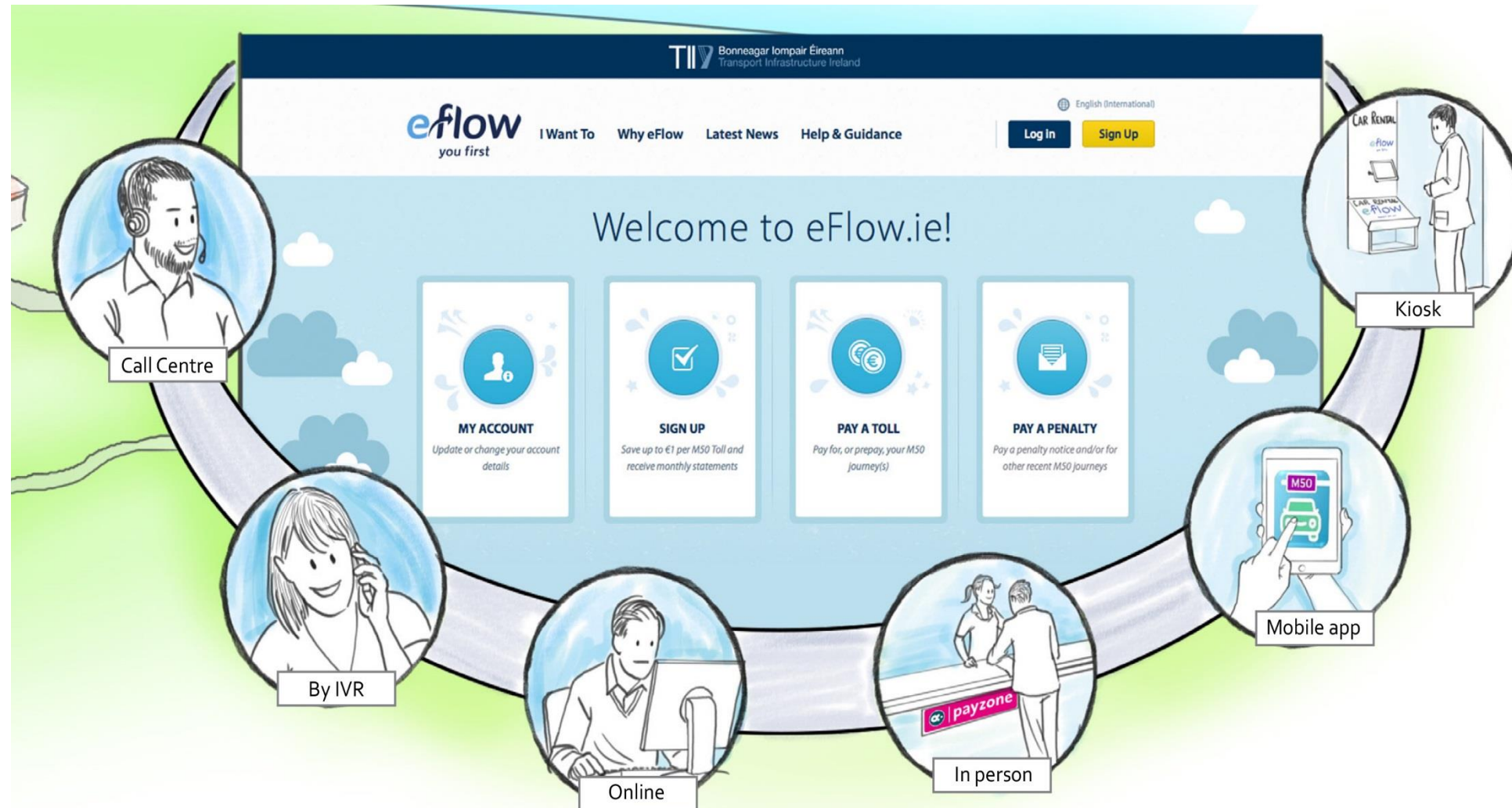


Contract Overview

- Outsourced Service Agreement Model
- Long term Agreement
- Encompass all stages of project, including:
 - Mobile and transition phase
 - Operational services
 - Exit management phase
- Inbuilt Flexibility – Change Management/Control provisions
- Governance schedule

M50 Toll – Free Flow

Contract Overview



Regulatory Compliance – national and EU

- Data Protection (GDPR)
- Cybersecurity (NIS Directive)
- Procurement
- Employment (Transfer of Undertakings Regs)
- Financial/Payment
- Health & Safety
- Flexibility to deal with future regulatory developments/obligations

Governance

- Good governance and escalation process
- Audits – Necessary oversight

M50 Tolling Case Study

Summary

- **Resources are critical** – you can't manage a contract well unless you have sufficient resources;
- **Wrap your contract management activities with a robust governance framework;**
- Focus on the **people and the relationships;**
- **Build your network** in your area and **share knowledge;**



Thank you for listeningany questions?

