



## NJUG CASE STUDY

### CASE STUDY 1: Partnering

The National Joint Utilities Group (NJUG) is the UK industry association representing utilities on street works issues. The thirty-eight utility companies<sup>1</sup> we represent work to deliver gas, electricity, water and telecommunications to both individual consumers and UK plc.

NJUG members need to continue to drive forward further improvements. We have therefore developed the NJUG Vision for Street Works, which revolves around six main principles:

1. Safety is the number one priority
2. Damage to underground assets is avoided
3. Utilities work together and in partnership with local authorities to minimise disruption
4. Utilities deliver consistent high quality
5. Utilities maximise the use of sustainable methods and materials
6. Street works in the UK are regarded as world class

This case study is an example of NJUG delivering on these principles and turning the Vision into a reality.

#### Overview:

It is clear that the Traffic Management Act (TMA) and the network management duty (NMD) place additional responsibility on highway authorities and the implications for failure are severe. Therefore it is vital that all stakeholders, particularly utilities, assist in the NMD delivery, through better co-ordination, shorter durations, better communication and timely, accurate notices. The unique partnership approach presents an opportunity to change behaviours and work together to serve customers and deliver a road network working efficiently without unnecessary delay to those travelling on it, as well as a utility infrastructure that serves customers and runs efficiently.

The population in the UK is increasing, and according to the Department for Transport's own statistics, we will see continued vehicle growth and increasing traffic congestion. Utilities are investing billions of pounds to sustain the utility infrastructure to maintain the UK as one of the world's leading economic countries. At the same time roads are carrying more and more traffic and investment is required to maintain the road network such that it can also support the UK's economy.

The wealth of the nation depends upon both the utility infrastructure and the road network. Research has shown that street works carried out by utility companies contributes 5% of the UK's congestion<sup>2</sup>, and many assume there is an equivalent 5% contribution for works carried out by highway authorities. Yet everyone believes that through good communication, co-operation, co-ordination, and by working in partnership, disruption can be minimised further.

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<sup>1</sup> NJUG's current members are Energy Networks Association (representing electricity and gas), Water UK (representing all water and wastewater companies), National Grid, Openreach, Virgin Media and THUS, a Cable and Wireless Business. Our associate members are Clancy Docwra, Skanska McNicholas, Balfour Beatty, Morrison, Morgan Est, NACAP, PJ Keary, First Intervention, Carillion and Enterprise. Including members through trade associations, NJUG represents thirty-eight utility companies.

<sup>2</sup> Utilities' Street Works and the Cost of Traffic Congestion, Professor Phil Goodwin, February 2005

This case study is an excellent example of delivering against the third vision principle and the approach provides a platform that enables all other elements of the vision to be realised.

### Case Study:

The approach started when East Sussex County Council (ESCC) and EDF Energy Networks signed a statement of understanding in June 2006. ESCC had experienced a number of challenges with works carried out by utilities, which in turn had a detrimental impact on how the council delivered the TMA and the NMD. ESCC had pursued a number of prosecutions against utility companies as well as employing a robust performance procedure for all utility works with an aim to improve performance and reduce disruption on the highway network. Whilst legal action can change attitudes it became apparent that it does not necessarily foster trust between utilities and the highways authority, nor does it provide an environment where improvement is the key driver.



With this in mind, the Traffic Manager (with accountability for delivering the NMD for ESCC) recognised the potential benefits of adopting a co-operative rather than adversarial approach. At this point the idea of the partnership was proposed to deal with the specific issues between the highways authority and EDF Energy Networks. Contract partners (Murphy Limited and May Gurney) working on behalf of both parties have been heavily involved in making the approach successful.

Both parties agreed to work as one team, challenging the norm through innovation and creativity. Key objectives were:

- Develop a partnership built on trust, mutual respect, openness and honesty, for the benefit of both parties
- To improve compliance with the New Roads and Street Works Act 1991
- To successfully implement the Traffic Management Act 2004
- To work together to improve all works carried out by ESCC and EDF Energy Networks, with the aim of minimising disruption
- Jointly strive to deliver “best in class” performance in terms of safety, customer service, quality and cost



To establish a clear understanding of all the interaction between ESCC and EDF Energy Networks a number of workshops were held to develop a balanced scorecard<sup>3</sup> which has become important in measuring the performance of the partnership.

Some of the mechanics of how the partnership works include the fact that EDF Energy Networks are treated exactly the same as any other Utility. Section 74 charges are still levied and Fixed Penalty Notice's will be charged where appropriate. Sample and Defect inspections are still carried out to the same standards. However the focus is always on performance rather than failure, understanding the challenges and finding a solution together, using legislation as a backstop.



Deliverables to date include agreeing common objectives and targets, increased understanding and commitment at all levels, improvements in communication, trust and openness. Most importantly performance has improved, covering areas around safety, quality, overruns and planning, and it is enabling the delivery of both Network duties; the Network Management Duty under the TMA, and the regulatory duty to provide an efficient and effective utility infrastructure.



This unique partnership approach is making a real difference to the way a highway authority and a utility interact, so much so that other authorities and utilities are embarking on the same journey, including Hertfordshire County Council, Southern Water and Transport for London.

<sup>3</sup> Based upon the work of Kaplan and Norton.