

## **Summary outline - Highway Authority Defects Reduction Action Plan - North West Region.**

This briefing paper sets out to update the North West Highway Authorities in relation to Ct's approach and plans for addressing the high numbers of reinstatement defects we are currently holding in the North West Region.

There has been a recent reorganisation of the senior management within Ct, which has included changes to the several of the leadership team. There is now a clear recognition that Ct's HA defects holding in the North West Region have reached very high volumes and there is an imperative need for improvement. . As a result the current Ct Senior Management Team under the sponsorship of the new Managing Director has activated a defect reduction plan aimed at bringing the situation under control.

### Approach

Previously Ct has attempted to manage its reinstatement quality, incoming highway authority defects and reduction plans via our business as usual production management and supply chain subcontractors. This structure combined with subcontractor turnover has not kept pace resulting in the current high numbers. In order to address this situation, Ct Senior Management has appointed a Project team to support the Production Management team in working through the back log and assisting with preventative measures. The Project team has been established and comprise a total resource of 7 operational, StreetWorks and commercial experts with additional supply chain resource to undertake necessary remedial work. The team is currently headed up by our National Streetworks Compliance Manager who will maintain control of the project team independent of production management and is responsible for the delivery of the plan actions.

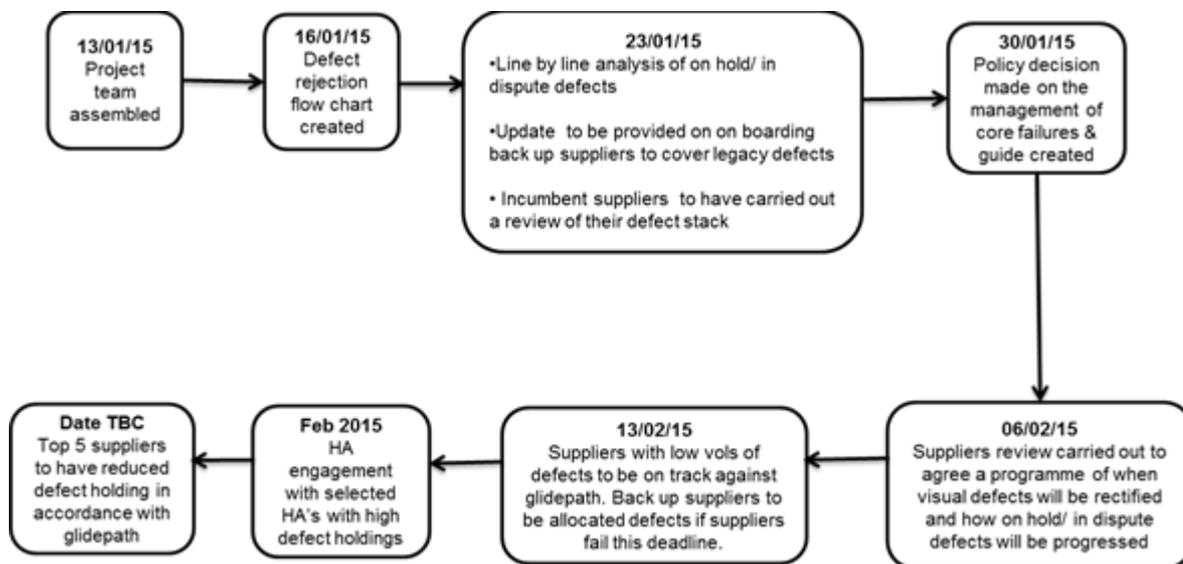
The project team has developed the defect reduction plan across the following key areas

- Defect prevention – A range of measures aimed at identifying potential problems with skills, equipment and materials then introducing appropriate improvement actions.
- Reducing the current defect holding – A range of measures aimed at reducing the current defect holding through proactive management of the existing suppliers and dedicated backup supply chain to tackle any overspill.
- Proactive management of new in defects – Measures to monitor defect management with our supply chain and taking control where the supply chain fail to act appropriately in response to new in defects.
- Proactive communications with Highway Authorities and JAG(UK).

### Responsibilities

Whilst our North West Production Management and Supply Chain Contractors will continue to have primary responsibility for conducting all reinstatement work to the required standards and dealing with defects issues as they are received the project team will be responsible for driving down the backlog. This will be by monitoring HA engagement / defect closure before stepping and taking control where our supply chain fails to respond appropriately. The Project Team will also be responsible for addressing defects in our current holding attributable to supply chain contractors who are no longer with Ct, identifying reinstatement quality issues and establishing quality improvement programmes.

#### Current Defect holding reduction – Timeline of events



#### Agreement and implementation

Concurrent to establishing and implementation of the plan and in conjunction with our Openreach client we have consulted with David Capon and Roger Culpin of the Joint Authorities Group UK. At a meeting held on the 21<sup>st</sup> January 2015 the detailed plan was reviewed and broadly agreed. We will be holding weekly internal reviews to monitor progress and holding action owners to account.