



Performance Improvement in the Private Sector

Arcadis with Southern Water

Southern Water's strategic plan targeted performance improvement around a number of customer and financial promises. These challenges included newly defined customer outcomes which are subject to financial penalties if not met, with continual need to reduce the cost to serve.

To help achieve this, Southern Water in partnership with Arcadis and their suppliers to deploy an integrated, risk based approach that linked business systems, processes and people to deliver efficiency, whilst clearly aligning the work activities and mind-set to achieve customer outcomes.

The key principles and success factors deployed as part of this approach included:

- Forming a "line of sight" between business plans and deterioration models to what is actually happening in the field

- Transforming the approach of a team with traditional engineering focus to incorporate a business led portfolio view

- Defining a common digital architecture and collating relevant business data from various systems and applying analytics to derive an optimised plan

- Leveraging knowledge from people on the ground, demonstrating the value of their insight

- Producing real, tangible plans and savings

- Creating a lasting legacy of using a risk-based approach to planning capital maintenance

Using a multi-disciplinary approach, combining business advisory and technical teams, Arcadis developed an end-to-end process to prioritise critical sites and assets, carry out site visits and analyse data throughout the programme stakeholder agreement was vital for project delivery, buyin was gained from across the business through several different engagement initiatives, including workshops, meetings and regular progress updates.

Phase 1, which came to an end in June 2016, established significant capital maintenance efficiencies from 20 sites and suggested maintenance scope ranked into "must do", "should do" and "could do" categories, in order to allow for intelligent investment decisions to be made. Phase 2 is currently underway, with 100 site visits planned in total. The findings from these 120 assessments will be scaled up across Southern Water's asset portfolio to inform asset class strategies for future asset management periods.