

CMR Update

Issue 10 April 2015

REVIEW TO IMPROVEMENT

The NZ Transport Agency (Highways and Network Operations) undertakes, and is subject to, a variety of reviews and audits: Contract Management Reviews (CMR) and Lessons Learnt Reviews (LLR) being key examples.

The Transport Agency uses the information gathered from such reviews to monitor contract compliance and to identify common issues and significant trends. The information is used to provide feedback to industry and the Transport Agency best practice groups, to raise awareness of key issues, industry-wide initiatives and further improvements to the Transport Agency processes. Reviews encourage improved delivery on behalf of customers and stakeholders and foster a culture of learning and continuous improvement. While these reviews are well received by both the Transport Agency project managers and the wider industry, we need to ensure review findings are captured, reported and fed into business improvement process.

The Review to Improve approach is about making the findings of the review processes more visible and encouraging action. It considers how the reviews can be better integrated to deliver both contract compliance as well as identify any gaps or opportunities to improve. The aim is to maximise the value of the reviews and enable the Transport Agency to define opportunities and appropriately target and implement business improvements.

The focus now is to develop processes to act more quickly on the improvements identified and make this information more readily available across the Transport Agency and the wider industry. This is consistent with our 5 Star Better Business process lifecycle:

5 Star Better Business Processes

Continually learning and improving our processes



Type of Reviews

The Transport Agency currently conducts the following reviews, each with a specific objective:

Review Type	Objective
Contract Management Review (CMR)	Confirm contracts are being delivered in accordance with contractual requirements, Transport Agency specifications and best practice
Lessons Learnt Review (LLR)	Identify areas for improvement in contract documentation and processes to provide learning opportunities for application across NZ Transport Agency Projects and contracts.
Special Purpose Review (SPR)	Bespoke reviews to consider specific areas of a contract or NZ Transport Agency process, and identify opportunities for improvement.
Post Implementation Review (PIR)	Assess and explain how well projects and packages have achieved their main expected transport objectives.
Post Approval Review (PAR)	Verify procedures are being followed and applied in a consistent and intelligent manner, and that project assessments meet the Transport Agency's legislative requirements around funding approvals.

Review Process Improvements

IMPROVEMENTS ALREADY IMPLEMENTED

Over the past three years we have implemented a number of improvements to the review process. This includes:

Increased Awareness of the Review Process

- Newsletter Distribution - The newsletter distribution list has been increased from under 100 to close to 600 with good distribution across the Transport Agency and wider industry. All review attendees are added to the newsletter distribution list.
- Website Update - The Transport Agency Website has been updated to include a review page which explains the review process and provides access to background information including newsletters and brochures.
- Regional Updates - Quarterly updates to each regional office confirming reviews completed, any outstanding non-conformances and key findings.

Review Process Improvements

- 360 Contract Management Review - Focus on the complete project and not just individual Contracts, ie considering Contractor (Construction), Contract Supervision (MS&QA) and Client.
- Forward Facing Lessons - Lessons Learnt historically captured what went wrong rather than steps to be taken to avoid repeating in the future. Lessons are now forward facing and detail what needs to be done including recommended actions.
- Lessons Learnt at Key Stages of a project - LLRs are now undertaken at key stages within a project lifecycle (only previously at the end of Construction) to enable review findings to be fed back into the project as well as future projects and NZ Transport Agency processes.
- Special Purpose Reviews - Special Purpose Audits are becoming increasingly popular and enable us to tailor reviews to suit a specific need. Over the past year this has included reviews of Procurement process, Otago Emergency Response, the relationship between the Transport Agency and the Department of Conservation during the RMA consenting process, and the establishment of the Christchurch Traffic Operations Centre email alert system.

Consistency of Reviews

- Review Categories - We have developed standard review categories and use these to identify common trends and support consistency of review finding reporting.
- Database of review findings - Standard categories for review findings have been developed and a database is now available on the Transport Agency's Document Management System

Next Steps

Moving forward we are making changes to the Review Process with a focus on improvement. We are currently taking the following actions to support and actively encourage improvement within the NZ Transport Agency and the wider Industry.

An Integrated Approach to Reviews

We have assessed our current suite of reviews to ensure these are appropriate, ensure no duplication and consider how these can be better integrated moving forward. The following improvements are proposed:

- Review Purpose - We have updated the Terms of Reference for each review type to clearly document the purpose of each. These will be available in the near future on the Review to Improve page of the Transport Agency website.
- Consistent Format - The format of all reviews has been updated to ensure a consistent approach. All review reports will have the same look and feel, and as far as possible review categories.
- Review Programme - We are developing an integrated, annual review programme. This will ensure a good spread of reviews (type and location), avoid multiple reviews on a single project and enable reviews to be targeted towards projects requiring further support/ attention.
- Consolidate Findings - Findings from all review types are now captured in the database. This enables us to identify common themes across reviews.

Network Outcome Contracts

With the introduction of the new Network Outcome Contracts (NOC) we have been working with 41South and NOC Contract managers to develop a NOC specific Contract Management Review. It is intended that all NOC Contracts are reviewed within their first year to support and encourage national consistency, identify opportunities for improvement and ensure the new Contract is being appropriately set-up and administered.

A focus on Improvement (Acting on Review Findings)

How we act on review findings is key and an area we need to improve. By consolidating reviews we can ensure a consistent approach and most importantly identify key themes across all review types. Moving forward we will be producing a six monthly review to improve report which will summarise these findings and enable these to be fed into the Transport Agency's improvement programme and the wider industry.

"I enjoyed the (Lessons Learnt) session, especially the relaxed and professional atmosphere. I intend to promote early lessons learnt reviews on a number of future projects in my region"

Sharing or findings

Information gained from the CMR/LLR programme is currently shared in the following ways:

- Review reports are circulated to all parties involved and held in the Transport Agency's document management system.
- Non-conformance, observation and lessons learnt data is maintained within the Transport Agency's document management system.
- A Quarterly Regional Dashboard is circulated to the Transport Agency's regional management teams.
- Six monthly newsletters to summarise key findings - see newsletter 9.

If you have any other ideas on how to improve the outcomes of the CMR/LLR contract, please contact Ian or Peter.

We are constantly updating the newsletter distribution list so please forward this to colleagues who may have missed out. If you would like to receive this newsletter, please email cmr@41s.co.nz with your details.

"To be honest I came to the Lessons Learnt Review a little frustrated that I was losing a day's productive work but came away feeling this was extremely worthwhile with some take away lessons that I will be feeding back into a number of current projects"

"We have done a number of internal reviews during the project but found the structured approach and using an external facilitator most valuable"

2014 / 15 Programme

While it has been a slow start to the 2014/15 Review Programme we have completed a number of interesting Lessons Learnt reviews in the first half of the year these have included:

- NZ Transport Agency / DOC Review
- Transmission Gully Procurement Phase Review
- SHAMP Development Review

The slow start turns around with a large number of reviews scheduled for the second half of the year. Reviews included in the 2014/15 programme are summarised in the table below.

Review Type	Location				
	Auckland / Northland	Waikato & BOP	Central	Southern	National Office
Contract Management Review	SH16 Causeway		SH3 Vickers to City Quarantine Road?? M2PP Marlborough NOC	South Canterbury NOC	
Lessons Learnt Review	Lincoln Road Interchange	Hamilton Section 'D' Phase SCMSD Project	M2PP Pavement Design Process PP20 'I' Phase W2HV Cycle Link	Waitaki River Bridges	
Post Approval Review	East West Link	SH3 Mt Messenger and Awakino Gorge	Waitara to Bell Block Napier Port Access		
Post Implementation reviews					
Special Purpose Review	Puhoi to Wellsford Old Mangere Bridge				ECI Model Review Safe Systems Projects
NOC Contract Management Review			Marlborough	South Canterbury	



For more information

You can find further information about the Transport Agency review process on our website.

<http://www.nzta.govt.nz/network/tenders-contracts/review.html>

(or just type "cmr" into the search field).

We welcome your feedback or questions on the Transport Agency's Review Programme or this newsletter. Please contact:

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