

Network Outcomes Contract Governance & Management Group Clarification

Reference Number:	NOCC No. 31
Subject Title:	Approval process for out of season renewal works
Issue Date:	17 October 2018
Clarification Purpose	Clarification is provided to ensure the NOC is being interpreted consistently. The clarification does not remove or supersede the Network Outcomes Contract documentation.

PURPOSE

To clarify the process for requests to deliver renewal works outside the contract defined renewal season(s).

BACKGROUND

The Agency expects renewal activity to be completed under optimal conditions to achieve quality outcomes. To that end, optimal construction seasons are defined within the following sections of the NOC:

- MS 6.1.2 *Pavement Rehabilitation Construction*,
- MS 6.1.3 *Resurfacing Construction*
- Special Conditions of Contract, clause 1.2.

These clauses include provision for works to be undertaken outside of the defined period by agreement with the Principal.

Unfortunately there are often situations where the works can't be delivered within these timeframes and Contractors seek approval to continue working outside the construction season.

This clarification is to ensure that a consistent decision making process is applied which ensures that the risks and responsibilities relating to working outside the agreed season are clearly understood and accepted by all.

RESPONSE

The risk associated with poor whole of life performance is a key input into establishing renewal construction periods in order to protect the Agency's renewal investment from sub-optimal outcomes. Hence, the Agency expects renewal activity to be adequately programmed and completed within the seasons defined in the contract.

The following applies to pavement rehabilitation and resurfacing renewals. There is intentionally no distinction between pavement rehabilitation and resurfacing renewals, including chipseal and AC. It is recognised that optimal conditions for renewals vary by renewal type but given the variance between regions, those factors will be considered case by case rather than applying variable construction seasons.

Requisite Information:

Given the variability of contract, network and site elements a generic framework may not be applicable. However, the following guidance is provided to outline information sought to support an out of season renewal request under exceptional circumstances:

- a) Brief Summary
Brief explanation of circumstances and causative factors resulting in the need to undertake works out of season.

- b) Risk identification and management
Within the relevant Renewal Quality Plan, all risks associated with out of season works shall be documented. Including but not limited to; outlining risks with mitigating actions, associated quality assurance, key responsibilities, and notifications to the Principal. A sufficiently detailed construction methodology is to be provided that demonstrates how risks are to be mitigated and managed under adverse conditions to ensure asset design lives are achieved.

In addition, clarify the risk and impacts on the asset and FWP associated with premature failure of a) initial renewal treatment b) remedial measure(s).

- c) Risk allocation
The risk allocation will reflect the desire for the works to be undertaken against the consequence of deferral and impact on customer, safety and asset condition. Discussion should include any expectation of cost share and liability for subsequent maintenance or remedial works for applicable elements of the work. It should be noted that the Agency has a strong desire to undertake works in-season, so will generally be unwilling to accept risk transfer in cases where its actions are not a causative factor. Once agreed, the risk profile is to be recorded in the contract shared risk register.

- d) Remedial measures
Outline remedial measures to be applied should the renewal fail to meet the expected life or performance standard. Provision for remedial measures provided may range from isolated repair to full renewal and shall also include discussion on likely failure type, extent and timeframe. Remedial treatment and intervention decision will be at the discretion of the Principal.

- e) Revised Programme:
A detailed programme of works with inclement weather allowance shown.

Process:

The following process will apply for consideration of requests to undertake out of season renewal works:

1. Regional endorsement:
Supplier is to provide requisite information to the Agency regional System Management team via notice to the MCM. The regional team will provide the information to the Agency Technical Services Manager (2) or the Lead Advisor Pavement, who will advise whether it is appropriate to extend the construction season based on information received.

2. Contract Board:
The regionally endorsed proposal including the advice from either the Agency Technical Services Manager (2) or the Lead Advisor Pavement to be provided to the Contract Board for information.

3. Decision:
MCM will issue a notice confirming acceptance or rejection of proposal and associated conditions.