



# KRA Performance Framework Guidelines

Transport Services – Maintenance Portfolio Team

1 July 2023

Version 7.06

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## **More information**

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## Record of amendment

This document is a controlled document and is therefore subject to review and amendment once a year. Amendments will be recorded on this Amendment Control Sheet. Amendment Notices, detailing the changes, will be issued, via NTC to NOC contractors.

This document is available on Waka Kotahi NZ Transport Agency's website at:

<https://www.nzta.govt.nz/roads-and-rail/highways-information-portal/technical-disciplines/network-outcomes-contracts/resources-and-manuals/guidelines-and-reference-documents/>.

All individuals seeking to rely on, or implement, the Waka Kotahi KRA Performance Framework Guidelines, or any other documents referred to in this guideline, have a duty to ensure that they are familiar with the most recent amendments.

Amendment Number	Description of Change	Effective Date	Updated By
7.01	<ul style="list-style-type: none"> <li>S5.5 Performance framework pre-requisite</li> <li>S5.5.3 Data in Waka Kotahi central tools on time</li> <li>KPI 3.1.1-3.1.6 Environmental Triangle</li> <li>KPI 3.1.7 Resource Efficiency and Waste Minimisation</li> <li>KPI 4.3.1 Innovation</li> <li>KPI 5.2.1 Network Delivery</li> </ul>	NA	Penny Marriott
7.02	<ul style="list-style-type: none"> <li>Consultation with Environmental Planning Technical Team</li> <li>Appendix 6: NOC Innovation Award Entry Form</li> </ul>	NA	Penny Marriott
7.03	<ul style="list-style-type: none"> <li>Consultation with MCGG</li> <li>S5.5.1 Fatality in a workplace or work site</li> <li>S5.5.4 Contract Management Plans</li> </ul>	NA	Penny Marriott
7.04	<ul style="list-style-type: none"> <li>S3.1.1-3.1.3 Monthly dashboard, process for review and collation of mitigating circumstances</li> <li>S3.3 2 weeks from Board meeting date</li> <li>S5.5.2 overtly include sub-contractor spend tender pledge content (moved from KPI 4.1.1) and guidance on assessment timing</li> <li>S5.5.5 Removed Table 9 Expected compliance level</li> <li>KPI 1.2.1 Emphasised RRSE assessment is for the overall delivery across initiatives</li> <li>KPI 3.1.1 Business rule for unconsented or illegal works altered from score impact to notify relevant authority to determine any applicable infringement</li> <li>KPI 3.1.1 Business rule refined to cease works/prohibit commencement of works, score weighting of -10 per notice reinstated for other scenarios</li> <li>KPI 3.1.3 CS VUE non-compliance assessment approach altered from point in time to duration</li> <li>KPI 5.2.1 Reference to construction season deleted from ATP calculation; business rule limiting overall score cross-referenced</li> <li>Appendix 3 added in support of S5.5.3 (Data timeliness)</li> </ul>	NA	Penny Marriott
7.05	<ul style="list-style-type: none"> <li>Error corrections and optimise page layout</li> <li>MCGG feedback (inclusion of timeframes for pre-requisite evidence for MMP and QMP)</li> <li>Diagram colour for greater contrast for inclusiveness</li> <li>Add PP&amp;RMA term to glossary</li> </ul>	1/07/2023	Penny Marriott
7.06	<ul style="list-style-type: none"> <li>Error correction Customer KPI. Surveys are mapped to journey, not to residential postcode.</li> <li>Change tracking and draft status removed</li> </ul>	1/07/2023	Penny Marriott

## Contents

KRA PERFORMANCE FRAMEWORK GUIDELINES .....	1
<b>1. About this guideline .....</b>	<b>6</b>
<b>2. Overview of the Framework.....</b>	<b>8</b>
<b>3. Implementation and reporting of the framework.....</b>	<b>11</b>
<b>4. KRA Structure .....</b>	<b>14</b>
<b>5. Scoring Approach.....</b>	<b>17</b>
5.1 Sources of measurement data .....	17
5.2 Calculating individual annual KRA levels .....	17
5.3 Calculating overall annual performance result .....	17
5.4 Business rules for performance achieved .....	18
5.5 Performance framework pre-requisite .....	18
5.5.1 Fatality in a workplace or work site.....	18
5.5.2 Tender pledges.....	19
5.5.3 Data in Waka Kotahi central tools on time (centrally assessed) .....	19
5.5.4 Contract Management Plans .....	19
5.5.5 Meeting OPM compliance (centrally assessed) .....	20
<b>6. Individual KPI Details .....</b>	<b>21</b>
<b>KRA 1: Safety .....</b>	<b>21</b>
Objectives.....	21
KPIs in this KRA .....	21
KPI Measure 1.1.1 Total Recordable Injury Frequency Rate .....	21
KPI Measure 1.2.1 DSI trend and safety contribution .....	22
<b>KRA 2: Customer .....</b>	<b>25</b>
Objectives.....	25
KPIs in this KRA .....	25
KPI Measure 2.1.1 Journey times and planned events .....	25
KPI Measure 2.1.2 Customer response .....	26
<b>KRA 3: Sustainability.....</b>	<b>29</b>
Objectives.....	29
KPIs in this KRA .....	29
KPI Measures 3.1.1 to 3.1.6 Environmental triangle.....	29
KPI Measure 3.1.1 Enforcement action .....	32
KPI Measure 3.1.2 Regulatory non-compliance.....	32
KPI Measure 3.1.3 CS-VUE non-compliance .....	33
KPI Measure 3.1.4 Environmental initiatives.....	33
KPI Measure 3.1.5 Environmental training, workshops, and presentations .....	34
KPI Measure 3.1.6 Environmental hazards or opportunities.....	34
KPI Measure 3.1.7 Resource Efficiency and Waste Minimisation .....	36
KPI Measure 3.2.1 Delivery of tender pledges (pre-requisite only) .....	40

<b>KRA 4: Assurance and Value</b> .....	<b>42</b>
Objectives.....	42
KPIs in this KRA.....	42
KPI 4.1.1 Financial performance.....	42
KPI 4.2.1 Quality/rework.....	43
KPI 4.3.1 Innovation.....	43
<b>KRA 5: Network Performance</b> .....	<b>46</b>
Objectives.....	46
KPIs in this KRA.....	46
KPI Measure 5.1.1 Overall OPM score.....	46
KPI Measure 5.2.1 Network delivery.....	47
KPI 5.3.1 Network condition.....	49
<b>KRA 6: Health of the Relationship</b> .....	<b>50</b>
Objective.....	50
KPIs in this KRA.....	50
KPI Measurement 6.1.1 Relationship survey.....	50
Appendix 1: Reporting template.....	51
Appendix 2: Scoring template.....	52
Appendix 3: Guidance on timeframes for specified data sets.....	53
Appendix 4: AIA assessment of the MMP pre-requisite.....	54
Appendix 5: Asset Quality Team assessment of the QMP pre-requisite.....	55
Appendix 6: How to conduct a plan pre-requisite audit (excluding MMP & QMP).....	56
Appendix 6: NOC Innovation Award Entry Form.....	63

# 1. About this guideline

This section of the guideline describes this document and how to use it.

## Purpose

Waka Kotahi NZ Transport Agency (Waka Kotahi) has developed this guideline document. It supports the framework for assessing Contractors' performance against the key performance indicators (KPIs) in Network Outcomes Contracts (NOC) for maintaining the New Zealand network. Using the framework described in this document, all the parties to these Contracts can measure Contractors' performance consistently and accurately.

## Audience

This guideline is mainly intended for:

- Contractors who hold a NOC, when reporting against the key result areas (KRA) framework;
- Network Managers and Waka Kotahi Maintenance Contract Managers, when evaluating performance against KRAs; and
- Members of all other groups involved in assessing and endorsing KRAs.

## How to use this guideline

The early sections of this document give an overview of the framework for assessing performance. Users should refresh their understanding of the information in these sections, as needed, at each KRA period and annual assessment. In particular, Contractors should study this information carefully in advance of the start of a new Contract, and whenever it is updated.

The later sections provide the Key Performance Indicators.

Note: This guideline is designed to stand alone, i.e. it should be the only document that users need, to complete submissions. However, the NOC contract document always has legal precedence, and may prove useful to refer to.

## Updates to the KRA Framework

Updates to the KRA Framework, if any will happen only once a year. No changes will be made to the framework during the year. Any new changes will be released prior to the start of financial year when they go live for the Contractors.

## Terms used

In general, this guideline uses the same terms as the NOC, with the same meaning, such as 'Contractor', 'Principal', and 'Network'.

In addition, the following table explains some further terms and the most common abbreviations in this guideline.

**Important:** These descriptions are provided only for helpful context when using the information in this document. See the NOC for definitions that hold contractual force.

**Table 1: Terms used**

The term	Meaning
AIA	Asset Investment Advisor
Achievement Tracker	Tracks all works completed against the set December baseline.
Assessment year	The period from 1 July to 30 June of the following year, over which a Contractor's performance under the NOC is measured and ranked.
CB	Contract Board, made up of representatives from both of the Principal and the Contractor
CMR	Change Management Request. Used to record any changes to the programme such as adjustments to treatments, length, lanes, deferrals or new sites.
CMT	Contract Management Team, made up of representatives from both the Principal and the Contractor
Day	Except where stated otherwise, the definition of days means calendar days. Working day means any calendar day other than Sunday or public holiday where the day observed as the public holiday falls on any day of the week except for Sunday (as described in the Conditions of Contract)
GPS	Government Policy Statement
Key and Safety OPMs	These can be defined as those that have a weighting greater than 1.
KPI	Key performance indicator, each of which is an element of a specific KRA.
KPI score	The performance ranking measured for a KPI calculated annually
KRA	Key result area.
KRA level	The performance ranking measured for a KRA, calculated annually
KRA period	The quarterly period at the end of which the Contractor's performance is measured against Performance framework pre-requisite criteria
MCGG	Maintenance Contracts Governance Group
MCM	Maintenance Contract Manager, a representative of the Principal.
MCOS	Minimum condition of satisfaction – performance ranking of Level 2.
Mitigating circumstances	Each month there is an opportunity to signal mitigating circumstances i.e. significant extraordinary issues that have adversely affected performance outcomes, such as category 141 emergency works. The specific issue and resulting performance impact can be articulated as mitigating circumstances, with unanimous agreement of the Contract Board.
MPT	Maintenance Portfolio Team, made up of Waka Kotahi representatives.
OPM	Operational performance measure, a separate (but relevant) measurement framework.
Overall annual result	The performance ranking measured for an assessment year, calculated from the scores for the KRA levels achieved.
Planned events	An activity that is programmed to occur, for example: <ul style="list-style-type: none"> <li>Contractor's renewal work or planned maintenance</li> <li>A third party's activities</li> </ul>

The term	Meaning
PP&RMA	Principal Pavement and Road Maintenance Advisor
Road user	A key 'customer', a user of the network (e.g. someone who travels on a state highway).
Unplanned events	Any incident on the network for which no programme has been agreed. (See section 5.3.5 and 6.61 of the NOC Maintenance Specification for examples).
Waka Kotahi	Waka Kotahi NZ Transport Agency

## 2. Overview of the Framework

The NOC performance framework creates an analytical basis for decision making and helps focus attention on what matters most.

It is intended to be an ongoing systematic approach to improving results through continuous learning and providing a focus on accountability for performance and evidence-based decision making.

Better information provides the ability to understand stakeholder and customer concerns, recognise success, identify problem areas, and respond with appropriate actions. All the while learning from the experience to continuously improve to deliver better services to our customers.

### The NOC performance framework:

- Provides visibility and transparency of performance to Waka Kotahi, the Contractor, and the industry, based on reliable and consistent sources of information held centrally within Waka Kotahi.
- Defines the outcomes and contract standards that will be used to measure the Contractor's success in delivering the desired levels of service. Evidence-based results will be used for the calculation of the level of achievement of KRA and KPI results and contract outcomes. As noted in the contract, this will present the Contractor with opportunities for contract tenure extension and financial reward and gain through additional work. In addition, areas of high performance may be acknowledged and rewarded through additional innovation opportunities or safety work that links to the safety strategy. Performance measurement provides the context for any areas of poor performance to be addressed.
- Implements a repeatable approach, across a national one-network road transport system, to assist in providing transparent and consistent benchmarking. The intent is to bring all the performance, quality, and customer-satisfaction information together, enabling the Principal to identify and understand the effectiveness of its processes, standards, and network performance.
- Drives a consistent approach, through national standards of operational performance measures and KPIs.

### The Key Performance Indicators:

- Require objective evidence of progress towards achieving the result.
- Have a balance between lead and lag indicators, where the lead indicators drive the benefits reflected in the lag measures.
- Inform better decision making.
- Track efficiency, effectiveness, and quality.
- Align to Waka Kotahi strategy and the Government Policy Statement (GPS).
- Assess the performance of the NOC.

### The outcomes expected from the performance framework:

- Enhance the Principal's ability to focus on areas requiring improved customer service, safety, quality, network availability, reliability, innovation, and working relationships.



- Establish transparency and alignment between the Principal and Contractor, with the emphasis on continuous improvement.
- Form a tool for greater understanding, benchmarking and performance comparison between contract areas and contractors with particular attention given to the activities that lead to improvements.
- The performance metrics will be collated through Waka Kotahi centralised tools. This will assure the timeliness and accuracy of the data provided by the Contractor, thus achieving a high degree of data quality.

## Managing performance quality

In cases where data is provided by the Contractor (due to the information not being held centrally), the Principal evaluates the details to ensure outcomes are applied fairly and consistently to all NOCs.

The Principal publishes an annual national report that compares how well each Contractor has achieved the various performance measures for each Contract.

## Composition

The performance framework will support alignment to the GPS. Whilst the goals of the framework may seem aspirational for some KPI's, the intent is to develop objective measures that will drive continuous improvement. Progress towards achieving the goals of the contract will be transparent and visible in the following Key Result Areas:

1. Safety
2. Customer
3. Sustainability
4. Value and Assurance
5. Network Performance
6. Health of Relationship

Note: For KRA six, Health of Relationship, the Principal agrees the effectiveness of the culture between the contract partners, in working together to deliver the contract outcomes. However, this is not currently scored, nor measured.

Note: To provide an appropriate level of focus on improvement through the framework, there will be KPIs that are scored and measured and those that will just be measured. The KPIs which are scored may be changed by the Waka Kotahi Maintenance Portfolio Team to align to the strategic direction or specific improvement areas Waka Kotahi would like to focus.

The KPIs which are only measured, provide information to the CB and the CMT for decision-making and visibility of wider performance.

In addition, there will be pre-requisite performance criteria in terms of eligibility for any applicable KRA reward for each quarter. This means that the basic expectations of the Principal must be met, in order for the Contractor's performance to be rewarded.

## Applying the annual performance assessment result

The annual performance result determines what maximum contract entitlement the Contractor is due<sup>1</sup>, as the following table shows.

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<sup>1</sup> Within the limitations specified in the Conditions of Contract (Part B clause 10.8 Contract Period and Adjustments)

**Table 2: Performance result and reward**

Result	Description of performance	Outcome(s)
Poor	Performance shows significant failures, and there are serious gaps in service delivery	Loss of tenure (12 months)
Minimum Condition of Satisfaction (MCOS)	The Contractor is performing to an adequate standard, improvement is required	*Additional tenure
Best Practice	The results reflect consistent performance achievement, underpinned by constructive behaviours that enhance the relationship and deliver innovative solutions for both parties	<ul style="list-style-type: none"> <li>• 50% of KRA Financial Reward*</li> <li>• Additional tenure</li> </ul>
Outstanding	The Contractor is exceeding the Principal's expectations for performance and has consistently delivered outstanding results. The Contractor's performance has been seen as exceptional in the views of the CMT, Board, and MPT	<ul style="list-style-type: none"> <li>• 100% of KRA Financial Reward*</li> <li>• Additional tenure</li> </ul>

\*Where one or more pre-requisite criteria is not met in one quarter, then the applicable reward will be capped at 75%. If pre-requisites are not met in multiple quarters, the effect will accumulate.

**Table 3: Performance outcomes**

Performance outcome	Number of quarters in which pre-requisites are met	Outcome (rewards)
Poor	0-4	Loss of tenure
Minimum Condition of Satisfaction	0	No additional tenure
	1	3 months additional tenure
	2	6 months additional tenure
	3	9 months additional tenure
	4	12 months additional tenure
Best Practice	0	Ineligible for KRA Financial reward and any applicable tenure reward
	1	<ul style="list-style-type: none"> <li>• KRA Financial reward of 12.5%</li> <li>• 3 months additional tenure</li> </ul>
	2	<ul style="list-style-type: none"> <li>• KRA Financial reward of 25%</li> <li>• 6 months additional tenure</li> </ul>
	3	<ul style="list-style-type: none"> <li>• KRA Financial reward of 37.5%</li> <li>• 9 months additional tenure</li> </ul>

Performance outcome	Number of quarters in which pre-requisites are met	Outcome (rewards)
	4	<ul style="list-style-type: none"> <li>• KRA Financial reward of 50%</li> <li>• 12 months additional tenure</li> </ul>
Outstanding	0	Ineligible for KRA Financial reward and any applicable tenure reward
	1	<ul style="list-style-type: none"> <li>• KRA Financial reward of 25%</li> <li>• 3 months additional tenure</li> </ul>
	2	<ul style="list-style-type: none"> <li>• KRA Financial reward of 50%</li> <li>• 6 months additional tenure</li> </ul>
	3	<ul style="list-style-type: none"> <li>• KRA Financial reward of 75%</li> <li>• 9 months additional tenure</li> </ul>
	4	<ul style="list-style-type: none"> <li>• KRA Financial reward of 100%</li> <li>• 12 months additional tenure</li> </ul>

## Adjustments for part years

Each Contract has a different start and end date. These may not match the quarterly reporting cycles or the annual assessment cycle. When assessing the outcomes granted for the annual result in the first or last year of a Contract, financial rewards are based on the number of calendar months the NOC was active during the KRA assessment year. Tenure outcomes do not apply in the first year (or part-year) of reporting.

Note: The ability to earn financial rewards from commencement of reporting is dependent on satisfying the performance criteria defined in this framework, such as commencing the contract with all the required Contract Management plans approved.

**Example:** A Contract starts on 1 October 2020. The Contractor submits their first quarterly KRA performance report by the application deadline for Period Two, ending December 2020, and continues to participate in the KRA assessment year ending June 2021. The financial impact is proportional to the time the Contract has been running. In this case, the Contract has run for nine months of the KRA assessment year, so the rewards are adjusted by 9/12. If this Contractor's annual result made them eligible for a financial reward of \$100,000, this would be adjusted to \$75,000. Additional tenure would not be awarded.

## 3. Implementation and reporting of the framework

### Reporting commencement

To achieve the objectives of this framework (see Section 2 'Overview of the Framework'), before the start of each NOC the Contractor must establish systems and processes, to manage their performance in each area covered by the NOC.

As soon as a new Contract starts, they need to commence KRA performance reporting. Their first assessment will be at the end of the same KRA period in which the Contact commenced.

Implementation of the framework must be completed for all the requirements set out in this framework, noting that measures will continue to be developed collaboratively to better drive desired outcomes, which will be implemented and integrated into this framework for continuous improvement.

## Outputs

The Contractors has set up systems and processes that:

- Provide the evidence needed to support their KRA performance reports.
- Comply with their quality plan.
- Are robust enough that the Principal or an independent assessor can evaluate them.

### 3.1 Report types

The Contractor needs to compile a number of performance reports during the KRA assessment year. Within each report type, the Contractor provides the relevant information to enable the assessment of their KRA performance at the required intervals.

#### 3.1.1. Monthly performance update

The Contractor reviews monthly performance data provided by the Principal, to report a range of Key Performance Indicators (KPIs). The CMT tracks this information on an ongoing basis so that, if needed, they can work with the Contractor to improve performance before the end of the KRA period.

The monthly performance data is made available to the CB for reference.

While the reported measures must still be based on the requirements of the KRA Framework, the Contractor may identify mitigating circumstances that have constrained the Contractor's performance level or rational for the results.

Where this is the case, the Maintenance Portfolio Team (MPT) can provide guidance on an appropriate approach and recommend supporting evidence to compile for the CMT and CB to review as part of the Quarterly performance report.

The Contractor may choose to immediately signal any unexpected performance outcomes to the CB, so that all parties have early visibility.

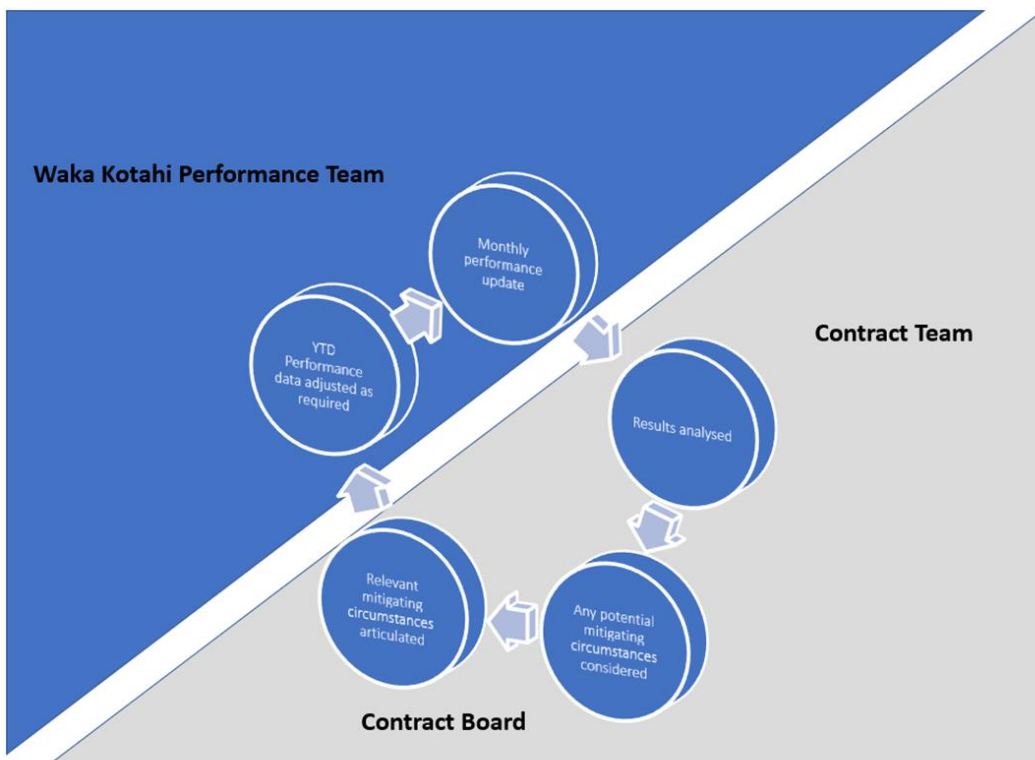


Figure 1: Model of monthly performance reporting information flows

### 3.1.2 Quarterly performance report

The Quarterly performance report is developed collaboratively so as to:

1. Provide evidence of the pre-requisite performance criteria have been met in the KRA period.
2. Measure KPIs, providing visibility of any course correction required.
3. Share an executive summary with the highlights as well as the areas of focus for improvement.
4. Compile any mitigating circumstances and MPT recommendations for the Board to review.

At the end of each quarter, the Principal publishes a reporting template containing centrally held measures and templated sections for the Contractor.

With input from the CMT, the Contractor compiles the required information for pre-requisite criteria and KPIs that is not held centrally, and any supplementary information, such as initiatives underpinning key successes or planned for course correction and any mitigating circumstances that should be considered.

The MPT then reviews each quarterly report for completeness and consistency (providing feedback to the Contractor and MCM where necessary e.g. request more details), adds recommendations in response to any mitigating circumstances arising and provides the executive summary. This may be an iterative process, as the Contractor builds up the report for the CB.

The Contractor must then seek endorsement from the CMT and then the CB. This will enable each CB to understand performance and focus on targeted improvements; as well as highlighting any unexpected outcomes requiring investigation.

Once decisions and any changes required by the CB have been made, and the CMT and CB have endorsed the Quarterly performance report, the final version is supplied to the Principal.

The MPT collates the decisions and outcomes to be summarised as part of the subsequent Quarterly performance report and Annual performance report. Quarterly reports are not scored.

### 3.1.3 Annual performance report

At the end of each annual performance cycle, the Maintenance Portfolio Team (MPT) in collaboration with the CMT compiles their Annual Performance Report.

The Annual Performance Report will assess the KRAs and will recommend the score and reward to the Contract Board.

A summary of the outcomes is presented by the MPT to Maintenance Contracts Governance Group (MCGG) for the annual joint meeting to discuss alignment of boards, inconsistencies and any other lessons learned.

## 3.2 Evaluation of reported performance

The Maintenance Portfolio Team (MPT) consider collective reports from all Contractors. If needed, and feasible within the timeframe, the MPT provide feedback to the Contractor and MCM about issues with supporting information, e.g. request more details.

### How Evaluation is Conducted

The evaluation activity focuses on checking for consistency between:

- How the framework is assessing the Contractor's KRA performance levels
- The supporting evidence each Contractor is providing in their reports
- Understanding any learnings and how these can be shared.

After each KRA period ends, a Waka Kotahi evaluation team considers the collective reports. The group validates each Contractor's KRA eligibility in terms of pre-requisite performance criteria, within the context of the framework's intent, and compared with all Contractors.

At the end of the KRA assessment year, in addition to assessing eligibility, the group also evaluates the KRAs. So, at the end of the KRA assessment year, NOC Contractors will submit their information using

their Year-end Performance reports and the MPT evaluates the collective information and assesses performance in line with the KRA framework.

The recommended scores from the MPT will be communicated to the respective Contract Boards (CB) for discussion, and CB endorsement. The MPT then recommends to the Principal the final CB endorsed scores for approval in line with Waka Kotahi delegations. The MPT will notify the Maintenance Contracts Governance Group (MCGG) of any notable inconsistencies in KRA performance or reporting. The MCGG may consider if changes to the KRA framework are required to better reflect their intent nationally.

The Principal also retains the right to moderate any score, level, or result, if it is aware of issues that are not reflected in the Contractor's supporting information – for example, if a Contractor was involved in a major network event reported over national media, but that event was not included in any KPI score.

### 3.3 Timing of KRA periods

Contractor's performance is reported after the end of each quarterly KRA period, in alignment with the Principal's financial year (beginning on July 1<sup>st</sup> and ending on June 30<sup>th</sup> each year).

Within two weeks of the relevant Board meeting the CMT are to provide the outcomes to the MPT. Any decisions still pending at that point can be carried forward to the following quarter, up to and including year end.

**Table 4: KRA period details**

KRA period	Start date	End date	Report published by MRT	Report updated by NOC	Executive summary due by	Board to meet by
Period 1	1 July	30 September	28 October	9 November	16 November	30 November
Period 2	1 October	31 December	27 January	8 February	15 February	1 March
Period 3	1 January	31 March	28 April	10 May	17 May	31 May
Period 4	1 April	30 June	27 July	8 August	15 August	29 August

Note: These KRA periods are consistent and unchanging, across all Contractors and assessment years, even if they do not match with (for example) the Contractor's financial year dates or the date the Contract began.

## 4. KRA Structure

### Weighting of key result areas

Each of the scored KPIs has equal weight for determining the overall annual performance level and, from that, determining tenure and financial reward. This may change for the scored KPIs if the Principal determines that particular business priorities need a higher level of focus e.g. because strategic goals have moved. Crucial performance requirements are pre-requisite to being eligible for KRA reward, as detailed within this Framework guideline.

**Table 5: Desired behaviour**

KRA/KPI	Desired behaviour
1 Safety	<ul style="list-style-type: none"> <li>Safety is of paramount importance.</li> <li>Activities under NOCs show commitment to health and safety outcomes and there are no workplace fatalities or unsafe work sites.</li> </ul>

KRA/KPI	Desired behaviour
	<ul style="list-style-type: none"> <li>Contractors understand the network's safety issues and that the activities they undertake, including high influence improvements they identify and implement, resulting in a safer environment for road users.</li> </ul>
2 Customer	<ul style="list-style-type: none"> <li>Customers have timely and accurate information that lets them make informed choices.</li> <li>Contractors schedule their work to cause minimal disruption for road users and consider road users' needs for access.</li> <li>Contractors always respond to customer's requests and their expectations.</li> </ul>
3 Sustainability	<ul style="list-style-type: none"> <li>Contractors adopt good practice and act in a responsible manner, which contributes to a transport system that adds positively to New Zealand's economic, social, and environmental welfare.</li> <li>Contractors identify and implement opportunities to reduce energy and greenhouse gas emissions, increase uptake of recycled and alternative materials, reduce use of virgin and high carbon intensity materials, reduce water consumption and reduce waste.</li> <li>Contractors provide data to complete a basic carbon footprint.</li> <li>Contractors deliver on promises made during tendering, and these add value to the network.</li> </ul>
4 Assurance and Value	<ul style="list-style-type: none"> <li>Accurate network information and knowledge underpin quality outcomes, with minimal rework.</li> <li>Contractors make sound investment recommendations and decisions, based on reliable, robust, and proven evidence.</li> <li>Contractors contribute to maintaining a sustainable and engaged contracting market.</li> <li>Data is in Waka Kotahi central tools on time.</li> <li>Effective Contract Management Plans are in place.</li> <li>Contractors' organisational culture actively values innovation, efficiency, and continuous improvement, which they share across any of the Principal's Contracts.</li> </ul>
5 Network Performance	<ul style="list-style-type: none"> <li>Contractors' renewals work physically delivered and recorded in RAMM matches the Annual Plan.</li> <li>Contractors use the intervention strategy as detailed in their MMPs to optimise maintenance of all assets on the network and achieve expected outcomes.</li> <li>OPM levels are consistently achieved.</li> </ul>
6 Health of the Relationship	<p>The working relationship between the Principal and Contractors:</p> <ul style="list-style-type: none"> <li>Fosters open and honest dialogue and feedback.</li> <li>Involves Sub-Contractors and recognises their value.</li> </ul>

### Special Approach for KRA 6: Health of the Relationship

The principal surveys the health of the relationship with the Contractor every six months, and annually with key Sub-Contractors. The surveys involve staff from the:

- Principal
- Contractor
- Any Sub-Contractors

This survey measures the Contract's culture, i.e. how well the parties are working together. This guideline describes the KPIs used to measure performance in the relevant areas; however:

- The assessments are not expressed as scores
- This KRA is measured but not scored.

The Contract Management Team discuss the results with the Contract Board. The survey results are used to support continuous improvement and behavioral change that delivers successful Contract outcomes.

## KRA framework hierarchy

The table below shows the titles and structures of the KPIs and KRAs within the framework with the current focus from Waka Kotahi.

This does not preclude changing what will be measured and scored as priorities emerge and improvement areas are required. The vision for the future is to score every KPI. The journey to achieve meaningful scoring starts with measurement, and once we understand what an appropriate performance baseline is, implementing appropriate scoring will follow.

**Table 6: KRA performance management**

KRA performance management					
KRA	KRA Name	KPI	KPI Name	Measured	Scored
KRA 1	Safety	1.1.1	Total reportable injury frequency	Y	N
		1.2.1	DSI trend and safety contribution	Y	Y
KRA 2	Customer	2.1.1	Journey times and planned events	Y	N
		2.1.2	Customer response	Y	Y
KRA 3	Sustainability	3.1.1-3.1.6	Environmental triangle	Y	Y
		3.1.7	Resource Efficiency and Waste Minimisation	Y	N
		3.2.1	Delivery of pledges	Y	N
KRA 4	Assurance and Value	4.1.1	Financial performance	Y	N
		4.2.1	Quality/rework	Y	N
		4.3.1	Innovation	Y	N
KRA 5	Network performance	5.1.1	Overall OPM score	Y	N
		5.2.1	Network delivery	Y	Y
		5.3.1	Network condition	Y	N
KRA 6	Health of the Relationship			Y	N



## 5. Scoring Approach

### 5.1 Sources of measurement data

Each KRA is made up of a group of KPI measures. The assessed KRA level demonstrates the standard of performance that the Contractor has achieved in the specific area. The measures are evaluated against criteria such as:

- The Contractor's own records
- Network data (multiple sources e.g. RAMM/OPMs)
- Road Asset Maintenance data (RAMM)
- Crash Analysis data (CAS)
- Health and Safety data (Survey 123)
- Financial data (SAP)
- Asset condition measures (High Speed Data Survey)
- Customer responses (SAP CRMS)
- Stakeholder survey results (State Highway User Experience survey. Data housed in Harmony)

### 5.2 Calculating individual annual KRA levels

At each annual evaluation, each individual annual KRA level is assessed by averaging the individual KPI scores within the KRA. The resulting score corresponds to a performance level.

The measurement tables for all KPIs use the same approach to four performance levels as KRAs.

**Table 7: KPI measurement tables**

Performance ranking	Description
Poor	Performance shows significant failures, and there are serious gaps in service delivery.
Minimum Condition of Satisfaction (MCOS)	The Contractor is performing to an adequate standard, improvement is required.
Best Practice	The results reflect consistent performance achievement, underpinned by constructive behaviours that enhance the relationship and deliver innovative solutions for both parties.
Outstanding	The Contractor is exceeding the Principal's expectations for performance and has consistently delivered outstanding results. The Contractor's performance has been seen as exceptional in the views of the CMT, Board, and MRT.

The business rules in Section 5.4 Business rules for performance achieved (page 18) are then applied.

The result is the overall annual performance result.

Note: The Scoring template calculates this result automatically. See Table 29: Scoring Template (page 52).

### 5.3 Calculating overall annual performance result

Once the individual annual KRA performance levels are calculated, the overall annual performance level is assessed by averaging the **unrounded** individual annual KRA scores for KRAs 1 to 5 (only). The resulting score corresponds to a performance level.

The table below shows the four performance rankings, used for the annual performance results.

**Table 8: Measure score table**

Performance level	Score range
1: Poor	1 to less than 2 (<2)
2: Minimum Condition of Satisfaction (MCOS)	2 to less 2.66 ( $\geq 2$ and $< 2.66$ )
3: Best Practice	2.66 to less than 3.33 ( $\geq 2.66$ and $< 3.33$ )
4: Outstanding	3.33 or more ( $\geq 3.33$ )

The business rules in Sections 5.4 Business rules for performance achieved (page 18) are then applied. The result is the overall annual performance result.

Note: The Scoring template calculates this result automatically. See Appendix 2: Scoring template (page 52).

## 5.4 Business rules for performance achieved

The following business rules apply when calculating the overall annual KRA result:

1. If the annual score for KPI Measure 5.2.1 Network delivery is Level 1 (Poor) then the overall performance ranking can be no higher than Level 2 (Minimum Condition of Satisfaction).
2. If this business rules does not apply, then the performance level calculated using Sections 5.2 and 5.3 applies.

The annual performance level determines the maximum Contract rewards that could be granted to the Contractor, as shown on Table 2: Performance result and reward (page 10). For the specific effects on Contract tenure, see the Conditions of Contract (Part B clause 10.8 Contract Period and Adjustments).

Eligibility criteria are then applied based on pre-requisite performance expectations, to assess the final Contract rewards if applicable.

## 5.5 Performance framework pre-requisite

Over and above overall performance rankings, there will be a minimum standard before being eligible for any applicable KRA reward for each assessment period.

Eligibility is approved by the Contract Board (CB) in the first instance (see section 3.1.2 Quarterly performance report, page 13), subject to evaluation by the Principal (see section 3.2 Evaluation of reported performance, page 13).

Failure to meet the pre-requisite minimum standard is an indicator that the Principal's basic expectations are not being met, for example data timeliness and quality requirements are not being consistently met. However, when reviewing the pre-requisite minimum standards, it is expected that the CB will adhere to the good faith doctrine of the contract. For example, where data timeliness and quality requirements are being consistently met and a one-off minor issue occurs, is rapidly rectified and an improvement implemented to prevent recurrence, the CB has flexibility to determine the appropriate outcome for the pre-requisite may be met.

### 5.5.1 Fatality in a workplace or work site

Employee and general public safety remain a focus, so any workplace (or work site) fatality will result in ineligibility for any applicable KRA reward for the quarter in which the fatality occurred.

A CB may use discretion to determine that a fatality in a work site was completely unrelated to that work site, or arrange an independent safety review in considering if the intent of the pre-requisite was met for that period.

## 5.5.2 Tender pledges

Contractors are expected to consistently meet pledges in their tendered submission. Failure to do so will result in ineligibility for any applicable KRA reward for the quarter in which the underdelivered tender pledge was due.

Sub-contractor spend should be assessed overall and at individual Sub-Contractor level:

- Year-to-date pledged and actual overall Sub-Contractor spend (expressed as values and percentages)
- Year-to-date pledged and actual individual Sub-Contractor spend (expressed as values and percentages)

In assessing Sub-contractor spend tender pledge, it is important to consider the seasonal nature of some work. This means that sub-contractor spend can most accurately be assessed after construction season and/or at year end.

Other tender pledges should be assessed as at the quarter in which they were due and in subsequent quarters as necessary.

## 5.5.3 Data in Waka Kotahi central tools on time (centrally assessed)

Data will be held centrally in Waka Kotahi systems and delivered within the timeframes specified in the applicable Contract or Framework.

The key data sets and timeframes are specified in Appendix 3: Guidance on timeframes for specified data sets (page 53).

Late, undelivered, or poor-quality data will result in ineligibility for any applicable KRA reward for the quarter in which the failure took place, and subsequent quarters until the failure has been rectified to the Principal's satisfaction.

## 5.5.4 Contract Management Plans

### **Maintenance Management Plan (MMP) and Quality Management Plan (QMP)**

The QMP and MMP are considered critical plans that underpin the NOC framework, and these along with the tender pledges are required to assist the Contractors as much as the Principal.

These are expected to be updated, accurate, and compliant. They will be audited, to show 'fit for purpose' and will need to achieve a required condition of compliance, as agreed by the Principal and verified in random audits.

See Appendix 4: AIA Assessment of the MMP pre-requisite (on page 54) and Appendix 5: Asset Quality Team assessment of the QMP pre-requisite (on page 55) for more detail.

### **Contract management plans**

- Emergency Procedures Preparedness Plan
- Health & Safety Management Plan
- Traffic Control Plan
- Environmental & Social Management Plan
- Customer & Stakeholder Communications Management Plan (including iwi and cultural management)
- Road Safety Management Plan\* (as applicable)
- Risk Management Plan (as applicable).

The Contract Management Plans are expected to be updated, accurate, and compliant as agreed with the Principal.

Failure to achieve the required condition of compliance will result in loss for any applicable KRA reward for the quarter in which the failure took place, and subsequent quarters until the failure has been rectified to the Principal's satisfaction.

\*Road Safety Management Plans are only required for those NOCs which have them specified.

See Appendix 6: How to conduct a plan pre-requisite audit (on page 56) for more detail.

### **5.5.5 Meeting OPM compliance (centrally assessed)**

Contractors are expected to achieve a level of OPM compliance that is acceptable to the Principal, based on the specified NOC contractual obligations, agreed by the Contractor.

Any breach of the upper financial penalty threshold during the quarter will result in ineligibility for any applicable KRA reward for the quarter in which the threshold was breached, and subsequent quarters until the level has been achieved to the Principal's satisfaction.

## 6. Individual KPI Details

This section of the guideline provides the measures and scoring calculations for the specific KPIs within each KRA.

### KRA 1: Safety

#### Objectives

- Safety is of paramount importance.
- Activities under NOCs show commitment to health and safety outcomes and there are no workplace fatalities or unsafe work sites.
- Contractors understand the network's safety issues and that the activities they undertake, including high influence improvements they identify and implement, resulting in a safer environment for road users.

#### KPIs in this KRA

**Table 10: Safety KPIs**

Measure		Measurement approach
1.1.1	Total Recordable Injury Frequency Rates	Measure (and pre-requisite)
1.2.11.2	DSI Trend and Safety Contribution	Measure and score

#### KPI Measure 1.1.1 Total Recordable Injury Frequency Rate

##### Intent

Injury rates are below expected levels or reducing, showing that Contractors are committed to operating an injury-free work environment for their workforce.

While this KPI is measured as part of the KRA framework, it is not scored (other than the Fatal injuries as part of the pre-requisite performance criteria).

##### Definition

This KPI measures the lag indicator Total Recordable Injury Frequency Rate (TRIFR), i.e. the rate of recordable injuries for each 1,000,000 work hours.

##### Business rules

- Any Fatal injury occurring on a Contractor-managed site during the period will result in ineligibility for any applicable KRA reward for the quarter in which the fatality was confirmed (see section 5.5 Performance framework pre-requisite).
- The Contractor must meet the Principal's expectations in terms of recording all health and safety data in the relevant online reporting tool.

##### Data required

- Total work hours completed during the last 12 months.
- Total recordable injuries for each category during the last 12 months.
- TRIFR for the last 12 months.

## KPI Measure 1.2.1 DSI trend and safety contribution

### Intent

Number of deaths and serious injuries in crashes on the network are decreasing year on year, showing that Contractors understand the network's safety issues and that the activities they undertake, including high influence improvements they identify and implement, resulting in a safer environment for road users.

This KPI is measured quarterly and scored in annual KRA assessments.

### Definition

This KPI measures the lag indicators of deaths and serious injuries as an indicator of network safety, as well as the lead indicator of delivery of the NOC's Road Safety Management Plan (RSMP)<sup>2</sup>; which will provide the improvement-based focus to reduce DSI's.

### Business rules

- To satisfy this KPI, the Contractor will develop a safety initiative register that draws from the RSMP and Maintenance Specification (Section 5.8 Road Safety Management), which in turn has line of sight to any appropriate Regional or National Road Safety Strategy (or Policy). The RSMP delivery status summary will:
  - Identify the Top Five safety issues and the significant locations
  - Identify Network deficiencies and other safety concerns that contribute to DSIs
  - Identify at least five high influence initiatives per year that are achievable interventions/counter measures for the NOC to address network deficiencies or other safety concerns and reduce DSIs.
  - Each intervention or counter measure must:
    - be expressed in measurable terms
    - be above and beyond tender pledges
    - be either operations, process, or planning driven
    - have been endorsed, by the Principal's Regional Road Safety Engineer (RRSE)
  - Throughout the year, the summary will be updated with any progress achieved and/or new initiatives identified and included in the Quarterly Performance Report.
  - The overall delivery across the safety initiatives will be assessed in terms of Red/Amber/Green (RAG) status by the RRSE (each month ideally), or quarterly at minimum. (See example below).
- The DSI calculation is based on the absolute total deaths and serious injuries for the 12 calendar months leading up to three months before the end of the financial year, compared to the absolute total deaths and serious injuries for the preceding 12 months (regardless of when the Contract commenced), extracted from CAS at the end of the reporting period.  
Note: by excluding the most recent three months' data, CAS is more likely to include all the relevant statistics. The total includes all crashes involving deaths and serious injuries for the NOC regions as reported in CAS. This data is not filtered.
- Meeting reporting obligations (under CoPTTM) in terms of work site incidents/crashes is critical for establishing a strong safety culture, based on investigating and learning from mistakes. Where the Contractor fails to meet basic reporting obligations, this score will be restricted to a 1.

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<sup>2</sup> Or a suitable proxy, as agreed with RRSE, for Contracts where an RSMP is not contractually required.

**Table 11: Example of safety initiatives register**

Safety concern (target area)	Intervention treatment and description	Strategic link and influence	Date identified	Date accepted	Delivery mechanism (source/ justification)	Measurable	Monitoring	Tracking (R/A/G) – captured & updated at quarterly safety meetings
Network Deficiencies	Targeting wooden sight rails, unprotected bridge embankments/ abutments, roadside hazards and lack of lighting at intersections (due to reoccurring crash themes)	Identify opportunities to improve the safety of the network and incorporate Safe System rationale – High influence	Dd/mm/yyyy	Dd/mm/yyyy	Further emphasis on Maintenance Specification 5.8 and 5.8.3	Ensure 10 safety improvement opportunities on the network are captured per month	Demonstration of an updated database of safety improvement projects	Q1 Q2 Q3 Q4
LOC on corners on SH X	Ensure the standard toolkit of delineation is present and upkept	Improvement to Roads and Roadsides via maintaining the infrastructure in a serviceable condition so that it performs its role well – High Influence	Dd/mm/yyyy	Dd/mm/yyyy	Safety Management Delineation Strategy (and supporting Implementation Plan) and General Maintenance Activities	Quicker reinstatement of delineation, signs, barriers the sustain damage. Clean EMP's signs twice yearly on specific SH	KRA Dashboard and any seen reduction in trends on the specific SH	Q1 Q2 Q3 Q4
Proactive Monitoring	Areas of Concern – High Crash Clusters and the need for monitoring	Proactively identify, prioritise, and treat (as appropriate) locations which developing crash trends indicate there is the potential for more crashes to occur – High Influence	Dd/mm/yyyy	Dd/mm/yyyy	Further emphasis on Maintenance Specification 5.8 and 5.8.2	Quarterly summary providing arising areas of concern. Number of new initiatives further included to this table. Quarterly safety meetings. Fatal crash debriefs	KRA Dashboard. Crash cluster and RS tracking, fatal crash recommendation register	Q1 Q2 Q3 Q4
Overall safety strategy delivery status (as agreed with Waka Kotahi NZTA Regional Road Safety Engineer):						R/A/G		

### R/A/G Status example guidelines

Red: Failure to demonstrate establishment of applicable facts required for initiatives (such as databases/registers) and/or set up activity;

Amber: Relevant activities being undertaken but not consistently or to extent targeted.

Green: Contractor has demonstrated that initiatives are being fully and consistently delivered as planned.

### Data required

- NOC RSMP Safety Initiatives Register
- Any related tender pledges
- RRSE assessment of the overall delivery RAG status
- 24 months of monthly DSIs (ending three months before the end of the financial year)
- Evidence that any accidents in a work site involving one or more members of the public have been reported as required under CoPTTM obligations; and a summary of the findings of any relevant investigation completed or in progress.

**Table 12: Measure score**

Score	Description	Measurements
1	No RSMP Safety Initiatives Register is developed	NOC's RSMP Safety Initiatives Register is not fully developed or does not meet the business rules requirements
2	RSMP Safety Initiatives Register developed and delivery in progress	<ul style="list-style-type: none"> <li>• NOC's RSMP Safety Initiatives Register is developed and meets the business rules requirements, but delivery is not on track to the satisfaction of the RRSE and MCM.</li> <li>• To score two or above, the obligations to report work site incidents/crash under CoPTTM are met as per the NOC Contract</li> </ul>
3	RSMP Safety Initiatives Register is developed, and delivery is on track	<ul style="list-style-type: none"> <li>• NOC's RSMP Safety Initiatives Register is developed and meets the business rules requirements</li> <li>• Delivery of the RSMP Safety Initiatives Register is on track or ahead of schedule to the satisfaction of the RRSE and MCM.</li> </ul>
4	RSMP Safety Initiatives Register is developed, and delivery is on track and DSI trend is improving	<p>All of the following:</p> <ul style="list-style-type: none"> <li>• NOC'S RSMP Safety Initiatives Register is fully developed and meets the business rules requirements</li> <li>• Delivery of the RSMP Safety Initiatives Register is on track or ahead of schedule to the satisfaction of the RRSE and MCM</li> <li>• The 12-month total number of DSIs has decreased compared to the previous 12-month total.</li> </ul>



## KRA 2: Customer

### Objectives

- Customers have timely and accurate information that lets them make informed choices.
- Contractors schedule their work to cause minimal disruption for road users and consider road users' needs for access.
- Contractors always respond to customers' requests and their expectations.

### KPIs in this KRA

Table 13: Customer KPIs

Measure		Measurement approach
2.1.1	Journey times and planned events	Measure only
2.1.2	Customer response	Score

### KPI Measure 2.1.1 Journey times and planned events

#### Intent

Predictable journeys are important to our customers. Contractors understand how planned events will affect network availability and take appropriate action to limit the resulting impacts on customer journeys. In addition to considering traffic flow, this also includes actively managing customer expectations and ensuring speed management in worksites is intuitive and makes customers feel safe.

While this KPI is measured by the Contractor as part of the KRA framework, it is not scored.

#### Definition

This KPI measures the effectiveness of the Contractor's action in limiting disruption to traffic flow, in terms of the proportion of planned events where the actual disruption is greater than predicted, as well as any relevant customer feedback.

For measuring this KPI, a "planned event" includes:

- Any event that requires a traffic management plan (TMP), such as renewals
- Contractor's works
- Third party works
- Other public events that might impact network availability, e.g. a sports events within the network area that does not require a TMP.

For measuring this KPI, "disruption" refers to any delay to traffic flow at all that has arisen directly from the planned event.

#### Business Rules

- The Contractor must have a system in place to capture:
  - The total number of all planned events
  - The predicted and actual disruption of each event, including when the prediction is for no disruption. For events requiring a TMP, the predicted disruption should have been agreed by the Principal in advance of the planned event.
  - Negative media coverage and customer feedback relating to communication, worksite management, or any disruption associated with a planned event.
  - Lessons learned.
- Events that occur at the same site over a number of days should be treated as a single event.

- The Contractor is expected to audit a sample of events, selected randomly from the list of planned events expected to cause disruption.
- The sample size must be at least 10% of the total pool. If this yields a sample size of fewer than 10 events, the sample size must be increased to a minimum of 10 events (or the total pool of events).
- It should be noted that the NOC contractor must assess planned vs actual disruption at all events including those that are beyond the control of the NOC contractor. Predicting and limiting any disruption is a strategic priority.
- If any event was predicted not to disrupt traffic flow, but did cause a disruption, this event must also be audited, in addition to the random sampling.
- Where the Contractor has implemented advanced tools for assessing journey times, they can apply to the Maintenance Portfolio Team to customise an approach by mutual agreement.
- As tools become available to enable greater visibility of disruption to network availability, worksite speed management and customer journeys, the Contractor and Principal will work together to implement an enhanced KPI, including scoring if appropriate.

### Process

The Contractor records all planned events and their predicted disruption to traffic flow **when these are identified**.

In each KRA period assessment, the Contractor:

- Extracts data on the actual disruption for each planned event
- Self-audits to compare this data to their predicted disruption
- Considers the effectiveness of mitigations implemented (including stakeholder engagement)
- Considers any evidence in terms of speed management
- Identifies any lessons learned.

### Data required

- Number of all planned events during the period, regardless of whether any disruptions was predicted for them
- Number of events audited
- Percentage of total audited events where actual disruption was greater than predicted
- Community and stakeholder parties engaged with, including examples
- Brief description of any negative media coverage or customer feedback about communication, worksite management or any disruption associated with a planned event during the KRA period
- Summary of lessons learned in terms of effectiveness of action taken to limit negative impacts on customer journeys.

## KPI Measure 2.1.2 Customer response

### Intent

- Contractors give customers a timely, professional and useful response to all queries, complaints, and correspondence.
- Survey results show that road users are satisfied with the services, provided by the Contractor, that they have used when travelling.

This KPI is measured quarterly and scored in annual KRA assessments.

### Definition

This KPI measures the responsiveness of the Contractor to the customer queries, complaints and correspondence received during the KRA period.

This KPI also measures the levels of road users' satisfaction with the aspects of the network covered by the Contractor's NOC. The Principal conducts a quarterly survey of customers' experiences with the New Zealand state highway network, including:

- Their opinions of the travel experience
- The details of their journeys
- Any disruptions they encountered
- Their travel times

### **Business rules**

- Contractors must record each customer query, complaint, or correspondence in CRMS as soon as possible after they receive it, and in sufficient detail to demonstrate compliance with this requirement.
- Contractors must record in CRMS when they respond to each customer query, complaint, or correspondence.
- Sundays and public holidays are excluded from the calculation of response times, in alignment with the NOC.
- Contractors can only record a query, complaint, or correspondence as closed when they have responded directly about its substantive content. It is not enough to simply acknowledge its receipt.
- If the response does not resolve the customer's issue, the Contractor must inform the customer of the reason for this.
- The data is extracted at the end of the KRA period and assessed by the Maintenance Portfolio Team (MPT). Note: scoring is applied at year end.
- Contractors must complete call-back surveys for a sample of customer contacts received during the KRA period.
- A call-back is not completed until the customer has responded to the questions and the results have been recorded correctly in [CRMS](#).
- The number of call-backs must be at least 10% of the net total customer interactions during the period (i.e. excluding those that have opted out of being called back).
  - If the resulting number is lower than 10, the required number of call-backs is the greater of 10 or the net total customer interactions.
  - Exception: If the Contractor has pledged in their tendered submission to a specific number or proportion of customer contacts, the greater number of surveys applies.
- The NOC customer satisfaction score is based on the NOC related questions of the Waka Kotahi customer survey.

### **Process**

- The Contractor updates CRMS with details of customer interactions as they are received in the Waka Kotahi CRMS system.
- At the end of the KRA period, the MPT extracts customer interaction data from CRMS, to measure the service levels (and in the final KRA period, the KPI score).
- The Waka Kotahi survey is conducted regularly, and the results are mapped to the relevant Contractor, according to the respondents' journey.
- A subset of the most relevant survey questions that apply to maintenance are analysed to generate a customer survey result for each KRA period.

### **Data required**

1. CRMS data on customer complaints and interactions assigned to the Contractor including:
  - Number of complaints that were responded to:
    - Within two days
    - Outside two days
  - Number of other interactions that were responded to:
    - Within ten days
    - Outside ten days
  - Total number of customer interactions
  - Number of customer interaction resolved
  - Number of call-back surveys completed
2. Waka Kotahi customer survey result for the relevant quarter

## Calculation

Sum the following points to find the Contractor's total **response score** for all customer contacts received during the KRA period:

**Table 14: Response score calculation**

Determine if...	By calculating...	And if so, add...
Complaint response service level of 95% has been met	Complaint response service level = $\frac{\text{no complaint responses within 2 days}}{\text{total no. complaints}} \times 100$	1 point
Interaction response service level of 95% has been met	Interaction response service level = $\frac{\text{No interaction response within 10 days}}{\text{total interactions}} \times 100$	1 point
Resolution service level of 95% has been met	Resolution service level = $\frac{\text{No. interactions resolved}}{\text{total interactions}} \times 100$	1 point
Contractor completed call-back surveys for the required sample of customer interactions in this KRA period		1 point

**Table 15: Measure score**

Score	Description	Measurements
1	Contractor has failed more than one of the service level requirements	Total response score is 0, 1, or 2 points
2	Contractor has failed one of the service level requirements	Total response score is 3 points
3	Contractor's responses in this period have been consistently timely professional	Total response score is 4 points
4	Contractor's responses in this period have been consistently timely and customer satisfaction is improving	Both of the following: <ul style="list-style-type: none"> <li>Total response score is 4 points; and either:</li> <li>Waka Kotahi Customer survey results show customer satisfaction has improved compared to the previous financial year; or both of the following: <ul style="list-style-type: none"> <li>Achievement of a score equal to or above 82.50%*</li> <li>Any reduction from the previous financial year's score is less than 1.00%</li> </ul> </li> </ul>

\*Scores are rounded to 2 decimal places. As the data set expands, the threshold (and methodology) may be reviewed to ensure it is reflective of outstanding performance, as recognised by Waka Kotahi.

# KRA 3: Sustainability

## Objectives

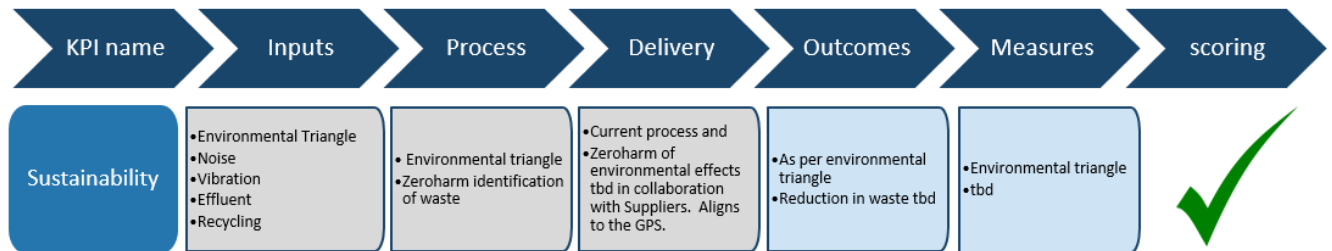
- Contractors adopt good practice and act in a responsible manner, which contributes to a transport system that adds positively to New Zealand’s economic, social, and environmental welfare.
- Contractors identify and implement opportunities to reduce energy and greenhouse gas emissions, increase uptake of recycled and alternative materials reduce use of virgin and high carbon intensity materials, reduce water consumption, and reduce waste.
- Contractors provide data to complete a basic carbon footprint.
- Contractors deliver on promises made during tendering, and these add value to the network.

## KPIs in this KRA

**Table 16: Sustainability KPIs**

Measure		Measurement approach
3.1.1-3.1.6	Environmental Triangle	Score
3.1.7	Resource Efficiency and Waste Minimisation	Measure only
3.2.1	Delivery of Tender Pledges	Measure (and pre-requisite)

## KPI Measures 3.1.1 to 3.1.6 Environmental triangle



### Intent

The Contractor demonstrates commitment to environmental and social responsibility throughout their activities under the NOC.

This KPI is reported monthly and scored in annual KRA assessments.

### Definition

This group of KPIs measures environmental sustainability through the parties’:

- Impact of works
- Ability to meet commitments
- Actions taken to improve how they work

The environmental triangle formula combines measures of several indicators to give an aggregated KPI score.

## Business rules

- Contractors must maintain a system for capturing information to support the measurement of each indicator within this KPI.
- Where the Contractor has undertaken unconsented or illegal works, where an approval under the relevant Act is required, the relevant Authority will be notified, and the impact will be assessed based on any resulting notice.
- Any formal warnings issued to the NOC must be disclosed as part of the reporting under this KPI but will not incur a scoring impact.
- KPI 3.1.1:
  - Where the Contractor has been required to cease works or prohibited from commencing works under Section 322 1(a) or 2(a) of the Resource Management Act 1991, or been issued an enforcement order by the Environment Court during the financial year, the score will be restricted to a '1'.
  - Abatement notices that do not require ceased works or do not prohibit works from commencing (ie abatement notices directing action to ensure compliance or avoid, remedy or mitigate adverse impact on the Environment, under Section 322 1(b), 1(c) or 2(b)), will not restrict the score to a '1'. These will instead impact the Environmental Triangle score.
- KPI 3.1.3:
  - It is recognised that a non-compliance can be an administrative failure that does not necessarily represent a breach of a consent condition (for example, the activity required by the consent condition was completed but was not updated in CS Vue on time), these will be referred to as non-compliances, as distinct from breaches of consent conditions. This differentiation has been made to allow for separately setting the respective weightings.
  - The Principal will assess compliance as at the end of each month. A Consent condition that is non-compliant at month end but was in a compliant state at any time during that month will not be counted in scoring the KPI. Any Consent condition that is non-compliant at month end that has been in a continuously non-compliant state throughout the month, will be counted as a non-compliance in scoring the KPI. The total number of these non-compliances will be aggregated throughout the year. Non-compliances are counted again in subsequent months if unresolved, and if occurring again for the same Condition. (This business rule does not apply to breached consent conditions – see previous business rule.)
  - By agreement with the Contract Board, scoring impacts for non-compliances or breaches arising directly from third party dependencies may be suspended for an agreed period of time. An indefinite suspension is not acceptable for any Consent in the NOC's collection.
- KPI 3.1.5
  - The Contractor may only count an individual attending the identical course more than once as one attendance.
  - An 'individual' is a person who is an employee or Sub-Contracted person, who undertakes work related to the NOC.

## Indicator weightings

The following diagram and table show the relative weightings of each type of event whose environmental impact these KPIs measure.

**Table 17: Indicator weightings**

Score instances of...	Weighting	I.e. ...
KPI 3.1.1 Abatement notice or Infringement notice	-10	-10 x number of non-compliances
KPIs 3.1.2 Regulatory non-compliance	-10	-10 x number of non-compliances
3.1.3 CS-VUE breach of consent condition	-10	-10 x number of non-compliances
KPI 3.1.3 CS-VUE non-compliance (non-breach)	-1	-1 x number of non-compliances
KPI 3.1.4 Environmental initiatives	+20	20 x number of approved initiatives
KPI 3.1.4 Environmental initiative - targeted monitoring	+5	5 x fulfilment of targeted monitoring deliverables
KPI 3.1.5 Environmental training, workshops, and presentations	+0.25	0.25 x number of participants
KPI 3.1.6 Environmental hazards or opportunities	+0.5	0.5 x number identified



See the following KPI descriptions for details on measuring and scoring each element.

## KPI Measure 3.1.1 Enforcement action

This KPI element considers any Enforcement orders (under section 314), Abatement notices (under section 322) and Infringement notices (under section 343A) of the Resource Management Act 1991 that are relevant to the NOC area.

### Process

For each KRA period assessment, the Contractor discloses the details of any Enforcement orders, Abatement notices and Infringement notices issued under the above legislation that are relevant to the NOC during the period.

Each notice will be reviewed by the Waka Kotahi Planning Team and identified as either:

- A requirement to cease works or prohibition from commencing works

Or

- A direction to take action to ensure compliance or avoid, remedy or mitigate adverse impact on the Environment

### Impact

The KPI score will be restricted to a '1' where the Contractor has one or more:

- Enforcement orders issued by the Environment Court
- Notices identified as a requirement to cease works or prohibition from commencing works,

Otherwise:

-10 points per Abatement notice

-10 points per Infringement notice

### Data Required

Abatement orders, Infringement notices, Enforcement orders and formal warnings issued during the KRA period.

## KPI Measure 3.1.2 Regulatory non-compliance

This KPI element counts the number of regulatory monitoring non-compliances issued against the Contractor (and/or issued against Waka Kotahi for the NOC's activities under the Contract). (It excludes regulators' minor non-compliances).

### Process

For each KRA period assessment, the Contractor captures and reports the total number of non-compliances.

### Impact

-10 points per non-compliance issued.

### Data Required

Number of non-compliances issued during the KRA period.



### KPI Measure 3.1.3 CS-VUE non-compliance

This KPI element counts the number of non-compliances in the Waka Kotahi CS-VUE system.

#### Process

Each month, the Maintenance Portfolio Team extracts a compliance report for the period from CS-VUE for the contract area.

The compliance report will show any consent condition breaches as well as any non-compliant conditions (refer to business rules).

In the case of non-compliant conditions, a scoring impact will be triggered only if a condition has been in a continuously non-compliant state throughout a calendar month.

E.g. If a condition became non-compliant during the month of January, it would not trigger a scoring impact for the month of January.

If the non-compliance was resolved during January or February, no scoring impact would be triggered.

However, if it remained continuously non-compliant throughout February, it would trigger a scoring impact for the month of February.

If the same condition had been resolved to a state of compliance during the month of February but became non-compliant again during February, a scoring impact would not be triggered for the month of February (but if unresolved in March, would trigger a scoring impact for March).

The report will include reference details of any non-compliant or breached conditions, to enable the Contractor to investigate the details.

Exclusions due to third party dependencies can be proposed to the Contract Board for consideration (refer to business rules).

For support with any consent queries or to seek changes to settings for improved alignment in terms of ownership, frequency or timeframes, the Contractor is encouraged to contact [Consents@nzta.govt.nz](mailto:Consents@nzta.govt.nz)

#### Impact

-10 points per CS-VUE breached consent condition recorded

-1 point per CS-VUE consent condition continuously non-compliant throughout a calendar month.

#### Data required

- Monthly CS VUE compliance reports for each month of the KRA period
- Exclusion details:
  - Consent condition reference details and duration of any confirmed exclusions
  - Approach taken to prompt the relevant third party.

### KPI Measure 3.1.4 Environmental initiatives

This KPI measures how many environmental initiatives the Contractor has adopted or actioned within the KRA period that:

- Meet the Principal's environmental plan objectives.
- Align with the Resource Efficiency policy and guideline (applies to Resource efficiency initiatives only)
- Are over and above meeting legal compliance.

## Process

Whenever an initiative is put forward, the Contractor prepares a summary detailing it using the prescribed template. A Specialist from the Waka Kotahi Environment and Sustainability Team will be designated to assess the initiative and advise the Contractor whether the initiative has been agreed and can be included in the KPI scoring.

During assessment of the initiative, the designated Specialist will determine any additional requirements, including measurements or monitoring, to achieve the basic score of 20 points. Points will not be recognised until the achievement has been confirmed by the Environmental and Sustainability Team.

As part of the assessment, the designated Specialist has discretion to determine specific optional monitoring deliverables that the Contractor can pursue, to obtain an additional 5 points in a future assessment.

Unless otherwise specified by the Specialist, in each case the 5 points can be claimed only once.

Upon completion of any applicable targeted monitoring deliverables to the standard determined by the Environmental and Sustainability Team, the points can be included in the KPI scoring in the applicable KRA period. Points will not be recognised until the deliverables have been recognised as fully delivered by the Environmental and Sustainability Team.

## Impact

+20 points per initiative assessed and agreed by the Principal.

+5 points upon completion of optional targeted monitoring deliverables as agreed by the Principal.

## Data Required

- Number of initiatives agreed
- Number of targeted optional monitoring deliverables agreed

## KPI Measure 3.1.5 Environmental training, workshops, and presentations

The KPI element counts the number of attendances at formal environmental related training workshops and presentations the Contractor has held. (This does not include toolbox or tailgate activities).

## Process

For each KRA assessment period, the Contractor captures from their own relevant systems the number of individual trainees attending relevant courses, workshops, and presentations.

## Impact

+0.25 points per individual attendance.

## Data Required

Number of courses in the KRA period and number of attending individuals.

## KPI Measure 3.1.6 Environmental hazards or opportunities

This KPI element counts the number of environmental near misses and opportunities the Contractor has reported.

## Process

The Contractor maintains an ongoing register of all environmental near misses and opportunities identified, recording for each one the:

- Number of staff who reported it
- Names of each staff member who reported it
- Type of near miss or opportunity reported.

### Impact

+0.5 points per near miss or opportunity reported during the period, multiplied by the number of discrete individuals that reported it.

### Data Required

Number of reports of near misses or opportunities identified.

## Calculation of aggregated score

The table below shows how the value for each individual KPI is calculated to find the aggregated environmental triangle score for the annual KRA assessment. (Note: to estimate quarterly performance, the thresholds in the Measure Score table should be divided by 4).

**Table 18: Calculation of aggregated score**

Measure		Calculation
3.1.1	Abatement notice or Infringement notice	No. of instances x -10
3.1.2	Regulatory Non-Compliance and CS VUE breach	No. of instances x -10
3.1.3	CS VUE breach of consent condition	No. of instances x -10
3.1.3	CS VUE Non-Compliance (non-breach)	No. of instances x -1
3.1.4	Environmental Initiatives	No. of instances x 20
3.1.4	Targeted optional monitoring deliverables completed	No. of instances x 5
3.1.5	Training Workshop and Presentations	No. of attendances x 0.25
3.1.6	Near misses or Opportunities	No. of reports x 0.5
Aggregated environmental triangle score		Sum of the above scores

**Table 19: Measure score table**

Score	Measurements
1	Aggregated environmental triangle score is less than or equal to ten ( $\leq 10$ ) OR The Contractor has had one or more abatement notices or enforcement orders relevant to the NOC during the year
2	Aggregated environmental triangle score is more than ten, but not more than thirty ( $>10$ and $\leq 30$ )
3	Aggregated environmental triangle score is more than thirty, but not more than sixty ( $>30$ and $<60$ )
4	Aggregated environmental triangle score is sixty or more ( $\geq 60$ )

## KPI Measure 3.1.7 Resource Efficiency and Waste Minimisation

### Intent

- Contractors identify and implement opportunities to reduce energy and greenhouse gas emissions, increase uptake of recycled and alternative materials, reduce use of virgin and high carbon intensity materials, reduce water consumption and reduce waste.
- Contractors provide relevant data to complete a basic carbon footprint to Waka Kotahi on a quarterly basis, using available data and estimation. Where data can be neither accurately measured nor meaningfully estimated, the gaps are clearly articulated

This KPI is measured and not currently scored.<sup>3</sup>

### Definition

This KPI measures resource efficiency and waste minimisation through the parties':

- Implementation of resource efficiency initiatives that:
  - Meet the Principal's environmental plan objectives
  - Align with the Resource efficiency policy and guideline
  - Are over and above meeting legal compliance.
- Ability to provide data to complete a basic carbon footprint <sup>4</sup>
  - Reporting boundaries enable Contractors to establish reporting using available data, recognising that not all resource usage is currently measured or measurable. The term 'reporting boundaries' refers to a detailed explanation of:
    - what is included and what is not included in the reporting and why
      - e.g. difficulty accurately measuring, no dedicated cost structure, and no reasonable proxy
      - e.g. low materiality (less than 1% of total emissions i.e. de minimus<sup>5</sup>)
    - use of estimation techniques (guidance is provided at the Waka Kotahi Resource Efficiency Tools, standards and specifications website.)
    - any assumptions

There are no Resource efficiency targets set as part of this KPI (unless target measures are initiated by the Contractor in support of a resource efficiency initiative or as part of a tender pledge).

### Business rules

- A resource efficiency initiative is not recognised as implemented until Waka Kotahi Environmental specialist assessment and endorsement has been achieved.
- The Carbon footprint report is required separately for each NOC (i.e. no combined reports across multiple NOCs).

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<sup>3</sup> While this is an unscored KPI, any resource efficiency initiative that applies to this KPI can also be submitted under KPI 3.1.4 Environmental initiatives where points may be awarded and contribute to an improved score for that KPI.

<sup>4</sup> As per Waka Kotahi Resource Efficiency Guidelines

<sup>5</sup> See p13 [Quick-guide-PDF-Measuring-emissions-guidance-August-2022.pdf \(environment.govt.nz\)](#)

- Where usage of a facility is shared beyond a single NOC and there is an impact on accurate data collection, it is acceptable to adopt an approach for estimation (e.g. by proportional usage or some other practical means). Such an adopted approach for estimation must be:
  - Well documented
  - Consistent
  - Repeatable
  - Exhaustively allocated across the parties involved (e.g. where two NOC contracts are involved, the usage reported by the first NOC added to the usage reported by the second NOC must equal the total resource usage estimated for that facility).
- Reporting boundaries are used to provide transparency across what is included within the reporting, and when estimation techniques and assumptions have been applied.
- Reporting boundaries may be common to some or all NOCs or may be unique.
- Examples of potential reporting boundaries are listed below to generate thinking or as a starting point and are not exhaustive:
  - E.g. Transport fuel: Contractors – fuel used on site and fuel used to transport the contractor from their depot to our worksite (would require contractors to provide this information – otherwise may have to estimate from distance travelled to and from site)
  - E.g. Stationary fuel: To provide this as a lump figure rather than the breakdown to individual pieces of plant e.g. if we have a tanker of 500 litres of diesel to provide fuel for a number of individual pieces of plant we would report this as a single figure.
  - E.g. Electricity: Some NOC sites may share facilities so would need to assume the portion to allocate to the NOC
  - E.g. Material: Material used on site – boundary to include the emissions related to delivering the material from source to our site (may require an assumption based on distance if this information is not available from the courier/delivery contractor)
  - E.g. Assumptions would be required around emissions associated with using a waste by-product from another system for use on our site to partially offset a virgin material. E.g. reuse of industrial sand from saw blade manufacturing to offset sand used in crack sealing.
  - E.g. For bitumen material – would use a standard mix assumption for bitumen content %
  - E.g. Waste: Differentiate waste generated as part of site work versus waste picked up on the network e.g. tyres
  - E.g. Water: Emissions associated with pumping water – assume based on water pump capability x litres/hour.

Expected estimation techniques may include:

- Relevant proxies where quantities are not recorded or possible to obtain
- Proportional calculations derived from a sample
- Conversions e.g. from volume to weight

Assumptions may include:

- Assessments of materiality used to develop the reporting boundaries
- Factors applied in estimations
- Expected current or future data availability
- Data reliability
- The Contractor must describe the reporting boundary as accurately as possible. The Principal will consider the information and where necessary, work with the Contractor to reach a satisfactory outcome.

- Reporting boundaries are reviewed and confirmed/updated on an annual basis, in alignment with the KRA reporting year. Changes during the year are undesirable due to the complexity of collating the data at a national level. Where such changes are unavoidable, the Contractor must make immediate contact with the Principal to agree a suitable method to minimise any impacts.
- Where a Contractor has an existing mature Carbon footprint measurement and reporting process in place, application can be made to consider an alternative approach to integrate the reporting outputs into the Waka Kotahi Reporting Tool. Where agreement can be reached and an integration successfully implemented, the outcome for any relevant KPI assessment would be considered to be met.

## Process

Whenever an initiative is put forward, the contractor prepares a summary detailing it using the prescribed template. The Environment and Sustainability team assess the initiative and advise the contractor whether the initiative has been agreed and can be included in the KPI.

Each reporting year, the Contractor develops a reporting boundary definition to support the year's Carbon footprint calculation.

The reporting boundary definition is included in the KRA report.

Contractors are required to measure/estimate the usage of quantities of each category in Table 21, to whatever extent is currently possible, on an ongoing basis using their own systems and databases.

Each quarter the Contractor enters the relevant data into the tool supplied by Waka Kotahi. The data is to be entered for monthly usage frequency but can be updated retrospectively on a quarterly basis.

The tool calculates GHG emissions from the contract activities.

Instructions for submission are contained within the tool.

This information is compiled and reported annually within the Waka Kotahi Tiakina te Taiao Sustainability Monitoring report.

**Table 21: Resources**

<b><u>Energy</u></b>	<b><u>Vehicles and Plant Liquid Fuel</u></b>	<b><u>Diesel (L)</u></b>
		<b><u>Biodiesel (L)</u></b>
		<b><u>Unleaded Petrol (L)</u></b>
	<b><u>Gas Fuel</u></b>	<b><u>LPG (L)</u></b>
		<b><u>Natural Gas (kg)</u></b>
	<b><u>Electricity</u></b>	<b><u>On Network (lighting etc) (kWh)</u></b>
		<b><u>Compounds, Depots, Offices (kWh)</u></b>
<b><u>Other Emissions</u></b>	<b><u>Other Emissions (tCO2e)</u></b>	
	<b><u>Comments</u></b>	
<b><u>Water</u></b>	<b><u>Water</u></b>	<b><u>Water (ML)</u></b>
		<b><u>Water transport (km)</u></b>
	<b><u>Other Emissions</u></b>	<b><u>Other Emissions (tCO2e)</u></b>
		<b><u>Comments</u></b>
<b><u>Waste</u></b>	<b><u>Landfill</u></b>	<b><u>Landfill Distance (km)</u></b>
		<b><u>Landfill (tonnes)</u></b>

	<u>Cleanfill</u>	<u>Cleanfill Distance (km)</u>
		<u>Cleanfill (tonnes)</u>
	<u>Managed fill</u>	<u>Managed fill Distance(km)</u>
		<u>Managed fill (tonnes)</u>
	<u>Reuse/recycle by material type</u>	<u>Reuse/recycle Distance (km)</u>
		<u>Reuse/recycle (tonnes)</u>
	<u>Reclaimed Asphalt Pavement</u>	<u>RAP (km)</u>
		<u>RAP (tonnes)</u>
	<u>Other Emissions</u>	<u>Other Emissions (tCO2e)</u>
		<u>Comments</u>
<u>Materials</u>	<u>Concrete Mix 1</u>	<u>Strength (MPa)</u>
		<u>Steel rebar (kg)</u>
		<u>Concrete Mass (tonnes)</u>
	<u>Concrete Mix 2 (etc)</u>	<u>Strength (MPa)</u>
		<u>Steel rebar (kg)</u>
		<u>Concrete Mass (tonnes)</u>
	<u>Concrete</u>	<u>F shaped barrier TL-4 (m)</u>
		<u>F shaped barrier TL-5 (m)</u>
	<u>Steel</u>	<u>Light poles (tonnes)</u>
		<u>Light poles (m)</u>
		<u>Thriebeam barrier (m)</u>
		<u>W beam barrier (m)</u>
		<u>Wire rope barrier (m)</u>
	<u>Aluminium</u>	<u>Signs (tonnes)</u>
	<u>Aggregates</u>	<u>Crushed concrete (tonnes)</u>
		<u>Crushed Rock (tonnes)</u>
		<u>Gravel (tonnes)</u>
		<u>Crushed Limestone (tonnes)</u>
		<u>Other (tonnes)</u>
	<u>Asphalt Mix 1</u>	<u>Mix name and type</u>
		<u>Bitumen Content (%)</u>
		<u>Bitumen (tonnes)</u>
		<u>Emulsified Bitumen (yes/no)</u>
	<u>RAP content (%)</u>	
<u>Asphalt Mix 2 (etc)</u>	<u>Mix name and type</u>	
	<u>Bitumen Content (%)</u>	

		<u>Bitumen (tonnes)</u>
		<u>Emulsified Bitumen (yes/no)</u>
		<u>RAP content (%)</u>
	<u>Other Emissions</u>	<u>Other Emissions (tCO2e)</u>
		<u>Comments</u>
<b>Materials Transport</b> <u>(if not included in Energy item above)</u>	<u>Transport</u>	<u>Diesel (L)</u>
		<u>Diesel (tCO2e)</u>
		<u>Biodiesel (L)</u>
		<u>Biodiesel (tCO2e)</u>
		<u>Unleaded Petrol (L)</u>
		<u>Unleaded Petrol (tCO2e)</u>
		<u>Approximate total (tonnes.km)</u>
		<u>Other Emissions</u>
		<u>Comments</u>

## KPI Measure 3.2.1 Delivery of tender pledges (pre-requisite only)

### Intent

Contractors are consistent and timely in meeting the pledges in their tendered submission.

While this KPI is measured as part of the KRA framework, it is not scored. The assessment is only to confirm Contractor obligations have been delivered as part of the pre-requisite performance criteria.

### Definition

This KPI assess how well the Contractor is meeting their responsibilities to deliver on the schedule agreed with the Principal of the network performance pledges in their tendered submission. They are expected to deliver at least:

- All the pledges agreed to in their NOC
- Any other pledges agreed to that they identify during the term of the NOC.

### Business Rules

- The Contractor must deliver on all pledges they have made in their tendered submission. If they cannot deliver or must delay delivery, they must provide evidence of mitigating circumstances<sup>6</sup> agreed unanimously by the Board.
- Where any tender pledge has not been delivered, the Contractor will be ineligible to participate in the KRA assessment period in which the undelivered tender pledge was due (see section 5.5 Performance framework pre-requisite).

### Process

At the start of the Contract, the Principal and Contractor agree a schedule of the pledges made by the Contractor in their tendered submission, including the specific planned actions and when they will be delivered. Alterations to the schedule must be agreed by the CMT and the Contract Board. In reporting for each KRA period, the Contractor demonstrates that they have delivered as scheduled.

<sup>6</sup> A description of mitigating circumstances can be seen in the table of terms used (page 7).



If all the pledges submitted during the tendered submission have been delivered before the finish of all periods, then there will be no need of submitting Tender Pledges data and Tender Pledges pre-requisite will be considered as “Met” for the remaining periods of the year.

**Data Required**

- Number of tender pledges due during the KRA period
- Number of tender pledges due that were delivered
- Number of tender pledges due, and not delivered but mitigating circumstances were unanimously agreed by the Board
- Details of any mitigating circumstances recognised by the Board

# KRA 4: Assurance and Value

## Objectives

- Accurate network information and knowledge underpin quality outcomes.
- Contractors make sound investment recommendations and decisions, based on reliable, robust, and proven evidence.
- Contractors contribute to maintaining a sustainable and engaged contracting market.
- Data is in Waka Kotahi central tools on time.
- Effective Contract Management Plans are in place.
- Contractors' organisational culture actively values innovation, efficiency, and continuous improvement, which they share across any of the Principal's Contracts.

## KPIs in this KRA

Table 22: Assurance and Value KPIs

Measure		Measurement approach
4.1.1	Financial performance	Measure only
4.2.1	Quality/network	To be developed collaboratively and implemented once baseline performance is understood
4.3.1	Innovation	Measure only

### KPI 4.1.1 Financial performance

#### Intent

The Government expects Waka Kotahi to manage within its approved GPS funding envelope. We are expected to plan our cashflow appropriately across each financial year, to ensure we attain the best value for money and right outcomes across our network.

To facilitate this, we expect:

- Contractors to manage costs effectively so that maintenance cost per lane km aligns with expectations
- Contractors to accurately plan and forecast their expenditure

This KPI is measured as part of the KRA framework, but not scored at this time.

#### Business Rules

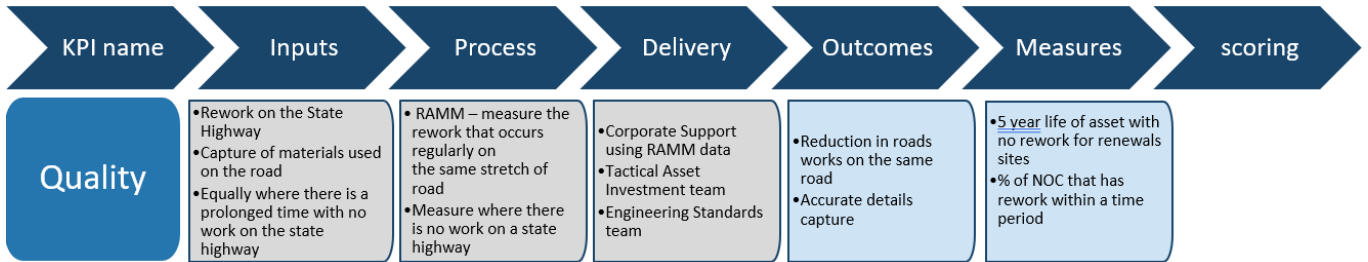
Financial data is updated in the Waka Kotahi SAP database in alignment with contractual expectations

#### Data Required

- Network length
- Planned spend<sup>7</sup>, forecast spend and actual expenditure, sourced from NOC project in SAP/the Waka Kotahi financial reporting system

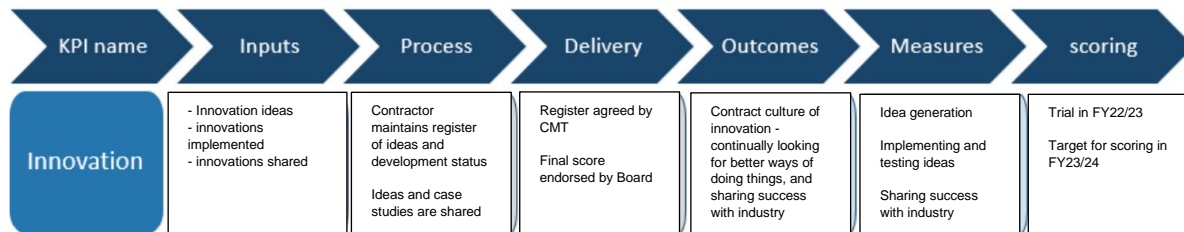
<sup>7</sup> Detailing cyclical maintenance, non-routine maintenance, agreed renewals and SCRIM.

## KPI 4.2.1 Quality/rework



- To be developed collaboratively
- Waka Kotahi is piloting measurement of quality using rework from the RAMM database
- Measurement will continue, with scoring implemented once baseline performance is understood

## KPI 4.3.1 Innovation



### Intent

Contractors' organisational culture actively values innovation, efficiency, and continuous improvement, which they share across any of the Principal's Contracts.

Waka Kotahi would like greater innovation within the sector and for any innovations to be leveraged across contracts so maximum value can be achieved.

While other KRAs indirectly recognise innovation in a 'top-down' way as desired outcomes are achieved, this KPI promotes an innovative culture from the 'bottom-up' by encouraging teams to continually think about better ways of doing things, develop and test different ideas and share successes with industry.

### Definition

This KPI measures the innovation ideas generated by a contract team, ideas implemented, innovations shared with industry, and innovations recognised by Waka Kotahi as addressing critical risks. This KPI also considers the results of the related sections of the Relationship survey.

### Business Rules

- The Contractor must have an innovation ideas register to record and capture the data required to assess this KPI.
  - Innovation ideas generated
  - Innovation ideas implemented<sup>8</sup>

<sup>8</sup> Implementation of innovation ideas from outside of the NOC (eg propagation via industry sharing, Innovation website or awards) can be included in this category.

- Innovation ideas shared to the Waka Kotahi Innovation Webpage [Innovations - All updates | Waka Kotahi NZ Transport Agency \(nzta.govt.nz\)](#)
  - Innovation ideas submitted to the Annual NOC Innovation Award<sup>9</sup>
- If the Contractor has dual Principals (e.g. Waka Kotahi and a local authority), the Contractor can refer to ideas and innovations that relate to either Principal – or both.
- Innovation is developing an idea and implementing a solution which includes:
  - Addressing a well-defined problem or question
  - Involvement of incremental change, new concepts or altered concepts from other sectors
  - Processes, methods, materials or technology
  - Delivering value - either **economic** (includes productivity), **social** (includes wellbeing, safety) and/ or **environmental** (includes sustainability)
  - Benefiting either the customer, the supplier or the maintenance sector
- Ideas can be blue-sky thinking and are not limited in any way
- The intent is for ideas to be generated in every period (score of Best Practice and above), however if there was a slower quarter, with insufficient ideas generated and/or implemented, the shortfall can be caught up in a subsequent quarter. This business rule cannot be applied to multiple quarters in the same reporting year.
- Any criteria advised upon application for sharing an innovation to the Waka Kotahi innovation website must be satisfied and the innovation content must be published online, for recognition under this KPI
- Industry Liaison Management-Maintenance (ILM-M) Innovation sub-group will provide guidance upon request.<sup>10</sup>
- Innovations shared to the Waka Kotahi innovation Website that pre-date the current KRA reporting year will not be recognised under this KPI
- ILM-M will verify when a qualifying Annual NOC Innovation submission has been received.
- Innovations submitted to the Annual NOC Innovation Award that pre-date the current KRA reporting year will not be recognised under this KPI
- The Waka Kotahi Critical risk team will notify the Maintenance Portfolio Team when a qualifying innovation is identified for recognition.
- Critical risk team contractor recognition for innovations that pre-date the current KRA reporting year will not be recognised under this KPI
- The most recent available Relationship survey data will be included.

## Process

- The Contractor maintains their system ongoing, documenting all ideas generated and development status of each
- The Contractor presents the register to the CMT each period for agreement that:
  - Sufficient detail is provided on the ideas generated in the period
  - Sufficient number of ideas have been generated and implemented in the period to meet the KPI measure
  - Sufficient evidence is provided to demonstrate successful implementation (of those ideas which have been progressed to implementation stage in the period)
  - CMT can opt to present details to ILM-M for feedback on whether the target number of innovation ideas implemented has been achieved.
- The CMT present summary information to the CB for endorsement of KPI score.
- The finalised summary is included in the KRA report
- Each year, the ILM-M will verify the number of qualifying 'shared innovations' (through the Waka Kotahi Innovations website and the NOC innovation award submissions).
- Each year, the Waka Kotahi Critical Risk Team will verify the number of applicable Contractor recognitions for innovation.
- Each time the Relationship survey is conducted, and results made available, the following are included in the KRA report:

<sup>9</sup> Refer to Appendix 6: NOC Innovation Award entry form

<sup>10</sup> Contact details can be obtained via the ILM industry representative from the Contractor's organisation or can be requested from [NOC.Performance@nzta.govt.nz](mailto:NOC.Performance@nzta.govt.nz).

- Quantitative view of responses to the questions forming the Innovations result<sup>11</sup>, including, but not limited to, the 'Behavioural commitments by group' graph (comparing Contract Board, CMT and Wider Contract Team responses)
- Supporting comments (or summarised themes from comments where more appropriate)

Table 23: Minimum standard for Innovation Ideas Register

Date idea recorded	Innovation idea name	The Problem – what this innovation idea aims to address	Value Delivered	Status (idea only, in development, implemented, tested & parked)	CMT agreed (Y/N)

Note: If the initiative has been submitted under the environmental KPI it cannot be counted here.

Table 24: Performance expectations for self-assessment (not scored)

Test score <sup>12</sup>	Measurements
1	< 8 innovation ideas generated in each year OR < 4 innovation ideas implemented in each year
2	≥ 8 innovation ideas generated in each year AND ≥ 4 Innovation ideas implemented in each year
3	≥ 2 innovation ideas generated in each period AND ≥ 4 Innovation ideas implemented in each year AND ≥ 1 innovation shared to the Waka Kotahi Innovation Website per year
4	≥ 2 innovation ideas generated in each period AND ≥ 1 Innovation idea implemented in each period AND ≥ 1 innovation shared to the Waka Kotahi Innovation Website per year <sup>13</sup> AND At least one innovation submitted to the Annual NOC Innovation Award OR: Critical risk team contractor recognition for innovation

<sup>11</sup>Current Innovations questions in the Relationship survey are as follows:

- Ideas are raised and challenged in an environment where people in the Contract speak their mind
- Innovative ideas are often followed up with action and implementation
- I am encouraged to be creative around possible solutions to problems

<sup>12</sup> In collaboration with Industry Liaison Management-Maintenance (ILM-M), an approach to scoring will be tested in FY22/23, for review in FY23/24 once results are available.

<sup>13</sup> The same innovation cannot be used to achieve both criteria for a score of '4' in the same reporting year.

# KRA 5: Network Performance

## Objectives

- Contractors' renewals work physically delivered and recorded in RAMM matches the Annual Plan.
- Contractors use the intervention strategy as detailed in their MMPs to optimise maintenance of all assets on the network and achieve expected outcomes.
- OPM levels are consistently achieved

## KPIs in this KRA

Table 25: Network Performance KPIs

Measure		Measurement Approach
5.1.1	Overall OPM Score	Measure (and pre-requisite)
5.2.1	Network Delivery	Score
5.3.1	Network Condition	Measure only

## KPI Measure 5.1.1 Overall OPM score

### Intent

Contractors understand all the relevant aspects of their network, so they consistently manage the operational levels of service within acceptable parameters, avoiding any penalties.

While this KPI is measured as part of the KRA framework, it is not scored (other than upper financial penalty thresholds as part of the pre-requisite performance criteria).

### Definition

This KPI measures the Contractor's achievement in delivering the Operational Performance Measures (OPM) for the NOC during the KRA reporting period.

### Business Rules

- Any full penalty threshold breach will result in ineligibility to participate in the KRA assessment period in which the breach took place (see section 5.5 Performance framework pre-requisite).
- The measurement for this KPI includes the most recent 12 months of OPM data reported.

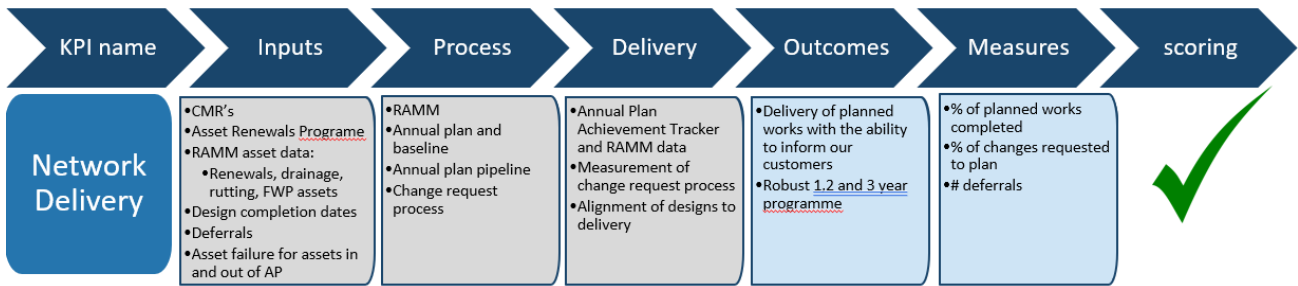
### Process

The Contractor collates and analyses the monthly OPM performance evaluations for the KRA period.

### Data Required

- Number of occasions where the monthly OPM score exceeded the **lower** non-compliance limit in:
  - This KRA period
  - The last 12 months
- Number of occasions where the monthly OPM score exceeded the **upper** non-compliance limit in this KRA period
- Number of non-compliance with Key and Safety OPMs in this KRA period
- Total value of financial penalties incurred during the KRA period
- Outputs from OPM reporting for last 12 months, where applicable.

## KPI Measure 5.2.1 Network delivery



### Intent

- The renewals work physically delivered and recorded in RAMM matches the Annual Plan.
- This KPI is tracked throughout the year and scored in annual KRA assessments.

This KPI will measure the contractor's performance during the development and delivery of asset renewals programmes considering in order of priority:

- Completion of SCRIM programmes
- Substantial completion of asset renewal programmes

### Business Rules

- Any unapproved work reported on the Achievement Tracker as at the end of the financial year will restrict the rating that can be achieved for this KPI to MCOS.
- All the designs for the upcoming construction year must be delivered within the timeframe required by the Principal
- Deferral and advance of asset renewals as a direct result of an event that qualifies as emergency works under category 141 are excluded from the assessment.
- Definition of delivery of a pavement and surfacing or ATP site means start and end locations are within 30 metres of the programmed start and end location.
- Definition of delivery of other asset renewals means start and end locations are within five metres of the programmed start and end location.
- The Contractor must provide a robust programme, which includes the resources allocated for the delivery, to the MCMs and Network Managers by 30 September each year.
- The Principal will set the baseline to measure delivery of the programme by 15 December each year.
- Changes to the programme can be made using an endorsed CMR until 1 March each year. After which time no further changes will be accepted.
- See Section 5.4 (page 18) detailing a business rule that linking the outcome of this KPI with the overall performance ranking

### Process

Assessment of this KPI is based on Waka Kotahi's RAMM database and programmes held on the Achievement Tracker (i.e. the central view of delivery of programme, even if this differs from the Contractor's records).

### Data Required

- Asset renewal programmes
- Updated RAMM asset and maintenance tables
- Achievements reported centrally
- SCRIM resurfacing programme achievement percentage
- Rehabilitation programme achievement percentage
- Number of undelivered rehabilitation sites on highways with ONRC classification of regional or above
- Resurfacing programme achievement percentage
- Number of undelivered resurfacing sites on highways with ONRC classification of regional or above
- Drainage and renewal programme achievement percentage

- ATP programme achievement percentage
- Number of undelivered ATP sites on highways with ONRC classification of regional or above

Note: The types of programme are tracked in accordance with the [Achievement Tracker Process Guidelines](#).

**Table 26: Measure score table**

Score	Measurements
1	Any of the following: <100% SCRIM resurfacing programme achievement More than one rehabilitation site not delivered within construction season <85% resurfacing programme achievement <85% ATP programme achievement <85% drainage renewals programme achievement Any rehabilitation, resurfacing or ATP site with an ONRC classification of regional (or above) not delivered
2	All of the following: 100% SCRIM resurfacing programme achievement At most, one rehabilitation site not delivered within construction season ≥85% resurfacing programme achievement ≥85% ATP programme achievement ≥85% drainage renewals programme achievement
3	All of the following: 100% SCRIM resurfacing programme achievement ≥90% rehabilitation programme achievement All rehabilitation sites on highways with an ONRC classification of regional (or above) delivered within construction season* All resurfacing sites on highways with an ONRC classification of regional (or above) delivered within construction season* All ATP sites on highways with an ONRC classification of regional (or above) delivered within construction season* ≥90% drainage renewals programme achievement
4	All of the following: 100% SCRIM resurfacing programme achievement 100% rehabilitation programme achievement 100% resurfacing programme achievement 100% ATP programme achievement 100% drainage renewals programme achievement

### Calculation of programme achievement percentages

The formulae below show how to calculate the percentage of programme achieved for each programme category:

*SCRIM resurfacing programme achievement percentage:*

$$= \frac{\text{SCRIM resurfacing Lane kms* delivered within constructions season}}{\text{Programmed SCRIM resurfacing Lane kms**}} \times 100$$

*Rehabilitation programme achievement percentage:*

$$= \frac{\text{Rehabilitation Lane kms* delivered within construction season}}{\text{Programme Rehabilitation Lane kms**}} \times 100$$

*Resurfacing programme achievement percentage:*

$$= \frac{\text{Resurfacing Lane kms* delivered within construction season}}{\text{Programmed Resurfacing Lane kms**}} \times 100$$



*ATP programme achievement percentage:*

$$= \frac{\text{ATP Lane kms* delivered} \times 100}{\text{Programmed ATP Lane kms**}}$$

*Drainage renewals programme achievement percentage:*

$$= \frac{\text{Number of drainage renewals sites* delivered within contracted timeframes} \times 100}{\text{Number of programmed drainage renewals sites**}}$$

\*excluding any sites delivered outside of an approved programme

\*\* excluding delayed or undelivered sites associated with mitigating circumstances agreed unanimously by the Contract Board

### **KPI 5.3.1 Network condition**

Consultation on the Network Condition KPI is continuing in parallel, allowing consultation on the wider Framework to proceed.

# KRA 6: Health of the Relationship

## Objective

The working relationship between the Principal and Contractors:

- Fosters open and honest dialogue and feedback
- Involves Sub-Contractors and recognises their value.

## KPIs in this KRA

### 6.1.1 Relationship Survey

## KPI Measurement 6.1.1 Relationship survey

### Intent

Survey results show that the relationship between the parties is healthy, and the parties are collaborating effectively.

### Definition

This KPI monitors the general health of the relationship between participating parties (including Sub-Contractors) in the context of this Context, and the opportunities they are taking to improve the level of collaboration.

### Business Rule

The results of evaluating this KPI are not shown as a score. It is excluded when calculating the Contractor's performance level for annual assessments.

### Process

Every 12 months, Waka Kotahi's Contract Management Team carries out a Network Outcomes Contract Relationship Survey of all parties to each Contract, then presents the results to the Contract Board.

The Contract Board then:

- Assess the results to identify opportunities to improve relationships between the Parties
- Engages with the Contractor (and Sub-Contractors, as relevant) to work jointly toward achieving improvements.

### Data Required

Outputs from survey.

## Appendix 1: Reporting template

Waka Kotahi provides a spreadsheet template for Contractors to complete in the format below. The reporting template will separate out eligibility requirements from the other measurements.

**Table 28: Eligibility assessment template**

KRA Eligibility Assessment – Quarter XXX		
Reference	KRA pre-requisite (Comments required only where pre-requisite has not been met)	Met/Not met
5.5.1	No fatality in a workplace or work site	
5.5.2	Tender pledges delivered	
5.5.3	Data in Waka Kotahi central tools on time	
5.5.4	Contract Management Plan adherence:	
CSCMP	Comments (MCM):	
EPPP	Comments (MCM):	
ESMP	Comments (MCM):	
HSMP	Comments (MCM):	
TCP	Comments (MCM):	
MMP	Comments (AIA):	
QMP	Comments (Asset Quality Team):	
RSMP* *as applicable	Comments (MCM):	
5.5.5	Meeting OPM Compliance	
CMT overall recommended result		Met/not met
<b>Comments if outcomes changed (Contract Board)</b>		
<b>Board overall result</b>		<b>Met/not met</b>

## Appendix 2: Scoring template

Waka Kotahi provides a spreadsheet template in Microsoft Excel, in the below format, showing KRA levels annually.

**Table 29: Scoring Template**

### Annual performance assessment

KRA Description	KPI	Measure Description	KRA	Score	Rating
Safety	1.2.1	DSI Trend score	1		
Customer	2.1.3	Ability to respond to Customer score	2		
Sustainability	3.1.1	Environmental Triangle score	3		
Network Performance	5.2.1	Network delivery	5		
			<b>Overall</b>		

**Table 30: Measure scoring table**

Performance Level		Score Range
1	Poor	1 to less than 2 (<2)
2	Minimum Condition of Satisfaction (MCOS)	2 to less 2.66 ( $\geq 2$ and $< 2.66$ )
3	Best Practice	2.66 to less than 3.33 ( $\geq 2.66$ and $< 3.33$ )
4	Outstanding	3.33 or more ( $\geq 3.33$ )

## Appendix 3: Guidance on timeframes for specified data sets

The following table provides guidance on how to confirm applicable timeframes for the appraisal of the Data Timelines pre-requisite.

Data set	Document	Standard timing	Notes
Asset records in RAMM Maintenance records in RAMM	Maintenance Specification	7 <sup>th</sup> working day of month following physical delivery	NOC 3 Contracts and early adopters
		20 <sup>th</sup> calendar day of month following physical delivery	NOC 2 Contracts
Asset Condition	MMP and tender documentation  Or LAMP	Frequency and timing as per process developed by NOC	Contractor may continue to implement their own condition rating approach  Or Adopt LAMP ratings and timeframes
Programme Dates	Achievement Tracker Guidelines  (see also <a href="#">CMR form</a> )	20 <sup>th</sup> October	Programme dates and actual spend (for completed works) are detailed in Guidelines and can be freely amended in tracker without requiring a CMR to be completed.
Actual Spend (for completed work)		7 <sup>th</sup> working day of month following physical delivery  20 <sup>th</sup> calendar day of month following physical delivery	
Monthly accruals and forecasting in SAP	Maintenance Specification  Section 5.10.2	4 <sup>th</sup> working day	Or as agreed with Principal
KRA Quarterly performance report	KRA Framework Section 3.3	9 Nov, 8 Feb, 10 May, 8 August	All NOCs
KRA Quarterly performance report (Final Board-endorsed version)		Within two weeks of CB meeting	
OPM Upload	Maintenance Specification	10 <sup>th</sup> calendar day of month following audit	All NOCs
MMP Pre-requisite audit evidence	KRA Framework Appendix 4	14 Oct, 20 Jan, 14 April, 14 July	All NOCs
QMP Pre-requisite audit evidence	KRA Framework Appendix 5		

## Appendix 4: AIA assessment of the MMP pre-requisite

### Intent

Assessment focus on continuous improvement and how the lessons from the past are being used to inform our process and decisions.

### Process

- The Asset Investment Advisor (AIA) will review outcomes from previous years to identify national themes and areas of focus. The areas of focus and evidence for the assessment of the plans will be shared with contractors and MCM for each quarter before the financial year begins.
- Upon receipt of evidence from the contractors the AIA will complete their assessment.
- Outputs from the assessment will be included in the Quarterly KRA report.
- Provide the relevant AIA at least two weeks' notice to attend the next CMT meeting to provide more detailed information if required.

The table below shows the due dates for the MMP pre-requisite evidence to be provided and assessed.

Milestone/activity	Q1	Q2	Q3	Q4
<b>End of Quarter</b>	September 30 <sup>th</sup>	December 31 <sup>st</sup>	March 31 <sup>st</sup>	June 30 <sup>th</sup>
<b>Evidence due</b>	October 14 <sup>th</sup>	January 20 <sup>th</sup>	April 14 <sup>th</sup>	July 14 <sup>th</sup>
<b>AIA assessment due</b>	October 28 <sup>th</sup>	January 31 <sup>st</sup>	April 28 <sup>th</sup>	July 28 <sup>th</sup>
<b><i>Resolve ambiguities/finalise outcome</i></b>				
<b>KRA report due</b>	November 9 <sup>th</sup>	February 8 <sup>th</sup>	May 10 <sup>th</sup>	August 8 <sup>th</sup>

## Appendix 5: Asset Quality Team assessment of the QMP pre-requisite

### Intent

Assessment focus on continuous improvement and how the lessons from the past are being used to inform our process and decisions.

### Process

- The Asset Quality Team (AQT) will review outcomes from previous years to identify national themes and areas of focus. The areas of focus and evidence for the assessment of the plans will be shared with contractors and MCM for each quarter before the financial year begins.
- Upon receipt of evidence from the contractors the AQT will complete their assessment.
- Outputs from the assessment will be included in the Quarterly KRA report.
- Provide the relevant AQT representative at least two weeks' notice to attend the next CMT meeting to provide more detailed information if required.

The table below shows the due dates for the QMP pre-requisite evidence to be provided and assessed.

Milestone/activity	Q1	Q2	Q3	Q4
<b>End of Quarter</b>	September 30 <sup>th</sup>	December 31 <sup>st</sup>	March 31 <sup>st</sup>	June 30 <sup>th</sup>
<b>Evidence due</b>	October 14 <sup>th</sup>	January 20 <sup>th</sup>	April 14 <sup>th</sup>	July 14 <sup>th</sup>
<b>PP&amp;RMA assessment due</b>	October 28 <sup>th</sup>	January 31 <sup>st</sup>	April 28 <sup>th</sup>	July 28 <sup>th</sup>
<b><i>Resolve ambiguities/finalise outcome</i></b>				
<b>KRA report due</b>	November 9 <sup>th</sup>	February 8 <sup>th</sup>	May 10 <sup>th</sup>	August 8 <sup>th</sup>

## Appendix 6: How to conduct a plan pre-requisite audit (excluding MMP & QMP)

This appendix covers how to conduct a contract plan pre-requisite audit. This guide is aimed at assisting the MCM's audit the contract plans, excluding the MMP and the QMP (see Appendices 4 and 5).

Waka Kotahi provides a spreadsheet template for MCM's to complete these audits in the format below.

The scores are selected from the following four options:

- Yes
- Mostly
- Partially
- No

Each score is then given a weighting, as shown in the tables below, which is a representative percentage of the total number of items for the plan.

A score is then automatically generated in the 'Score' column.

This is then converted into one of the four following ratings:

- Adequate and effective/best practice
- Some improvement required
- Significant improvement and corrective actions required
- Inadequate with serious action required

The 'No' category has been defined as 'Not Met', with the other categories all being consider as 'Met'.

### Contract plan pre-requisite audit (excluding MMP and QMP)



**Table 31: Health and Safety Management Plan (HSMP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		0.1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		0.1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		0.05	
Health and Safety Management is a high priority topic in CMT meetings.	Check minutes of CMT Meetings		0.05	
Work practices in the contract follow the processes and procedures described in the plan.	Conduct field assessments using the Site Check Matrix. The number of checks will be as determined by the Contractor performance risk calculations in the Matrix Tab		0.2	
Evidence of Non-Conformances, Corrective Actions and Opportunities for Improvement are closed out within the nominated cure periods.	Check Contract registers		0.1	
Records maintained in accordance with the plan	Contract Files, showing records of safety inspections, safety observations, site risk assessments (JSA) toolbox meetings drug and alcohol tests etc		0.1	
Performance data is collected and reported.	Check monthly report for key data		0.05	
Data shows improving trends	Check monthly report for trends in key data		0.05	
Evidence of internal training for all people who use the plan or parts of it.	Check training matrix		0.05	
Evidence of Subcontractor Engagement	Check that subcontractors have been assessed and confirmed as suitable to work by checking pre-qualification records		0.05	
Evidence of Subcontractor Induction	Check that subcontractors' personnel have been inducted into the Contractor's H&S System		0.05	
The contract is free from Infringements / notices received from Worksafe	By exception		0.05	
<b>Total</b>				
<b>Rating</b>				

**Table 32: Traffic Control Plan (TCP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		0.4	
Work practices in the contract follow the processes and procedures described in the plan.	Select a sample of sites, drawing from a mix of internally delivered, subcontractor delivered and 3rd party sites and check using the Site Check Matrix		0.4	
Evidence of Non-Conformances, Corrective Actions and Opportunities for Improvement are closed out within the nominated cure periods.	Check Contract registers		0.4	
Records maintained in accordance with the plan	Check contract files for records of TMPs approved, STMS inspections, generic plan forms risk calculator and Independent inspections.		0.4	
Performance data from site inspections is collected and reported.	Check how data from site inspections is being managed and reported.		0.4	
Data shows improving trends	Look for trends		0.4	
Evidence of internal training for all people who use the plan or parts of it.	Check training matrix		0.4	
<b>Total</b>				
<b>Rating</b>				

**Table 33: Environmental and Social Management Plan (ESMP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		1	
Work practices in the contract follow the processes and procedures described in the plan.	Conduct field assessments using the Site Check Matrix. The number of checks will be as determined by the Contractor performance risk calculations in the Matrix Tab		0.4	
Evidence of Non-Conformances, Corrective Actions and Opportunities for Improvement are closed out within the nominated cure periods.	Check Contract registers		0.4	
Records maintained in accordance with the plan	Check contract files		0.4	
Performance data is collected and reported.	Monthly reports		0.4	
Data shows improving trends	Check for trends		0.4	
Evidence of internal training for all people who use the plan or parts of it.	Check training matrix		0.4	
Contract free of abatement or enforcement notices raised by Regional Council	By exception		0.4	
<b>Total</b>				
<b>Rating</b>				

**Table 34: Customer and Stakeholder Communication Management Plan (CSCMP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		1	
Work practices in the contract follow the processes and procedures described in the plan.	Check sites for advance notification. Confirm close out of customer calls and complaints.		0.4	
Evidence of Non-Conformances, Corrective Actions and Opportunities for Improvement are closed out within the nominated cure periods.	Check Contract registers		0.4	
Records maintained in accordance with the plan	Check contract files		0.4	
Performance data is collected and reported.	Look at what data is being captured		0.4	
Data shows improving trends	Check for improvements		0.4	
Evidence of internal training for all people who use the plan or parts of it.	Check training matrix		0.4	
<b>Total</b>				
<b>Rating</b>				

**Table 35: Risk Management Plan (RMP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		1	
Risk Management is a high priority topic in CMT meetings.	CMT Minutes		0.7	
Risk is addressed during Contract Board Meetings	Board minutes and papers		0.7	
Contract Risk Register is regularly updated and is current	Check risk register		0.7	
Risk Action Plans are completed for risks classified as High and Critical	View Risk action plans checking they are current for all High and Critical Risks		0.7	
Evidence of implementation of risk action plans.	Form a view on implementation, check that mitigations have been embedded in contract systems		0.7	
Evidence of internal training for all people who use the plan or parts of it.	Check training register/ training records		0.7	
<b>Total</b>				
<b>Rating</b>				

**Table 36: Emergency Procedures and Preparedness Plan (EPPP)**

Plan	Notes for Auditor	Scoring	Weighting	Score
Evidence of Principal approval of the current plan	Sight the current plan		1	
Documented Contractor internal audit within the previous 12-month period	Sight the Audit record and note date		1	
Document is current with names and responsibilities and amendments made from previous audits.	Check the current plan		1	
Work practices in the contract follow the processes and procedures described in the plan.	Conduct field assessments using the Site Check Matrix. The number of checks will be as determined by the Contractor performance risk calculations in the Matrix Tab		1	
Evidence of Non-Conformances, Corrective Actions and Opportunities for Improvement are closed out within the nominated cure periods.	Check Contract registers		1	
Records maintained in accordance with the plan	Contract Files		1	
Performance data is collected and reported.	Look at what data is being captured, e.g. response times, incident types and locations		1	
Data shows improving trends	Check for improvements		1	
Evidence of internal training for all people who use the plan or parts of it.	Check training matrix		1	
<b>Total</b>				
<b>Rating</b>				

## Appendix 6: NOC Innovation Award Entry Form

# State Highway Maintenance Innovation Award 2023

## ENTRY FORM

Entries close 5pm 28 April 2023

### Background

The **Industry Liaison Management – Maintenance (ILM-M)** comprises Chief Executives and Senior Leaders from Waka Kotahi and the NOC supplier companies and exists to work constructively as an industry, continuing to improve the outcomes of the NOC. ILM-M has established six focus areas: *People, Systems, Safety, Innovation, Collaboration and Sustainability*. A group of industry representatives has been assembled for each focus areas to help progress a series of goals.

One goal of the Innovation Group is to create a framework that encourages sharing of innovations. The NOC Innovation Award is one initiative under this goal and aims to:

- Encourage NOC and other SH Maintenance teams to innovate
- Share good ideas across industry
- Celebrate innovation

### Criteria

- Entries are open to NOC and other SH Maintenance Teams.
- Every NOC is expected to nominate ONE innovation each.
- Nominated innovation should be one previously submitted for the innovation KPI.
- NOC CMT to agree their nominated innovation, complete this form and email to Karen Kiriona, [karen@kskconsultancy.nz](mailto:karen@kskconsultancy.nz)
- Judging will be undertaken by a panel of industry reps based on how well the Innovation:
  - Addresses a problem
  - Delivers value (economic/social/environmental)
  - Benefits the sector
  - Ability to scale/adapt elsewhere.
- Best Innovation and runners-up will be awarded bragging rights at the Waka Kotahi NZ Transport Agency/NZIHT Conference in May.



### Entrant Details

Innovation name	<input type="text"/>
NOC team	<input type="text"/>
Contact person	<input type="text"/>
Email address	<input type="text"/>
Phone number	<input type="text"/>

