



WAIKATO DISTRICT ALLIANCE ANNUAL REPORT

FY 2016-17

It's our job

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Executive Summary

The Alliance Leadership Team (ALT) is pleased to present the second Waikato District Alliance (WDA) Annual Report.

This report covers the period 1 July 2016 to 30 June 2017 and is the first year that the Alliance has been measured against the Performance Framework. This report therefore presents how we performed against the measures in the Framework rather than the Key Performance Indicators (KPI) we reported last year.

A summary of our KPI performance can be found in Appendix 1. We are pleased to report that 23 KPI measures were achieved and 7 were substantially achieved. No measures were unachieved.

The Alliance has continued to make steady progress this year despite significant challenges. In year one our focus was on understanding our assets and bringing the network up to the required standard. This year we have attuned our focus to improve how we address the needs of the network and our customers. We have, for example, obtained accurate network data from another High Speed Survey, which has informed our Forward Works Programme and also increased the amount of grading (+32%) we completed largely in response to customer feedback.

OPERATIONAL & FINANCIAL HIGHLIGHTS

During the year we rehabilitated 18.1 km of roads, resurfaced 800,017m² and spent \$3.0m on Minor Improvements and Safety.

We responded to the impacts of Cyclone Debbie and other significant weather events, which substantially increased the number of Service Requests received. Throughout, we managed response times and utilised routine maintenance crews providing cost savings of more than \$1.0m (\$800k saving from existing budget and \$225k due to fixed margin).

We dealt with significant under-slips requiring retaining walls and two major culvert collapses that temporarily isolated communities we serve. (See Otonga Valley Rd Culvert case study in Value Add section).

Gain share enabled \$210k to be reinvested into the Unsealed Road network as unsealed re-metalling.

LOOKING AHEAD

At the beginning of the third year, we are looking towards the next improvements..."Chasing Great" which focuses on our Customer's expectations, programme delivery for Stakeholders (Funders), the right people with the right strengths, and systems which are efficient & intuitive.

Doug Carrasco
Alliance Manager

11

August

2017

Objectives

To provide best in class customer engagement:

- Received and responded to 4,246 Service Requests.
- Handled 179 Service Requests during Cyclone Debbie.
- Average response time was 1.64 days over the year. Performing better than two of the three peer networks.

To develop a high performance culture that continually challenges the way the Alliance operates:

- Actively participated in WDC Leadership Programme.
- Identified 14 bright ideas to improve service delivery.
- The Civil Contractors New Zealand Z 'People Training and Development' award was won by Liam Woodmass a team member from WDA.
- Four WDA team members graduated with management qualifications through the Downer Inspiring Leaders Program and a further 3 are enrolled this year.

To demonstrate that the Alliance is managing the assets in the most effective way for WDC:

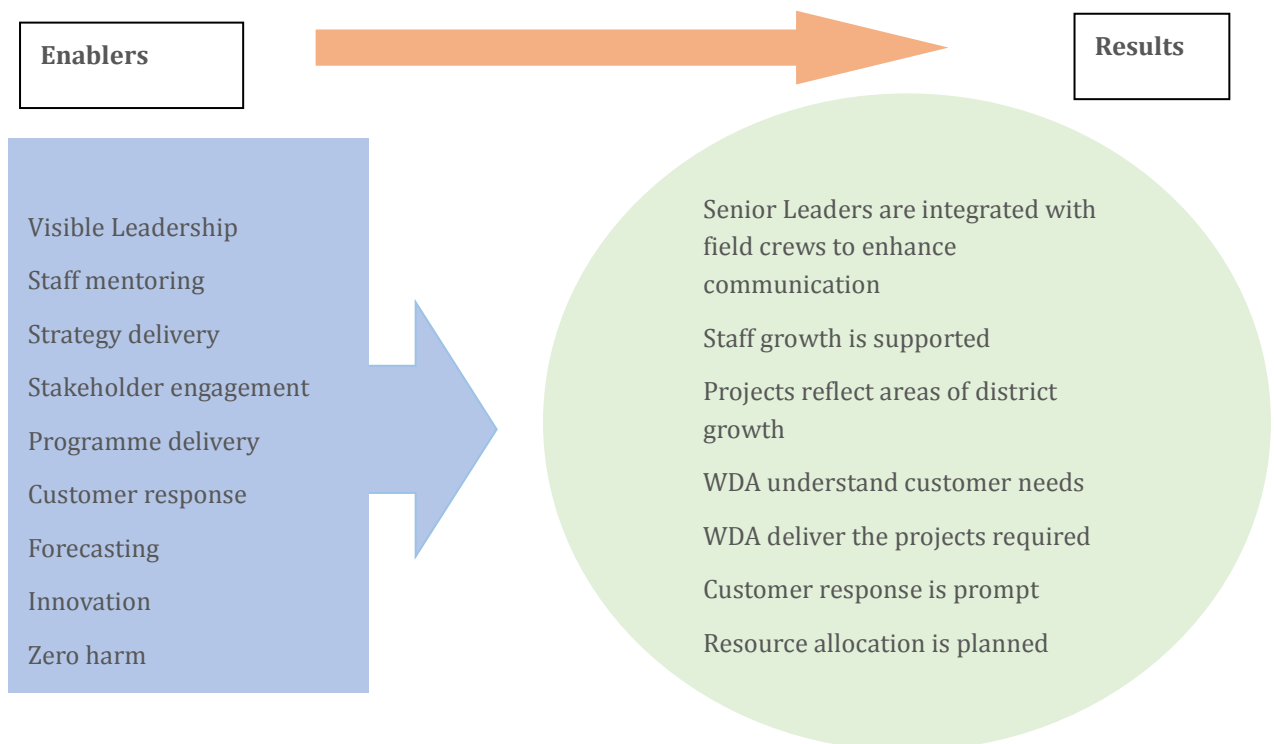
- Continued to enhance asset knowledge with a second High Speed Data Survey.
- Asset team involved with RATA.
- Undertaken a condition rating survey of a number of railway iron retaining walls along SH22 and Waikaretu Valley road
- Engaged with NZTA over ONRC requirements and what it means for our network
- Won the LGNZ Infrastructure Excellence Award

To work in a 'Zero Harm' environment:

- 0 notifiable and Lost Time Accidents (LTI)
- 285 Zero Harm inspections at operational sites.
- 402 Safe Behaviour Conversations (SBC) were undertaken.

Performance Framework overview

We have developed a Performance Framework, based on the European Foundation for Quality Management (EFQM) Excellence Model, with the inclusion of Zero Harm. The Model and Framework, provides a structured approach that makes explicit the inputs (Enablers) that are needed to deliver the required, or desired, results. Some of the WDA Enablers and Results are pictured below:



The headings of this report follow those of the Performance Framework. Each heading outlines the purpose of the enabler, the work we undertook and the results we achieved.

A summary of other work we undertook during the year, for example signs renewals, potholes and grading, can be found in the WDA by Numbers found on Appendix 2.

The report also includes value adding case studies, which are derived from ISO 44001 (Collaborative Business Relationship Management Systems) the International Standard on collaborative working.

Leadership

ENABLER PURPOSE

The ALT are keenly aware that leadership is a key factor in creating a culture where staff feel empowered to raise issues freely with management, fully integrating field staff with the leadership team and being available at a variety of locations.

To meet these aims the ALT attended 82 Toolbox talks and prestart meetings, spent over 14 days working on the network with field crews and worked out of alternative offices or Supply Partner depots for 21 days.

RESULTS

These actions corresponded to approximately 60% of our leadership target, as we set significant stretch targets for this enabler. This year we will continue to improve how the Leadership team interact with team members, as well as how we communicate and embed the Alliance objectives.

Picture 1 shows Mike James (Acting Alliance Manager) working with the cyclic crew completing minor repairs.

These sessions help the leadership team gain an understanding of the jobs undertaken by our people, their associated health and safety hazards and promote communication between management and front line teams.



Picture 1

People

ENABLER PURPOSE

The ALT believe that our employees are our most important asset. Without their efforts we cannot effectively respond to customer needs, enhance maintenance of the network, deal with emergencies nor innovate our approach. Our People enablers are therefore centered on succession planning, developing staff through mentoring, widening field staff skills through crew rotation, raising employee's presentation skills and recognising the positive behaviours of field staff.

RESULTS

Three Alliance employees requested formal mentoring to help them in their development pathway. Three suitably qualified and experienced mentors were identified and assigned to act as mentors. The value of the mentoring was measured and received an average of 9.2 out of 10.

We formally recognised the positive contribution made by 36 of our field based staff, through our values based recognition system. Nominations come from supervisors, team leaders and crew, with recognition at our full team meetings. Five annual awards are presented (including the Alliance Manager's ZH award) at the Annual team breakfast.



Annual Team Breakfast

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We have assisted 7 apprentices, some of which are pictured below, in obtaining road infrastructure skills, as part of the Downer Apprenticeship Programme.



We developed the public speaking confidence within our team, with 73% of office staff delivering a formal presentation on a specific topic, or an area of expertise. Two ALT members also delivered a presentation on the 'Shared risk' Alliance model at the NZIHT National Conference during October.

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This year two further engineering undergraduates gained experience working within an infrastructure environment. Their comments on their time with us are captured below.

“Working alongside industry professionals in the Waikato District Alliance has been an invaluable opportunity for me to develop my engineering skills and knowledge. My time with the Alliance has seen me be exposed to different operational sectors of the transport industry. These areas include frontline works, design, finance and management. This exposure to multiple facets of the industry has allowed me to progress my understanding hugely in these areas.

The Alliance has a highly supportive and welcoming working culture. Over the duration of the summer all who I have shadowed and worked alongside have been more than willing to answer any question I had, or assist me with any problem I encountered. I have learnt the importance of communication and have seen first-hand how Transport, Geotechnical and Structural Engineering theory is applied in the real world. I feel truly privileged to have been given this opportunity as an Alliance intern, and I could not envisage a better place to gain entry and experience into a professional workplace within this industry.”

Cameron Swales

“My time at the WDA has been extremely beneficial in developing my engineering skill base. Unlike other workplaces that would have me only working in one part of the company, at the WDA I got to experience a very diverse range of roles. My skills as an engineer were developed greatly in numerous areas including communication, project management and design.

As an engineering student going into my last year at university getting to explore the industry as much as I got to at the WDA has been incredibly rewarding. It has helped me vastly when it comes to deciding the path I would like to pursue.

The entire team at the WDA are supportive and are always keen to give advice when asked. The working environment and culture in the office sets the example for other workplaces to follow. I would highly recommend the WDA for anyone wanting to get a valuable engineering experience and first look at the construction industry.”

Sterling Morgan

One of our newest Engineers, who gained experience with us as a cadet, won the Civil Contractor New Zealand (CCNZ) Training Development Award. This award recognises individuals that develop a career path and make the most of the opportunities



that are presented to them.

McVie Road Rehab



Highway22 Rehab

Strategy

ENABLER PURPOSE

The ALT understand their role as stewards of the network and the importance of establishing sustainable asset management practices. Further to this, we understand that the views and opinions of others are important in providing effective network oversight. The Strategy enablers therefore include how we plan our work, manage specific areas of the network and how we involve and inform stakeholders.

RESULTS

During the year we integrated 75% of the Downer Integrated Maintenance Management System (IMMS) into our processes. This ensures that our workflows are standardised and consistent across teams.

We took proactive steps to share our Forward Works Programme (FWP) with other utility providers (WEL, Chorus and Counties Power) so that disruption to road users, and communities, can be reduced. In addition to utility providers we also worked with the Pokeno and Te Kauwhata Community Boards to ensure that our planned works aligned to the growth occurring in these areas. This included leading on the upgrading of critical road intersections and liaising with our planning colleagues within Waikato District Council.

Unsealed roads form 25% of our network and generate a disproportionate number of service requests, comments and complaints from our customers. The maintenance of unsealed roads was discussed with customers at roadshows held at Te Mata and Waerenga. To improve how we manage this asset class we developed an Unsealed Road Strategy. This classifies the network based on use, security and other service factors which will enable us to deliver the required customer outcomes within our budget. As a result of the strategy and customer feedback, we graded an additional 566km of unsealed roads this year.

While this is an improved effort on the amount of work completed, we acknowledge that we are in the infancy stages of implementing our unsealed roads strategy, which is aimed at targeted investment on high cost/risk sections, to improve the resilience of our unsealed network .



Sainsbury Road Rehab

Partnership and Resources

ENABLER PURPOSE

The ALT understand the inherent need to consult and engage with the multifarious parties with an interest in the road network. The Partnership and Resources Enablers are therefore closely linked to the Strategy Enablers, as our work can only be effective once we have a clear understanding of our customers' needs and requirements. The enabling measures in this area include how we engage with stakeholders, how we manage and co-ordinate our maintenance activities across Supply Partners and how we collaborate with other Alliances.

RESULTS

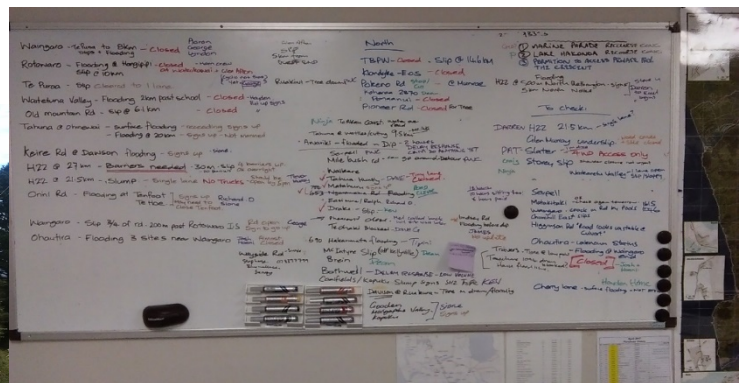
We had 10 meetings with other Alliances during the year, which involved mainly our Asset and Performance teams and several congregations of alliance managers. These meetings were focused on sharing best practice between alliances and explore ways to standardise processes and create opportunities for benchmarking.

During June the senior teams from five Alliances met to discuss and agree an approach to a unified Performance Framework. This will enhance our ability to benchmark our performance against others and share best practice. This work will continue into 2017/18. A pleasing outcome from the interactions has been that a WDA innovation, the daily electronic worksite map, has been shared and implemented by other Alliances.

Over the year we achieved 72.1% of our planned maintenance work. The maintenance program was severely affected by adverse weather events which necessitated the need for us to divert planned resources to deal with issues that required an immediate response, for example major slips.



Koheroa Road



Cyclone Debbie Board

We engaged with six Internal WDC stakeholders as part of our Meet the Alliance sessions. We also met several external stakeholders, which included NZTA, WEL Networks, Chorus, Counties Power, Huntly Police, Matamata-Piako District Council and representatives from the logging industry. These sessions showcase the work being carried out by WDA and also give us an opportunity to view our delivery through the eyes of our stakeholders. We can refine our approach to bridge these gaps where necessary.

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This year we continued to grow our relationship with Civil Defence Emergency Management, below is an unsolicited testament:

"I was lucky enough to be invited to the Alliance breakfast and it was a real honour to be a part of it. It was easy to speak about how things have improved with our CDEM response activity. In the last two years the trusted relationship between the Alliance and the EOC has gone from strength to strength and it was a great opportunity to thank the 'doers' who work so hard out in the field.

The leadership demonstrated by Mike and Doug (alongside the other ALT members) was impressive. Of course they acknowledged the year's successes and awarded some outstanding performers but what impressed me most was the way they challenged every individual in the room to strive for further excellence. They made it clear that as a leadership team they facilitate and the real success of the Alliance is driven and achieved through the individual commitment that they expect each team member to show up with every day. They talked about community and emphasised the partnership that is the Alliance, honouring the role of both WDC and Downer.

There were over 160 Alliance staff in the room and I walked away very much feeling a part of their team, as much as they are a part of ours. It further instils my confidence in us supporting our communities through significant events and confirmed that the Alliance understand the important role that they play in returning our communities to a new normal post any event."

*Angela Parquist
Customer Delivery Manager*



Koheroa Road reopened

Processes, Products and Services

ENABLER PURPOSE

The ALT are acutely aware of their responsibility to manage the often competing priorities of:

- Meeting, and adapting to the needs of the network and customer expectations
- Balancing constrained budgets
- Responding to the impacts of severe weather.

The enabling measures in this area included our speed of customer response, how we innovate our service and promote the reputation of our parent organisations.

RESULTS

Our average customer response improved during the year from 2.93 days to 1.65 days. Over 90% of Customer Requests were within target timescales. Our performance over the year is shown in Chart 1.

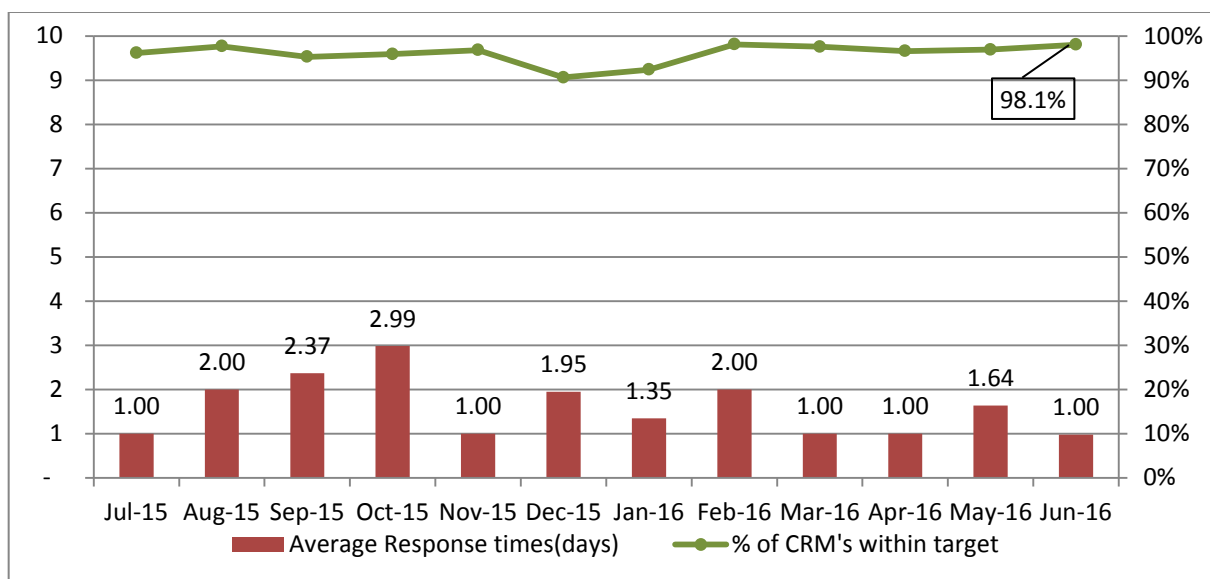


Chart 1

We managed to sustain our high levels of customer interaction despite the extreme weather during the year. Cyclone Debbie resulted in the highest number of customer service requests (179) received in any one month, 133 of which were urgent. The social benefits to our customer from rapid response to their request adds an intangible value that has been demonstrated by WDA. In pre-WDA times the average response times were greater than 6 days.

The storms lead to 27 roads being temporarily closed due to slips and flooding. The majority of these roads were reopened within 48 hours, after our crews had worked to clear debris and slips. Others were opened when flooding levels had subsided. Three of these roads (Koheroa, Pioneer, Clark and Denize) sustained significant damage and remained closed until funding was approved.

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It should be noted that the initial response was funded from within existing budgets whilst emergency funding was being secured through Council and NZTA.

The weather also effected delivery of our resealing and rehabilitation program earlier in the year, however despite this both programs were completed earlier than in previous years.

During the year 14 Bright Ideas (Innovations) were reported. These included an electronic register of vegetation that is encroaching on the network to enable it to be removed efficiently and recycling used railway ballast within road construction.

We feel it is important to promote the work we do and the benefits it brings to the communities we serve. External recognition also advances the reputation and credentials of Waikato District Council as a reputable asset owner. During the year we entered, and won the Chorus Excellence Award for Best Practice in Infrastructure Management facilitated by Local Government New Zealand (LGNZ).



Councilors and Principal Group members at the LGNZ awards

Zero Harm

ENABLER PURPOSE

The ALT continue in their commitment of zero harm for the people that work with us, the environment and others. The enabling measures in this area centered on how the leadership team engaged directly with field teams during Safety Behaviour Conversations (SBC), the completion of Zero Harm inspections and Code of Practice for Temporary Traffic Management (CoPTTM) audits.

RESULTS

This year there were:

- No Lost Time Injuries (LTI);
- Five Medical Treatment Injuries (MTI) which consisted of 2 bee stings and 3 strains; and
- One First Aid Injury (FAI) a minor cut. While there was an increase in the number of MTI's the severity of injuries has considerably decreased this year.

We completed 402 SBCs (421, 2015/16), 285 Zero Harm inspections (201, 2015/16) and 308 CoPTTM audits (285, 2015/16). Records were retained of all these activities and any actions identified as a result of them were entered into our SharePoint system and tracked to closure.

The most common topics discussed during Safety Behaviour Conversations were Temporary Traffic Management (TTM) (33%), how site risks were being controlled (27%) and the use of Personal Protective Equipment (PPE) (17%).

During the year we inducted or re-inducted 109 employees, supply partner or subcontract staff.

However, despite this good work, a significant breach of environmental controls was identified at one of our sites. A site visit with Waikato Regional Council identified that an Erosion and Sediment Control Plan had been produced for the site, but that the controls specified within it had not been implemented satisfactorily. Work on site was stopped and the breaches were rectified immediately. The lessons were shared with the wider team during Toolbox sessions and specific erosion and sediment control training is being planned for relevant field based teams.

Value Added

VALUE ADDING CASE STUDY 1 – GREATER SUSTAINABILITY

Our customers in Huntly contacted us to request if something could be done about the lights on Main Street. Retailers on the street had experienced a number of break-ins and damage to their shops. The security systems they had installed, to mitigate such events, were unable to identify the individuals concerned due to inadequate light levels. An Alliance Supply Partner conducted a site visit to ascertain what could be done.

Over 35 lamp units, which had been vandalised and were in poor condition were removed. These were replaced with 35 new LED lighting units and 210 meters of power cable. We also took the opportunity to reduce the number of power supplies to the new units which allows greater control of the lighting and will improve our ease of maintenance in the future.

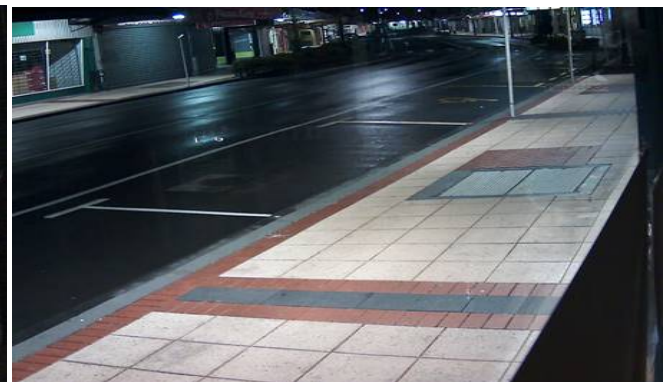
The new lighting units have significantly improved (approximately doubled) the lighting levels while halving the power requirements compared to the original lighting. The increased lighting level assists retailers and shoppers. Shop security cameras can now produce detailed pictures of potential criminals due to the brighter LED lighting. Pedestrian security is also expected to be enhanced on this section of the street due to the increased illumination.

All of this was delivered at a cost 14% below budget.

The remaining lighting units on the Street are to be upgraded during the 2017/18 financial year.



Pre-Upgrade



Post Upgrade

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VALUE ADDING CASE STUDY 2 - RECONNECTING COMMUNITIES

On the night of 14 November, our staff received a call informing them that a culvert at Otonga Valley road had collapsed resulting in no vehicular access. This occurred a day after the series of earthquakes that impacted Kaikoura. The road has a single entry and exit resulting in 21 residences being completely isolated. The Alliance deployed staff with vehicles to allow residents to go about their everyday business (including school children attending NCEA exams) and in order to provide access at short notice, it was decided to span the failed culvert with a temporary over-bridge crafted out of strengthened railway wagons..

Specialist plant (Cranes) and permits were arranged to transport the temporary bridge to site while simultaneous arrangements for a Bailey bridge were being made. The best case for the installation of the Bailey bridge would be in the range of 6-10 days.

The Alliance Manager, Roading Manager and the local Councilor met with residents to keep them abreast of the situation and the planned approach. During the course of the meeting the bridge was lowered in place and the approaches constructed. Within 20 hours of the failure being reported the road was returned to service.

Further strengthening of the foundations were carried out in the next few days and the bridge is still in place at the time of writing the report (10 months).

Ordinarily the cost of hiring the temporary structures is set at \$2k per week. The structure has been in place for more than 50 weeks with only a minimal cost to allow for maintenance (\$6K) a saving of \$98k. In addition the work carried out during the emergency situation was completed with no additional overheads charged and only the normalised profit which resulted in a saving of \$15k.



15 November 7.00 am

Visit by an Alliance Maintenance Engineer the same morning to survey and assess the culvert.

The extent of the damage was immediately escalated.

Additional resources, including transportation to get children to school to sit their exams, were arranged.



15 November 2.00 pm

Initial repair underway

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15 November 6.00 pm

The resources available to Downer NZ were accessed which enabled a bridge deck and crane to be brought to site with urgency







15 November 8.30 pm

Alliance teams worked throughout the day and part of the night to re-establish access for the community.

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VALUE ADDING CASE STUDY 3 - REDUCING RISK

Being part of Downer means we can get access to their safety management systems and risk management programs. This reduces the costs and time of developing our own systems and procedures in house. During the year we have introduced the following systems to enhance our management of our critical risks:

-  Vehicle Movement Plans (VMP)
-  Plant Person Interface (PPI)
-  Crew briefing plans
-  Practical re-induction that focuses on risk identification, control and monitoring at site level

VALUE ADDING CASE STUDY 4 - EVIDENCE BASED DECISION MAKING

WDA is now in year 2 of collecting High Speed Data (HSD) to enable our Asset Management Team to make informed decisions and enabling advanced asset management.

In the past FWP's were developed through engineering judgment and estimated life cycles of the section of the road being treated. While these approaches are still used by WDA, they are reliant on judgment and a finite metric (age) which does not reflect the remaining serviceable and economic life of the pavement.

Use of HSD along with engineering judgment enables us to use a multi-criteria approach and ensures that prioritisation of the treatment lengths is carried out based upon informed decision making and not purely judgement. The WDA network consists of 3,400 treatment lengths which are unique in both visual and micro characteristics. Using engineering judgment with age is unreliable and research has shown that this method can result in as high as 50% treatments being carried out earlier than required.

Treatments carried out before the optimum intervention stage do not utilise full remaining economic life of the asset but also create a reduced life cycle (pinching cycle) due to early intervention. Conversely late intervention necessitates the use of more expensive treatments to manage deterioration.

The asset management team in WDA has introduced this data driven decision making process to the development of the FWP and can assume savings of \$10m over the first 10years as a result of employing this method. This has been assumed in the current draft of the 2018-21 LTP.

Data captured over the next few years, will also enable us to refine our renewals model, to ensure that investment is carried out at the right level and at the most optimum time. This suggests that further benefits after this period may be available through enhancements to this approach.

Of note, is the fact RATA is now starting to collect HSD for other Local Authorities and the NZTA business case funding will soon necessitate this approach.

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VALUE ADDING CASE STUDY 5 – BROWNLEE DEPOT REFURBISHMENT

During year 1 of the Alliance, the team was split over a number of locations, this resulted in programme delivery inefficiencies and greater project management costs, as a result of team members having to continually transit between locations. In order to reduce this disruption and provide the Alliance with a fit for purpose depot, WDC purchased the Brownlee Depot from the Strada Corporation. However prior to being habitable, the depot required a significant amount of upgrading works; Management of the upgrade project was completed by members of the Alliance Team, whose costs were accounted for within existing budgets. It's estimated that the project was successfully delivered at a saving to WDC of \$40-\$50k.

VALUE ADDING CASE STUDY 6 – EMERGENCY RESPONSE

During late March and early April 2017, the Waikato District was hit with two significant storm events only a week apart. The second of these events was ex-tropical cyclone Debbie. During the event and the following days of rain, the Alliance handled 179 service requests.

Once the initial flooding subsided, clean up commenced where we identified more than 150 slips onto roads, 33 flooding events, and 34 significant slip/culvert failure sights.

During the next month, the smaller sites were cleared and the 34 significant sites were estimated and funding stakeholders (Council and NZTA) were engaged.

The approved cost to repair the significant sites to a do minimum level was \$1.04m. Due to the Alliance model, these works were completed at the fixed margin rate, saving approximately \$156k for response to this event.

Along with earlier weather events for 2016-17, the Alliance model has saved approximately \$225k, while redirecting \$800k in costs from routine maintenance to respond immediately to weather events.

VALUE ADDING CASE STUDY 7 – HIGHWAY 22 SLIP SITE

The Highway 22 site at RP47 is a historical slip site that was continually slumping to the degree where the road was almost at the point of closure due to the possible collapse of the remaining lane.

Historically timber retaining walls have been the default treatment for this network and have proven to be an expensive but often ineffective method.

Funding for a retaining wall was possible but not in the current year and a solution was needed before intervention proved to be too late. The Waikato Alliance's risk management approach enabled the investigation of other more effective solutions and through this investigation, we looked to utilise an MSE (Mechanically Stabilised Earth) wall on the site through a design and construct approach.

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This approach meant that costs would be reduced through the removal of formal design requirement, utilisation of material from the site for the build and reduced duration of the build minimising the traffic management required. Savings are estimated to be \$25-30k over a timber retaining wall.

During the build phase cyclone Debbie hit the network and caused further slumping.

Fortunately, due to the Waikato Alliance being part through the construction, the remainder of the road was saved and we were able to keep Highway 22 open.



Highway 22 MSE Wall



VALUE ADDING CASE STUDY 8 – FIT FOR PURPOSE REHABS

Throughout the year the Waikato Alliance have taken a “fit for purpose” approach to road reconstruction projects. This approach means taking on marginal risk to discount the need for costly walls and minor improvements that can be eliminated with a different methodology, thereby significantly reducing cost of construction. The savings recognised were key to completion of the full scope of works this season, while the effect on the final product were negligible.

Example 1:

At the Island Block road site this season we managed to eliminate the need for 185m of new kerb and 13 gabion baskets which would have been added through a typical design for the site. This was achieved by cutting the batter back a little further and benching of shoulders to eliminate need for retaining. Small changes like these on site resulted in savings on the project of approximately \$15k or 16.5% of the minor works portion of the project.

Example 2:

The Pokeno Road project on initial design was to have an overlay through the cutting on the site, this would mean the removal and replacement of 720m of kerb and channel as well as the addition of 600 tonne of new aggregate. On further analysis of the existing pavement through pavement investigation pits and FWD's the existing depth and structural integrity of the road was fine. The issues lay around the multiple trenches and possible contaminated backfill. Using an approach of in-situ stabilising of the existing material with cement and keeping a cl

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ose eye on the construction meant that we could eliminate the costly overlay, retain the existing K&C which was in good condition and reduce the construction period. Total savings of approximately \$55k.

During the construction season there has been many of these small changes to design and approach that has been implemented over the projects. Through the amalgamation of the Design and Renewals Teams these changes are now being made at an early stage, which means the team can target the Minor Improvement and Rehab spend into the areas, where it is most needed on the network achieving cost effective and fit for purpose construction.

Island Block Road Rehab



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VALUE ADDING CASE STUDY 9 – REHAB COST

In addition to taking a “fit for purpose” approach to road reconstruction projects, the Waikato Alliance strives to work in a cost efficient manner. This approach can be seen in the market testing completed on four of our 16/17 Rehabs. Four rehabs from the 17 rehabs completed during the year were independently tested against market costs.

The results demonstrate the significant value created by the Waikato Alliance in our rehab programme with the projects being significantly lower than the market based upon a total Cost to Council. WDA has been able to demonstrate consistent savings across the four randomly selected projects.

The chart below shows the comparison between WDA self-performance and the cost to council if the works were put out to market.



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Appendix

1

KRA-

KPI

KRA	KPI	Target	Comments	FY
Zero Harm	Safety Behaviour Conversations	30	405/380 completed.	✔
	Temporary Traffic Management Audits	20	311/297 completed	✔
	Quality of TTM	>85%	Avg 93.16% compliance	✔
	Zero Harm Audits	23	288/280 completed	✔
	Environmental Audits (Ave score)	100%	99.94% avg scored	⚠
	Near Miss Reporting (Actions completed)	>80%	100% completed	✔
Customer/Stakeholder	Timely Response	<5 days	1.65 days	✔
	% of customers responded to within timeframes	>80%	96.4% within timeframes	✔
	Benchmark SR response times with other networks	Ranked - Standard deviation	Data available end May	✔
	Customer satisfaction	Improving trend	Overall Roading 51% down from 52%	⚠
	Stakeholder engagement (internal)	3 structured sessions within SD	6 completed	✔
	Stakeholder engagement (external)	2 p.a.	7 completed	✔
Operational Delivery	Public engagement	3 Roadshows p.a.	Annual measure - 4 completed	✔
	Grading compliance	30mm max corrugation, 100mm max depth pothole, or safety hazard, no visible clay, max 70mm deep rutting over any 10m length	1 area of visible clay over 4.8km	⚠
	Signs and edge marker post (EMP) compliance	>80%	No areas identified outside of target	✔
	Sealed pavement pothole and edge break compliance	Pothole 50mm max depth, or safety hazard. Edge breaks not becoming a safety hazard.	No areas identified outside of target	⚠
	Detritus and litter compliance	10 items of litter (any 5 over 20cm3), over sample 500m	No areas identified outside of target	✔
	Vegetation compliance	Sight lines maintained, vegetation not obscuring signs or EMPs	No areas identified outside of target	✔
	Planned works completed	>70%	82% achieved	✔
Network Performance	Shoves, ruts and deformation response times	Resolved within 1 week	1 shove reported.	✔
	Rutting, Roughness and Texture condition on sealed network	Improving trend	Baseline data obtained. Comparative data capture May	✔
	Smooth travel Exposure (STE)	<91%	96%	✔
	Footpath service standard	90% Cat 3 or better	99.70%	✔
	Percentage of road network resurfaced	8%	Annual measure	⚠
Innovations	Asset consumption/Residual pavement life	Improving trend	Data available end of FY	⚠
	Number of innovations proposed and implemented	10 p.a.	14 proposed this FY.	✔
Financial	Actual cost vs. Target cost	Actual cost lower than target cost	\$310k Gain Pool	✔
	Benchmarking of costs	=< peer networks	Comparable items - <Taranui , >Whanganui	⚠
People	Staff engagement survey	Improving trend in staff engagement.	Baseline data obtained from 2016 survey	✔
	Staff engagement survey	Progress against actions planned from survey		✔

Appendix 2 Year on Year Comparatives

	2015/16	2016/17	Change	Comment
Improving our network				
Rehabilitation	17.8	18.04	0.24	Rehabilitation remained on par for this season.
Sealing (m ²)	956,691	800,017	156,674	The total quantity of road Area resealed this year decreased mainly due to increased bitumen costs. The other factor was that the treatments chosen for some sections were a higher quality/value to give the site the longevity that it would not have with a standard treatment selection, this was through the use of Polymer modified bitumen rather than straight bitumen.
% of road resealed	8.8	7.30	1.5	As above
Retaining wall (m)	102	185	83	Capital Works data only. In the past year we have managed to construct 185m of retaining wall. This increase is mainly due to the design implemented by the Alliance. We have opted to use a Mechanically Stabilised Earth (MSE) wall which utilises a lot of the in-situ material from the site. This not only cuts the cost of construction down but also the construction period is reduced significantly. This enables us to construct a longer section of wall at a reduced overall cost.
Maintaining our network				
Litter collected (tonne)	180	171	- 9	
Edge marker post (each)	1,726	725	- 1,001	Significant work undertaken in year 1 to get the network to the required standard.
Sign renewals (each)	1,742	535	- 1,207	Significant work undertaken in year 1 to get the network to the required standard.
Potholes filled (each)	1,701	5,760	4,059	
Edge break repair (m ³)	1,985	3,743	1,758	Increased work to meet the network, and customer, needs.
Unsealed grading (km)	1,752	2,318	566	As above
Water table clean (km)	36.1	72.8	36.7	As above
Vegetation mowing (km's)	6,472	5,999	- 473	Reduced budget doing less with no appreciable change to LOS therefore better value for money.
Sweeping (tonne)	649	534	- 115	Significant work undertaken in year 1 to get

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				the network to the required standard.
Protecting our people				
LTI	1	0	-1	There was a serious notifiable eye injury during 2015/16.
MTI	2	5	3	
FAI	4	1	-3	
Hours worked	215,742	274,353	58,611	
Near misses	167	150	-17	
SBC	421	402	-19	Spent more time in the first year getting to know our crew.
Zero Harm Inspections	201	285	84	
CoPTTM Audits	285	308	23	
Customer Interactions				
Service Requests	3400	4246	846	Storm events
Average Response Time (days)	2.93	1.65	1.28	
Roadshows	4	2		2 Roadshows plus attended Te Kowhai community meeting (general roading topics) and Onewhero cyclone recover meeting.
Internal Stakeholder sessions	3	6	3	
External Stakeholder Sessions	3	7	4	
Corridor Access Requests (CAR)	1616	1966	350	Improving compliance
Employee Training				
Compliance training sessions	100	58	-42	We spent time in the first year ensuring our employees were suitably trained. This year we have maintained and enhanced the skills of our people.
Training courses	49	77	28	Courses to reduce the risk to employees that drive, improve procurement, environmental performance and efficiency
Finance				
Actual cost vs. Target Cost Estimate	N/A	\$310k		\$210k gain pool share reinvested into Unsealed Roads.
Innovation				
Innovations (Bright Ideas)	12	14	2	

Truth will strengthen us **Kia maia (have courage)**

This is one of our values.

We appreciate people's truthful opinions on our performance as we improve by increasing our understanding.

If you wish to comment on this report, or our performance, please contact:

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River Road bridge (Tuakau) after being painted,

WAIKATO DISTRICT ALLIANCE



One of our HEB Supply Partner teams clearing a slip following the weather events in April.