Industry Forum – Reducing the Cost of Infrastructure **15 November 2013**

Flip Charts (transcribed)

Sheet 1 Parking Lot

1. Overarching Innovation Framework
2. Target – Risk Reward (Shaun Nugent)

Group 1 (a) Best Value Procurement & Contracting

Sheet 2 What is working well?

PROCUREMENT

- Series conditions of contract options
- Confirmation of 1% ECI
- Selection Processes? Need for Process
- TMR do consult

CONTRACTING > Relationship Aspects

- Majority condition fair & established
- Formalised Governance
- TMR Very Mature Client.

Sheet 3 What can be improved?

Use of past performance (and recent)

Procurement >List Prices & Ranking

- More contracts!!
- Steady flow of work
- Visibility of Project Pipeline
- More use of Long list /Short List
- Non Cost – how used? Does Prequal deal with?
- More transparency of cost & non cost * Legal Requirement

Contracting >Quality/Consistency of contract admin – informed buyer

- Early (Day 1) Involvement on ETI
- ETI's Become ECI's!
    - No incentive to give up PI.

ETI's > Performance reporting

- Move all projects to Sunshine Coast! (joke)
- Risk of Managing PUPs
- 100% Pain 50/50 gain ≠ Collaboration

Sheet 4 **What can DTMR do?**

>Cost of Bidding >ECI *2 Right Number
*1% with good deliverables
>ETI *limited deliverables
*3 right No
>RCC *Limited deliverables
*shortlisting

>Deliverables
>RCC + D&C => Complete Design

ETI – stick to old process
*contribute or don't participate
*no under the table
*no alternatives

>ETI – feedback in CIC on why alternatives do not go forward?
>Be clear up front on stuff that will never be accepted.

Sheet 5 **What can industry do?**

NOTHING! WE ARE PERFECT (joke)
Larry says:

- Deliver right first time
- Understand our specifications
- No Surprises
- Collaborative Approach

Sheet 6 **If you could do 1 thing to make a difference, what would it be?**

- More work.
- Consistent Visible Work
- Locking Down Scope
- Resolve inherent inconsistency in CPA
    - Collaborative ≠100% pain to one Party
- Good Separation of Delivery Team to "Leadership Team"
- Do Not Use Transaction Managers
- Risk Sharing Fair

Group 1 (b) **Best Practice Procurement & Contracting**

Sheet 7 **What is working well?**

- good framework in place. Good procedures
- some knowledge of forward work – allows some prior planning
- industry briefings
- EOI information good
- more open and collaborative
- improvement in delivery models
- Good range of delivery models.

Sheet 8 **What can be improved?**

- Delivery model selection
    - Right model for project
- Regional variance in application
- Works to tender report, sometimes not accurate
- Should be design to tender report as well
- Shortlisting to max 3 (ETI, RCC)
    - (i.e. don't have 10-11 bidders)
    - maybe tighter, prequalification
- Contractor performance feedback to selection panels

Sheet 9

- Panel of provider process (PSPA)
    - too many panels with no work
    - process to slow
    - can't update panel
    - duplicating "local" buy" process
- Non-cost Criteria
    - not project specific
    - use of 100% in second stage
    - no transparency of how assessed
    - can be subjective

Sheet 10 What can DTMR do?

- More consistent across regions.
- Specific details of what TMR wants and don't want.
- Interactive sessions during tender process (both consultancy and contracting)
    - including discussions on alternatives.
- Tender periods need to be sufficient.

Sheet 11 What can industry do?

- Alternatives to provide enough info for assessment.
- CCF and QMCA Consult Australia to help work through issues.
- Don't whinge when we lose.
- Be more open – don't wait to be asked.
- Proper / complete documentation (consultants)

Sheet 12 If you could do 1 thing to make a difference, what would it be?

- More work) out of our control?
- Consistent)

LANDSCAPE SPECIFICATION

- $50,000 payment for ETI
- Clarify an innovation that have capability of being accepted.

*** (TMR) ***

Client capability and consistency

Lack of capability ► lack confidence ► lack communication

Group 2 Innovation

Sheet 13 What is working well?

- Alternative tender models – open to discuss!
- We have started
- Double ECI working well (& triple!)
- On the agenda (red tick)
- Genuine engagement
- Not just cost cutting but desire to genuinely improve
- Use of new technologies (bluetooth,laser survey, fibre)
- High level policy review (planning) e.g. noise treatment on receptors rather than the road
- DG's open commitment
- Review of Spec's & guidelines
- Participation with industry professional groups
- Drive to harmonise Regionally & Nationally
- Commentary on specs

Sheet 14 What can be improved?

- Consistent communicated pipeline of work to provide a better environment for innovation
- Speed of acceptance of new2 technology
- Replace RPEQ with CP Eng as per the rest of Australia (harmonisation)
- Allocation of IP
- Definition of "IP" and "Sharing" in contracts
- Definition of "alternative" and innovation
- TENDER TIMEFRAMES WHICH ALLOW INNOVATION
- Culture – stop saying no! (people stop asking because they expect NO!)
- Industry culture – keep asking!
- TMR not wanting to fail – Risk appetite vs Reward.
- Guidance/parameters about change eg rigid spec's
- Skilling and understanding and therefore ability to determine if change is acceptable
- Remove barriers to changing standards ie customising to suit specific conditions
- Willingness & encourage to engage in discussion
- More open wording of docs & standards

Sheet 15 What can DTMR do?

- Consistent approach & value to innovation
- Keep up the industry communication and consultation on a regular basis
- Keep listening to Industry
- Attract & retain talent within TMR
- More clearly defined processed around innovation
- Look at successful processes in other industries & jurisdictions
- Incentivise innovation
- Be more supportive of innovations
- Culture – acceptance/support of change
- More transparency on challenges
- Accept new ideas even if unproven – try it as a trial

Sheet 16 What can industry do?

- Put forward innovations
- Educate Industry on TMR's new philosophies around innovation and VFM
- Be much more pro-active and stop living project to project and look more holistically
- Industry groups be more proactive
- Industry as a whole a lack of interest in sharing
- UNDER INVESTMENT BY INDUSTRY (red tick)

Sheet 17 If you could do 1 thing to make a difference, what would it be?

- Cultural change program across TMR to drive a consistent approach and value to innovation supported by Industry and Industry Associations

Group 3 Pavements, Quarries And Materials

Sheet 18 What is working well?

- DTMR/Industry interface collaboration
- Steps toward harmonisation nationally
- Achieving innovation as a two way street – stabilisation

Sheet 19 What can be improved?

- allow contractor/suppliers to provide their own mix designs (concrete/AC/stabilise)
- consistency across districts on specifications/work practices applications
- consulting engineers to make engineering decisions rather than apply specifications blindly
- with associated training and experience

Sheet 20 What can DTMR do?

- don't stop here, continue with this initiative
- guide notes – commentaries on specs (all) as TMR's contribution to ensuring locally relevant design and application by consultants shared responsibility to provide locally appropriate capability competencies of consultants
- continue to lead (bring on something more…)

Sheet 21 What can industry do?

- give frank and fearless advice
- remember we are spending gov money (our taxes) Be more cost effective
- tale the gap (it has been provided) e.g. invest in R&D and proprietary products e.g. take a bit more risk

Sheet 22 If you could do 1 thing to make a difference, what would it be?

- deliver what is being spoken about
- being able to speak frankly and gain the advantage/benefit but still growing the idea through exploring with the wider DTMR audience
- ** DTMR to lead, facility allow reward for change
- Cascading to workforce
    - on all sides DRMR/CONTRACTOR/COMS

Group 4 Structures, Pipes & Concrete

Sheet 23 What is working well?

- coordination of multiple disciplines
- intergration of design criteria with all elements
- suite of specs. Integrated with other disciplines
- whole of life is considered/through learnings
- in house tech. expertise
- industry aware of E&T structures requirements are i.e. likes & dislikes
- timeliness of peer review

Sheet 24 What can be improved?

- peer review in the construction space
- getting lessons learnt in to the industry and the broader TMR
- earlier engagement (construction smarts) to improve constructability
- project specific industry engagement
- dealing with issues outside spec. i.e. something different/departures from the norm
- process for dealing with innovative ideas etc
- managing incremental changes within the contract i.e. design & construction phases.
- Specifications written to prohibit better practices

Sheet 25 What can DTMR do?

- provide information, data, reports etc to aid in long term maintenance -> fee this to industry
- engage more & maintain momentum of current process. E.g. Industry forums etc
- establish piling and other forums, review best practices: TMR, Contractors & consultants
- encourage adoption of BIM's across all providers i.e. design, fabrication
- integrated involvement in project delivery
- funding (long term) to manager whole of life propositions

Sheet 26 What can industry do?

- more preventative maintenance
- more supportive of TMR's compliance regime
- offer efficiencies across the network into TMR projects
- brining innovation to TMR's notice
- engage with the innovation framework
- invite TMR to industry forums
- provide feedback to specs & design criteria

Sheet 27 If you could do 1 thing to make a difference, what would it be?

** better understanding & acknowledgement of each parties(designer/constructor/TMR) main drivers** e.g. whole of life

Group 5 Traffic & Lighting

Sheet 28 What is working well?

- Good awareness of traffic & lightening requirements
- Working towards harmonisation with other SRA's

Sheet 29 What can be improved?

- Holistic approach to Risk Assessment
- Awareness Training for MUTCD
- Training in exceptions to roadworks signing requirements
- Speed compliance through roadworks
- Consistency in application with LA's
- Use of 'Engineering Judgement' in roadworks signing

Sheet 30 What can DTMR do?

- clarify role of level 3 and level 4 MUTCD and RPEQ
- clarify PIN system operation
- ensure consistency for all road authorities
- clarify relationship between documents
    - MUTCD; TO RUM Act & Regs
    - RPDM
    - Training Manual
    - MRTS02 and MRTS 02.1
    - WH&S
- mutual recognition of levels 3 & 4 MUTCD across Australia
- implement performance/rating system of CO's

Sheet 31 What can industry do?

- challenge Risk Aversion
- demonstrate cost savings able to be achieved
- bring forward innovative solutions
- be an informed buyer of traffic control services etc.
- recognise more is not better

Sheet 32 If you could do 1 thing to make a difference, what would it be?

Improve safer work sites by:

- Enforce roadwork regulatory speed limits
- enforce erection/removal procedures for regulatory signs
- remove unnecessary signs i.e. when not needed.

Group 6 (a) Road Design & Scope

Sheet 33 What is working well?

4 design classes

- existence of Extended Design Domain (EDD)
- access to DTMR technical staff to understand reasons/history of standards

Sheet 34 & 35 What can be improved?

- Ensure that the designs specifications match the operational objectives (ie design to the posted speed and implement other measure to ensure posted speed is adhered to)
- Consistency in DTMR project managers
- Understanding of what design speed is
- Consistency in drafting/documentation/presentation standards (across districts)
- What gets approved at the DA stage needs to be communicated to the design approvers in DTMR
- Ensure that the operational environment matches the design speed

Sheet 36 What can DTMR do?

- Structured training programs for DTMR & industry (managers & review staff)
- Industry training on DTMR manuals and guidelines
- Ricky's course on design speed
- staff exchanges between DTMR & Industry
- reward innovation (ie if DTMR wants innovation then they need to be prepared to pay more
- invite industry to internal training

Sheet 37 What can industry do?

- Justify reasons for departing from normal standards
- bring (to DTMR's attention) the issues and potential solutions/ideas
- do not stop trying
- collaboration with each other

Sheet 38 If you could do 1 thing to make a difference, what would it be?

- Reward Innovation – so that designers are encourage to finds innovative solutions to get more for less
- Whole of Government approach to ensure that operating environment matches posted/design speed

Group 6 (b) Road Design & Scoping

Sheet 39 What is working well?

- Improvements over last 20 years
    - remove shorts ramps
    - wider shoulder
- Introduction of Brownfield guides. Provides backup to RPEQ when challenging N.D.D
- Brownfield Guide – enables real engineering solutions

Sheet 40 & 41 What can be improved?

1. Not being embraced around regions – EDD/Design Exceptions -> training required (3 & 4)
2. How do we apply flexibility while not creating inconsistency along a corridor
    - what is impact on end user (3) TMR to provide corridor guidance
    - improve TMR internal communication
3. Industry/TMR – involvement of the RPEQ in design process
    - (3 & 4) improve training/awareness
4. ** improve data source availability for engineers to use in EDD/Design Exception -> Enabler of better Engineer solutions (3) TMR perhaps joint with universities
5. improve training on hazard identification -> specifically hazards in clear zones in Brownfield Environment
   * Industry Body???*
6. Training/guidance on risk assessment /management
   5 & 6 related -> combine
7. Industry training about project scoping guidelines
   (3 & 4) Consult AUST/TMR
8. More flexibility in drafting & design standards & presentation (3)
9. Why do we still need hard copy drawings (3)
   ->Legislations/RPEQ RISK:??? (4)
10. Access to Database of Design exceptions and end standards being used in industry (3) (4)
11. Improve the process/require for signing dwg's
    TMR could adopt streamlined process that only requires cover to be signed by RP& Q. NUMBERS 9 & 11 are related.

(3) What can DTMR do?
(4) What can industry do?
** If you could do 1 thing to make a difference, what would it be?