

At the 11 May Investment and Operations Board Committee it was resolved that it;

- **Received** the update on the Road Efficiency Group (REG) activities, including development of a proposed 2018-21 REG programme.
- **Noted** the proposed 2018-21 REG programme is aligned with the draft Government Policy Statement on Land Transport 2018 – 28 and the draft Investment Assessment Framework, and is consistent with the objectives of the Office of the Auditor General
- **Requested** that the Chief Executive report back on;
 - Measurement of the current REG programme success
 - The proposed REG programme 2018 – 21
 - Proposed measurement of the 2018 – 21 programme
- This document affirms the information accordingly

REG Current Programme - Measured

Key Result Area	KPI/CSF	Measure	Legacy	Measurement												Success Factor/Target	Source/ Method	Accountability	Responsibility	Overall Commentary
				Baseline	2016/17				2017/18											
					Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Q4								
Right deliverables, right time	Programme is being delivered successfully	Right deliverables, right time measures are on track		-	●	●	●	●	●	●	●	●		-	-	GG	LG	There continues to be good programme delivery and use of the Performance Measures Reporting Tool (PMRT) by RCA's. Delivery has decreased mostly due to the Christmas period and a focus planning for 2 work groups.		
Sector engagement	Sector is engaged	Sector engaged measures are on track		-	●	●	●	●	●	●	●		-	-	GG	LG	RCAs continue to be engaged overall with feedback remaining positive and showing stable responses to KRAs. RCAs main concern is about the variable quality and timeliness of feedback from NZTA about their bids. R12 survey not undertaken and close out report to be provided.			
Sector asset management improvement	Sector is improving its asset management	Sector Improvement measures are on track							●	●	●							The RIAs through their discussions with AOs over the last month have been able to resolve many of the previously identified issues that resulted in ratings of rework rather than a pass. The release of draft practise overview resource documents and the REGional workshop programme for 2018 will help TLAs move towards the expected standard.		
AO Delivery (66 RCA's)	Sector is capable and delivering	Sector AO delivery measures are on track		-	●	●	●	●	-	-	-	-		-	-	AO	LG	As RCAs progressed from developing individual sections of the AMP assessment of progress on delivery will be assessed utilising NZTAs Investment Assessment Framework Criteria (refer to above KPI reporting "Investors' confidence: Assessment of the Business Case".		

New REG programme – Strategic Response



Deliver a step change in customer focused investment through quality governance, leadership, and collaboration.



Deliver a step change in the sectors' ability to deliver fit for purpose activity management.



Enable the sector to understand and use the data needed to deliver transparent, evidence based investment.



Develop and enhance the use of tools, information, and systems across the sector that enable the future transport system.



Incentivise a change in delivery by the delivery and supply chain (governors, clients, consultants, contractors).

New REG programme – Projects

<p>Deliver a step change in customer focused investment through quality governance, leadership, and collaboration.</p>	<p>Deliver a step change in the sectors' ability to deliver fit for purpose activity management.</p>	<p>Enable the sector to understand and use the data needed to deliver transparent, evidence based investment.</p>	<p>Develop and enhance the use of tools, information, and systems across the sector that enable the future transport system.</p>	<p>Incentivise a change in delivery by the delivery and supply chain (governors, clients, consultants, contractors).</p>
<ul style="list-style-type: none"> • Sector performance expectations • One Network performance • Activity management and investment accreditation • Service delivery accreditation • Identify future REG as BAU or other delivery structure (REG change programme closure) 	<ul style="list-style-type: none"> • Sector activity management framework • Activity management centre of excellence • One Network form guidance • Speed management programme • Capability enablement 	<ul style="list-style-type: none"> • One Network Measures 2021/24 • One Network performance intelligence • Road asset management and decision support system • data quality improvement • One Network data quality • Consistent & effective asset lifecycle management • National road centreline (NZTA) 	<ul style="list-style-type: none"> • Effective traffic estimation model • Treatment selection tool enhancement • RAMM enhancements • Sector knowledge management • Digital Engineering for Transport (NZTA) 	<ul style="list-style-type: none"> • Service delivery performance models • REGeneration of Procurement Strategies • Service delivery performance incentives • Integrating the one network system into service delivery • Procurement tools and templates • Collaboration framework

NEW REG Programme Measurement

		Benefit 1: Improved public trust and confidence in transport investment. (55%)				Benefit 2: Improved value for money from transport investment. (45%)		
		10%	20%	5%	20%	10%	20%	15%
Strategic Response/KRAs	%	KPI 1: Improved reliability and connected transport system.	KPI 2: Increasingly consistent customer levels of service across similar ONRC classifications.	KPI 3: Maintain the social license to operate.	KPI 4: Increased satisfaction with target customer levels of service.	KPI 1: Increased customer satisfaction with transport investment.	KPI 2: Increasing efficiency in planning and service delivery.	KPI 3: Greater quality and effectiveness of transport activity management.
Customer focused investment: Deliver a step change in customer focussed investment through governance, leadership and collaboration.	35%	10.0	10.0	5.0	10.0			
Activity management excellence: Deliver a step change in the sectors' ability to deliver fit for purpose activity management.	30%		5.0		5.0	5.0	5.0	10.0
Evidenced based decision making: Enable the sector to understand and use the data needed to deliver transparent, evidence based investment.	15%		5.0		5.0	5.0		
Enhance tools and systems: Develop and enhance the use of tools, information, and systems across the sector that enable the future transport system.	10%						5.0	5.0
Service delivery excellence: Incentivise a change in delivery by the delivery and supply chain (governors, clients, consultants, contractors).	10%						10.0	
		10	20	5	20	10	20	15
		55				45		

- The detailed outcome measurement and scorecard for reporting is under development

NEW REG Programme Measurement

Measuring Performance on Desired Benefits

1. Improved public trust and confidence in transport investment.

KPIs:

- Improved reliability and connected transport system.
- Increasingly consistent customer levels of service across similar ONRC classifications.
- Maintain the social license to operate.
- Increased satisfaction with target customer levels of service.

2. Improved value for money from transport investment

KPIs:

- Increased customer satisfaction with transport investment.
- Increasing efficiency in planning and service delivery.
- Greater quality and effectiveness of transport activity management.

How REG will measure and report on the KPIs

National Network Performance
Report on ONRC CLoS for Safety, Resilience, Accessibility, Travel Time Reliability, Amenity

Stakeholder Satisfaction with REG Programme
Report on NZTA, LGNZ, RCA, Industry & Government Stakeholders Satisfaction

Customer Satisfaction with ONRC Customer Levels of Service
Report on trends in investment confidence in transport, national customer levels of satisfaction, RCA satisfaction

Value for Money
GPS IAF results alignment (comparison to 2018/2021), Peer group cost efficiency comparisons (ONRC PMs), No of contracts utilising AMP outcomes & ONRC CLoS

Quality of RCA Activity Management Plans
Report on completion of AMP improvement actions & RCAs meeting co-funding conditions, meeting milestones of AMP improvements, comparison of AMP quality in meeting IAF criteria & REG 5 Pillars of Success from 2018/21 NLTP baseline

Quality of Evidence & Planning
Report on national data quality, ONRC reporting trends and PMRT usage, RCAs meeting accreditation criteria

REG Programme Delivery
Report on sector understanding of desired outcomes & value of the programme, workshop attendance & achievement of objectives, and delivery of projects and the desired outputs (solutions to the strategic responses)