



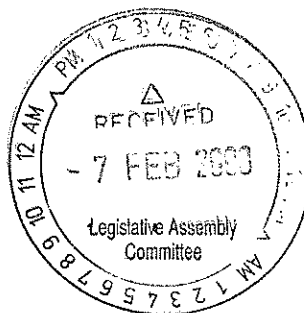
Government of
Western
Australia



MAIN ROADS
Western Australia

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Principal Research Officer
Community Development and Justice Standing Committee
Parliament House
PERTH WA 6000

Dr Gordon

SUBMISSION TO THE INQUIRY INTO COLLABORATIVE APPROACHES IN GOVERNMENT

Thank you for your letter dated 2 October 2007 and 17 December 2007, regarding collaborative approaches in Government. I apologise for the delay in responding.

I understand that and
 met with you late last year regarding the inquiry into collaborative approaches in Government and in particular alliance contracting within Main Roads, with specific examples given about the Roe 7 Alliance, and are happy to hear that you were inspired to learn more about the alliance process.

I acknowledge your invitation to attend and give evidence at the hearing into the Inquiry into Collaborative Approaches in Government scheduled for Wednesday, 19 March 2008 at 10:00am, and accept on behalf of and myself.

Enclosed are Main Roads submissions regarding collaborative approaches in Government for Roe 7 Alliance and Geraldton Southern Transport Corridor for discussion.

Thank you for the opportunity to met with you and I look forward to discussing these initiatives further.

Yours faithfully

Menno Henneveld
COMMISSIONER OF MAIN ROADS

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Inquiry into Collaborative Approaches in Government Roe 7 Alliance Submission

The Roe 7 Alliance was the first public-private sector relationship contract to undertake a road construction contract in Western Australia on a shared risk and reward basis.

Comprising leading construction and engineering companies Clough Projects Australia Pty Ltd, Maunsell Australia Pty Ltd with the client, Main Roads Western Australia, the Roe 7 Alliance employed a team of 200 staff to design and construct 4.5km of freeway standard road infrastructure through rapidly growing suburbs in Perth's southern corridor. The Alliance philosophy, with its emphasis on collaboration, teamwork and best-for-project results, was instrumental in completing the \$73 million development on time and on budget in March 2006. The shared risk and reward alliance structure was instrumental in balancing diverse commercial, social and environmental demands and set a new industry benchmark for environmental management, stakeholder engagement and workplace culture.

Operating as a unified, standalone business, with its own culture and branding, the Alliance maintained strong ties with each parent company to garner their support and ensure their needs and expectations were accommodated. Core staff were seconded from each organisation and brought together at the earliest bid stage where they worked intensely to build relationships and establish fundamental culture and goals.

Major effort was made to ensure the Alliance values of communication, collaboration and transparency were reticulated through the project workforce. This was instrumental in driving innovation and achieving best-for-project results against each of eight business goals. As a consequence, the Alliance demonstrated exceptional flexibility and motivation, which enabled it to respond to complex, volatile and changing circumstances without inflated cost inputs and delays.

Teamwork, cooperation and personal commitment were critical drivers for the Roe 7 Alliance. On the strength of this successful project, alliance contracting has been embraced by Main Roads as a successful process for delivering major road infrastructure.

Safety, environmental performance and community relations were key result areas and the Alliance partners were incentivised to strive for outcomes well beyond “business as usual”. This reflected the strategic mission of client Main Roads WA and directly supported key political drivers in Western Australia at the time of the project’s inception, specifically:

1. To model occupational health and safety best practice in the high risk construction industry.
2. To enhance Main Roads’ reputation and credibility with regulators and other environmental stakeholders by demonstrating skill and commitment in environmental management.
3. To satisfy a groundswell of demand for greater public participation in government decision-making.

Flexibility, and the willingness to embrace new ideas, were hallmarks of the Alliance management approach and resulted in a number of breakthroughs, as the project set out to challenge conventional thinking and pursue best practice.

The Roe 7 project has been acknowledged as a resounding success, achieving a 95% to 100% satisfaction rating from the client, and setting a new model in safety, environmental management and community consultation for government infrastructure projects in Western Australia.

The Roe 7 Alliance has been credited with setting a new benchmark for community consultation during the development of critical public infrastructure.

Performance against communications objectives was assessed on a scale of 0 to 100 using a multi-method process and supported by three independent stakeholder and client satisfaction surveys.

Speaking at a 2005 world conference on Innovations in Community Engagement, then Western Australian Premier Dr Geoff Gallop advised that effective community consultation had been responsible for reducing Roe 7 project costs by approximately \$2.1 million. He stated, *“The Roe 7 model is a shining example of what can be achieved through effective, open and respectful engagement.”*

Exhaustive consultation during the life of the Roe 7 project was instrumental in identifying and mitigating potential stakeholder concerns and fast tracking approvals. It also fostered responsive and flexible project management, as many engineering design changes were made to meet stakeholder needs.

Community input was sought from many sources and channelled to the Alliance via Community and Environmental Reference Groups. This helped to identify and

mitigate potential problems that were likely to cause time and cost overruns, while enhancing overall stakeholder satisfaction.

The main Karel Avenue interchange was a prime example where community input guided the engineering design to deliver a better outcome for road users. Instead of traffic lights, as originally proposed, community representatives called for installation of roundabouts in order to improve traffic flow, reduce noise and emissions, and minimise ongoing maintenance. Relatively low traffic volumes meant the width of a proposed bridge could also be reduced. This suggestion was proven to be acceptable and implemented, saving the community approximately \$1 million in construction costs.

Additional examples of innovative community engagement included:

- The location of a bicycle path resulted from cooperation between bicycle user groups, Bikewest, local government, environmental representatives and residents. The process was facilitated by a public Value Management Workshop where users were asked to evaluate alternative routes to determine the path that would provide greatest amenity for all community members.
- To enhance visual amenity, landscaping and original public artwork were incorporated into the highway development from the earliest design stage. An aesthetics team comprising a structural architect, public artist and landscape architect, worked with the community to achieve consensus on design features for bridge abutments, noise walls and street lights.
- The Roe 7 Alliance was instrumental in negotiating a partnership between Main Roads and Jandakot Airport Holdings to jointly fund the removal of a railway crossing and construction of a new access bridge for the long-term safety and convenience of businesses at the airport.
- The Alliance was one of the first organisations to use social risk assessment tools for managing community and stakeholder relationships. Databases were set up to capture and track all community and environmental commitments. A public website, incorporating GIS mapping, was available to track design and construction progress online.

Many of the innovations proven on Roe 7 have been adopted as standard practice by Alliance participants and emulated on many similar developments projects.

The Roe 7 Alliance management team worked diligently to build a peak performance culture. The concept of team extended to embrace subcontractors, commercial and technical partners and community stakeholders, whose support, understanding and commitment was essential for outstanding results.

Cameron Schuster, Community Reference Group Representative speaking at the opening ceremony for Roe Highway Stage 7, March 2006, commended the Alliance with the following statement.

"This would have to be the most open and transparent community consultation process I have ever been involved in, and I have been involved in many. The people in the Alliance actually listened to what we said, took action on it, and often the action was different to anything we had seen before in Western Australia."

Inquiry into Collaborative Approaches in Government Geraldton Southern Transport Corridor

The Geraldton Southern Transport Corridor was master planned with a view to providing improved rail and road access to the Geraldton Port. Whilst the plan was integrated in the sense that the rail and road were to share a joint corridor for much of the length, there was no focus on rail operations within the Port, road traffic circulation in the Port Precinct, nor any linkage to the major foreshore redevelopment works being pursued by the City of Geraldton.

Early in the process of developing a project to deliver the Corridor, it was decided that a Steering Committee be established to oversee the project. The Steering Committee that was formed included the Commissioner of Main Roads (Chair), the Chief Executive Officer of the Public Transport Authority, an Executive Director from the Department for Planning and Infrastructure, the Chief Executive Officer of the Geraldton Port Authority, the Chief Executive Officer of the Mid West Development Commission, the Mayor of the City of Geraldton, the President of the Shire of Greenough, and a senior Manager from the Department of Land Administration. Clearly, this Committee had the powers to talk on behalf of their respective organisations and work collaboratively to achieve improved project outcomes.

At the next level down, a Local Government and Industry Liaison Group was formed to work up opportunities and progress cross organisation issues.

This approach combined with significant lead time before construction (due to funding being pushed back) saw the project scope significantly enhanced for the benefit of all parties.

Major enhancements included:

- Modification of the alignment of the road into the Port following a study into road traffic circulation in the Port Precinct;
- The addition of rail works within the Port to ensure that the Port could successfully handle longer trains which would be possible when the new Corridor was complete. This resulted from a review of rail operations and a subsequent funding contribution to the project by the Port Authority; and
- Specifying in the scope that surplus cut from the earthworks be used as fill for the foreshore redevelopment works being designed and managed by the City of Geraldton instead of trucking it to spoil. Whilst there was a cost associated with this change, it was significantly cheaper than the City separately sourcing material. The additional cost was covered by the City following a grant from the Department of Land Administration.

The project went on to be constructed with overwhelming support from all stakeholders and the community, and has played a key role in the transformation of Geraldton and the economic prosperity of the Mid West. Of significance the project won a national award in Environmental Excellence at the Civil Contractors Federation Case Earth Awards and an Outstanding Achievement Award from the Logistics Association of Australia.