

Lessons learned from one of New Zealand's most challenging civil engineering projects: rebuilding the earthquake damaged pipes, roads, bridges and retaining walls in the city of Christchurch 2011 - 2016.

## Close Down Activities Management Plan

**Story:** SCIRT Management Plans

**Theme:** The SCIRT Model

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A plan which documents how SCIRT is to efficiently and effectively ramp down the delivery of its work, demobilise facilities and resources and wind up the organisation.

This document has been provided as an example of a tool that might be useful for other organisations undertaking complex disaster recovery or infrastructure rebuild programmes.

For more information about this document, visit [www.scirtlearninglegacy.org.nz](http://www.scirtlearninglegacy.org.nz)



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## Close Down Activities Management Plan

Review:

Rev.	Status	Prepared by	Checked by	Date
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## ACRONYMS, ABBREVIATIONS AND DEFINITIONS

Term	Definition
AA	Alliance Agreement
Board	SCIRT Board
CCC	Christchurch City Council
DPMC	Department of the Prime Minister and Cabinet
DTL	Delivery Team Leader
EGM	Executive General Manager
GST	Goods and Services Tax
IE	Independent Estimator
IST	Integrated Services Team
ITP	Inspection and Test Plan
JDE	JD Edwards Accounting System
KPI	Key Performance Indicator
KRA	Key Result Area
MT	Management Team
NZTA	New Zealand Transport Agency
NOP	Non Owner Participant
OPS	Overall Performance Score
PMP	Programme Management Plan
RFQ	Request for Quote
SAT	Site Acceptance Test
SCIRT	Stronger Christchurch Infrastructure Rebuild Team
TOC	Target Out-turn Cost

# 1 INTRODUCTION

## 1.1 PURPOSE

The purpose of this plan is to document the process the Stronger Christchurch Infrastructure Rebuild Team (SCIRT) will follow to efficiently and effectively ramp down the delivery of its programme of work, demobilise facilities and resources and wind up the organisation.

## 1.2 CONTEXT

SCIRT expects to complete the physical delivery of a 5 year \$2.2b programme to repair earthquake damage to Christchurch's horizontal infrastructure in December 2016. A further 3 months will be required to complete project handover and Practical Completion certification and then a further 14-15 months to complete project Defect Liability Periods and Programme Final Completion Certification and Payments. It is therefore anticipated that the activities in this plan will take until June 2018 to complete.

It is expected, however, that most physical close down activities, including the demobilisation of dedicated SCIRT facilities, personnel and other resources, will be completed by the end of June 2017.

Close Down activities include optimisation of the SCIRT organisation and how we do things during programme ramp down. Construction activity is expected to start ramping down in July 2016, reducing from a monthly spend of \$28m in that month to a spend of \$5m in December 2016. To ensure SCIRT continues to deliver value during this ramp down will require carefully managing reductions in resource and taking opportunities to optimise the use of remaining resource and streamline processes.

There is a significant staff retention risk during the programme ramp down phase. It is possible that staff churn and the difficulty of recruiting short-term replacements could limit options for organisational optimisation, so these need to be managed in parallel.

During the course of its programme, SCIRT has established and maintained numerous construction site establishments, five Delivery Team Management Offices, an Integrated Services Office and a number of lay-down and storage facilities. These will all need to be disestablished.

SCIRT has also accumulated assets, asset condition and construction as-built data and records and programme management systems, data and records, all of which require transfer to Alliance Participants (primarily the Owners) or disposal.

Further to that, SCIRT has a legacy capture and transfer programme to complete and is working with Owner Participants and other Stakeholders to ensure a smooth transition to ongoing horizontal infrastructure programmes.

SCIRT contractual close-out requirements are defined in the Alliance Agreements and include a Programme Practical Completion process (certification and payment) after

Practical Completion is achieved for all projects and a similar Programme Final Completion process after all projects are certified to be finally complete. Board approvals are required for both processes.

### 1.3 OBJECTIVES

The objectives of this plan are to map close down activity requirements, processes roles and responsibilities and to ensure that these activities are carried out in an optimal and timely manner to provide best value for the people of Christchurch and New Zealand.

### 1.4 REQUIREMENTS

SCIRT close down activities are prescribed in documents including the following:

- Alliance Agreement
- SCIRT Management Plans

### 1.5 RELATIONSHIP TO OTHER MANAGEMENT PLANS

This plan builds on and adds to other Management Plans that do not specifically address associated close down requirements and activities.

## 2 PROJECT COMPLETIONS

Project execution processes are well documented in other Management Plans. This plan will restrict itself to describing the additional actions SCIRT will take to ensure that all projects have passed through completion gates by the following dates:

Construction Completion	31 December 2016
Practical Completion	31 March 2017
Final Completion	31 March 2018

### 2.1 CENTRALISED COMPLETION REPORTING AND COORDINATION

The progress of projects through all three gates is being coordinated and reported on by dedicated resource and systems within the IST including:

- A Completion Manager, reporting to the SCIRT Delivery Manager.
- A Completions Steering Group comprising the Completion Manager, Delivery Manager, Professional Services Manager and Commercial Manager.
- Hi Viz – SCIRT's business information systems reporting portal.
- Project Completion data displayed on 'Completion Boards' in the IST.
- Regular 'Captain's Walk' involving Delivery managers and other Leaders.

These measures were implemented in early 2016 to focus efforts to ensure project completion requirements were met in time to enable all projects to pass through all completion gates on schedule and will be kept in place until March 2017.

## 2.2 COORDINATED RESOLUTION OF SHARED QUALITY ISSUES

In conjunction with Completion Reporting and Coordination, the resolution of quality issues causing multiple NCRs on multiple projects is being coordinated and reported on by dedicated resource and systems within the IST including:

- A Dedicated Quality Engineer authorised by the Asset Owner (Christchurch City Council) to accept minor non-conformances on their behalf.
- Teams established within the IST that draw upon expertise from across SCIRT to resolve quality issues affecting multiple projects, giving priority to issues that are delaying the passage of projects through completion gates.
- Regular reporting of the issues, the projects affected and actions being taken.
- Regular joint review of issue resolution progress by the Delivery Manager, Quality Manager and Executive General Manager,

## 2.3 PROJECT SCHEDULE REVIEWS

Setting the 'Finishing strong, ahead of schedule, safely' breakthrough challenge in October 2015 initiated a round of schedule reviews to identify and exploit opportunities to expedite the completion of projects (without adverse impact on cost, quality and key result areas).

From this exercise, a group of critical path projects (scheduled to complete construction within 3 months of 31 December 2016) were identified and the progress of these projects is being regularly monitored and reported upon at programme level.

From within this group a select number of projects considered to be significantly at risk of not achieving construction completion by 31 December 2016 have been subjected to challenge workshops involving independent reviewer(s) to identify further opportunities to reduce the schedule risk to acceptable levels.

Regular schedule reviews will continue for all projects and further challenge workshops will be held as and when deemed necessary.

## 2.4 TASK FORCE APPROACH TO HIGH RISK PROJECTS

Projects in the Construction Phase that have been more than 95% complete for more than two years are considered to be high risk projects. Delivery Team resources will be co-located within the IST office to take a focussed collaborative approach, overseen by the Completions Manager, to expediting the completion of these projects.

## 2.5 EXCEPTIONS TO PROJECT COMPLETIONS REQUIREMENTS

It may be necessary to make selected exceptions to completion requirements to ensure target completion dates are achieved. For example, scheduling of landscaping works, often the last construction activity, can be subject to 'planting season' constraints with subsequent plant maintenance required for up to a year.



It would be unreasonable to delay Programme Completion by insisting that projects cannot pass the Construction Completion gate until the plant maintenance period has elapsed. In situations such as this, where constraints are beyond SCIRT's control, Alliance Participants will collaborate to find and agree the best value solution that ensures project and programme completions are not unduly delayed.

### **3 OPTIMISATION DURING PROGRAMME RAMP DOWN**

The SCIRT Leadership Team, comprising the Management Team and the Leaders of the five Delivery Teams are tasked with identifying and implementing necessary actions and further opportunities to ensure SCIRT delivers maximum value during programme ramp down. The actions described in Section 2 are considered to be the first of these.

#### **3.1 OPTIMISATION OF HUMAN RESOURCE**

Our people are the key to our success. Whilst it will be necessary to progressively reduce personnel as the programme ramps down, there is also a significant risk of people leaving earlier than required, taking with them valuable knowledge and experience and leaving their colleagues burdened with increased workloads.

Optimisation of human resource therefore requires balancing the need to reduce overall numbers with the need to retain individuals with the skills, knowledge and experience that SCIRT requires to successfully complete its rebuild programme.

##### **3.1.1 Retention**

A strategy for managing retention risk was endorsed by the SCIRT Board in October 2015. From this came a retention programme with objectives including:

- Providing people with the confidence regarding employment prospects post-SCIRT that will enable them to stay the distance.
- Ensuring people are prepared for the transition to their next endeavour and that the transition is a seamless and positive one.

Programme activities already implemented include:

- Gaining collaborative commitment from home organisations to pro-actively assist their SCIRT employees with securing future employment.
- 'Stay Commitment' interviews involving home organisation managers.
- 'Strength to strength' workshops to develop career planning and transition skills.
- 'Unduction' workshops and individual transition plans

Whilst Alliance Participants are committed to not withdrawing resource from SCIRT until it is no longer required, it is recognised that individuals can make life choices that are beyond their employer's control. For that reason, Alliance Participants will support retention and transition activities with succession planning to mitigate unplanned departures.

### 3.1.2 Optimisation

The Executive General Manager will review with all teams within SCIRT how to make best use of remaining human resources. Options include:

- Sharing specialist resources with home organisations.
- Combining roles and responsibilities.
- Sharing resources with other teams.
- Combining resources into a single programme resource pool.
- Transferring selected roles and responsibilities to the IST (or another team).
- Meeting occasional short-term requirements with contract staff.
- Outsource selected roles and responsibilities.

Action plans will be developed for specific Optimisation Opportunities including:

#### 1. QA Personnel

Opportunities are already being taken as described in Section 2.

Opportunities to reduce quality assurance resource will be limited until substantial progress is made on resolving the current quality issues.

#### 2. HSE Personnel

Opportunity to co-locate, in the IST Office, Health and Safety and Environmental Personnel from the IST and Delivery teams to provide a pool resource to all teams that allows a reduction in the total resource required.

Expected timing: September 2016

#### 3. Communications Personnel

Opportunities for reducing total FTE count through:

- Delivery Team spare capacity taken up by home organisations
- Teams sharing resources

It is anticipated that the current FTE count will be reduced by 50% for the last 3 months of 2016 with a skeleton team based in the IST from January 2017.

#### 4. Professional Services

This team has already been optimised primarily through the retention of multi-skilled personnel as it was down-sized; e.g. Designers with CAD skills.

Action Plans will address change management requirements and take into account constraints that may include agreed employment terms and conditions.

## 3.2 OPTIMISATION OF PHYSICAL RESOURCES

Programme management will review with all teams within SCIRT how to make best use of remaining physical resources. Significant opportunities will exist upon construction completion in December 2016. It is anticipated that Delivery Team and IST staff will not total more than 150, which is 50% of the capacity of the Annex Road offices and there would be considerable benefit in having Delivery Team and IST personnel co-located during the Handover phase of remaining projects.

Delivery Teams will relocate during programme ramp down as follows:

- The Downer Delivery Team is already co-located with the IST in the Annex Road offices
- The Fulton Hogan Delivery Team will re-locate to the Annex Road offices in December 2016 and disestablish their Owles Tce offices and yard.
- The Remaining Delivery Teams will review, with Programme Management, their plans and schedule for demobilisation of their SCIRT facilities and the associated re-location of staff.

## **4 DEMOBILISATION ACTIVITIES**

### **4.1 DISESTABLISHMENT OF PROJECT SITES**

SCIRT will not be perceived to have achieved construction completion until its sites have been cleared and reinstated. All site offices, associated amenities, temporary works and equipment will be demobilised by 31 December 2016 accordingly.

### **4.2 DISESTABLISHMENT OF DELIVERY TEAM FACILITIES**

The optimisation process detailed in section 3.2 above will determine when Delivery Team office facilities will be disestablished. Yards, lay-down areas and other construction support facilities will be disestablished as soon as they cease to provide sufficient value. In the closing stages of the programme there may be better value alternatives to continuing to maintain SCIRT facilities for a reduced amount of work.

Unless there is a sound value proposition to do otherwise, all Delivery Team Facilities will be closed no later than December 2016 and demobilisation, reinstatement and handover activities completed by the end of February 2017.

### **4.3 DISESTABLISHMENT OF ANNEX ROAD OFFICES**

The Main Office on the Annex Road Site will be required to continue functioning until project handover processes have been completed and Project (and Programme) Practical Completions are all certified. It would also be excessively disruptive to re-locate the Commercial Team during preparation of the Programme Practical Completion Payment Claim.

According to the schedule for those processes, the Main Office will therefore be closed after the Board Meeting held 12 April 2017. From that time, the remaining SCIRT personnel (a small Commercial & administration team) will be accommodated in the two Portacom units on the Annex Road site where work stations and systems access will have been established after disestablishment of the Training Centre in December 2016.

By this time, all project data and records will have been transferred to Asset Owners or put into off-site storage. Programme systems, data and records will be transferred and/or archived according to a plan agreed by the Alliance Participants. (It is anticipated that Christchurch City Council will be the primary recipient.) Office furniture and other assets will be removed and disposed of in accordance with the Asset Disposal Plan outlined in section 4.4 below.

Arrangements for the removal of the Main Office Building will have been made in advance to enable deconstruction to commence as soon as the Office is cleared. The target date for this will be 26 April 2017, which allows for 2 weeks to clear the offices, and 4 weeks will be allowed for deconstruction of the building. Decommissioning, disconnection and removal of utilities will be completed in parallel with building deconstruction.

Remaining personnel will be relocated and the Portacoms closed and removed after the Board has certified Programme Final Completion, scheduled for 10 May 2017 and the site reinstated to NZTA requirements to enable handover on or before 31 May 2017.

#### **4.4 ASSET DISPOSAL**

During the life of the Programme assets have been acquired in order to execute the work. Registers have been maintained by each Delivery Team of all purchased items of an asset nature and will be the basis of verification and valuation.

At the appropriate time a process of disposing of these assets will commence ensuring that all assets are accounted for and recoveries from their disposal are returned to the Programme and therefore the Funders. An allowance has been made in the FY17 budget for the estimated recovery of assets.

#### **4.5 DEMOBILISATION MILESTONES AND RESPONSIBILITIES**

<b>Delivery Teams</b> complete disestablishment of all project sites	31 Dec 2016
<b>Delivery Team</b> offices and construction support facilities closed and staff relocated to the Annex Road Office	31 Dec 2016
<b>Delivery Teams</b> complete reinstatement and handover of office and other sites	28 Feb 2017
<b>IST</b> completes transfer of Project data and records to Owners or archive	31 Mar 2017
<b>IT</b> sets up standalone work stations and systems in Annex Road Portacoms	31 Mar 2017
<b>Remaining SCIRT staff</b> relocate to Annex Road Portacoms	13 Apr 2017
<b>IST</b> completes transfer of Programme data and records to Owners or archive	26 Apr 2017
<b>Commercial Team</b> completes disposal of main office assets	26 Apr 2017
<b>Contractor (or Purchaser)</b> completes deconstruction and Removal of Annex Road Main Office & associated utilities	24 May 2017
Annex Road Portacoms are removed and site reinstated by	31 May 2017

## **5 LEGACY AND TRANSITION TO OTHER PROGRAMMES**

A wide range of entities are expressing interest in SCIRT legacy, including Local Government (CCC, WCC, ACC and others), Government (Treasury), institutions, industry, academia (universities in NZ and internationally) and international organisations that are concerned with disasters.

A particular focus on SCIRT legacy is emerging from the Horizontal Infrastructure Governance Group (HIGG) which channels funding for SCIRT. It has established a 'Transition' committee to support the transfer of SCIRT legacy, to CCC in particular.

SCIRT Legacy Activities have been divided into the following 3 Categories, in decreasing order of priority:

- i) Active Legacy Transfer to Participants and Stakeholders
- ii) Telling the Story
- iii) Responding to 3<sup>rd</sup> Party Interest

A legacy Project Plan and draft budget have been prepared. Dedicated resources will be recruited to expedite plan implementation in the period July to December 2016.

### **5.1 ACTIVE LEGACY TRANSFER TO PARTICIPANTS AND STAKEHOLDERS**

The Primary Legacy Recipient is Christchurch City Council. Project completion requires the handing over of as-built data and records. In addition to this, SCIRT is working with Council to transfer the host business systems to enable full utilisation of SCIRT data in ongoing infrastructure asset management.

SCIRT is engaging with Council and other Alliance Participants and Stakeholders to ascertain interest and identify how other processes, IP and lessons learned by SCIRT will be transferred. Legacy transfer already achieved or in progress includes Utility Interface Management Plans (to NZTA) and the Forward Works Viewer that SCIRT developed for LINZ (to Auckland City).

### **5.2 TELLING THE STORY**

SCIRT Legacy will also be captured in a focussed collection of stories on subjects ranging from technical innovations to the SCIRT model and how it can be successfully applied elsewhere. The primary medium for sharing these will be via a SCIRT 'Learning Legacy' website that will be launched in August 2016. A Memento book will also be provided to people that worked on the programme.

### **5.3 RESPONDING TO 3RD PARTY INTEREST**

SCIRT will provide information and share lessons learned, as appropriate and upon request, to disaster recovery agencies, academia and other interested parties.

## 6 PROGRAMME COMPLETION

### 6.1 PROGRAMME PRACTICAL COMPLETION

#### 6.1.1 Programme Practical Completion Certificate

Section 19.3 of the Alliance Agreement provides the following process for certifying Programme Practical Completion (after all projects achieve Practical Completion):

1. The Executive General Manager signs Part 1 of the Certificate and issues it to the Board for consideration.
2. Within 21 days of receiving it, the Board will either:
  - a) Complete Part 2 of the Certificate to certify the date of Programme Practical Completion, or
  - b) Issue a list of defects to be rectified before that can happen

In the case of (b) the whole process is repeated once the defects have been rectified.

All projects are scheduled for Practical Completion before the end of March 2017. The Executive General Manager will prepare and include Part 1 of the Programme Practical Completion Certificate in the papers for the Board meeting scheduled for 12 April 2017 for their consideration and action at that meeting.

#### 6.1.2 Programme Practical Completion Payment

Schedule 7 section 7.7 of the Alliance Agreement provides the following process for the Programme Practical Completion Payment:

1. The Programme Practical Completion Payment Claim shall be submitted no earlier than the month following the month of issue of the Programme Practical Completion Certificate.
2. The Owner Participants must advise, within 7 days of the claim being submitted, if they require a final verification audit to be carried out by the External Alliance Auditor. (The time allowed for this audit is not specified.)
3. The Auditor's findings, including their assessment of any under payment or over payment, will be formally reported to the Executive General Manager.
4. The Executive General Manager will either
  - a) Respond within 21 days with any disagreement with the Auditor's findings and seek to resolve the disagreement, or
  - b) Amend the claim in accordance with the Auditor's recommendations and issue a partially completed Programme Practical Completion Payment Certificate to the Board.
5. The Board will, within 21 days:
  - a) Make a determination of the of the amount owing to or owed by the Owner Participants, and
  - b) Amend as necessary, sign and issue the Programme Practical Completion Payment Certificate to the Executive General Manager.

6. Alliance Participants will make any payments due within 21 days of Certificate issue.

There are opportunities to streamline this process and there is a lack of definition around the time allowed for the possible final verification audit and what it will comprise. It should also be recognised that the Alliance Agreement requires an almost identical process to be followed for the Programme Final Completion Payment, subject to:

- Board approval of departures from the above process, and
- Owner Participant agreement regarding final verification audit proposals.

Programme Practical Completion Payment requirements will be met as follows:

1. This Programme Practical Completion Payment Claim process shall replace the monthly interim payment claim process that would otherwise have been followed at the end of March 2017. The Claim will therefore be prepared in conjunction with reports for the April 2017 Board meeting ready for submission immediately upon the Board certifying Programme Practical Completion.
2. All projects are subjected to a verification audit by the External Alliance Auditor before they can be certified as Practically Complete. It is proposed that the Owner Participants determine what other Alliance costs require verification audit and instruct the Auditor as required to enable them to complete as much of the audit as they can in advance of the Programme Practical Completion Claim being prepared and submitted. The Auditor should then be able to complete the Audit within 21 days of claim submission.
3. It is anticipated that SCIRT would work with the Auditor during the course of the audit to resolve any disagreements as they arise to remove any delay to the claim being amended and the partially completed Practical Completion Payment Certificate being issued to the Board for their consideration in May.
4. Alliance Participants should target 31 May 2017 as the date by which all Programme Practical Completion Payments will have been made.

### **6.1.3 Programme Practical Completion Milestones and Responsibilities**

<b>Owner Participants</b> determine verification audit requirements	31 Jul 2016
<b>External Alliance Auditor</b> completes project verification audits and audits of other costs to end of February 2017	31 Mar 2017
<b>Executive General Manager</b> submits Programme Practical Completion Certificate to Board	7 Apr 2017
<b>Board</b> certifies Programme Practical Completion	12 Apr 2017
<b>Executive General Manager</b> submits Programme Practical Completion Payment Claim	13 Apr 2017
<b>External Alliance Auditor</b> completes verification audit of Programme Practical Completion Payment Claim	4 May 2017
<b>Executive General Manager</b> submits Programme Practical Completion Payment Certificate to Board	5 May 2017
<b>Board</b> certifies Programme Practical Completion Payment(s)	10 May 2017
<b>Alliance Participants</b> make payments by	31 May 2017

## 6.2 PROGRAMME ADMINISTRATION AFTER PRACTICAL COMPLETION

Following Practical Completion the following programme administration is to be considered.

- Reconciliation and closure of all Supplier accounts and contracts.
- Termination and settlement of any outstanding lease agreements.
- Ongoing liaison with IRD on tax related matters and a determination on when to deregister for GST.
- A process and dealing with costs relating to Defects on projects within the Defects Liability Period.
- Closure of the Work in Progress carrying value with Council, including ensuring all retention funds are dealt with.
- Archiving and storage of SCIRT data and records.
- The JV audit process for FY17 and FY18.
- Completing the transfer of Business Systems to Christchurch City Council.
- Closure of all insurance open/unresolved insurance claims.

## 6.3 PROGRAMME FINAL COMPLETION

### 6.3.1 Programme Final Completion Certificate

Section 19.4 of the Alliance Agreement provides the following process for certifying Programme Final Completion (after all projects achieve Final Completion and 12 months after issue of Programme Practical Completion Certificate):

1. The Executive General Manager signs Part 1 of the Certificate and issues it to the Board for consideration.
2. Within 21 days of receiving it, the Board will either:
  - a) Complete Part 2 of the Certificate to certify the date of Programme Final Completion, or
  - b) Issue a list of defects to be rectified before that can happen

In the case of (b) the whole process is repeated once the defects have been rectified.

The Defects Liability Periods for all projects are scheduled to elapse at or before the end of March 2018. The Executive General Manager will prepare and submit Part 1 of the Programme Final Completion Certificate to the Board for their consideration and action in April.

### 6.3.2 Programme Final Completion Payment

Schedule 7 section 7.7 of the Alliance Agreement provides the following process for the Programme Final Completion Payment:



## CLOSE DOWN ACTIVITIES MANAGEMENT PLAN

1. The Programme Final Completion Payment Claim shall be submitted no earlier than the month following the month of issue of the Programme Final Completion Certificate.
2. The Owner Participants must advise, within 7 days of the claim being submitted, if they require a final verification audit to be carried out by the External Alliance Auditor. (The time allowed for this audit is not specified.)
3. The Auditor's findings, including his assessment of any under payment or over payment, will be formally reported to the Executive General Manager.
4. The Executive General Manager will either
  - a) Respond within 21 days with any disagreement with the Auditor's findings and seek to resolve the disagreement, or
  - b) Amend the claim in accordance with the Auditor's recommendations and issue a partially completed Programme Final Completion Payment Certificate to the Board.
5. The Board will, within 21 days:
  - a) Make a determination of the of the amount owing to or owed by the Owner Participants, and
  - b) Amend as necessary, sign and issue the Programme Final Completion Payment Certificate to the Executive General Manager.
6. Alliance Participants will make any payments due within 20 working days of Certificate issue.

Note that Schedule 7 section 4 stipulates that Limb 3 (gainshare/painshare) payments will be determined by Final Actual Cost (FAC) measured against Final Target Cost (FTC). This implies that the Programme Final Completion Payment Process will also include Limb 3 calculation and payment(s).

There are opportunities to streamline this process and there is a lack of definition around the time allowed for the possible final verification audit and what it will comprise, subject to:

- Board approval of departures from the above process, and
- Owner Participant agreement regarding final verification audit proposals.

Programme Final Completion Payment requirements will be met as follows:

1. It is possible that defect remedial works may be required in the last month of project defect liability periods and therefore subcontractor claims and supplier invoices cannot be settled until April 2018. The Programme Final Completion Payment Claim will therefore be prepared for submission at the end of April 2018.
2. It is anticipated that verification audits carried out by the External Alliance Auditor for Programme Practical Completion will not need to be repeated at Final Completion and so only costs incurred between 1 April 2017 and 31 March 2018 will possibly require audit. These costs are likely to be limited to costs associated with demobilisation of the Annex Road offices, defects remedial works and programme administration requirements during this period. Some of these costs could have been audited earlier, so it should be

possible for the Auditor to complete any auditing required within 14 days of claim submission.

3. It is anticipated that SCIRT would work with the Auditor during the course of the audit to resolve any disagreements as they arise to remove any delay to the claim being amended and the partially completed Practical Completion Payment Certificate being issued to the Board for their consideration in May.
4. Alliance Participants should aim to have made all Programme Final Completion Payments by mid-May 2018.

### 6.3.3 Programme Final Completion Milestones and Responsibilities

<b>Owner Participants</b> determine verification audit requirements	31 April 2017
<b>Executive General Manager</b> submits Programme Final Completion Certificate to Board	2 Apr 2018
<b>Board</b> certifies Programme Practical Completion	11 Apr 2018
<b>Executive General Manager</b> submits Programme Final Completion Payment Claim	1 May 2018
<b>External Alliance Auditor</b> completes verification audit of Programme Practical Completion Payment Claim	15 May 2018
<b>Executive General Manager</b> submits Programme Practical Completion Payment Certificate to Board	16 May 2018
<b>Board</b> certifies Programme Practical Completion Payment(s)	30 May 2018
<b>Alliance Participants</b> make payments by	13 June 2018

## 6.4 COMPLETION CELEBRATIONS

We will undertake a planned, structured communications programme to thank and recognise all who have supported SCIRT's programme, provide closure for the staff and people of Christchurch and New Zealand, and signal the handover of ongoing work to asset owners.

"SCIRT says goodbye" will be a low-key, inclusive, down to earth programme of activity that reassures the community about life after SCIRT, while providing an opportunity for people to celebrate an important milestone has been passed, and Christchurch is moving on from rebuild to regeneration.

The programme will include a ceremonial handover event for Owner Participants, community based events, completion and handover messaging in SCIRT's standing advertising, Work Notices and other existing channels, an information pack for media and a staff celebration.

## **7 OTHER COMMERCIAL CONSIDERATIONS**

### **7.1 INSURANCES**

Insurance on the building at Annex Road is renewed on an annual basis to March of each year. It is likely to require a final renewal period of 3 months to June 2017.

Public Liability insurance and Professional Indemnity Insurance policies were initially put in place for 5 years to 31 October 2016. The Alliance Agreement requires PL cover until the end of the defects liability period (final completion) and run off PI cover for 6 years beyond the date of final programme completion. The renewal process in Sep/Oct 2016 will therefore look for extension of PL cover for a further period to March 2018 and PI cover to March 2024 unless the Board opts for a reduced period of cover.

### **7.2 SCIRT JOINT VENTURE**

The SCIRT Joint Venture will be terminated in 2018 after Programme Final Completion Payments are made. Annual Accounts will be required for the 2016/17 and 2017/18 financial years.

## **8 MANAGEMENT PLAN CONTROL**

### **8.1 AUTHORISATION**

Initial authorisation is in accordance with the Alliance Agreement, Section 6.1.1. All plans are also authorised by the Executive General Manager and will be submitted to the Board for endorsement.

Subsequent revisions to plans will be authorised by the Executive General Manager unless they deem the revision requires endorsement by the Board.

### **8.2 DISTRIBUTION**

The Plan is a controlled document and shall be distributed and revised in accordance with the SCIRT Quality Management Plan. Hard copies are Un-controlled copies. The Controlled copies are maintained in "Project Centre" which is a secure website that supports various project management functions for the Programme including "configuration management" i.e. version control of documents.

### **8.3 AUDITING**

Systematic internal audits will be undertaken to monitor the Plan for suitability, relevance and effectiveness. The auditor will be a person who is independent of the activity being audited.

Refer to Quality Management Plan.

## 8.4 MANAGEMENT PLAN REVIEW AND REVISION

This Management Plan is a dynamic document that is current at the time of issue. The process for monitoring and review of the Plan or its implementation and operation are detailed within the SCIRT Quality Plan.

Site management will conduct a reassessment of this Management Plan for the purpose of continuous improvement. The review will consider the results of management monitoring, audit results, analysis of data, corrective and preventive actions as well as feedback from the Board, Management Team, IST, Design Team, Delivery Teams and site personnel. The frequency of the review will typically be as detailed in the Review and Audit section of the Quality Plan.

Implementation of resolutions from the review will contribute to continuous improvement.

Revisions to any Management Plan will always involve the Quality Manager who will take responsibility for ensuring the Management Plan set remains co-ordinated when revisions occur.

The document may be revised and updated in response to areas identified for improvement, such as:

- Changes in the Requirements and Minimum Standards of the AA.
- Substantial changes in design or scope, construction sequence, staging, methodology, process or resource.
- Requests by any Statutory Authority.
- Internal and external audits.
- Suggestions and comments from personnel.
- Necessity for corrective action.
- Senior management review.

## 9 RECORDS AND REPORTING

### 9.1 PROJECT INFORMATION, DATA & RECORDS MANAGEMENT

The primary location for soft copy filing of all documents and correspondence is in the SCIRT Project Centre system.

For management, storage and archiving of project data please refer to Administration Plan. For IT Systems, including support, security, licences and usage, please refer to Administration Plan.

## 9.2 REPORTING

### 9.2.1 Monthly report to Board

SCIRT is committed to providing a monthly progress report to the Board. This Management Plan will contribute to this report as outlined below:

- Progress updates on Close Down Activities.
- Issues requiring elevation.
- Significant non-conformances with plan.
- The course of action proposed in response to any significant delays or non-conformances with this plan.

### 9.2.2 Report Details

The Administration Plan includes a reporting section describing report design and documentation protocols.

## 10 ROLES AND RESPONSIBILITIES

Close Down Activities Management Plan	Responsibility							
	Executive General Manager	Human Resources Manager	Community Stakeholder Manager	SQE Manager	Delivery Manager	Professional Services Manager	Value for Money Manager	Commercial Manager
Role								
Plan Issue/Revision authorisation	Own							Assist
Auditing				Own				
Plan Review	Own	Assist	Assist	Assist	Assist	Assist	Assist	Assist

## **11 APPENDICES**

### **11.1 CLOSE DOWN ACTIVITIES SCHEDULE**

ID	Task Name	Duration	Start	Finish	2017												2018																	
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul			
0	<b>Ramp Down 2</b>	<b>2149 days</b>	<b>Tue 5/01/16</b>	<b>Fri 29/03/24</b>																														
1	<b>Project Completion</b>	<b>584 days</b>	<b>Tue 5/01/16</b>	<b>Fri 30/03/18</b>																														
2	Design	6 mons	Tue 5/01/16	Tue 28/06/16																														
3	Design Complete (Last project)	0 days	Tue 28/06/16	Tue 28/06/16																														
4	TOC	7 mons	Tue 5/01/16	Wed 27/07/16																														
5	TOC Complete (Last project)	0 days	Wed 27/07/16	Wed 27/07/16																														
6	Construction	254 days	Tue 5/01/16	Fri 23/12/16																														
7	Construction Complete (Last project)	0 days	Fri 23/12/16	Fri 23/12/16																														
8	Handover	324 days	Tue 5/01/16	Fri 31/03/17																														
9	Practical Completion (Last project)	0 days	Fri 31/03/17	Fri 31/03/17																														
10	Defects Liability Period	584 days	Tue 5/01/16	Fri 30/03/18																														
11	Final Completion (last project)	0 days	Fri 30/03/18	Fri 30/03/18																														
12	Optimisation	260 days	Mon 4/04/16	Fri 31/03/17																														
13	Centralised Completions Coordination	260 days	Mon 4/04/16	Fri 31/03/17																														
14	Coordinated Quality Issue Resolution	240 days	Mon 2/05/16	Fri 31/03/17																														
15	Amalgamated HSE Resource	150 days	Mon 5/09/16	Fri 31/03/17																														
16	All teams co-located in Magdala Office	65 days	Mon 2/01/17	Fri 31/03/17																														
17	<b>Demobilisation</b>	<b>367 days</b>	<b>Tue 5/01/16</b>	<b>Wed 31/05/17</b>																														
18	All Delivery Team Sites Disestablished	0 days	Fri 23/12/16	Fri 23/12/16																														
19	Delivery team staff relocate to Magdala Place	254 days	Tue 5/01/16	Fri 23/12/16																														
20	Disestablish Delivery Team Offices & Yards	60 days	Mon 5/12/16	Fri 24/02/17																														
21	Magdala staff move into Portacom	3 days	Mon 10/04/17	Wed 12/04/17																														
22	Clear out Magdala Office	10 days	Thu 13/04/17	Wed 26/04/17																														
23	Deconstruct Magdala Office	20 days	Thu 27/04/17	Wed 24/05/17																														
24	Reinstate Magdala Site & Demobilise Portacom	10 days	Thu 18/05/17	Wed 31/05/17																														
25	Magdala Place returned to NZTA	0 days	Wed 31/05/17	Wed 31/05/17																														
26	SCIRT Business systems and data transferred to CCC	367 days	Tue 5/01/16	Wed 31/05/17																														
27	<b>Legacy</b>	<b>584 days</b>	<b>Tue 5/01/16</b>	<b>Fri 30/03/18</b>																														
28	Active Legacy Transfer to Participants and Stakeholders	324 days	Tue 5/01/16	Fri 31/03/17																														
29	<b>Telling the Story</b>	<b>584 days</b>	<b>Tue 5/01/16</b>	<b>Fri 30/03/18</b>																														
30	Launch Website	150 days	Tue 5/01/16	Mon 1/08/16																														
31	Framework for Action	172 days	Tue 5/01/16	Wed 31/08/16																														
32	Prepare & Distribute Memento Book	148 days	Wed 1/06/16	Fri 23/12/16																														
33	Create 100 stories	324 days	Tue 5/01/16	Fri 31/03/17																														
34	Maintain Website	434 days	Tue 2/08/16	Fri 30/03/18																														
35	Responding to 3rd Party Interest	324 days	Tue 5/01/16	Fri 31/03/17																														
36	<b>Programme Completion</b>	<b>1825 days</b>	<b>Mon 3/04/17</b>	<b>Fri 29/03/24</b>																														
37	<b>Programme Practical Completion Process</b>	<b>63 days</b>	<b>Mon 3/04/17</b>	<b>Wed 28/06/17</b>																														
38	EGM issues Draft Programme Practical Completion Certificate	5 days	Mon 3/04/17	Fri 7/04/17																														
39	Board Certifies Programme Practical Completion	3 days	Mon 10/04/17	Wed 12/04/17																														
40	EGM issues Draft Programme Practical Completion Claim	1 day	Thu 13/04/17	Thu 13/04/17																														
41	External Auditor Completes Verification Audit	15 days	Fri 14/04/17	Thu 4/05/17																														
42	EGM Submits Programme Practical Completion Claim	1 day	Fri 5/05/17	Fri 5/05/17																														
43	Board Certifies Programme Practical Completion Payment	3 days	Mon 8/05/17	Wed 10/05/17																														
44	Practical Completion Payments Made	15 days	Thu 11/05/17	Wed 31/05/17																														
45	Subcontract Retentions all released	0 days	Wed 28/06/17	Wed 28/06/17																														
46	<b>Programme Final Completion Process</b>	<b>53 days</b>	<b>Mon 2/04/18</b>	<b>Wed 13/06/18</b>																														
47	EGM issues Draft Programme Final Completion Certificate	1 day	Mon 2/04/18	Mon 2/04/18																														
48	Board Certifies Programme Final Completion	7 days	Tue 3/04/18	Wed 11/04/18																														
49	Process outstanding invoices, subcontractor claims, etc.	1 mon	Mon 2/04/18	Mon 30/04/18																														
50	EGM issues Draft Programme Final Completion Claim	1 day	Tue 1/05/18	Tue 1/05/18																														
51	External Auditor Completes Verification Audit	10 days	Wed 2/05/18	Tue 15/05/18																														
52	EGM Submits Programme Final Completion Claim	1 day	Wed 16/05/18	Wed 16/05/18																														
53	Board Certifies Programme Final Completion Payment	10 days	Thu 17/05/18	Wed 30/05/18																														
54	Final Completion Payments Made (incl. Limb 3)	10 days	Thu 31/05/18	Wed 13/06/18																														
55	Retention of Records	1565 days	Mon 2/04/18	Fri 29/03/24																														
56	<b>Insurance Cover</b>	<b>2149 days</b>	<b>Tue 5/01/16</b>	<b>Fri 29/03/24</b>																														
57	Maintain Building Insurance	388 days	Tue 5/01/16	Thu 29/06/17																														
58	Extend SCIRT PL & PI Insurances	0 days	Mon 3/10/16	Mon 3/10/16																														
59	Extended SCIRT PL Insurance	390 days	Mon 3/10/16	Fri 30/03/18																														
60	Extended SCIRT PI Insurance (FC + 6 yrs)	1955 days	Mon 3/10/16	Fri 29/03/24																														
61	<b>JV Administration</b>	<b>530 days</b>	<b>Mon 20/06/16</b>	<b>Fri 29/06/18</b>																														
62	Prepare & Audit JV Accounts for 2015/16	20 days	Mon 20/06/16	Fri 15/07/16																														
63	Prepare & Audit JV Accounts for 2016/17	20 days	Mon 19/06/17	Fri 14/07/17																														
64	Prepare & Audit JV Accounts for 2017/18	20 days	Mon 4/06/18	Fri 29/06/18																														
65	JV Termination	0 days	Fri 29/06/18	Fri 29/06/18																														