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# PROGRAMME CONTROLS

## Performance Assurance Procedure

### Document History:

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# Contents

- 1 Purpose..... 3
- 2 Scope..... 3
- 3 Definitions ..... 4
- 4 Performance Assurance Vision ..... 4
- 5 Performance Assurance Process ..... 5
  - 5.1 The approach to scoring performance..... 5
  - 5.2 Key Participants and Responsibilities ..... 5
    - 5.2.1 Performance Assurance Team..... 6
    - 5.2.2 Functional Teams..... 6
    - 5.2.3 Project Managers ..... 6
    - 5.2.4 Contractors..... 7
  - 5.3 The Performance Assurance Process..... 7
  - 5.4 Frequency and Timescale of Assessments..... 9
  - 5.5 Interface with Internal Audit..... 9
- 6 Performance Assurance Reviews ..... 10

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## 1 Purpose

This document sets out the agreed process for operating Crossrail's Performance Assurance Function. The purpose is to provide a clear and consistent overview of:

- the **vision** for Performance Assurance
- the **process** of operating Performance Assurance
- **responsibilities** for the implementation of Performance Assurance
- the **reporting** of the Performance Assurance assessments

Any questions in relation to this documents content should be directed to the process author and / or the Head of Performance Assurance.

## 2 Scope

Performance Assurance spans across the Crossrail Programme. Performance Assurance assessments focus on objectively measuring, assessing, supporting and ultimately assuring that the Tier 1 suppliers working across the programme are operating to a level of performance that will enable CRL's performance objectives to be met.

The aim is to support and enable contractors to improve performance by encouraging the sharing of best practice and innovation. Additionally, Performance Assurance enables a level of sustainable self-assurance to be achieved and demonstrated to the programme's stakeholders.

Assessments will principally be undertaken by the functional teams responsible for the performance areas. Each assessment window takes place over four reporting periods (1 round), with two assessments occurring annually.

The process includes graphically representing a contractor's performance against other contracts to drive competition. Performance is then cascaded and communicated across the programme and to the contractor's involved via various forums:

Executive Committee

Audit Committee

Crossrail Industry Group (CIG)

CEO Forum

PM's Forum

Direct contractor feedback reports

1:1 communication between the specialist functions and the contractor teams

The accountability for successfully operating the Performance Assurance function sits within Programme Controls; however accountability for specific areas of the framework sit across other areas of the Programme with the co-ordination responsibility sitting with the Head of Performance Assurance within Programme Controls.

### 3 Definitions

Acronyms	Definition
<b>CVC</b>	<i>Commercially Valuable Contract</i> – a contract identified as being of appropriate commercial significance. This will mean it is appropriately tracked through pro-active reviews and monitoring of commercial performance metrics
<b>TFL</b>	<i>Transport for London</i> – Internal Auditors of the Programme
<b>AFC</b>	<i>Anticipated Final Cost</i> – the forecast outturn cost for a contract / project / the Programme
<b>CRL</b>	<i>Crossrail Limited</i> – Organisation responsible for delivering the Programme

### 4 Performance Assurance Vision

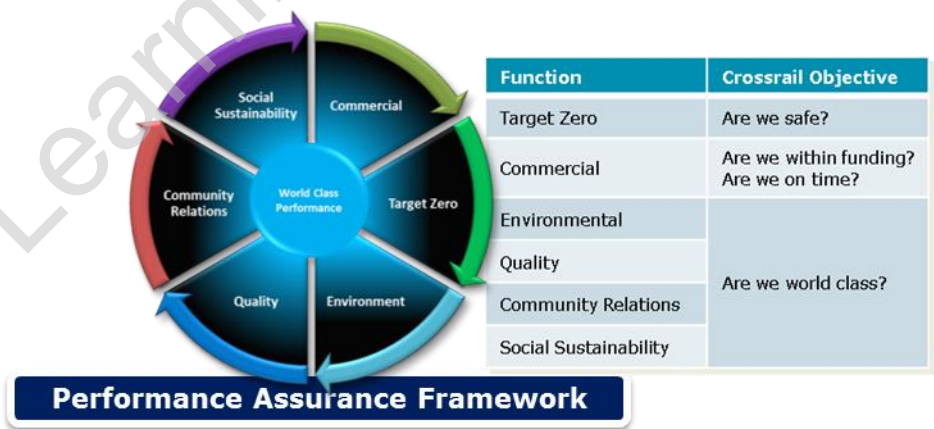
Crossrail’s Performance Assurance model was designed in the early part of 2012 following consultation with key members of the programme and supply chain. Its objectives are to:

- Support contractor performance to enable world class levels to be achieved
- Provide an objective demonstration (a platform) for our contractors’ performance
- To improve integration between Crossrail’s functions and key contractors
- To provide a mechanism for high performers to obtain wider industry opportunity
- To facilitate good practice movement across the programme

The vision is:

“To move industry forwards through demonstrating world class performance levels that set the bar for other major projects to follow and in doing so have **differentiated** those responsible”

Performance is assured across 6 functional areas aligned to the Crossrail strategic objectives as shown below:



## 5 Performance Assurance Process

### 5.1 The approach to scoring performance

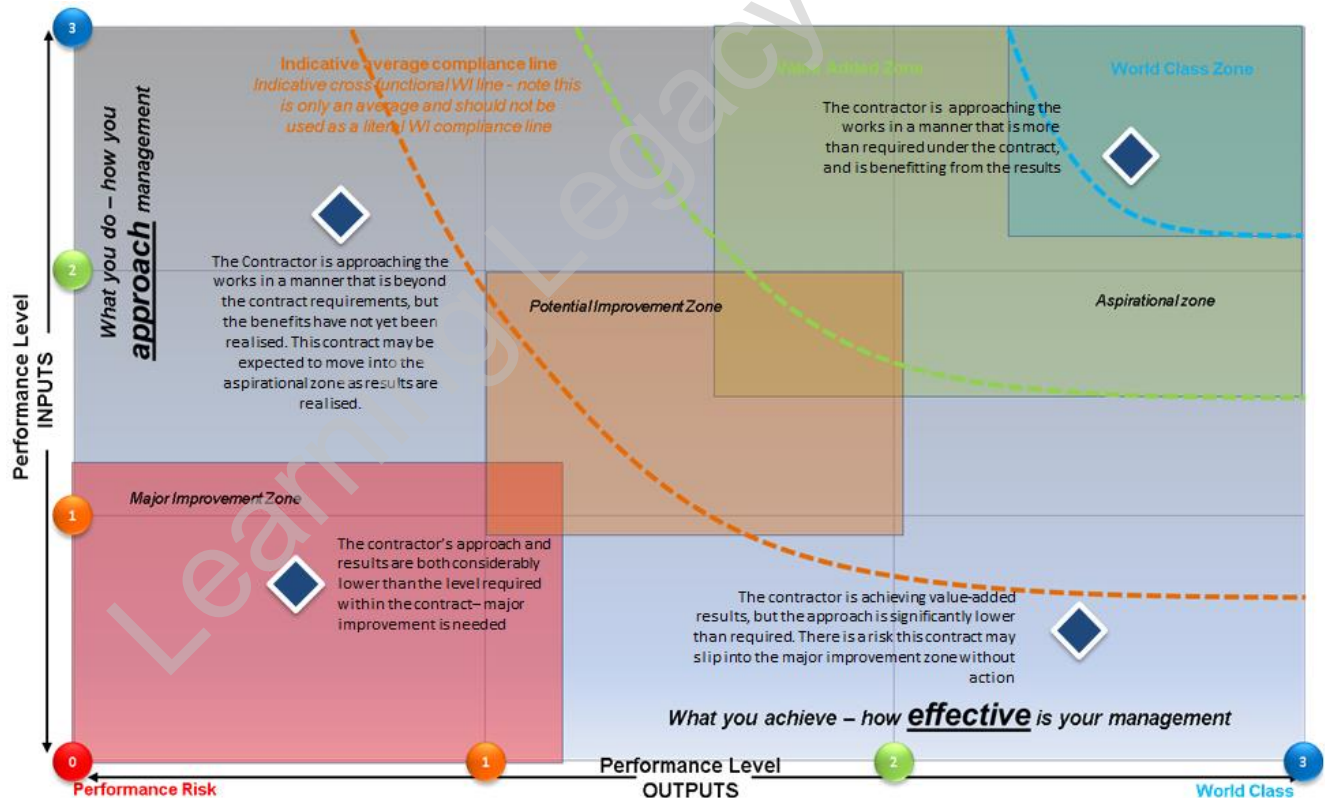
Performance is measured on two axes:

- **Inputs** (Qualitative, or 'lead' indicators): Approach to the delivery, quality of systems and processes, competency, policies, procedures, management arrangements etc.
- **Outputs** (Quantitative, or 'lag' indicators): Traditional, quantitative KPI's, measuring how the contract has performed

Across these two scales, performance is measured on a scale of 0 to 3 as below:

- 3 **World Class – Exceptional performance likely to be industry frontier**
- 2 **Value Added Compliance – Performance beyond the level set by CRL**
- 1 **Basic Compliance – Performance compliant with CRL processes / procedures / contract**
- 0 **Non-Compliant – Performance is non-compliant with CRL processes / procedures / contract**

This approach of measuring inputs and outputs provides a richer picture of performance, enabling more robust decision making at the project and programme level. For example, it is possible to identify the management processes which are driving better outcomes, enabling the more targeted sharing of knowledge and innovation across the programme. This is demonstrated below:



### 5.2 Key Participants and Responsibilities

In order to successfully integrate the Performance Assurance framework into each of the delivery team's working practices, CRL have a defined group of participants and process stages.

There are four key groups of participants that have been identified, these are:

Participant	Definition
<b>Performance Assurance Team</b>	Facilitate the reviews, produce final reports, analyse programme performance data
<b>Functional Teams</b>	Maintain functional measurement frameworks, undertake performance reviews, produce function-specific reports including observations and performance improvement actions, liaise with contractors to improve performance
<b>Crossrail Project Managers</b>	The key interface between the contractors and the functions – responsible for distributing feedback to the contractor and tracking the completion of actions
<b>Contractors</b>	The group that is being assessed - required to evidence their performance

### 5.2.1 Performance Assurance Team

Responsibilities of the Performance Assurance Team include:

- Sharing knowledge with the wider industry and capture learning to support future major projects and programmes.
- Overall management and coordination of the performance assurance process, ensuring consistency and objectivity.
- Selection of the contractors to be assessed and the assessment timescales for each round, based on feedback from PM's, functional teams and others.
- Coordination of the functions and collate the functional reports into a single contractor feedback report, including quality assurance of the deliverables.
- Reviewing the draft Performance Assurance reports with PM's, facilitating resolution of queries ahead of publication.
- Assisting with the PM's with feedback to the contractors, if required.
- Working with the contractors, PM's and functions to identify areas where performance can be improved, work-up improvement plans and support implementation.
- Developing methods of communication and recognition schemes on both a programme and individual level to promote performance improvement and stimulate competition.
- Undertake benchmarking of requirements and performance against appropriate comparator organisations and major programmes.

### 5.2.2 Functional Teams

Responsibilities of the Functional Teams include:

- Undertaking functional reviews of the projects in accordance with the Performance Assurance framework.
- Producing performance summaries for each the contracts reviewed.
- Responding to queries from PM's.
- Arranging and leading contractor feedback. These should tackle the key non-compliances as well as sharing identified best practice between the sites.
- Identifying areas where performance can be improved, including working-up improvement plans with the contractors.
- Capturing lessons learnt and updating the performance assurance frameworks accordingly.

### 5.2.3 Project Managers

Responsibilities of the Project Managers include:

- Attending the functional reviews of the contracts.
- Providing timely feedback on draft performance reports.
- Ensuring that feedback reports are distributed to the contractor’s organisation.
- Presenting the feedback reports to the contractors (Performance Assurance Team to support or lead the presentations if requested).
- Identifying improvements to the measurement framework with the Performance Assurance Team.
- Working with contractors to implement performance improvement initiatives, and track completion of actions.

### 5.2.4 Contractors

Responsibilities of the Contractors include:

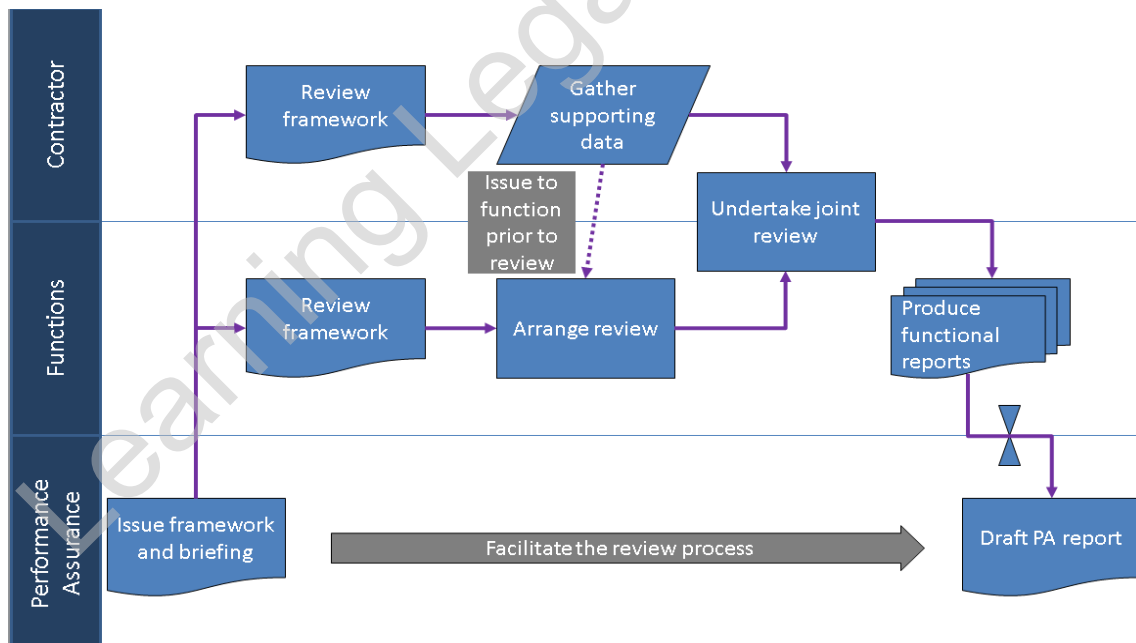
- Actively engaging with the functions on an on-going basis.
- Providing evidence to support the scoring process.
- Implementation of performance improvement plans.
- Reviewing and providing feedback on the performance assurance framework.

### 5.3 The Performance Assurance Process

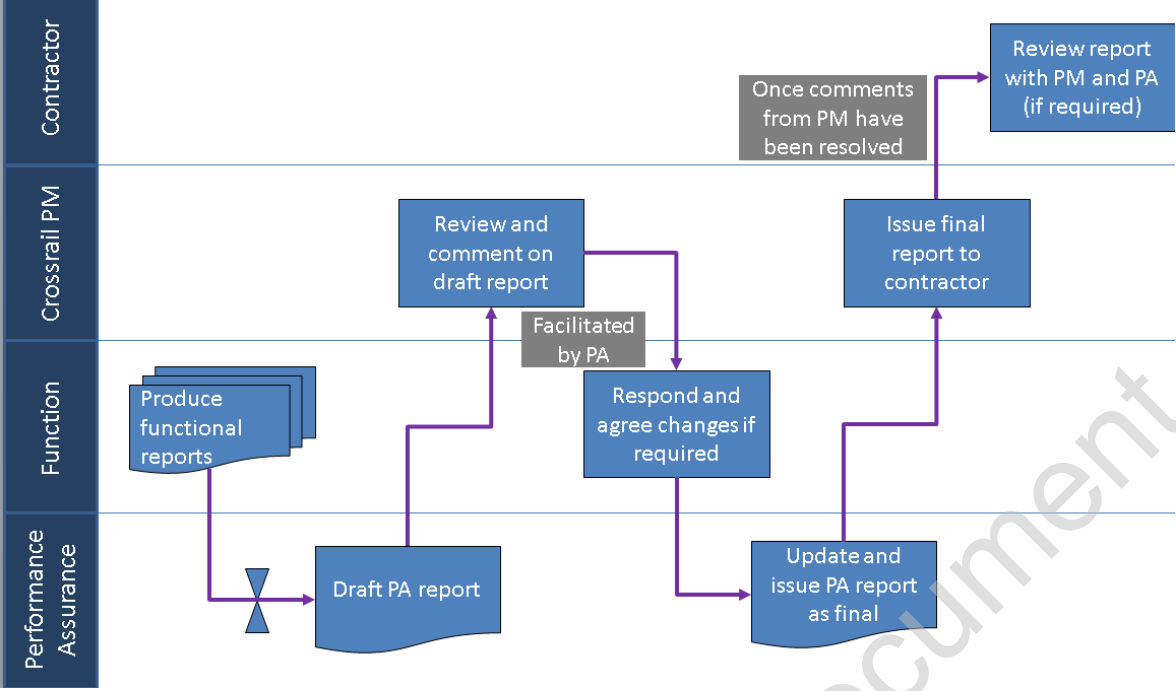
Each round of assessments consists of 3 main stages, as outlined in the diagrams below.

- Stage 1: Undertaking the Assessments
- Stage 2: Producing the Reports
- Stage 3: Issuing the Reports & Obtaining Feedback

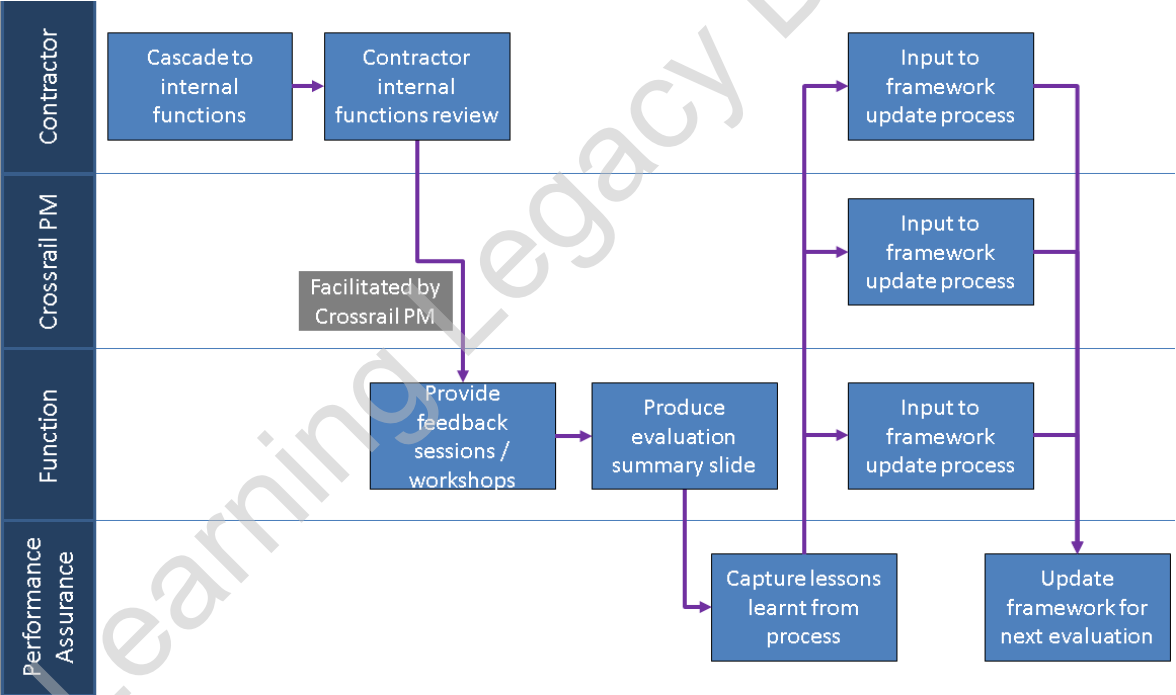
#### Stage 1: Undertaking the Assessments



#### Stage 2: Producing the Reports



**Stage 3: Issuing the Reports & Obtaining Feedback**



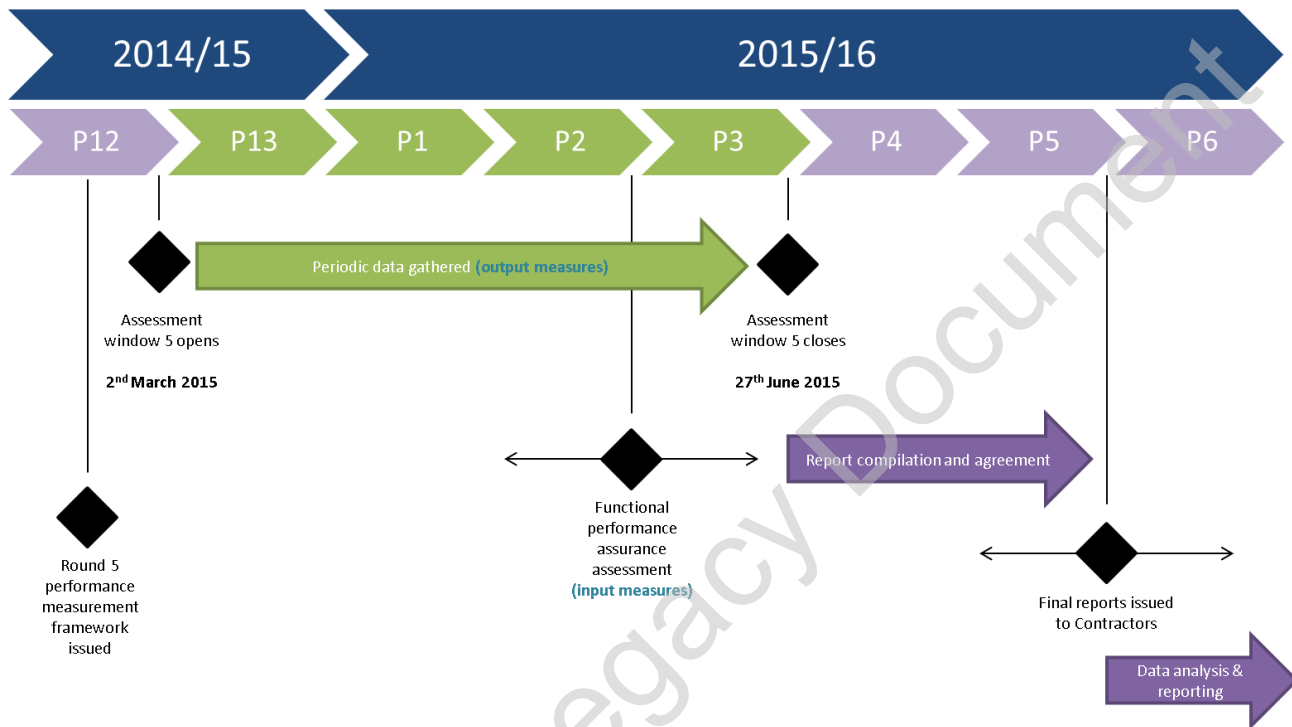


### 5.4 Frequency and Timescale of Assessments

Each assessment window takes place over four periods (1 round), with two assessment periods occurring annually.

Interviews/assessments will typically take place in third and fourth period of the evaluation window (or round).

The target for issuing the reports is two periods after the evaluation window closes. This is demonstrated below:



### 5.5 Interface with Internal Audit

The Key Participants will provide Crossrail Internal Audit (including TFL) with a level of “Self Assurance” over the performance management of the Programme. As part of the creation of a Performance Assurance function, Internal Audit (and TFL) were involved in the review and creation of the control frameworks to be used as the basis of performance assurance reviews.

The Head of Performance Assurance will be responsible for managing the interface between the Performance Assurance function and the Head of Audit. This will include aligning the Performance Assurance activity (review plans and outputs) with the overall Crossrail Audit Plan to ensure there are no duplications and to minimise the burden of concurrent audits on the site teams.

## 6 Performance Assurance Reviews

The Performance Assurance Review is a sequential process, covering the following stages:

1. Notification of Inclusion
2. Notification of Assessment Dates and Coverage
3. Qualitative Deep Dive Review of Inputs
4. Quantitative Metric Review of Outputs
5. Validation Process
6. Final Report

### 6.1 Notification of Inclusion

The contractor is sent a formal notification prior to an assessment window opening to inform them of their inclusion within the Performance Assurance process.

### 6.2 Notification of Assessment Dates and Coverage

Within the Notification of Assessment Dates and Coverage, the contractor will be issued with the schedule of assessment window dates. Also included will be the performance assurance framework by which they will be assessed, as well as “pre-read” information. This details the key purposes of the review, the required attendees, major risk items and the type of information the contractor will be expected to provide.

### 6.3 Qualitative Deep Dive Review of Inputs

Deep Dive Reviews are then carried out to assess the Inputs of the functional areas within the framework. The Contractors must provide evidence to demonstrate compliance with qualitative metrics specified in the framework, allowing them to be assessed on a scale of “non-compliance” to “world class” performance (Section 5.1 details the relevant scoring mechanism).

The focus of these reviews will be on diagnosing the reason for inadequate or exceptional performance and supporting improvement / establishment of the appropriate controls.

The duration of these reviews will vary dependent upon the issues being reviewed, however it is anticipated that they will be undertaken within a short time period of no more than one full day.

### 6.4 Quantitative Metric Review of Outputs

Output scores are calculated utilising information reported on a periodic basis by the contractors. A representative data sample covering 4 periods is taken and averaged. This average data is then compared to the criteria within the Performance Assurance framework to ascertain the Output performance level on the scale of 0-3.

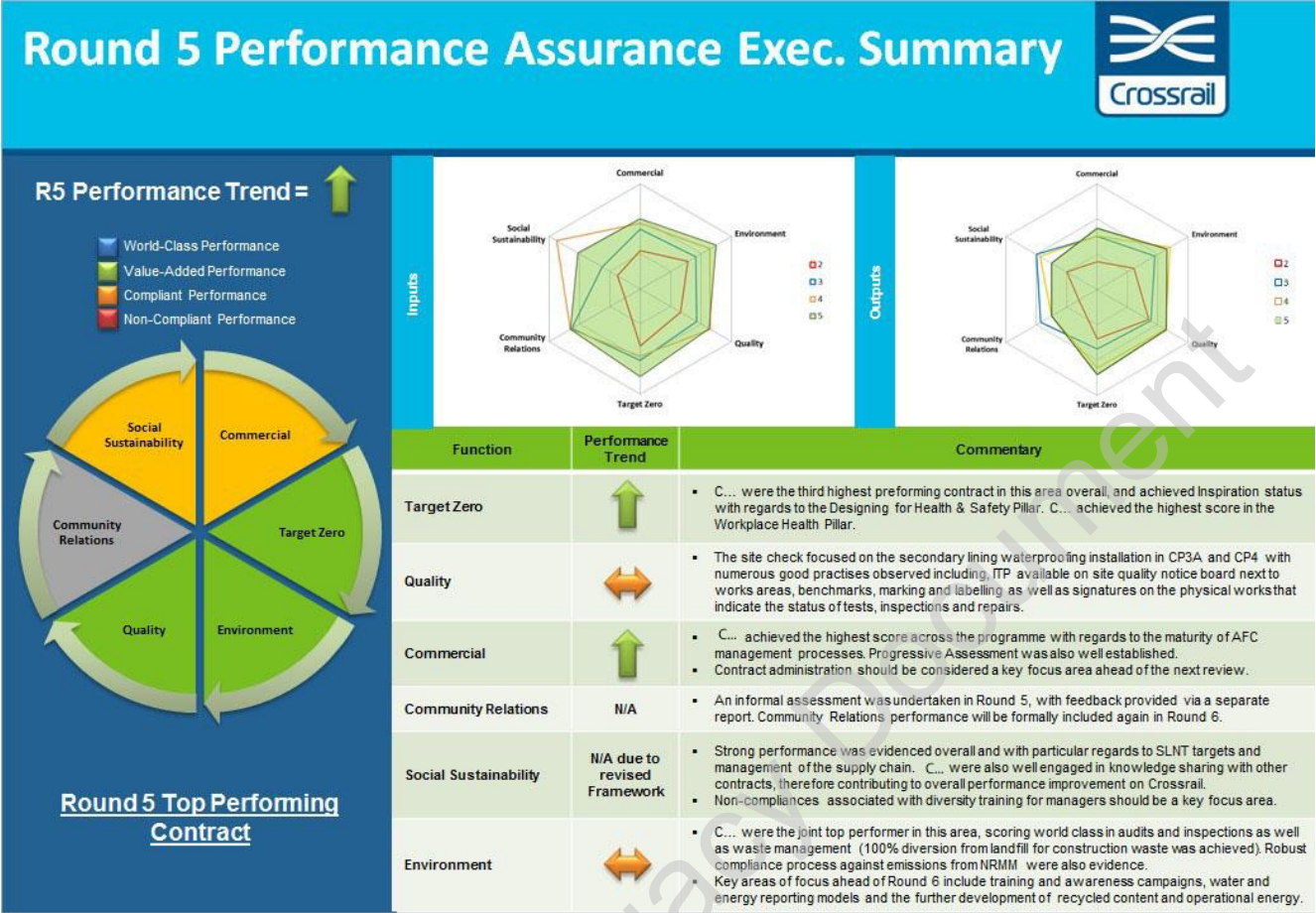
### 6.5 Validation Process

Draft feedback reports are produced and reviewed by various Crossrail staff, including programme, sector and project teams to ensure that the report and performance scores are a true reflection of the contractor’s performance level. The Performance Assurance Lead will manage this feedback process, and will direct any queries to the functions for resolution.

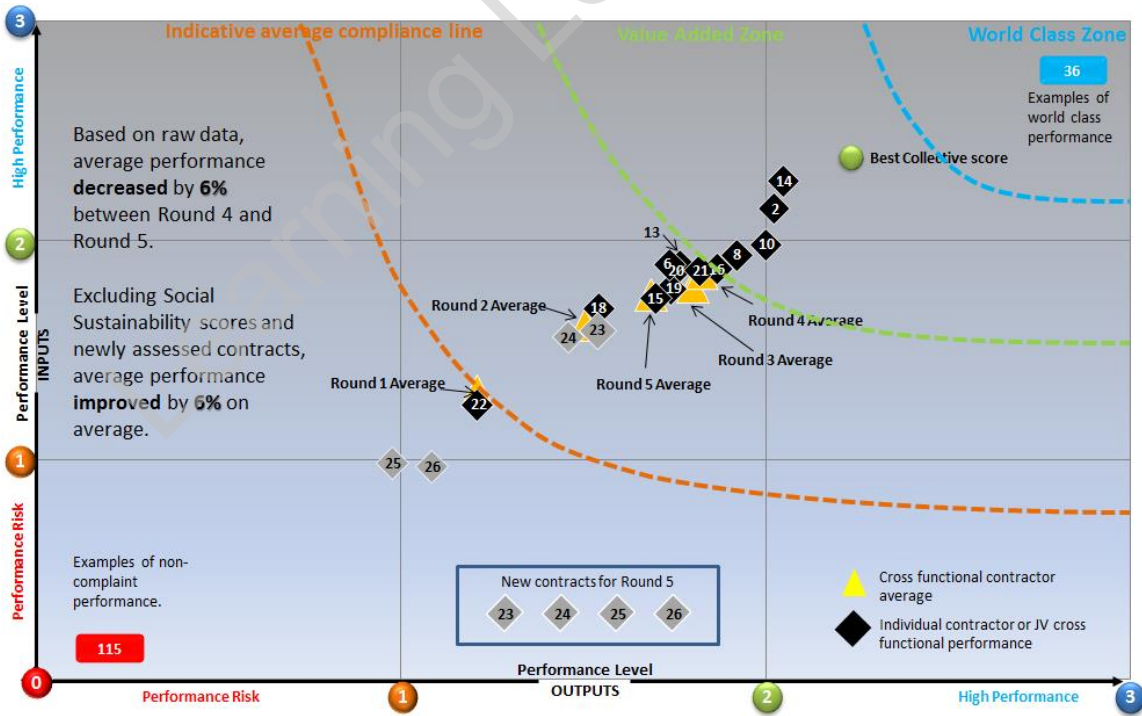
### 6.6 Final Report

Once the content of the feedback report is agreed, a final version of the report is issued to the Project Manager, who manages the release of the report to the contractor. The feedback report shall benchmark the Contractor’s performance in the context of the programme, and also provide performance averages by function and the performance trends from previous assessments. Example outputs are set out below:


Executive Summary:



Analysis by Contractor:



Contractor feedback report:

Round 5 Performance Assurance		Target Zero			
Performance Area	Input Performance Level	Output Performance Level	Performance Review Commentary	Performance Actions	
1. Leadership and Behaviour	2	2	<ul style="list-style-type: none"> <li>Well established BBS program.</li> <li>Monthly stand downs.</li> <li>Good subcontractor engagement with Lorclon director was also involved in last SUW.</li> <li>High level of reporting which is supported by QR readers. These link to reporting and is communicated during induction.</li> <li>Verification of competency for CPCS operatives prior to commencing work.</li> <li>Buddy system for certain roles i.e. signaller, slinger, which allows mentoring system.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to improve the level of detail in leadership tour forms so there is more detail on behaviours.</li> <li>Opportunity to have more competency checks for external parties.</li> <li>Show clearly how you are trending on your top issues (near misses and behaviours) over time and acting upon them.</li> </ul>	
2. Designing for Health and Safety	1+	2	<ul style="list-style-type: none"> <li>Designers engaged with leadership tours.</li> <li>Good planning of temporary works for supplying power to the head-house. Externally sourced to eliminate potential reducing noise, fumes etc.</li> <li>Temporary works register. All TW are approved designers and checkers.</li> </ul>	<ul style="list-style-type: none"> <li>Show further examples of designers leading on initiatives and innovative approaches.</li> </ul>	
3. Communication	2+	2+	<ul style="list-style-type: none"> <li>Golden Rules and Target Zero is well displayed around the site.</li> <li>Campaigns have included the Golden Rules and are supported by toolbox talks and posters.</li> <li>Golden Rules quizzes are part of breakfast briefing.</li> <li>Use of an operative's dashboard which is produced per period and disseminated on notice boards and other key locations.</li> <li>Appointment letters are issued once a person passes necessary e-learning i.e. asbestos.</li> <li>Good processes for 3rd party engagement, with support for local elderly residents.</li> </ul>	<ul style="list-style-type: none"> <li>General awareness of operatives wasn't high when it came to the Golden Rules.</li> <li>Opportunity to provide training to operatives that are providing toolbox talks.</li> </ul>	
4. Workplace Health	2	2	<ul style="list-style-type: none"> <li>Good application of the CBH process and system.</li> <li>Engaged with CBH regularly.</li> <li>Trained mental health practitioner onsite.</li> <li>Good use of HSE fatigue calculator for contractors.</li> <li>Visual aids in place to show how to deal with a spill.</li> <li>1:1 manual handling training.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to improve the process for notifying Crossrail of D&amp;A testing outcomes.</li> <li>Clarity (OH) provider has not been formally SEQUESH accredited.</li> <li>Opportunity to formalise the approach for identifying and managing hygiene issues on site.</li> <li>Opportunity to automate the management of HAV's exposure through Reactec or a similar system.</li> </ul>	
5. Workplace Safety	2	2	<ul style="list-style-type: none"> <li>Good linkage between risk control schedule and the 30,60,90 planning process.</li> <li>An emergency week is held three times a year.</li> <li>Mock up of lifting excavators to understand and control risks better.</li> <li>Good housekeeping practices.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to improve performance in GROFs around electrical systems, namely for the tagging of equipment.</li> </ul>	