

Final Outturn and Lessons Learned : Richmond Close Housing Project

1. This appendix reports the lessons learned from the project and the final outturn for the Richmond Close Housing project.
2. This appendix reviews the actual cost, timeliness and quality including lessons learned; to ensure a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management processes.
3. The project was for the construction of 13no. new build houses to the Homes and Communities Agency Code for Sustainable Homes level 4, consisting of 8No. 2 bedroom terraced houses, 4No. 2 bedroom semi-detached houses and 1No. 3 bedroom detached house.
4. The project was managed internally by Building Services and the Capital Projects team from inception to completion. The architectural design work for the scheme was carried out internally within the Building Design Section. The Mechanical and Electrical design work and Civil Engineering design work was undertaken by URS (formerly Scott Wilson) under an existing framework agreement. Onsite works were managed by Building Services acting as Principal Contractor. Building Services managed a number of individual contractors with differing specialism's to deliver the overall scheme.
5. The main works were carried out by Building Services (under the spirit) of a JCT form of contract. The contract value with Building Services was £1,363,384.00.

Cost

6. The table below summarises the project budget and final outturn.

Original Project Budget (CP1)	Original Approved Project Budget	Revisions to Approved Project budget	Approved Project Budget	Final Out Turn Cost	Variance (%)	Variance (Value)
£1,432,283	£1,447,000	£14,717	£1,447,000	£1,501,784	3.8	£54,784

7. The primary reason for the budget overspend was due to an additional payment made to a contractor in pursuance of a negotiated settlement of a contractual matter regarding claims for additional unspecified works of £80,000. This additional payment was negotiated by the Assistant Director – Technical Services.

Quality

8. The overriding quality requirement for the scheme was to ensure that the Code 4 for sustainable homes accreditation was achieved by the design and construction methodologies. This accreditation was confirmed on 13 June 2011.
9. There have been some issues with regard to the renewable energy installations selected for the properties. In particular the rain water harvesting system installed performed poorly initially and remedial works needed to be undertaken. It is felt that careful consideration should be given to the option of providing rainwater harvesting on future housing schemes. This lesson learned has been registered with both Client and Design teams.

Time

10. The table below summarises the project timeline.

Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Actual Completion Date	Schedule Variation (days)
17 December 2010	11 April 2011	8 March 2011	-34 days

11. The principle reason for the extended revised completion date was the fact that the initial mechanical and electrical contractor appointed RoK went into administration shortly after commencing work on the scheme. This meant that an alternative contractor had to be found to complete the required works. The revised completion date achieved was still in line with the expectations of the HCA.

Lessons Learned

12. The Asset Management and Capital Programme Review Board (AM&CPRB or AMG) has specific roles defined in the Council's Constitution. The Board shall maintain a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management.
13. The key findings and lessons learned from this project are summarised below:
14. It was felt that design meetings held at the pre-construction stage would have benefited more from contractor involvement. Subsequent schemes have been developed where possible with Building Services taking an active role earlier within the design process.
15. Due to the required funding timescales some development work had to be undertaken to tight timescales adding pressure to the design and construction

teams. It was suggested that lead in times for future projects are reviewed at early stage in the funding application process.

16. There was found to be some conflict between the requirements Code for Sustainable Homes, Lifetime Homes and the Building Regulations, all of which had to be met by the scheme. It was recommended that feedback regarding conflicts be fed back to funders when appropriate.

Procurement

17. During the build phase the Mechanical and Electrical contractor (RoK) went into liquidation. As a result of RoK's liquidation another M+E contractor had to be urgently found to minimise the impact on the overall programme. A replacement contractor was sourced to reduce the impact of potential delays.

Contract Management

18. In terms of contract management the main contract was delivered in the spirit of the JCT form of contract. Valuations were prepared on a monthly basis and evaluated by the Quantity Surveying team within Building Design Services. Once the respective valuations were agreed a payment certificate was issued from the Contract Administrator to Building Services approving the values to be paid. Variations encountered during the on site works phase were dealt with by the use of Architects Instructions which in each case were evaluated by the DBC Quantity Surveyor and Contract Administrator.

Health and Safety

19. The Construction Design and Management Co-ordinator (CDM-C) role for the scheme was procured internally and the services were provided by the Health, Safety and Wellbeing team. There were no reportable accidents during the construction phase. The scheme was registered with the 'Considerate Constructor's' scheme which gave a score of 32 out of a possible 40, rating the site as 'very good' and within the top 10% of construction sites visited.

Risk Log

20. The risk log for the scheme was regularly reviewed throughout the build phase. The majority of risks including contractor liquidation remained with DBC as the Principal Contractor. As a result of the delivery method there was limited scope to transfer risks.

Communications

21. Prior to works starting on site a consultation event for the project was held at Mount Pleasant School on 16 December 2009 between 4.30pm - 7.30pm and scheme plans were put on display Cockerton library from 16 December 2009 until 24 December 2009. During the construction phase a number of engagement exercises were undertaken at West Park Academy School.