

Project Profile

Ministry of Defence Partnering Agreement

Client	Ministry of Defence
Client Sector	Defence
Project Value	Up to £5m
Services Provided	Partnering Agreement Project Management Cost Management Design Planning Supervision
Project Size	
Architect	
Contractors	



Defence Estates (DE) South West Region has undertaken a significant seven year capital works programme valued at over £130 million, encompassing the provision of both new facilities and the refurbishment of existing buildings, many of which are listed.

The programme was let under a Strategic Partnering Agreement (SPA), and is being used by the Ministry of Defence and DE to assess and benchmark the performance of the parties involved in individual projects and the actual schemes. Key Performance Indicators (KPIs) were identified and agreed to measure the team's delivery of the project goals and objectives.

The SPA includes the procurement of all capital works projects valued between £240,000 and £5 million within the region, including the construction and or refurbishment of offices, training facilities, warehouses, industrial workshops, mess and barrack accommodation, together with infrastructure works and dredging.

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Rider Levett Bucknall assumed overall responsibility for design procurement, planning supervision, project management and cost management on all projects within the commission. Rider Levett Bucknall also acted as 'in-house' clerk of works, and employed partnering consultants on behalf of the client for the additional specialist design requirements.

Every project within the commission benefited from the instigation by Rider Levett Bucknall of four key project procedures which enabled accurate benchmarking of schemes and facilitated the development and delivery of best practice, namely:

- i. Partnering Workshops, to agree the job specific targets, timeframes and budgets; the 'Charter Goals', were held at the start of each project.
- ii. Value Engineering Workshops were initiated, to establish best value for money criteria and satisfy client and sponsor needs.
- iii. Quarterly Review Reports were prepared on each scheme, to monitor on-going performance against the agreed criteria, promote constructive feedback and discussion and ensure delivery and client satisfaction.
- iv. Close Down Meetings and Reports, undertaken at, or shortly after, the completion of each project, were invaluable in assessing performance against KPIs and in identifying process refinements.

The adoption of this range of clear measurement criteria, combined with Rider Levett Bucknall's flexible and proactive approach when confronted by changes of circumstance enabled and ensured that each of the projects was completed within budget.

Initially awarded to Rider Levett Bucknall as a three-year contract, the SPA was extended for a further four years, and to date over £8 million gross fees have been expended on 110 individual projects, with a total construction value in excess of £130 million.

Key Services:

- **Programme delivered on time and budget**

110 projects have been undertaken within the Partnering commission. At August 2006, 102 of these projects were complete beyond the defects liability period.

All of the projects were completed within the Average Risk Estimate budget set at the beginning of the project.

Most of the variations undertaken on these projects were due to design development or client changes and were accounted for as identified risk items.

- **Effective supply chain management principles employed, to ensure delivery of cost efficiencies**

The Partnering contract was set up by Defence Estates to include design services provided by partnering consultants, with a range of specialist consultants employed where appropriate on each project.

A matrix of fees was agreed between Rider Levett Bucknall and their consultant panel depending on the nature of the project, the procurement strategy and the contract value.

The benefits derived from working together were linked to a robust system of pre-agreed performance measures, allowing both service delivery and team working/partnering to be evaluated on a quarterly basis.

A Performance Handbook was prepared to enable all parties involved in the projects (Rider Levett Bucknall, Defence Estates and Project Sponsors) to assess the performance of the team, using a simple scoring criteria.

- **Introduction of a Quarterly Report enabled rapid project review, problem elimination and capture of best practice principles**

For every project, the reviews included the following:

- i. Monitoring of performance scores against all work stage deliverables.
- ii. Measurement of goal achievement against the Charter Goal scores agreed and set at the initial Partnering Workshop
- iii. Assessment of the accomplishments of the commission to date.
- iv. Targeting of performance areas requiring improvement and identification of appropriate solutions.
- v. Analysis of high quality performance areas and capture of good practice for use on other projects.
- vi. Identification of ways to continuously enhance the service delivery.

By graphically comparing both Charter and Performance Scores for the project on a quarterly basis, continuous improvement trends have been clearly demonstrated.

- **Earlier Rider Levett Bucknall involvement led to reduced lead times and lower fees**

Although not originally included in their SPA Commission, Rider Levett Bucknall's Partnering Team took responsibility for the production of Project Briefs following in-depth discussion and agreement with Defence Estates.

Adoption of this system enabled the earlier involvement of the Rider Levett Bucknall team, which resulted in reduced lead-in and programme periods and reduced fees overall.

- **Fast-track procurement procedures**

The SPA allowed the rapid procurement of surveys, goods and services with orders placed direct by Rider Levett Bucknall, rather than via the client.

This enabled Rider Levett Bucknall to review the critical path of each project, and pre-order items with long lead times, to achieve final completion on time.

- **Process streamlining and limitation of client risk during the early stages of each project**

The original Partnering Contract required a Viability Report, including a comprehensive review of the Option Studies previously undertaken, to be carried out upon receipt of each Project Brief. The process was streamlined by bringing Rider Levett Bucknall into the project at an earlier stage to prepare the Project Briefs based on the Option Studies, thus reducing the Viability Report down to a succinct Viability Statement.

This change in process limited the client fee risk, should the Viability Statement recommend that the project was not viable.

It also gave the Rider Levett Bucknall team an early involvement and thorough knowledge of the works, which, coupled with the term commission, enabled time efficiencies and reduced lead-in-time for works to be delivered.

- **Identification of common problem areas and implementation of best practice**

The quarterly project reviews enabled Rider Levett Bucknall to identify common problem areas and introduce procedural changes to eliminate similar issues and to improve service delivery on both current and future projects.

- i. Examples include: Rider Levett Bucknall Quantity Surveying staff in the earlier stages of the project, the accuracy of pre-tender estimates improved through the introduction of additional checking procedures to ensure quality assurance on all documentation.
- ii. 'Toolbox talks' have been introduced to ensure all project managers are aware of current requirements and that a common approach to service delivery is maintained across the project spectrum.

- iii. Quarterly meetings involving all partnering consultants provide iterative 'cascade feedback' from the quarterly reviews held with the client. Both sets of meetings are also used to identify areas where improvements in communication and approach can be made.

A project close down meeting, involving the review and scoring of the Partnering Charter by each party involved with the contract enables all parties to properly review the overall project objectively and constructively with the benefit of collective hindsight and to identify where process and delivery improvements can be made.

- **Introduction of innovative build solutions to deliver fast track, cost effective solutions**

Provision of a modular solution to the Single Living Accommodation (SLA) problem at HMS Collingwood provided a fast track, economic solution with high quality finishes and a design format that was then repeated for further phases of the accommodation project.

This innovative solution was also used as a prototype for the SLA project team requirements.

The Department of Nuclear Science and Technology (DNST) relocation from Greenwich to HMS Sultan, Gosport was carried out with extreme urgency. Rider Levett Bucknall constructed facilities using 'temporary' prefabricated buildings, whilst preparing the detail for permanent replacement. DNST were so delighted with the quality of the 'temporary' facilities, the requirement for long term facilities was suspended.