

## Appendix 3

### Delivering The Capital Projects

The process within the term contracts is generally designed around the RIBA Plan of work. The process and sequence from inception to completion of capital works contracts is as follows:

Stage	Stage 0 Strategic Definition	Stage 1 Preparation and Brief	Stage 2 Concept Design	Stage 3 Detailed Design	Stage 4 Technical Design	Stage 5 Construction	Stage 6 Handover and Close Out	Stage 7 In Use
Lead Responsibility	Asset Strategy	Client Representative	Service Provider	Service Provider	Service Provider	Service Provider	Service Provider	Strategic Alliance
Project Stage		Client Brief	Project Execution Plan	Pre-commencement Order	Provider Proposals	Commencement Order		

The contract anticipates the Service Provider presenting two comprehensive documents before the commencement of any construction activity: those being a Project Execution Plan and subsequent Service Provider Proposal, representing stages two and four of the RIBA Plan of Work (the content of each stage may vary or overlap to suit specific Task requirements).

The Service Provider does not proceed beyond each stage without receiving further instructions from the Client's Representative. Below is the TPC agreed workflow.



### Client Brief

A draft Client Brief is prepared by Asset Strategy and passed to the Major Works team for completion and issue to the Service Provider.

The developed Client Brief issued to the Service Provider will comprise.

- Independent condition surveys
- Repairs history
- Consultation records
- A third party commissioned report to ensure that it is independent
- Cost plans
- Programme
- Preliminary design strategy
- Operations & maintenance manuals and Health & Safety files for the block(s)
- Fire risk assessment reports and any other fire assessment report
- Asbestos management surveys
- Site-specific risk registers
- Previous stakeholder consultation and communication
- Major works history
- Assessment of budget against indicative lessee liabilities
- Preliminary Risk Registers
- Required design standards, guarantees, warranties and the like
- Summary of works required

The final Client Brief is approved for issue by Programme Board which is a group of senior technical managers within the division.

### **Project Execution Plan - PEP**

The Service Provider is required to prepare and submit to the Client Representative a Project Execution Plan within four weeks of receipt of an authorised Client Brief.

The PEP shall comprise the following information and documents to inform the Client Representative of the Service Provider's intentions for the design, procurement and construction activities identified in any Client Brief.

- Design Strategy
- Programme
- Resource Plan and Preliminaries
- Provisional Cost Plan
- Enabling Works
- Risk Register
- Survey, Measurement and Scheduling Strategy
- Procurement Strategy
- Communication Plan

### **Service Provider Proposal - SPP**

Following receipt of any PCO, the Service Provider shall prepare and submit to the Client Representative a SPP in accordance with the agreed PEP.

The SPP comprises a detailed record of all information necessary for the Client or Client Representative to instruct the commencement of the Task works. These include:

- Design and Design Approvals
- Programme and Trade Resource Plan
- Site Overheads Resource Plan and Preliminaries
- Revised Cost Plan including Business Cases for work packages
- Risk Register
- Information Required
- Communication Plan
- Quality, and Inspection and Test Plan
- Construction (Design and Management) Regulations 2015

### **Notice of Estimate (NOE) – Section 20**

The final SPP and recommendations are approved by the Programme Board for subsequent issue of the NOE to leaseholders and Pre-commencement Order to the Service Provider.

### **Commencement Order (CO) and start on site**

The final SPP and recommendations are approved by the Programme Board for subsequent issue of a CO to the Service Provider.

Subject to leasehold observations received during the NOE period, the Client Representative issues the CO to the Service Provider in the format set out in the term contract based upon the Service Provider's agreed SPP.

The Service Provider will mobilise and commence works following receipt of a CO.

## **Project and Programme Financial Management**

Project costs are estimated, reviewed, checked, monitored and value engineered in the following way and at the following stages;

### **30 year programme**

The Asset Database has elemental costs which are updated periodically and give a high level budget cost for each element.

### **Client Brief**

Once a project is in the 5 year programme the client brief process will start and the scope and budget cost will be worked up. The budget cost is produced using various sources including external consultants, current and recently completed works. Additionally, the budget cost is also reviewed by the commissioning team and the contractor prior to finalising the client brief.

### **PEP/SPP/On site stage**

The Cost Plan for the Task submitted by the Service Provider is evaluated by the Commissioning Teams Quantity Surveyors to ensure this represents value for money, this budget figure is recorded on the monthly Dashboard/Status Reports giving transparency to the organisation.

The value of work is managed between the Service Provider through their monthly applications which would typically represent the tasks they have completed in that month; the application is then evaluated by the Client Representative and Quantity Surveyor to challenge and remove any "overvaluing of work". The Client has the right to justifiably reduce any value application from the Service Provider.

There are occasions when the Service Provider would be instructed by the Client Representative to carry out additional work to a particular on-going Task. The Service Provider will need to evidence their costings to the Client Representative and Quantity Surveyor, showing that it represents value for money and once it has been agreed, they can proceed.

The financial management is critical to ensure costs are controlled within the programme period and that value for money is demonstrated throughout the project duration.

There are scheduled monthly financial meetings with the Service Providers Quantity Surveyors, WCC's Quantity Surveyor and Client Representative; these meetings allow for both parties to discuss works that may have been signed off by WCC and the on-going works where it would be quantified by WCC and an agreed value would be paid.

The Quantity Surveyor is the gate keeper for cost control throughout the contract period; however, should there be unforeseen circumstances on a larger scale which may manifest, and if it is deemed a priority to address, then the team would need to raise a Change Request for the agreed value required to rectify the larger scale work, and this would go through two stages of governance which are Project Board and Programme Board for approval.

