

## Establish a strategy for each project and communicate this to all members of the team

A successful project requires all parties to work together in genuine teamwork, and with the same degree of planning as any other important investment decision.

To achieve this you should establish a framework to steer all parties through to completion by:

- 5.1 Making sure enough time is spent defining what is required from each project and by when.
- 5.2 Establishing an integrated team at the outset that consists of the right people.
- 5.3 Appraising options that are available for delivering the project and confirming the business case accordingly.
- 5.4 Choosing the right procurement route and form of contract for your project.
- 5.5 Developing a Project Procurement Strategy or Project Execution Plan that brings all this together.
- 5.6 Briefing every member of the team properly.
- 5.7 Ensuring that the needs and aspirations of stakeholders and end users continue to be the main focus.

**The following pages explain how to do this.**

## Making sure enough time is spent defining what is required from each project and by when

- Standard procedures within your authority should allow time for full consultation with clients, stakeholders and end users, for every project.
- Consultation must include clarifying the objectives of the project, when completion is required and the funds that are available;
- It should also include clarification of the client's and stakeholders priorities regarding time, cost, and quality.

**Allow time  
to consult**



## Establishing an integrated team at the outset that consists of the right people

- The design, planning and costing of a project need to be carried out by an integrated team consisting of the client, designers, stakeholders, main contractor, and key suppliers as well as tenants and end users where relevant.

See 'Building Success' produced by the Construction Products Association for case studies of where early involvement of manufacturers and suppliers has brought real benefit to construction projects. [www.constprod.org.uk](http://www.constprod.org.uk)

- If any team members are to be selected from the private sector, appoint them using quality evaluation criteria and not just on the basis of lowest price.
- People appointed to the team must be suitably qualified, experienced and able to work well with other team members. So, when members are to be appointed from the private sector, make these part of your quality evaluation selection criteria.

The greatest benefits are obtained from using teams that have successfully worked with each other before. So, wherever possible, think about establishing long term agreements with team members (see section 2.5).

- Nominate a Project Sponsor to take responsibility for the client's role, and particularly to communicate with the Project Team. It will be necessary for the Project Sponsor to be vested with authority to take day-to-day executive decisions and should have direct access to the people making key decisions. Have a look at Appendix 6 within the Supporting Information for an outline of the Project Sponsor's role.
- Project Sponsors may need technical advice, so appoint a Client Advisor (either from in-house or external consultant) to support them until a decision is made to commit to the project.

## Appraising options that are available for delivering the project and confirming the business case accordingly

- The preparation of business cases must be part of your council's culture.
- Your standard procedures should require Project Sponsors, in liaison with Client Advisers, to identify all practical options that will achieve the objectives of their projects.
- They should compare all costs, benefits and risks associated with each option on a common financial basis and against other relevant criteria. This may involve the commissioning of feasibility studies in respect of the most likely options;
- Make sure they address all issues throughout the life of the asset (see section 2 in Operational Issues);
- Give the team time to work out the optimum design solutions with end users.
- The 'preferred option' identified as a result of the above should be confirmed in a Business Case, which should:
  - include an outline programme that allows realistic periods for essential activities, including obtaining statutory consents, design, construction and commissioning; and
  - highlight the significant risks (which should be fully documented in a pre-commencement Risk Register) and how it is envisaged that they should be managed.
- The Business Case will be used to develop the Strategic Brief and ultimately the full Project Brief and should therefore be fully agreed with stakeholders and end users.
- The agreement of an Outline Business Case is a key stage in the procurement process and represents the point from which decisions will be made to commit the authority to significant expenditure. Consequently, your procedures should require formal approval to be sought for each Business Case (perhaps from the member and chief officer procurement champions) before schemes are progressed further.
- The Successful Delivery Toolkit maintained by the Office of Government Commerce [www.ogc.gov.uk](http://www.ogc.gov.uk) contains detailed guidance on how to produce a sound business case. Appendix 4 within the Supporting Information provides an extract from the Toolkit, the full version of which is available on CD.
- For further information look at:
  - ▶ 'Making the Right Choices - A Practical Guide to Project Appraisal' 1996 from the CIPFA [www.cipfa.org.uk](http://www.cipfa.org.uk)
  - ▶ 'Planning to Build? A Practical Introduction to the Construction Process' 1995 from CIRIA [www.ciria.org.uk](http://www.ciria.org.uk)

## Choosing the right procurement route and form of contract for your project

- Your authority should have a corporate policy as to which procurement routes are generally best for different types of projects.

There are various procurement routes available (e.g. traditional, design led; design and construct, management fee etc.), each supported by a standard form of contract, and each placing different demands, risks and responsibilities on everyone involved.

In particular, procurement methods vary in the experience and amount of input required of the client, the timings of financial commitment and cost certainty, the basis of calculating payments, and the allocation of risks.

It is important for all of the above issues to be considered within the corporate policy.

- The corporate policy should clarify the potential benefits offered by relatively new procurement routes such as partnering and the use to be made of non-adversarial forms of contract such as PPC2000 or the NEC family of standard forms.
- Within the context of corporate policies, standard procedures should still require the relative advantages and disadvantages of the preferred procurement route to be considered to confirm its suitability for individual projects.

- For detailed guidance on selecting procurement routes, have a look at:

- ▶ 'Choice of Procurement Route' Constructing Excellence Fact Sheet;
- ▶ 'Procurement and Contract Strategies' Procurement Guide No 6 within the Achieving Excellence in Construction: Procurement Guide from the OGC [www.ogc.gov.uk](http://www.ogc.gov.uk)

## Developing a Project Procurement Strategy or Project Execution Plan that brings all this together

- Your standard procedures should require Project Execution Plans to be produced for all schemes that highlight the project objectives and the decisions that have been taken as to how they are going to be achieved. The Plans should include a timetable with dates for key events and gateways.
- Allow enough time within the Plan for carrying out all the functions required of the client, particularly in adhering to statutory obligations. Adequate time should also be allowed for candidates to respond to tender enquiries. Look at the table at Appendix 5 within the Supporting Information, which was contained within the Construction Industry Board's 'Constructing Success' in 1997.
- Your standard procedures should require the Plan to be monitored and kept under continuous review.
- The Plan is the means of communicating the expected outcome to all the people involved. It should describe the expected end result, not just of the procurement itself, but how the procurement combines with other activities to help achieve the authority's overall goals.

## Brief every member of the team properly

- You naturally expect all members of the team to work efficiently together towards achieving a successful completion of your projects. However, for them to do this, it is vital that they are all properly briefed first.
- A major reason for the failure of projects, is the failure to communicate properly your requirements and the relevant constraints to members of the Team. Standard procedures should require Project Briefs to be prepared and arrangements should ensure that appropriate officers are fully trained in how to prepare them.
- Detailed guidance on how to produce briefs, including several useful checklists of the questions that need to be asked, is contained within 'Briefing the Team' that was produced by the Construction Industry Board (CIB) in 1997. Appendix 3 within the Supporting Documentation reproduces the Essentials of a Brief as described in the document. The CIB no longer exists, but their full range of guidance material is still available. [www.thomas-telford.co.uk](http://www.thomas-telford.co.uk)
- Although the Council's objectives must be as firm as possible at the point when the brief is finalised, it is almost inevitable that changing fashions will eventually modify your requirements. Therefore, flexibility in use should be a primary objective written into the brief. In particular, the opportunity for changes within the external envelope should be a priority requirement for large buildings such as schools, sports centres or office accommodation.

## Ensure that the needs and aspirations of stakeholders and end users continue to be the main focus

- Maintain customer focus by involving all members of the supply chain and making sure they understand the needs of stakeholders and end users.
- Share plans and visions with all members of the supply chain and learn from each other;
- Be less confrontational and be proactive rather than reactive.
- More information:
  - ▶ Introduction to Supply Chain Management from CIPS
  - ▶ Strategic Supply chain Management: An implementation toolkit: from CIPS
  - ▶ The Seven Principles of Supply Chain Management 1997: from Cahners Business Information

## Why do all this?

- Because choosing the system for procuring the skills and resources needed for design and construction is a key strategic decision which will set the framework for carrying out the project. You need to get this right!
- If you get it right from the start, you are much more likely to get it right throughout the project
- To help ensure all members of the team pull in the same direction and have a clear understanding of what is required.