

07 September 2012



# **ASSOCIATION OF CONSULTANT ARCHITECTS ANNUAL AWARD 2012: PRACTITIONER INNOVATION IN PARTNERING USING PPC2000**

Case study: Places for People  
Asset Management Programme 2009 - 2014





# Association of Consultant Architects

## Annual Award 2012: Practitioner

### Innovation in Partnering using PPC2000 & TPC2005

The Award:	An invitation to submit a research paper or case study relating to Partnering using PPC2000 and TPC2005 Partnering Contracts
Award Presentation:	The winner/s will be announced from shortlisted applications at the formal Awards Dinner and presented with the Award at a formal presentation dinner on the 8th October 2012 at the Hilton Metropole Hotel, Brighton.
Awards Dinner/ PPC Conference	The Awards Dinner is on Monday 8th October as above. The Annual PPC/TPC Conference takes place at the same venue the following day, Tuesday 9th October. Shortlisted candidates can attend both the dinner and the conference a discounted rates.
Publications:	Winning entries will also be published by the ACA in publications and websites relating to PPC2000/TPC2005. A booklet of the shortlisted applications will be available the Awards Dinner and the applications will be issued to the construction press.
Submissions:	<p>Clients, constructors, specialists, architects, engineers, quantity surveyors, lawyers, consultants and partnering advisers are encouraged to apply.</p> <ul style="list-style-type: none"><li>• 1000 - 2000 word submission, drawn from recent/current innovative research or experience of partnering</li><li>• Illustrations and photographs may be included</li></ul>
Entries and Enquiries	<ul style="list-style-type: none"><li>• e: <a href="mailto:awards@acarchitects.co.uk">awards@acarchitects.co.uk</a></li></ul>

**07 SEPTEMBER 2012**

Judging Criteria:	<ul style="list-style-type: none"><li>• Relevance to PPC2000/TPC2005 partnering theme and its application in the construction industry or other industries.</li><li>• Is the paper worthy of presentation at a professional CPD seminar?</li><li>• Readability, quality of analysis, explanation and discussion of chosen topic/project case study.</li><li>• Originality and insight.</li><li>• The extent to which the paper adds to the current body of knowledge surrounding contracting through partnering.</li><li>• The extent to which the paper highlights good value for money, effective collaboration, best practice, sustainability, training and employment initiatives, quality of good design, joint risk management etc.</li></ul>
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For full information and conditions visit:

[www.ppc2000.co.uk/conference.html](http://www.ppc2000.co.uk/conference.html)

Sponsored by: The PPC/TPC Steering Group and The Association of Consultant Architects



# ACA Annual Award 2012: Innovation in Partnering using PPC2000/TPC2005 Practitioner - Application Form

Sponsored by the PPC/TPC Steering Group 07 SEPTEMBER 2012

**The Award:** Entries must be no more than 2000 words and should include pictures to illustrate highlighted projects or innovations from recent/current projects. Entrants to all categories must also fill in the table below and the entry form overleaf. In your submission please provide information on the following points:

**Summary:** • In no more than 250 words summarise why your application deserves to win this award in 2012.

Places for People is one of the largest property management, development and regeneration companies in the UK, owning or managing 62,034 homes with assets of more than £3 billion. Our business is reliant upon the delivery of a successful programme of capital works being undertaken in partnership with our constructors and we needed a contract which delivered our ambitious £140 million, UK wide programme of investment within an extremely tight deadline.

Using PPC 2000 awarded under a Framework Agreement with a binding strategic alliance agreement between Places for People and our four partnered contractors, Keepmoat, Forrest, United House and Seddons ensured that all our homes now meet the Government's Decent Homes Standard. Improvements have been achieved to around 10,000 homes providing 1,505 kitchens, 1,295 heating systems, 1,701 new doors, windows and roofs and 4,720 other types of works such as rewiring and painting.

Our research has shown that this investment has not only contributed to higher levels of customer satisfaction, but has also made homes 20% warmer and increased the value of the properties.

We are on target to achieve 0% inflation for the life of the contract through working together with our partners to improve the efficiency in the supply chain and delivery. Using the partnering approach allowed us to collaborate on the specification to get products of better or equal quality which offered greater value for money whilst having no impact on the product received by our customers.

The success of the Decent Homes Programme has delivered benefits to the local community and our key contractor partners.

**Application form:**

Contact Name:	Judith Page
Job Title:	Head of Asset Management Delivery
Company Name:	Places for People
Address:	305 Gray's Inn Road, London,
Postcode:	WC1X 8QR
Telephone and Email:	<a href="mailto:Judith.page@placesforpeople.co.uk">Judith.page@placesforpeople.co.uk</a> 0207 843 3865
Signed:	<i>Judith Page</i>
Date:	07.09.12

**Checklist:**

- † Have you filled in your details on the entry form?
- † Have you filled out the relevant form and/or provided evidence (photographic or other) where appropriate?
- † Have you completed your maximum 2000-word entry on no more than seven double sided pages of A4?
- † Have you provided a summary?

**Submission:**

Email the application to: [awards@acarchitects.co.uk](mailto:awards@acarchitects.co.uk)

## **Places for People Decent Homes Programme**

### **Submission for Annual Award for Case Study for Innovation and Partnering using PPC 2000 and TPC 2005**

#### **1 Award Submission**

##### **1.1 Background**

Places for People is one of the largest property management, development and regeneration companies in the UK. We own or manage 62,034 homes and have assets of more than £3 billion.

One of our greater challenges in undertaking our major capital works refurbishment programme was the extent and the spread of our housing stock. This meant we had to select partners who were geographically able to deliver the challenging £140 million refurbishment programme to our customers and achieve high levels of customer satisfaction. Through an extensive and detailed procurement process four partnered constructors were selected and appointed using a framework agreement between Places for People and each individual constructor with annual awards of work being governed by PPC 2000. We also ensured that the constructors all signed a Strategic Alliance Agreement to embody the spirit of co-operation and collaborative working for the benefit of the Programme as a whole.

Planned refurbishment works were scheduled for the period 2010 to 2014. Works have included upgrading works generally, replacement of roofs, windows, doors, heating systems, kitchens refurbishment, electrical wiring and external repairs and painting.

##### **1.2 Challenges**

###### **Consistent Working Practices**

The partnership consists of four partners: Forrest, Keepmoat, United House and Seddons. Each of the constructors is responsible for a large geographical area with diverse stocks made up of estate and street based properties, a challenge in itself compared to most other capital programmes. There was a desire for all four constructors to deliver a consistent service to all customers across the geographically dispersed partnership.

One of the major early challenges of the partnership was to develop and adopt policy and procedures with all the partnering constructors alongside the delivery of the first year of the works programme to the tight December 2010 Decent Homes deadline.

Partnering days took place in the first 2 months of the contract to identify the requirements of each project team and ways of working together. Once the required work streams had been identified a number of cross contractor working parties were set to deliver the policies and procedures which were required to ensure start on site could be achieved by the required date. Customers and staff from the wider business at Places for People were included as members of the working groups where appropriate.

A number of the working parties including KPIs, Health and Safety and the Commercial Working Groups have continued to meet at least twice a year. Others only met to complete specific tasks and some reconvene on an ad hoc basis to review their work stream when it is felt necessary.

We are currently holding a series of partnering events titled “Good to Excellent”. These involve the delivery teams for the contracts looking at ways in which they can improve working practices. A survey has been undertaken prior to each of the events to look at which areas need to be focused on and an improvement plan is put together at the end of each event for the individual teams.

All the plans will be brought to Core Group. Where there are themes which have cut across the partnership, a partnership improvement plan will be put in place and working groups set up where appropriate.

### **Work streams**

The type of work is driven by each and condition of the elements which require replacement; this has led to a programme which is based on the individual requirements of the property rather than an estate based or single element programme. Understanding the detail of the works required and the most efficient way to deliver these has been one of the challenges of the partnership.

The identified programme came from baseline stock condition survey data and the anticipated requirements for each individual property came from the PIMSS asset management database we operate.

This presented a number of challenges at the start of the partnership which were overcome by:

- 1) Surveying the properties which were identified on PIMSS to confirm whether or not they required works and what was the nature of those works.
- 2) Getting customers to understand what works they were getting and why it might be different from their neighbours.
- 3) Getting the constructors who were carrying out the surveys to understand what Places for People standards are.

A working group was set up to design the survey form and all the relevant members of the partnering team were trained on completing the forms. The front line staff at Places for People worked closely with the staff from the constructors to ensure a joint approach and quick decision making. The process has been continually reviewed to improve delivery and make sure that it is as efficient as it can be.

### **Customer Engagement**

The type, geographic spread and nature of the works being undertaken by this partnership have meant that customer involvement has not always been easy.

There were a group of involved customers who have been with the Project from its inception. They were involved in the selection of constructor partners and took a key role in the working groups when we were setting up the original process and procedures.

All of the communication with customers including the finishes choices and the access procedure had a high level of customer involvement.

Customers have continued to be involved at a national and local level on the delivery of projects and in particular as 4 key members of the National Core Group.



They have also been actively involved when we have been reviewing the supply chain during the life of the contract, such as selecting windows and doors suppliers (See Picture 1).

Picture 1.



### 1.3 Achievements

#### **Delivery**

Places for People met the Decent Homes deadline in December 2010 and our stock has been maintained at that level since that date.

#### **Cost savings**

All the partners have worked together, using the PPC 2000 structure, to identify areas where efficiency would be achieved on the project. The assumption at the start of the contract was that there would be an annual RPI rise on the contract. Through working together for the last 3 years that the partnership has been in place, we have successfully managed to mitigate inflation.

#### **Customer satisfaction**

The rates of customer satisfaction throughout the partnership have never fallen below 90% and currently sit at 95%. Year on year we have achieved improvements in customer satisfaction and this has been achieved by using the PPC 2000 partnering approach to share good practice across this diverse, geographically spread partnership.

In September 2012, Places for People are undertaking a joint customer and staff review of the customer experience of this Decent Homes Project.

#### **Community Benefits**

When the contract was let there were high expectations on our Constructor partners to deliver wider benefits as a result of these projects and we have not been disappointed by the end results.

Picture 2



There have been a number of customer events which have been held through the life of the project especially focussing on keeping our younger residents occupied during the school holidays (See Picture 2).

There have been additional works done to communal areas, including converting a disused storage area into a hairdressing suite in a sheltered scheme and environmental improvements to green spaces on schemes (See Picture 3).

Picture 3



There have been a number of work place opportunities given through out the life of the project with apprenticeship, work experience placements and internships given by Places for People and all the of the Constructors who are working on the project. This was first established by a contractual obligation to deliver targeted recruitment and training initiatives over the life of the contract. Over 40 trainees and apprentices have been put in place across the partnership to date.

Andy Beecroft from Seddons said "We are very pleased to offer local employment to someone who has grasped the idea of learning a trade and realises the difference this opportunity can make to both him and his family's life."

### **Constructor Satisfaction**

It was also vital to us as part of this project that Places for People operated as a responsible and attractive client with a constructor who is committed to working with us in a true partnership. It was important that the contract we adopted allowed this relationship to flourish and to effectively engage our Constructors in these particularly difficult times for construction. Constructor feedback can be found below.

*"Through collaborative working and lessons learnt over the first two years of the Partnership both Forrest and Places for People have been able to deliver year 3 of the programme in a 7 month period which will see savings being made and early completion of the works prior to the on-set of winter weather."* Andy Witter, Director of Frameworks, Forrest.

*"our partnership with places for people and the partnering contractors forest and UHL, continues to exceed delivery aspirations despite the obvious and significant geographical and logistical challenges we face. We continue to strive towards continuous improvement and collaborative working through sharing best practice and through our recent partnering days around the country. It is a partnership in the true sense of the word"* Mark Kearney, Operations Director, Keepmoat

*"From the United House point of view our Places for People Partnership has been both challenging and rewarding. It continues to evolve, creating a worthwhile impact on the communities in which we work"* Duncan Johnson, United House

## **1.4 Use of the contract**

The use of the partnering form of contract has enabled us to deliver the contract in an efficient way. If we had gone down the traditional route with a project of this nature the administration involved would have hindered delivery and been very intense.

The project documents have been reviewed annually to reflect the increased understanding between the partners, to reflect best practice and improve the effectiveness of the way in which we work together.

The way in which the PPC is set up with the pre-commencement agreement allowed validation work to be undertaken whilst the scope of works was being finalised. The work streams for each Constructor have been divided into sub-projects and the commencement agreement allows us to do this which means the project is delivered quickly and efficiently.

Ninety per cent of the information required to deliver the project is included in the price framework, project brief, and the projects proposal. We have improved the commencement information year on



year which has resulted by year 3 of the project having a simple commencement agreement in place which ensures documentation is always in place at the correct stage in the project.

The Core Group has enabled best practice to be shared across all the partners and cross constructor improvements to be consistent.

By utilising the alternative dispute resolution provisions where issues have arisen with partners we have been able to resolve them at the lowest possible level and in a non-confrontational way.

We were also able to use the alliancing arrangement to bring together the constructors to share expertise, best practice and solutions to overcome similar problems.

## 1.5 **Process**

The type and nature of the works mean that the contract could potentially have been very admin heavy which could impact on the successful delivery of the project which was running to a very tight deadline for delivery in 2010. A number of processes have been put in place to minimise the impact of this and the use of PPC 2000 has enabled us to do this.

### **Payment Terms**

We worked closely with the constructors at the start of the contract to come up with a payment regime which minimised administration and helped with cashflow for both the constructors and the supply chain. The constructors are paid 30% when a property is opened up and 100% when it is closed.

### **Change Control Process**

Two streams of possible variations were identified and a process set up for both. The processes have enabled us to comply with the contract with early decision making which reduces delays on site.

## 2 **Conclusion**

The use of the PPC 2000 partnering form of contract has enabled us to deliver our ambitious £140 million, UK wide capital work programme achieving a diverse range of positive outcomes including; slick and effective administrative processes, constructor best practice and collaborative working, costs savings, high levels of customer satisfaction and all to a very tight deadline.