



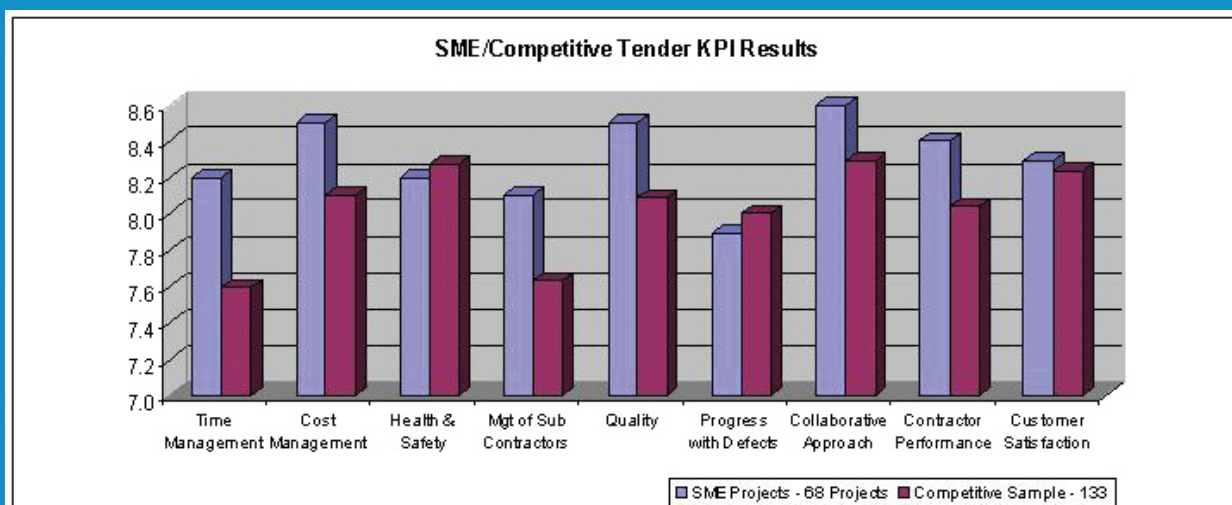
Improvement and Efficiency South East Construction and Asset Management

Improve performance and save money on smaller construction projects

HAMPSHIRE TIER 3 LAUNCHED!

Hampshire County Council lead Construction & Asset Management work for Improvement and Efficiency South East. The output of a successful pilot scheme using collaborative working on smaller projects show significant improvements on a range of key performance indicators (KPI's) including cost, time and contractor performance, as below:

This paved the way for the Hampshire Cluster Tier 3 framework which aims to deliver projects falling broadly in £25k - £500k value band. This will compliment the Hampshire Cluster Tier 2 framework, launched November 2007 and the Tier 1 regional construction (major) framework.



What can the Hampshire Tier 3 do?

The framework provides a quicker, simpler building procurement vehicle for delivery of smaller public sector construction projects or programmes of work. As the Framework matures there is potential to add value by putting similar projects from a number of different Local Authorities within Hampshire into programmes of work. There will be additional benefits from shared lessons, increased buying power and collaboration between Authorities to produce a more common approach.

Through the tender process, contractors were encouraged to provide responses to suit their expertise based on the scale and type of projects. This recognises that contractors have different experience, capabilities and preferences.

There are a broad range of contractors who deliver a diverse range of smaller projects throughout Hampshire including:

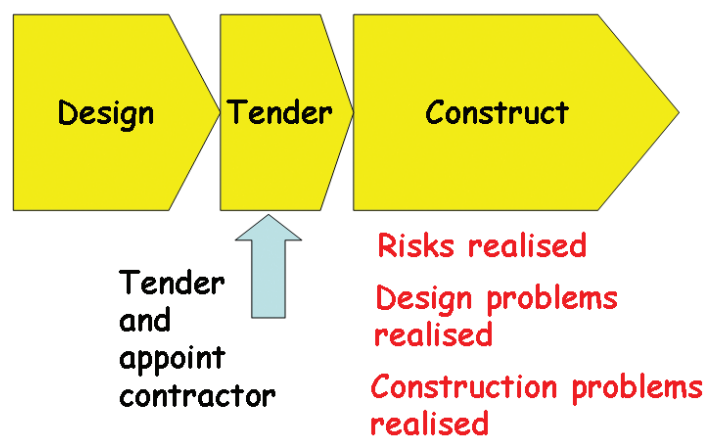
- Office refurbishment schemes in support of new ways of working
- Refurbishment of reception or office areas
- Programme of major maintenance repairs
- Programme of improvements and alterations e.g. DDA works
- Refurbishment of toilet and changing rooms e.g. leisure centres
- Small new build
- Large extension
- Fire reinstatement

This arrangement has the capacity to cater for a work load in excess of £25m per annum. IESE is establishing similar arrangements across the South East.

So how does it work?

Traditional tendering takes considerable time and resources, and sometimes leads to confrontation when issues are realised during the construction stage:

The Traditional Approach

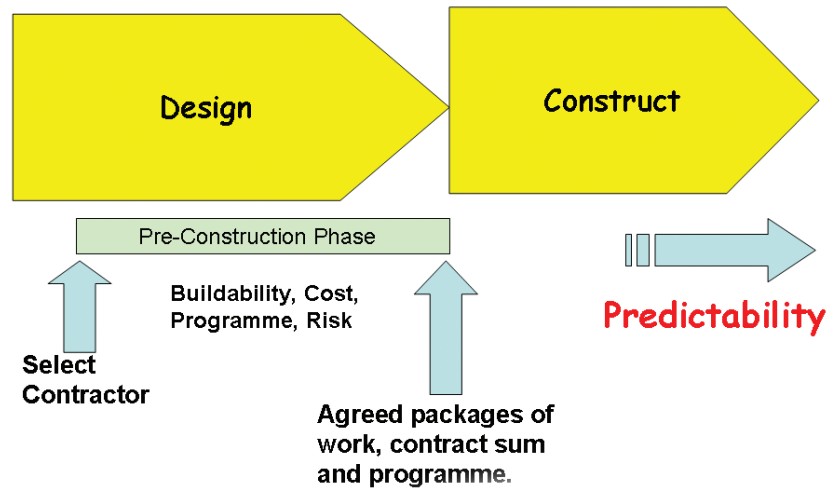


This can lead to:

- Slow delivery
- Increased costs
- Lack of contractor interest

This framework advocates early contractor involvement through an efficient selection process. It offers an excellent alternative to conventional tendering by structuring efficient collaborative working between contractor and design teams. During the pre-construction phase of a project this provides improved predictability of project cost, time and quality.

The IESE Approach



IESE centrally manage contractor selection in collaboration with commissioning authorities. Individual project contracts are between commissioning authorities and the contractor.

What are the benefits?

The Hampshire Cluster tier 3 is free to users (certainly within the first two years of operation) and will significantly reduce organisations' construction procurement costs. The Framework aims to provide a continuous work-stream to contractors if they perform well and continue to provide good value. Contractors performance is regularly measured, monitored and reviewed, to deliver improved performance over the life of the framework. Improvement and efficiency benefits will flow as a result of continuity of work and competitive tension:

IMPROVEMENT

- Better understanding of Client expectations
- Earlier builder, supplier and sub-contractor involvement to reduce abortive work
- Retention of key personnel delivering - better levels of service compared to one off contracts
- Better use of supply chain – earlier engagement provides more options & flexibility

EFFICIENCY

- Cost reductions from collaborative design – value management can be more effectively used;
- Collective buying power from the market - both individual projects and across organisations

Who are the Contractors?

Fifteen construction companies have been appointed:

- Coleborn and Son Limited
- Dart & Son (Builders) Limited
- Green Building Maintenance Ltd.
- Gregory Havant Limited
- HP Contracts
- Hobden (John) Limited
- Jorgensen Limited
- Lakehouse Contracts Ltd.
- LST Projects
- Mountjoy Limited
- Nolan Davis Contracting Ltd.
- PT Contractors Limited
- Ralls Builders Limited
- West End Roofing & Construction Ltd.
- Woods Commercial Facilities Ltd.

If you have a project

If you wish to benefit from using the Hampshire Cluster Tier 3 framework for one of your projects, please contact Edward Currie.

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