

Assurance Team Report Card

Rockland St Mary Project, Broadland Housing Association



1. The Construction Sector Transparency Initiative (CoST) is an international multi-stakeholder programme designed to increase the accountability of public sector organisations and construction companies for their construction projects. It will do this by disclosing information at all stages of the construction project cycle, from the initial identification of the project to the final completion. Dowson School Project, Broadland Housing Association is one of the chosen projects that form part of the UK Pilot.
2. The Assurance Team appointed by the UK Multi-Stakeholder Group for this pilot study comprises four senior construction industry specialists, working together to obtain and assess information and provide reports.
3. The Rockland St Mary Project provides 10 units of affordable social housing on the outskirts of the village of Rockland St Mary, in Norfolk. The need for this housing was identified by the local authority, South Norfolk Council. Broadland decided to carry out these works after a careful analysis of the forecast costs involved and the forecast rental and sales income they would earn. Part of that analysis was a thorough review of the risks associated with the work and the impact those risks may have.
4. Broadland have made full and accurate disclosure of documents demonstrating their procedures for awarding and managing the contracts for the two main consultants and the construction contractor for this project and operating those procedures. Broadland also entered into three other minor consultancy contracts. These were awarded on a less formal basis in accordance with their internal control procedures.
5. The consultants required for this project were selected by Broadland from a select list of approved suppliers, by an informal system of review of past performance and expertise. This approach, with the checks and balances Broadland have in place, is suitable for projects of this type and size. The initial design of the works and the obtaining of planning permission were carried out by an architectural consultant on Broadland's behalf.
6. The contractor for the construction work was chosen following the submission of competitive tenders, from a shortlist of contractors chosen from Broadland's approved list of contractors.

Following identification of the lowest priced bidder negotiations took place between that contractor and Broadland's representatives to allow for changes Broadland required to the contract. The contract chosen by Broadland required the contractor to complete the design of the works and construct them, based upon Broadlands' requirements, consisting of a detailed specification and drawings, and incorporating any requirements set out in the planning permission. These procedures, if carried out properly, as they were in this case, are likely to provide better cost certainty and good value for money for Broadland.

7. Broadland put in place proper management processes to monitor and control the programme and the costs of the construction works. The works were completed within two days of their original contractual time frame, despite a harsh period of winter weather that caused considerable delays. The cost of construction rose by less than 0.5% of the original price, and those increases were all in accordance with the contract. This information suggests that the project has been well managed.
8. The quality of the completed scheme was improved during the negotiation stage for the construction contract. The work was inspected regularly by Broadland and has met their required standards.
9. We have been able to verify almost all of the forecast final costs, which indicate that total expenditure will be considerably less than the equivalent costs allowed for in Broadland's financial justification for the project. We anticipate that those few minor consultants' costs we have been unable to verify will not have an impact on that conclusion.
10. The full report is available from <http://www.constructiontransparency.org/CountriesSupporters/Countries/UnitedKingdom/> and www.ice.org.uk/CoSTUK.

Material Project Information

Stage of project cycle	List of MPI to be disclosed	Project name: Rockland St. Mary Procuring Entity: Broadland Housing Association
Project identification	Project purpose	To provide social housing for rent and part purchase
	Location	Rockland St Mary, Norfolk
	Intended Beneficiaries	Those individuals and families living in Rockland St Mary who are in need of good quality economical housing
	Specification	Construction of 10No new housing units to design Level 4 of the Code for Sustainable Homes
Funding	Budget	Total funding of £1,201,015, including acquisition and funding costs, as set out in the RAP Report dated 21 July 2008
	QS's estimate	First estimate set for scheme as £959,400 in report dated 4 April 2007
Tender process (architectural design)	Tender procedure	Pike appointed for design and obtaining planning permission following their previous work on identifying feasible sites and liaising with planning authorities
	Name of main consultant	Richard Pike & Associates
Tender process (Employer's Agent & QS)	Tender procedure	Chosen from list of approved consultants
	Number expressing interest	1
	Number shortlisted	1
	Number submitting tender	1
Tender process (main contract for works)	Tender procedure	Competition on price with 4 tenderers chosen from Broadland's list of approved contractors
	Number expressing interest	4
	List of tenderers	Lovell Partnerships Ltd: Cunningham Builders Ltd: John Youngs Ltd Draper and Nichols Ltd
	Number shortlisted	4
	Number submitting tender	4
Contract award (architectural design)	Name of main consultant	Richard Pike & Associates
	Contract price	5% of construction contract sum
	Contract scope of work	Set out in bespoke contract signed by parties
	Contract programme	None stated
Contract award (Employer's Agent & QS)	Name of main consultant	Davis Langdon
	Contract price	2% of construction contract sum
	Contract scope of work	Set out in bespoke contract signed by parties
	Contract programme	None stated
Contract award (main contract for works)	Name of main contractor	John Youngs Ltd
	Contract price	£869,205.10
	Contract scope of work	As set out in Employer's Requirements in contract signed by the parties
	Contract programme	Completion of works by 17 March 2010
Contract Execution (architectural design)	Changes to contract price, programme, scope with reasons	None
Contract Execution (Employer's Agent & QS)	Changes to contract price, programme, scope with reasons	Addition of £1,100 for HQIs
Contract Execution (Main contract for works)	Individual changes to the contract which affect the price with reasons	Contract price increased by £3,550.78 resulting from the issuing of 7 instructions changing the works
	Individual changes to the contract which affect the programme, with reasons	Extension of time of 6 working days awarded because of exceptional weather.
	VO's, claims, Early Warnings & Compensation Events	As set out in Appendix 4
	Payment certificates	7 payment certificates issued at monthly intervals
	Details of any re-award of main contract	None
	Actual contract price	Final contract sum is £872,755.88
Post contract completion details (main contract for works)	Total payments made	£867,632.72 certified up to April 2010
	Actual contract scope of work	Original specification as changed by instructions set out in Appendix 4
	Actual contract programme	19 March 2010
	Documents to be disclosed	
Feasibility study		RAP Report dated 21 July 2008
Financing agreement		RAP Report dated 21 July 2008.
Procurement Strategy		Set out in RAP Report
Contract Strategy / Type		Set out in RAP Report
Tender evaluation report (Main contractor)		Set out in tender reports dated 30 April 2010 and 20 August 2010
Project evaluation reports (on completion and on-going)		Monthly CPRs Nos 1 to 7.