

To: City Executive Board
Council

Date: 12 June 2013

Report of: Regeneration and Major Projects Manager

Title of Report: APPOINTMENT OF MAIN CONTRACTOR FOR AFFORDABLE HOMES PROGRAMME 2015

Summary and Recommendations

Purpose of report: To obtain approval to proceed to let the main construction contract and subsequent call off contracts for the Affordable Homes Programme.

Key decision? Yes

Executive lead member: Councillor Scott Seamons

Report approved by: David Edwards

Finance: Nigel Kennedy

Legal: Lindsay Cane

Policy Framework: Meeting Housing Needs.

Recommendation(s): That the City Executive Board;

1. Authorise the Executive Director for Regeneration and Housing to select the final sites for the 112-114 new homes to be built on;
2. Agree the Cost Plan in Exempt Information Annex 3;
3. Authorise the Executive Director for Regeneration and Housing to let the main build contract and any subsequent "call off" contracts where total build costs (including contingencies) are equal to the Cost Plan; and
4. Authorise the Executive Director for Regeneration and Housing to agree any cost overruns that can be contained within the overall budget envelope of the Affordable Homes Programme to be certified as such by the Project Manager.

Appendices

1. Project Execution Plan (PEP) & Programme
2. Risk Register

Exempt Information Annex

3. Cost Plan
4. Tender and Evaluation Summary
5. ITT
6. PEP (Exempt Information)

Executive Summary

1. Following approval to proceed with the Affordable Homes Programme 2012-15 (AHP), the Council have appointed professional teams to prepare up to 16 sites for development of 112 new Council homes by March 2015.
2. The tender process will involve the appointment of a main contractor (s) with agreed "call off arrangements" for sites to be brought into this contract as they receive planning permission and are selected by the Project Board and the Executive Director for inclusion in the programme.
3. An agreed "Cost Plan" has been produced by the Council's consultants, which provides a cost "ceiling" for delivery of the 112 new homes.
4. Because of timing constraints with the overall programme, it is proposed that delegated authority is provided in advance to the Executive Director of Regeneration and Housing to authorise the appointment of main contractor (s) and all subsequent contractors, within this agreed overall cost envelope. The Executive Director will only be able to authorise projected cost overruns on individual sites, where these overruns can be contained within the overall programme budget envelope, to be certified as such by the Project Manager.

Background

5. On 15th February 2012, through Single Member Decision, the Council agreed to:
 - Approve the proposed Affordable Homes Programme 2012-15 (AHP) as detailed herein;
 - Authorise the Head of Corporate Assets to negotiate and complete the New Framework Delivery Agreement (FDA) with the Homes and Communities Agency (HCA);

- Authorise the Head of Housing and Communities to undertake the decant process of Bradlands under Phase 1; and
 - Authorise the Head of Corporate Assets in consultation with the Executive Member of Housing Needs to approve the final selection of sites for Phase 2 and Phase 3.
6. The Council have subsequently executed a Framework Delivery Agreement (FDA) with the HCA, which, inter alia, commits the Council to deliver 112 new homes by March 2015 in return for the agreed grant funding from the HCA. The grant is payable in part (50%) at the start on site for each dwelling and concluding with the remainder (50%) at “practical completion”. The funding is further conditional on creating at least 44 Affordable Rented units within the programme, with the remainder being Affordable Social Rented.

Affordable Rent homes can be made available to tenants up to a maximum of 80% of market rent and allocated in the same way as social housing is at present. It is expected that Affordable Rent accommodation will be used flexibly as an alternative to private rented housing and not to replace Social Rent homes.

7. A professional team lead by EC Harris as Project Managers has subsequently been appointed under an existing public sector framework, to mobilise a team to take forward up to 16 sites in total for potential inclusion in the AHP programme to deliver the 112 new homes by March 2015.
8. A dedicated AHP Project Board has been established (Chaired by Service Manager for Regeneration and Major Projects), with agreed governance arrangements, and a Project Execution Plan in place. The Project Execution Plan (PEP) can be viewed in Appendix 1.
9. Site due diligence, design and planning consultation has been undertaken on 16 sites, with the potential to produce up to 157 new homes. Planning applications have a forecast submission between May and June 2013 (with the exception of Bradlands which has a detailed permission in place).

These sites include:

Site	Dwellings numbers
Bradlands	49
Warren Crescent	10
Eastern House	9
Alice Smith House	11
East Minchery Farm	42
Bury Knowle Depot	10
Balfour Road	3
Sandy Lane	3
Tompson Terrace	3
Tucker Road	2
David Walter Close (East)	2
David Walter Close (West)	2
High Cross Way A	3
High Cross Way B	2

Leiden Road	3
Cardinal Close	3
TOTAL	157

10. At this time, the project will only take forward sites to deliver 112-114 new homes, based on the budget envelope agreed within the HRA Business Plan, and therefore the Project Board have approved the following delivery options to achieve the unit numbers and split of tenures between Affordable Social Rented and Affordable Rented units:

Option 1

Site	Social Rent	Affordable Rent
Bradlands	49	0
Warren Crescent	0	10
Bury Knowle	0	10
Minchery Farm	21	21
Cardinal Close	0	3
Total	70	44
<u>Total 114</u>		

Option 2

Site	Social Rent	Affordable Rent
Bradlands	49	0
Warren Crescent	0	10
Bury Knowle	0	10
Alice Smith House	6	5
Eastern House	5	4
Balfour Road	3	0
Sandy Lane	0	3
Tompson Terrace	3	0
Tucker Road	0	2
David Walter Close (East)	0	2
David Walter Close (West)	0	2
High Cross Way A	0	3
High Cross Way B	2	0
Leiden Road	0	3
Cardinal Close	0	3
Total	68	44
<u>Total 112</u>		

11. Option 1 is the preferred delivery option as this achieves the project objectives from the minimum number of sites, and is therefore the least complex in terms of deployment. In addition, this option will enable the short term retention of Alice Smith and Eastern House, both of which are currently being used for short term homeless accommodation. The balance of the sites will be held for future potential disposal or development as part of any further Council new build programmes.
12. Although there are currently no additional sites that are in a state of readiness of inclusion into the programme, the Regeneration and Major Projects team continue to work on a number of sites in the pipeline, such as Elsfield Hall, which may be appropriate for being brought into the programme (through formal change control) within the next 3 months. The window for inclusion will not extend beyond this date, in order to meet the March 2015 long stop date for the programme.

Contract Tender Process

13. Following recommendations from the professional team, the Project Board have approved the principles of a Design and Build (D&B) construction procurement route. This route was favoured as being the most suitable for the simultaneous deployment of multiple residential construction teams across the city, within the timescale available. In addition, this route will protect the Council from elements of design & construction risk that would best sit with a main contractor. This route involves the Council preparing detailed Employer's Requirements (ERs). This technical specification for the units, together with the detailed planning consents on each site, will form the brief for the D&B contractor to build out the developments. The construction of each site will then be monitored by the Council's professional team to ensure strict compliance under the terms of the contract.
14. The ERs and tender pack have been prepared by EC Harris in consultation with Council Officers, and each element of the pack has been formally signed off by the relevant professionals and Council Officers. The Project Board have approved this overall tender sign off "gateway".
15. The Project Board have also approved the use of the pre-qualified HCA house building framework, made up of the HCA's own panel of approved contractors (the Development Partner Panel). These are split regionally, but are generally of a size that has a national presence. An initial expression of interest was issued, to which 5 out of 17 contractors responded positively to being included in the tender action. These 5 are detailed in the Tender and Evaluation Summary in Exempt Information Annex 4;
16. The tender structure has been created with a long term view in mind, as well as the immediate need for 112 units. As stated; the project currently has a pipeline of potentially 157 units available, and the team has developed the majority of these to be ready for submission of detailed planning applications. Therefore, a fixed price approach is being requested across option 1 sites with all remaining

sites being priced through future negotiation based on the tendered rates for the option 1 sites, as part of this tender action.

17. The tender action has requested that option 1 sites are priced in detail, including rates for a number of aspects of the building, sub structure, super structure, externals and such like. In addition, template housing units have been issued for the other sites that are different to those in option 1. The tenderers are to price all the details and agree that the basis for future site pricing will be to use the data tendered for option 1 and the support information to agree a fair and reasonable price. This approach will be taken for option 2 (un-priced sites and any future sites not included).
18. The commercial assessment will be carried out against the option 1 sites, and support template pricing data for future use. We have expressly identified that the Council is not committing to letting all units to one contractor, however our intent is to limit the number of contractors to those necessary to deliver the project within the financial envelope and by the March 2015 deadline. Whilst letting one contract is the preference of the Council, it was considered by the professional team that there is a risk of resource management and capability to complete the various types of development proposed within the pipeline of units. It was also viewed that commercial 'buying' of the tender might be seen if one contract was identified at the start of the tender. In addition, the Council would be contractually bound to one contractor and any loss of profit would be requested if termination or reallocation of units was deemed necessary post contract award.
19. The tender process has a number of activities associated with it and these are listed with the representative dates below;

• Tender Documents Issued	19/04/2013
• Contractors Proposal (Tender Return)	14/06/2013
• Mid-Tender Interviews	10/05/2013
• Post-Tender Interviews	05/07/2013
• Contract Award	09/08/2013
20. More details on the tender process, assessment, evaluation may be viewed in Exempt Information Annex 4.

Legal implications

HCA Framework Delivery Agreement (FDA);

21. The FDA has been reviewed by the Council's Legal services before execution and a number of points have been raised in terms of the Council's liabilities. The document has also been reviewed by our external legal advisers Mssrs Gately, in the context of drafting the main construction documentation.

22. The main implications are;
- a. Under the terms of the FDA agreement, the HCA reserves the right to withdraw grant offer on units that have not reached “practical completion” by the March 2015 deadline.
 - b. Grant can also be withdrawn or reclaimed if the Council fails to achieve key milestones or deviates from the program without prior HCA consent. There is a formal “change process mechanism” in place to deal with such material changes and program slippage.
 - c. The Council is required to keep the HCA updated of the progress of the project via its Investment Management System (IMS) and Quarterly Review Members of the project team have received training from the HCA to access and update the system with information that is used to track progress electronically.
 - d. The Council is required to seek the HCA’s permission to dispose of any of the properties, which is likely to result in a proportionate amount of grant being repaid. This does not affect a tenant’s Right to Buy but will affect the level of receipt retained by the Council if a proportion is paid back to the HCA. The HCA will claim a proportion of the property value and benefit from any uplift.
 - e. The HCA requires the Council to appoint an Employer’s Agent although has stated that it is acceptable for a Council to use its in-house department to meet this obligation subject to agreeing a collateral warranty if needed.
 - f. The HCA will recover any funding on the basis that it is categorised as unlawful state aid. The Council would have to be considered as undertaking economic activity within the meaning of the rules on state aid and it is unlikely that as a local authority that this would occur.
 - g. The Council is required to appoint an independent auditor to produce an FDA compliant report post project.

Construction Contract

23. The Project Board, in agreement with Law and Governance, have appointed construction solicitors, Gately, to advise on the contract strategy (form of contract and amendments etc), and will support the council on post tender issues and construction legal negotiations. The firm was appointed following a Non OJEU closed tender process via the South East Business Portal. Three other firms identified for their expertise in this sector also submitted a tender.
24. The chosen contract is a JCT (Joint Contracts Tribunal) Design and Build form of contract with amendments (drafted by Gately) has been developed to be a fixed position in terms of clauses and specification across the development, with each site forming a section of the contract. The contract at the outset could start as one site (which it is envisaged to be Bradlands), with other sections being added to the contract once the Council and the team are satisfied. The benefit is

that the project team retain control of site allocation, whilst fixed prices have been sought from all contractors for option 1 sites. Therefore, if it is appropriate to allocate a site to another contractor, they will sign up to an equivalent JCT contract and have the section for the site they are contracted for.

25. This type of contract offers flexibility to add sites that are in the pipeline to the contract as a new section, and the priced data established during the tender and the on-going build, will enable a fair and reasonable price to be agreed. This therefore creates time savings in the procurement of future works if sites are needed for the HCA (AHP programme) or if the Council wishes to develop more of their own stock. Although it is the Council's intention to let one contract for the construction works associated with the AHP Programme, if however, it is deemed beneficial to let more than one contract, through timing, cost or risk purposes, flexibility has been built into the tender and associated contract strategy to do this.
26. The arrangement of the contract in this way will in effect allow each individual site to be pre-tendered with pre-agreed "call off" arrangements in place for the sites to be brought into the main contract or a supplementary contract. In the interests of the efficient management of the programme it is therefore necessary to delegate the letting of the main contract and subsequent "call off" arrangements to Executive Director for Housing and Regeneration.
27. It is proposed that delegated authority be given by CEB (in advance of receiving tenders back) to appoint one or more contractor. The attached cost plan provides a total "ceiling" of the likely construction costs, on a site by site basis. The Executive Director for Regeneration and Housing will therefore have the authority to execute the main contract, and all subsequent "call off" contracts, where the total build costs (including contingencies) is equal to the Cost Plan.
28. It is further proposed that the Executive Director for Regeneration and Housing will also have the authority to agree any individual site cost overruns that can be contained within the overall budget envelope of the Affordable Homes Programme, which will be certified as such by the Project Manager.
29. It is imperative that such delegations are in place in advance of receiving the tenders back due to the compressed timeline of the programme. The time constraints imposed by the HCA, of completion by March 2015 as a long stop date, requires that the tender evaluations and planning applications are run in parallel. This will ensure that following the receipt of planning permission, the sites selected will be triggered under the main contract without any delay. The Executive Director will take delegated decisions based on the recommendations of the Project Board and where appropriate following liaison with the Portfolio Holder.

Financial Implications;

30. The Design and Build JCT form of contract will be tendered to provide a fixed price sum and cost plus margin (Option 2) on the basis of the build in accordance with the planning permission and the ERs for each individual site. The contract will have formal change control mechanisms, including timescales

and supplementary pricing arrangements, should change control be triggered on any of the sites.

31. The Cost Plan is set out in the Exempt Information Annex 3, which outlines the forecast cost and profile of expenditure agreed within the HRA Business Plan. The Cost Plan, Tender and Evaluation Summary and the Invitation To Tender (ITT) are all classified as Exempt Information on the basis that they contain commercially sensitive tender and pricing information, which has been produced by the Council's professional advisers in advance of receiving tenders back.
32. Cost management will be the responsibility of the PM and reported to the AHP Project Board in accordance with the arrangements to be put in place for delivery and risk reporting.
33. A number of the proposed sites are currently held by the General Fund, as or when sites are selected for development, the sites will be required to be formally appropriated into the Housing Revenue Account, which will require Full Council approval. Full details and implications of proposed appropriations will be provided by way of a further report to City Executive Board when they are known.

Environmental implications

34. The contract(s) will include detailed waste and traffic management plans to reduce the impact of construction traffic through the estates and ensure minimum waste from materials. This will be the responsibility of the main contractor once appointed.
35. The new properties have been designed to meet the Level 4 of the Code for Sustainable Homes. The Code uses a rating system and introduces minimum standards for energy and water efficiency at each level. A simple points system means the more points achieved the higher the Code level reached.
36. This standard ensures reduced energy consumption of 44% through the use of renewable energy sources, quality insulation and construction materials. The design categories for the code are;
 - Energy/CO2;
 - Pollution;
 - Water;
 - Health and well-being;
 - Materials;
 - Management;
 - Surface water run-off;
 - Ecology and waste;

Equalities impact -

37. The new properties where possible will be designed to meet the following industry standards:
 - a. Lifetime Homes Standard;
 - b. Wheelchair Housing Design Guide;
 - c. Housing Quality Indicators; and
 - d. Secure by Design
38. Contractors will need to show how they will support the Council's commitment to training and development opportunities for local people, use of local labour, and apprenticeships. The contractor will also be required to show how they would work within the community and demonstrate any history of involvement with local groups.
39. The pre-qualification questionnaire included criteria for equality of opportunity in terms of employment, training and commitment to using a local supply chain.

Risk

40. The risk register for project delivery is attached (Appendix 2).
41. As it may be seen the principle risk will be failure to achieve practical completion on any units by the deadline of 31st March 2015, will result in a reduction of the grant claimable.

Recommendations -

Council Executive Board is requested to:

42. Authorise the Executive Director for Regeneration and Housing to select the sites for construction;
43. Agree the Cost Plan in Exempt Information Annex 3;
44. Authorise Executive Director for Regeneration and Housing to let the main build contract and any subsequent "call off" contracts where total build costs (including contingencies) are equal to the Cost Plan; and
45. Authorise the Executive Director for Regeneration and Housing to agree any cost overruns that can be contained within the overall budget envelope of the Affordable Homes Programme to be certified as such by the Project Manager.

Appendices

1. Project Execution Plan
2. Risk Register

Exempt Information Annex

3. Cost Plan – EXEMPT INFORMATION
4. Tender and Evaluation Summary – EXEMPT INFORMATION
5. ITT – EXEMPT INFORMATION
6. PEP EXEMPT INFORMATION REMOVED VERSION

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Version No: 5

Appendix 1

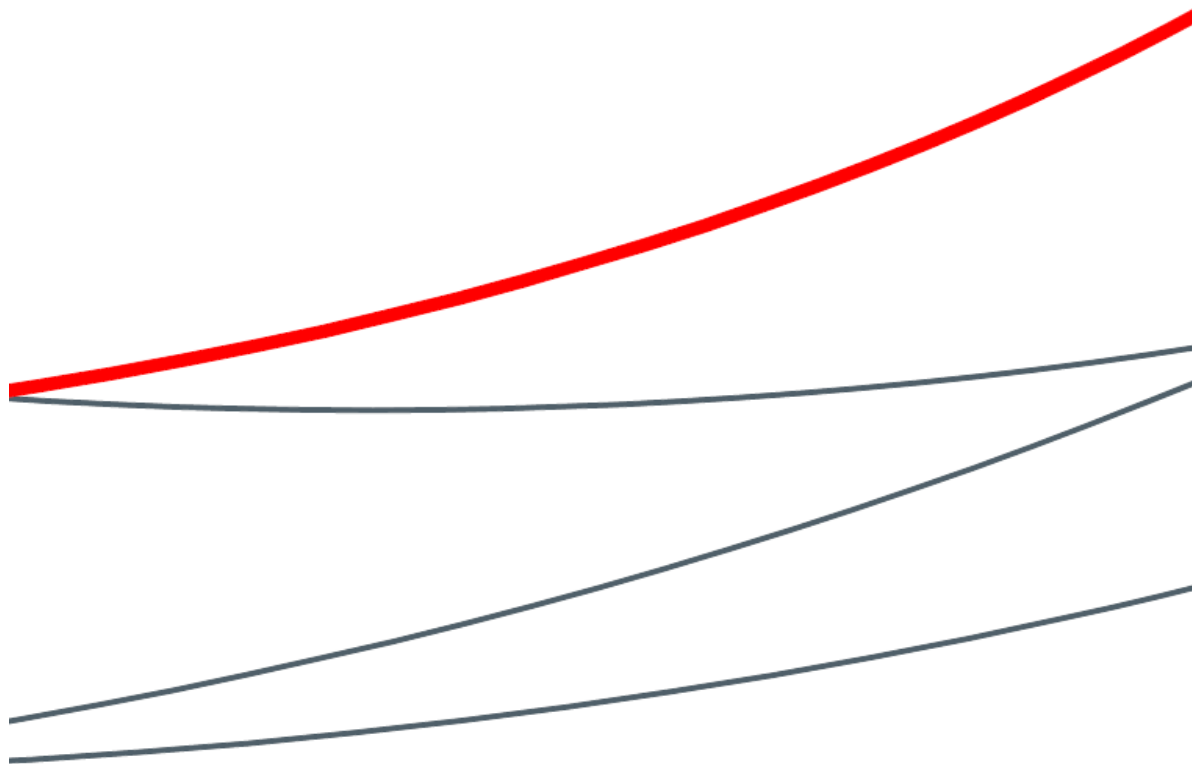
Project Execution Plan

Oxford City Council

Affordable Homes Programme (AHP) 2012-15

(Exempt Information Removed)

May 2013



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Version control

Issue	Revision No.	Date Issued	Description of Revision: Page No.	Description of Revision: Comment	Reviewed by:
No 1	Version No 1		Initial Document		
No 2	Version No 2	16 th May 2013	Pgs; 5, 6, 9, 12, 13, 14, 16	Clarification to the in scope various sites. Clarification to the source of the financial information. Removal of Steve Sprason and inclusion of Jane Winfield as Corporate Property lead.	Dominic Geoghegan

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1. Purpose of the Project Execution Plan (PEP)

The Project Execution Plan (PEP) provides the detailed plan of the work for a project or part thereof and how it is to be managed, organised and executed.

The purpose of the PEP is to demonstrate that the project team has:

- A clearly defined and properly understood strategy and plan for managing, co-ordinating and integrating all activities comprised in the project and their interfaces with other projects
- Undertaken a high level risk assessment of all of the activities comprised within the project and have appropriate responses to remove, reduce or mitigate those risks
- Identified all resource requirements

The PEP and appendices will be continually updated by the Project Manager during the project lifecycle with any deviations to be detailed in the Project Control section below.

2. Project Definition

Background

In 2011 the City Council successfully secured HCA funding of £X towards their Affordable Homes Programme 2011-15 (AHP).

The Council's bid was for the provision of 112 new build affordable homes, mixed between affordable and social rent.

Phase 1 of the programme is the 49 unit Bradlands sheltered housing development, with the additional 63 units being achieved through various sites which together form Phase 2.

Project Benefits

The project will deliver 112 new Council houses of mixed social and affordable rent tenure. OCC has identified the following soft benefits resulting from the increased housing provision;

- Increases the Council's housing stock.
- Reduction in waiting lists.
- Proactive authority by investing in modern, efficient housing.
- Positive reputational benefits.
- Improved quality of sheltered housing.
- Improved quality of life and customer satisfaction.
- Training/job opportunities.
- Reduced carbon emissions and environmental pollution.
- More efficient use of energy and reduced consumption.

Project Scope

In scope:

This section relates to the works under this project. The new build opportunities are at the following locations only;

Phase 1 – Bradlands

This will deliver 49 new sheltered accommodation units

Phase 2 – Bulk Sites (Various)

These will deliver up to 63 of the remaining 112 dwelling unit commitment from a number of potential sites, namely;

- | | |
|-----------------------------------|----------------------------------|
| • Balfour Road | • Bury Knowle Depot |
| • <i>Cross Street</i> | • David Walter Close Garages (2) |
| • Eastern House | • <i>Elsfield Hall</i> |
| • Former East Minchery Allotments | • <i>Hawksmoor Close</i> |
| • High Cross Way | • Leiden Road |
| • <i>Nuffield Road</i> | • <i>Townsend Square</i> |
| • Sandy Lane | • Warren Crescent |
| • Thompson Terrace | • Cardinal Close |
| • Tucker Road | |
| • <i>Ulfgar Road</i> | |

The sites identified in *italics* are those that have subsequently not made the various sites options as a result of the site status in terms of ability to deliver within the timeframe and the financial envelope.

The above sites are those previously identified under the OCC site disposal work stream. These sites will need to be de-risked prior to progressing the design and submitting to market. De-risking is defined as;

- Legal title and legal searches completed (certificate of title).
- Ground investigations completed and formal report secured.
- Outline planning permission submitted and secured.
- Utility searches have been completed and subsequent recommendation report obtained.

Where there are gaps in the required information, the project team are to procure, on behalf of OCC, adequate consultant support to close the gaps and prepare the sites for mobilisation and build.

Out of scope:

This relates to services that are expressly excluded from this project or services that have been identified for future inclusion, but are not at this stage included in the project scope.

- Any identification of additional sites not handed over by OCC as part of the initial AHP pipeline.
- Any additional sites brought forward under the programme as a result of over performance against the HCA criteria and delivery within the programme schedule and associated budget.

Objectives;

The objective of the programme is to deliver 112 new Council homes by March 2015 (back stop). At present these are split 68 Social Rent tenure and 44 Affordable Rent tenure.

Unit Deliverables

The commitment made by OCC to the HCA is detailed below;

Units		Total	
Social Rent (SR)	1bed	46	
	2 bed	14	
	3 bed	8	
Social Total		68	61%
Affordable Rent (AR)	2 bed	11	
	3 bed	33	
Affordable Total		44	39%
Total		112	100%

Constraints

The City Council has identified the following project constraints;

Constraint Title	Description
Resource availability	Availability of the required resources to deliver the Project. This will include resources in Finance, Corporate Property and Community and Housing, as well as external advisers.
Timescales	The Project will be delivered on a phased basis with all units being practically completed by March 31st 2015
Cost	In house officer time will be within existing budgets and/or recharged to the capital project. External consultants will be required, also funded from the Project. Project to remain within budget.
Constraint statutory requirements	All deliverables from the Project must meet regulatory requirements.
HCA requirements	Progress must be entered timely on the HCA Investment Management System including compliance with Key Milestones, in accordance with the FDA.
Procurement	Internal procurement regulations and OJEU regulations must be understood and applied to the procurement of services and works.

3. Finance and Commercial – See exempt information

4. Procurement Plan

Oxford City Council (OCC) has in-house procurement standing order protocols to observe. The requirements are for OCC to utilise the South East Business Portal for all contracts exceeding £10,000.

In addition to this, OCC are bound by Official Journal of the European Union (OJEU) regulations for services and goods that exceed the threshold limits contained within the European Legislation;

PUBLIC CONTRACTS REGULATIONS 2006 - FROM 1 JANUARY 2012

	SUPPLIES	SERVICES	WORKS
Entities listed in Schedule 1 ¹	£113,057 (€130,000)	£113,057 ² (€130,000)	£4,348,350 ³ (€5,000,000)
Other public sector contracting authorities	£173,934 (€200,000)	£173,934 (€200,000)	£4,348,350 ³ (€5,000,000)
Indicative Notices	£652,253 (€750,000)	£652,253 (€750,000)	£4,348,350 (€5,000,000)
Small lots	£69,574 (€80,000)	£69,574 (€80,000)	£869,670 (€1,000,000)

¹ Schedule 1 of the Public Contracts Regulations 2006 lists central government bodies subject to the World Trade Organisation's (WTO) Government Procurement Agreement (GPA). These thresholds will also apply to any successor bodies.

² With the exception of the following services, which have a threshold of £173,934 (€200,000)

[*Source; <http://www.ojec.com/Thresholds.aspx>]

Owing to OCC's status as a Local Authority, they have the ability to utilise frameworks for the appointment of consultants and or contractors that are OJEU compliant. This enables OCC to have a range of procurement options at their disposal whilst remaining compliant with their in-house standing order process and European Legislation.

A procurement report and associated recommendation will be undertaken separately to this execution plan by EC Harris.

The process being undertaken to complete the procurement assessment is;

- 1 Establish a procurement profile of OCC through the completion of a procurement questionnaire.
- 2 Create and agree with OCC the procurement route assessment criteria resulting from the procurement profile.
- 3 Agree procurement route
- 4 Agree procurement implementation plan
- 5 Review and agree contract strategy to suit procurement route

5. Project Monitoring & Control

In order to successfully control the project, a number of key processes / documentation and procedures are put in place and set out in this project execution plan. These are to be adhered to throughout the life of the project.

The key features of the controls are around roles and responsibilities, communication, programming, risks, time, cost, quality, change, reporting, health & safety.

The principle tool in the management of this project is through the use of EC Harris' intranet based portal known as 'Project in a Box' (PiaB).

PiaB is set up as a project management tool for the use of the entire team. Attributes associated with PiaB are;

- It is a central depository for all project information.
- Acts as the form of electronic communication between the team members.
- It enables broadcasting of key information, milestone achievements, updates and the like.
- It holds the central meeting schedule for team meetings for all members to access.
- It holds and aids management of the 'live' risk events.
- It enables open management of actions of all team members.

Project Organisation

Purpose

The purpose of the project organisation structure is to describe and define the management roles, responsibilities, reporting lines and expectations of the project.

Content

This section looks to identify and provide detail on the following items;

- Organisation chart.
- Scope of each group or board.
- Members of the structure.
- Delegated Authority levels for each group or board.
- Terms of reference for the group or board.

Organisation Structure;

Project Board; LEVEL 3

- David Edwards (Executive Sponsor),(Chair)
- Nigel Kennedy (Senior User Finance),
- Jane Winfield (Corporate Property Lead)
- Lindsay Cane (Senior Supplier Legal)
- Stephen Clarke (Senior User Housing)
- Jane Lubbock (Senior Supplier Procurement)
- Richard Hawkes (Project Assurance)
- Dominic Geoghegan (Project Manager)
- Alison Dalton (Project Support)

Project Team; Implementation - LEVEL 2

- Jane Winfield (Corporate Property Lead)
- Richard Hawkes (Project Assurance)
- Rob Kindon (Supplier CP)
- Dominic Geoghegan ECH (Project Manager)
- EC Harris (Cost Manager TBA)
- EC Harris (Affordable Homes Sector Expert)
- Lead designer TBA

Project Environment; Delivery - LEVEL 1

- Sub-project Team; Bradlands**
- Employer's Agent TBA
 - Monitoring team TBA

- Sub-project team; 63 units
various sites**
- Employer's Agent
 - Monitoring Team TBA

Corporate Boards; (monthly)

- Housing Board
- Corporate Asset Management & Capital Board (CAMAC)

Project Board; LEVEL 3

Scope;

- Approvals to proceed through each gateway.
- Sign off the business case and overall financial commitment.
- Approves any changes to the business case, the financial envelope, or material change to; the design principles for the projects, the financial envelope, timescales for delivery and to the
- Approves any changes to Funding Agreement with the HCA.
- Resolve strategic and directional issues associated with the progress of the project which need input and agreement of senior stakeholders.
- Provide continued commitment and endorsement to the project.
- Authorise delivery, gateway approvals and sign-off at the closure of the project.

Members;

- David Edwards, Executive Sponsor (Chair)
- Jane Winfield, Corporate Property Lead
- Nigel Kennedy, Senior User Finance
- Lindsay Cane, Senior Supplier Legal
- Stephen Clarke, Senior User Housing
- Jane Lubbock, Senior Supplier Procurement
- Richard Hawkes, Project Assurance
- Dominic Geoghegan, Project Manager
- Alison Dalton, Project Support

Quorum; 3 members incl one of; Executive Sponsor, Senior User Finance and Senior User Housing

Form of communication; Receive copies of flash reports for information from the programme board. Receive monthly wrap up report tabled 1 week prior to the meeting, previously reported at the programme board with an exception update (or flash report) if required.

Meeting frequency; Every 5 weeks; Project update with exceptions on project programme (schedule), cost and risk/issues. Email communication and holding a conference call is acceptable to achieve urgent decisions and sign off as a form of issue and crisis management.

Authority levels (Tolerance); Fully accountable for the project. All authority for major change and decision and associated gateway approvals are to be sought from the sponsoring group.

Project Team; Implementation; LEVEL 2

Scope;

- Recommendation to proceed through each gateway.
- Sign off of design and any associated changes within the agreed business case, financial envelope and design principles.
- Define and agree acceptable risk profile and associated thresholds for the project.
- Resolve strategic and directional issues between projects which need input and agreement of senior stakeholders.

Members;

- Jane Winfield (Corporate Property Lead)
- Richard Hawkes (Project Assurance)
- Rob Kindon (Supplier CP)
- Dominic Geoghegan (EC Harris) Project Manager
- Darren Clarke (EC Harris) Affordable Homes Adviser
- EC Harris Cost Manager – Natalie Jean-Marie
- Lead Designer - TBA

Quorum; 3 members incl Project Assurance, Supplier CP and Project Manager

Form of communication; Receive copies of flash reports for information from the project team. Receive monthly wrap up report tabled one week prior to the meeting focusing on an exception update from the flash reports previously issued. Email communication and holding a conference call is acceptable to achieve urgent decisions and sign off as a form of crisis management.

Meeting frequency; Weekly conference call with face to face arranged as required. Project update with exceptions in time, cost and risk/issues that need executive board influence and or sign off.

Delegated Authority levels (Tolerance); The project team has the ability to manage the project within the agreed project budget. A monthly forecast of project budget performance must be undertaken and submitted to the Sponsoring Group. Any change to the scope, financial envelope of the project or increase to the project timescale must be escalated to the Sponsoring Group.

Project Environment; Delivery; LEVEL 1 (Day to Day Project Management)

Scope;

- Delivery of the sub-projects within the identified project schedule.
- Sign off of detailed design within the agreed business case, financial envelope and design principles.
- Manage project risk within the acceptable risk profile and associated thresholds for the project.
- Escalate any strategic issues which need input and agreement of senior stakeholders.
- Resolve project level challenges and activities in order to deliver on time, within the budget and to the desired quality.

Members;

- Employer's Agent EC Harris
- Monitoring Team TBA

Quorum; TBA

Form of communication; Receive copies of flash reports for information from the project team. Receive monthly wrap up report tabled one week prior to the meeting focusing on an exception update from the flash reports previously issued. Email communication and holding a conference call is acceptable to achieve urgent decisions and sign off as a form of crisis management.

Meeting frequency; Conference call held weekly with a face to face meeting held monthly; Project update with key/immediate actions, next period activities, progress (performance) assessment against project time, cost and risk/issues, reported with project impact that need executive board influence and or sign off.

Delegated Authority levels (Tolerance); The project team has the ability to manage the project within the agreed cost plan and or agreed tender price. An allowance of 10% of the project contingency can be approved without sign off of the Project Board. Where the contingency spend is in excess of 10% of the contingency sum, prior approval is to be sought from the Project Board. Any change to the scope, financial envelope of the project (overall project budget) or increase to the project timescale must be escalated to the Project Board.

Roles and Responsibilities

The various parties to the project, their roles, responsibilities and relationships are described in appendices of this PEP as the responsibilities, accountable, consulted and informed (RACI) matrix. **Refer to Appendix C (not available).**

- **Executive Sponsor (Chair): : David Edwards;** is ultimately accountable for the City Councils capital investment, performance and project delivery. Has accountability for the scope, budget and timescale commitment. The Exec Sponsor is to be party to all key decisions and approvals. Chairs the Project Board.
- **Senior User Finance: Nigel Kennedy;** is accountable for the investment decision and the underwriting of the capital and revenue implications of the project..
- **Corporate Property Lead: Jane Winfield;** is responsible for the performance and delivery of the project in terms of time, cost and quality as manager of Corporate Property. Can act within pre-determined delegated authority of the Exec Sponsor on all non key decisions or approvals.
- **Law & Governance: Lindsay Cane;** is responsible for the legal compliance with the HCA Framework Delivery Agreement, and advising the Project Board/Team on all procurement, and construction legal advice required or procuring suitable legal representation thereof where required.
- **Senior User Housing: Stephen Clarke;** is responsible for defining Council and tenant demand and approving the specification and transition of the new stock into the Council's Business As Usual (BAU) housing stock portfolio.
- **Senior Supplier Procurement: Jane Lubbock;** is lead adviser to the project on the public sector procurement process and implementation thereof for all phases of the project.
- **Project Assurance: Richard Hawkes;** is responsible for ensuring that the project is correctly resourced, on target, and that governance of the project is adhered to throughout. Is responsible for appropriate escalation to Exec User and Senior User CP if the project or governance thereof is off track or there is an elevated risk of being off track in the future.
- **Project Support: Alison Dalton;** is responsible for the timely issuing of board papers, taking minutes of board meetings, and issuing update reports to the wider project team. Is responsible, in conjunction with the Project Manager, for all timetabled HCA system updates using IMF platform etc.
- **Supplier CP: Rob Kindon;** is responsible for the engagement, contract and performance management of the external Project Manager and directly appointed Professional Team. Is the primary Council contact with the HCA and ultimately responsible for all HCA updates, day to day compliance and relationship management with the HCA.
- **Project Manager: Dominic Geoghegan (EC Harris);** is an external consultant. Their recruitment is to deliver all phases (Phase 1 & 2) of theAHP project. They are responsible for the performance of the team and managing the delivery of the project to meet the success criteria established. The PM works closely with the Supplier CP and supports the drafting of documents for issue to the project board. The PM establishes the delivery approach and control framework the project will be managed and communicated this to the team and manages the associated actions.

- **Sector Expert: Darren Clarke (EC Harris);** is an external consultant. Their recruitment is to deliver sector specialist support through the project. They are responsible for sharing their previous knowledge of the HCA and to help set the project up and deliver the projects successfully.
- **Wider team members if required;**
 - **Cost Manager;** Quantity surveyor; to assess the 'should cost' of the project at outline feasibility stage using benchmark criteria. To compile a cost plan based on the high level design information present and assessed against benchmark data. To complete a pretender cost estimate prior to tender. To support the drafting of the tender documents, input into the contract clause amendments and compile the final contract documents. To undertake monthly valuations. Report to the PM the assessed cost impact of risk events identified and or change requests to the project.
 - **Lead designer;** to lead the design team in the development of a design solution for the project. Meeting the project brief and the identified success criteria. A design to budget approach will be adopted. Development of a master plan and completion of planning documents will be the primary activity, likely to be RIBA Stage A/B with aspects of C where conservation or detailed planning is required. The Procurement route will determine the point of design responsibility moving from OCC to the contractor partner.
 - **Civil & Structural Engineer;** to contribute to the de-risking phase of the projects by managing (or undertaking directly) the required environment and ground surveys. Produce associated report and recommendations towards the viability of the site. Contribute to the civil and structural design solution, for the client and or the contractor (depending on the time and type of procurement).
 - **Building Services Engineer;** to contribute to the de-risking phase of the projects by managing (or undertaking directly) the required utility searches and capacity checks. Produce associated report and recommendations towards the viability of the site. Contribute to the building services design solution, for the client and or the contractor (depending on the time and type of procurement).
 - **CDM Coordinator;** Manage on behalf of the client, the clients responsibilities for CDM where there are able under the CDM regulations 2007 amendments.
 - **Code for Sustainable Homes (CFSH) Assessor;** to complete a CFSH pre-assessment for the sites and progress with the collation and completion of the CFSH assessment form. To advise the design team of opportunities for maximising the achievement of the Code 5 level requirement. Submit necessary form for approval and sign off at the appropriate stage.
 - **Contractor;** To design and build the required project.

Stakeholder Engagement Strategy

The stakeholder engagement strategy is designed to create an effective framework to enable effective stakeholder engagement and communication.

- How the stakeholders will be identified, grouped and tracked through the programme (individuals and groups)
- Explanation of the process for adding to or changing the programme communications plan.
- How the importance, influence, interest and impact of a stakeholder to a programme will be measured and assessed.
- How stakeholder analysis information will be processed and stored, with reference to confidentiality
- Description of how the programme will engage with stakeholders, including appropriate channels and mechanisms for encouraging, receiving, and responding to feedback from stakeholders.

Stakeholder profiles/register;

- Stakeholder map showing stakeholders and their area of interest
- Stakeholders area for concern/sensitivity
- Level of support for the programme
- Areas of the programme that stakeholder are interested in and why
- Levels of stakeholder influence on the programme and why; do we need them or do they need us?
- Influence/interest matrix showing current and target positions for each stakeholder engagement
- Benefits distribution – Which stakeholders will receive what benefits and which stakeholder will receive dis-benefit.

Communication Strategy

General Communication

Conversations either direct or by telephone between the parties involved will be encouraged to expedite progress of the projects. However, the Project Manager must be made aware, without delay, of the content of the conversation by telephone, and then by written communication or sketch, if such discussion has an impact on the projects (time, quality or cost).

It must be stressed that the outcome of verbal communications at any level will not relieve the parties of their formal responsibilities; a follow up of any verbal instructions must be completed in written form for clarity.

No instructions should be progressed without formal written instruction or approval from the Project Manager.

General Reporting

The Project Manager shall provide a regular weekly flash report to Oxford City Council (OCC) in the format agreed and template included as Appendix B. This will be supported by a formal monthly Project Managers Report.

This reporting will be supplemented by the weekly conference calls held between OCC and the project team to review progress and matters/issues of pressing concern.

The programme board is to escalate reports and associated concerns through to the sponsoring group.

Meeting log

In order to ensure meetings are organised, occur in a timely manner, and at agreed frequency, a project calendar is included on the PiaB portal. This acts as a live meeting schedule and will be populated by the project manager. Adjustments to any proposed meetings should be highlighted in advance to the project manager.

Project Directory - PiaB

A project directory has been developed and will be owned by EC Harris. It is imperative all personnel changes are notified to the project manager prior to and throughout the project (via e mail is acceptable). Refer to Appendix D.

Actions and Request for information- PiaB

It is likely with a project of this size, complexity and nature, that there will be a significant number of meetings with associated actions. In order to easily manage the actions, EC Harris has compiled an action log which should be updated following all meetings by an EC Harris representative. This will be structured as part of the intranet project tool 'Project in a Box (PiaB)'.

In addition to general project and project actions, it is likely information requests will be made. For ease of use and clarity across the project, all requests for information between parties will be raised as actions within the PiaB portal.

Risk and Issue Management Strategy - PiaB

All projects contain risk as they are unique in their nature. Projects may appear the same, however they are only ever very similar. All projects are individual and are constrained and complex to the surrounds they are undertaken in.

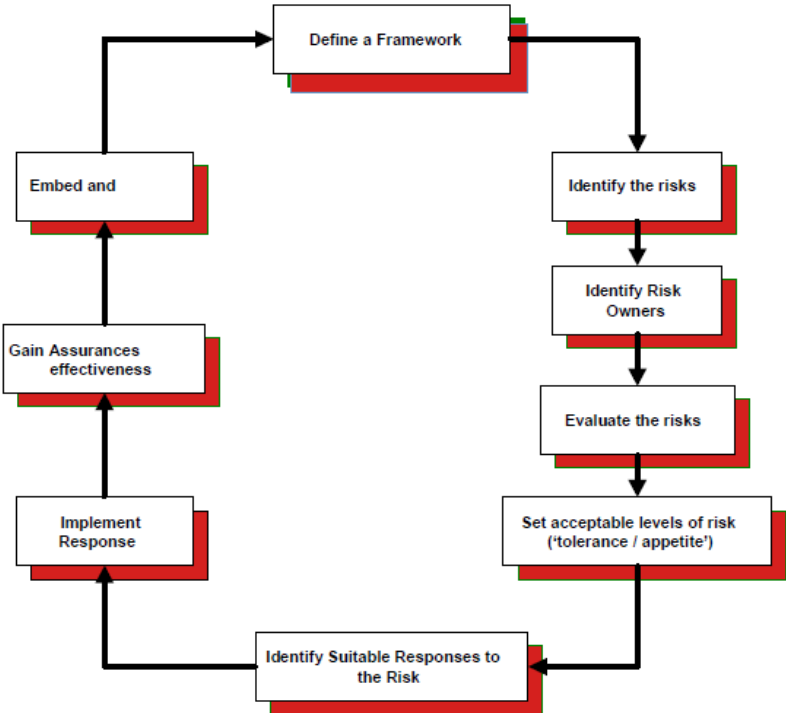
This project will be no different to the above, there are risks associated with the venture and it is important to register those risks and engage all parties to identify, assess, plan a response and implement a form of mitigation to attempt to either remove, reduce, avoid, accept or transfer the risk. This is seen and set out below.

Approach to Risk and Risk Management

Risk Management is 'a structured approach that allows individual risk events to be understood and managed proactively, optimising project success by minimising threats and maximising opportunities'.

In effect, the above definition identifies the fact that a risk can be a threat or an opportunity to the project objectives and deliverables. A risk management process is identified below, demonstrating how the above process can work:

- Setting the process & objectives
- Risk Review:
 - Identification
 - Assessment
 - Prioritise & Plan
 - Mitigate



•**Risk Response:**

- Remove
- Reduce
- Avoid
- Accept
- Transfer

Risks will be captured on the PiaB portal and managed proactively by the team, and associated risk owners. The risk events will be considered in the context of contingency and potential for additional funding support if the risk profile exceeds the contingency amount contained within the budget.

Change Control Management

A change control procedure has been created (refer to Appendix C) and is to be followed in all change occurrences following tender action. The procedure comprises a four-stage process (see below). This is for information only at this stage and will be implemented following sign off of the design prior to Tender Issue:

Stage 1

Definition of the change proposal by the originator, as set out in the Change Order Request (COR).

Stage 2

An appraisal against time, cost, quality, health & safety, design and any environmental concerns, such as sustainability, code for sustainable homes, by the relevant consultant team and as appropriate, by the Contractor. All responses are managed by the change originator, collected and forwarded to the Project Manager for submission to the Programme Board.

Stage 3

Recommendations by the Project Manager to the Senior Responsible Owner (SRO) for their acceptance followed by recommendation to the Programme Board and or the Sponsoring Group (if required). Note that these groups are authorised to reject any proposals as necessary.

Stage 4

Recommendation or rejection by the Programme Board or the Sponsoring Group will be required for all changes depending on the level of impact. The delegated authority levels are stipulated in the organisation structure section of this report and must be implemented throughout the project.

Cost Management

Cost control is the responsibility of the entire project team, although a lead will be taken by EC Harris. The Cost Manager will be responsible for development of the cost control process, associated cost plans, pre-tender estimate and post contract cost reporting.

Pre-contract cost control will be undertaken by the cost manager through regular updates to the cost plan, as the design develops, to enable potential cost risks to be flagged and managed.

Post contract, cost control will be both the cost manager and with information supplied by the contractor. The cost manager will provide monthly updates on; forecast cost, implemented changes, forecast changes, contingency levels and forecast cashflow.

EC Harris cost management will produce an elemental cost plan at RIBA Stage C. This cost plan will provide an estimate of cost based upon the design to date, materials identified and floor areas. This will provide a baseline to test the budget for the projects. This can then be used to seek approval to proceed with the project through the next gateway.

The cost manager will provide periodical reports indicating the cost position of the project at various stages and a record of the financial movement in the period assessed against the previous period or gateway approval.

The cost manager will be in attendance at design team and project team meetings.

Programming (Scheduling)

The project manager will develop a strategic master programme to summarise the key milestones throughout the life of the project. Progress against the master programme will be reported at high level on a weekly basis in the flash report and in more detail in the monthly report.

As the project develops the programme will be kept up to date and will be supplemented from time to time with more detailed programme, for instance during the construction phases of the various projects.

The assumptions made by the project manager in producing the master programme will be tested with OCC and once appointed the design team members and main contractor.

The format of the programme will be completed in Microsoft Project and reformatted in Microsoft Excel if required for senior stakeholder communication.

The master programme is included as appendix D. Any variations to this will be raised and agreed by the Project Board.

Where gateways are identified, these are based around key information or investment sign off, where the programme board need to approve and authorise.

Health & Safety

At this stage a CDM Coordinator has not been instructed on the project. We recommend the appointment of a CDM Coordinator immediately. This is to ensure that the CDM Co-ordinator will be actively involved in all stages of the design development to confirm that adequate safety reviews are conducted and safety is inherent in the design of the new homes.

Adequate design risk assessments must be undertaken by the design team and these will be monitored and reviewed by the CDM Co-ordinator.

The CDM Co-ordinator will fulfil their duties under the Construction (Design and Management) Regulation and Approved Code of Practice – “Managing Health & Safety in Construction”

The CDM Co-ordinator will produce a pre-tender Health & Safety Plan for each construction contract (i.e. Enabling Works / Main Contract), with input and assistance from the client and the design team as required.

Using the information contained within the Pre – Tender Health & Safety Plan, the appointed Contractor will be required to develop Construction Phase Health & Safety plan prior to commencement of operations. This will be in accordance with the CDM regulations and subject to CDM Co-ordinator and Client agreement.

The file will be compiled as work progresses and following approval by the CDM Co-ordinator, the completed file will be issued to the Client on completion of the construction works.

The Contractor will be responsible for instigating procedures for the reporting of accidents, incidents and dangerous occurrences.

All such incidents shall be reported to the Project Manager at the regular progress meetings and recorded in the minutes.

The contractor will be responsible for instigating procedures for the control and monitoring of safety on site. Regular safety audits should form part of the construction phase health & safety plan, and copies of audits and inspections should be provided to the Project Manager at the progress meetings.

Appendices

Appendix A - Flash Report Template



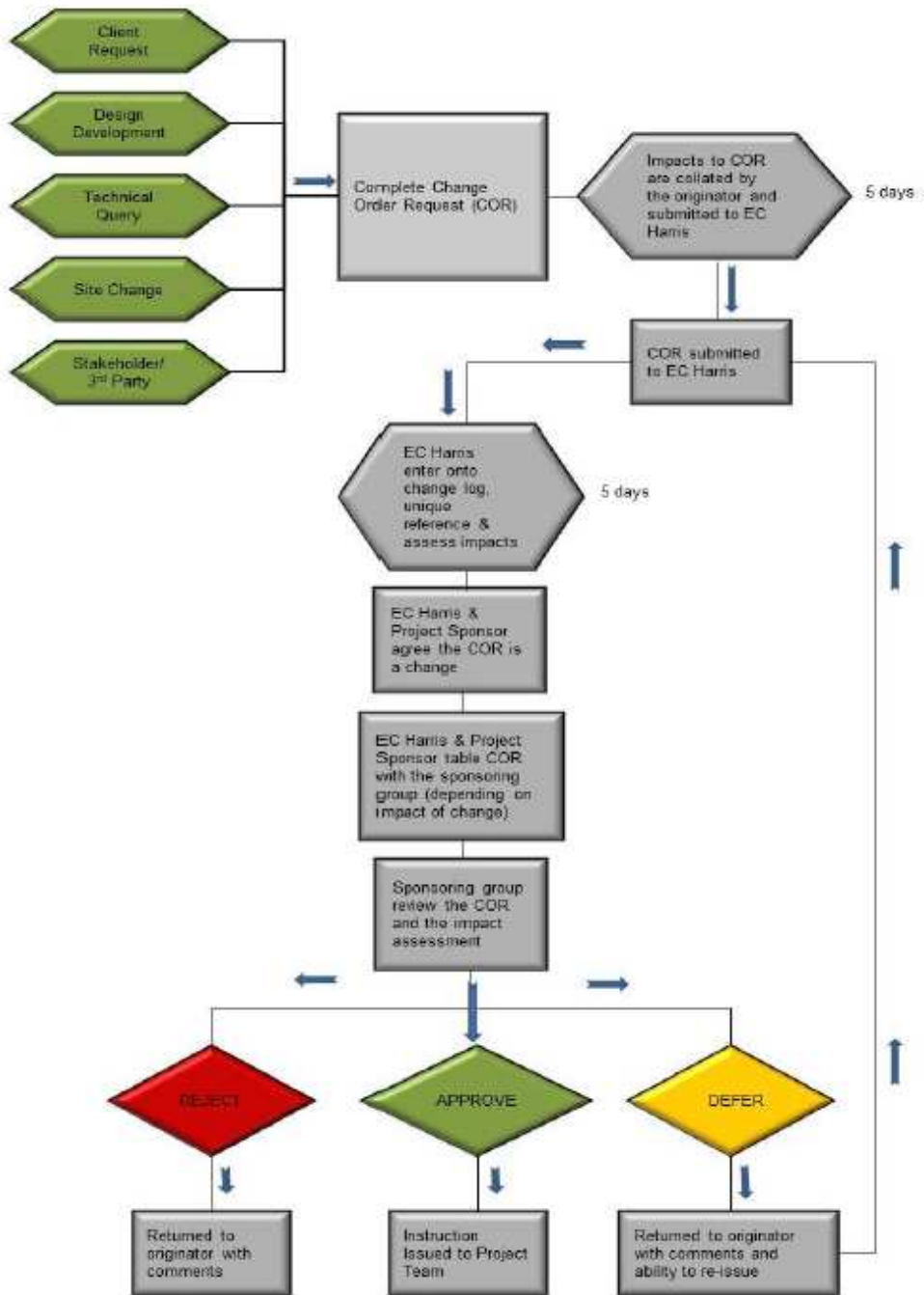
Oxford City Council; AHP
Flash Report: 03.05.13 to 09.05.13

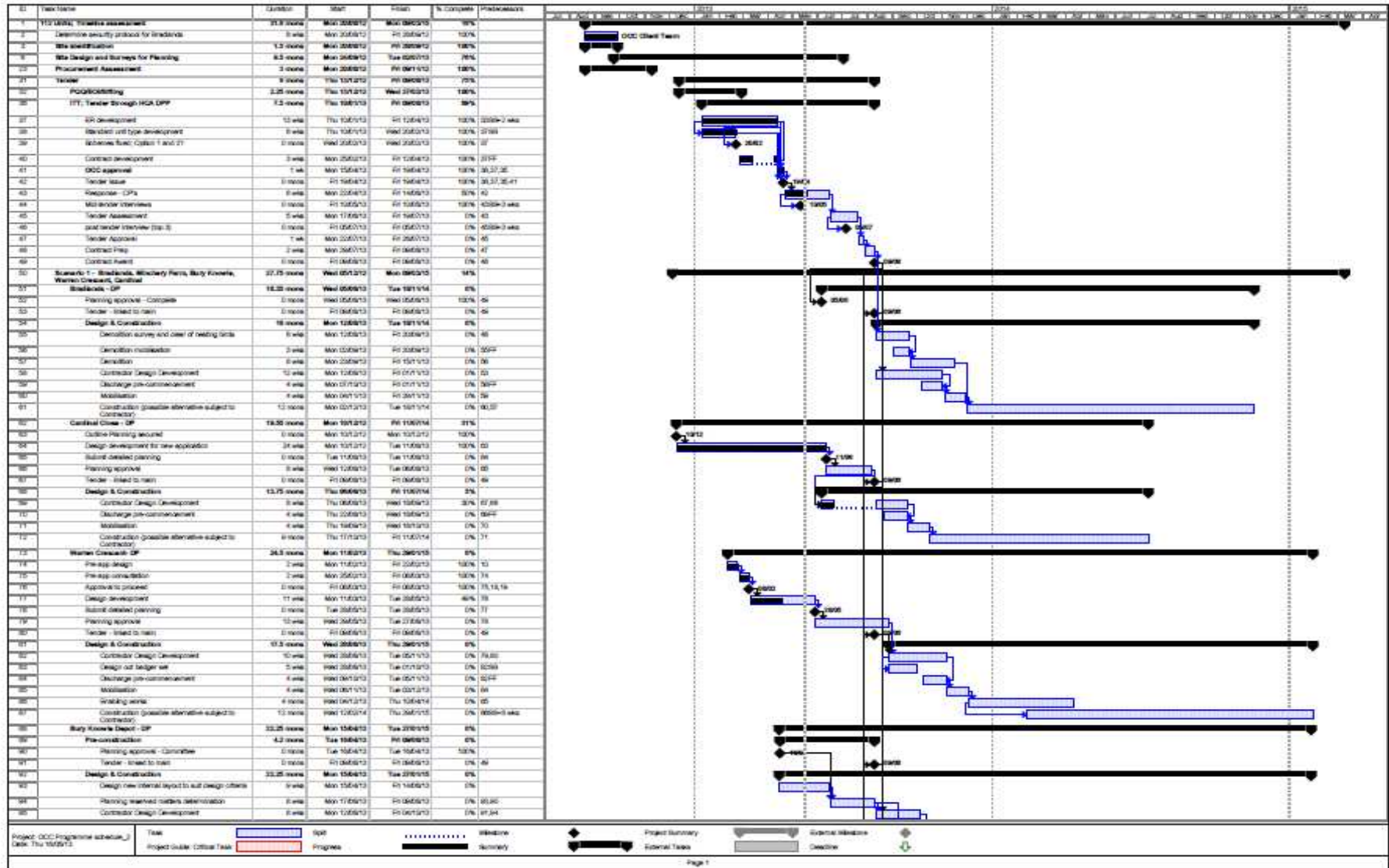
Project		OCC AHP 2012-15		Progress																																						
Date issued		09 th May 2013																																								
Accountabilities	<ul style="list-style-type: none"> East Minchery pre-application discussions commenced with the planning and policy team. Overall outcome is positive to the scheme structure. Further detail is needed from the consultation to help position the use of the DPD allotment and open space. Initial view is that the scheme has 30% in total allocated to open space, therefore the development will not be affected if the inspector and policy demand allotments. An alternative pricing structure has been drafted to the tenderers, including TW and Kier, to offer all the same opportunities. Feedback is requested for Tuesday 14th prior to a formal tender addendum. Bury Knowle is being redesigned to meet the housing team design requirements. This is likely to take 4 weeks. Dialogue with the planners will continue to help smooth the process. Elfield Hall change request has been drafted and is being reviewed within the project team prior to board circulation. Approval to proceed will be needed within the next 2 weeks to stand a chance of maintaining programme. Team Y planning site packs (Cardinal Close, Leiden Road, Thomson Terrace, Tucker Road) will be submitted to R01 10th May. Wamen Crescent; Status remains with Natural England. Timesframe is low risk until the end of May. Slow worm site visits have concluded a small population is present. Final report will be issued WC 15th May. 																																									
	<table border="1"> <thead> <tr> <th colspan="2">Levels</th> <th colspan="4">Red requires resolution or allocate to issues and risks register</th> </tr> </thead> <tbody> <tr> <td>R</td> <td>A</td> <td colspan="4">Amber requires special action by the team to resolve; action plan in place</td> </tr> <tr> <td></td> <td>A</td> <td colspan="4">Natural England's restrictive and negative engagement on Wamen Crescent.</td> </tr> <tr> <td></td> <td>A</td> <td colspan="4">All tenderers continue to bid for the scheme. Split procurement of Bredlands and the wider AHP units might be required. Subject to Tender responses and feedback.</td> </tr> <tr> <td></td> <td>A</td> <td colspan="4">Additional sites identified have until the end of May as a realistic cut off date (review, design, obtain planning and tender a site).</td> </tr> <tr> <td></td> <td>A</td> <td colspan="4">All sites need to run concurrently to the point of letting the contract (approx. 150 units) to maximise delivery success. This may mean underwriting contract design development prior to planning approval.</td> </tr> </tbody> </table>						Levels		Red requires resolution or allocate to issues and risks register				R	A	Amber requires special action by the team to resolve; action plan in place					A	Natural England's restrictive and negative engagement on Wamen Crescent.					A	All tenderers continue to bid for the scheme. Split procurement of Bredlands and the wider AHP units might be required. Subject to Tender responses and feedback.					A	Additional sites identified have until the end of May as a realistic cut off date (review, design, obtain planning and tender a site).					A	All sites need to run concurrently to the point of letting the contract (approx. 150 units) to maximise delivery success. This may mean underwriting contract design development prior to planning approval.			
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Key Next Steps	Action		Who	When																																						
	Commence the submission of planning documents to OCC for sign off.		ECH	ongoing																																						
	Begin changes on Bury Knowle		GA	June																																						
	Submit updates to EMF layout		GHA	14.05																																						
	Submit consultation detail and statement of community involvement for EMF to LPA.		ECH	14.05																																						
	LPA to submit formal pre-app notes and direction on DPD compliance.		OCC	17.05																																						
Next Key Meetings				Date																																						
Team conference call				17.05																																						

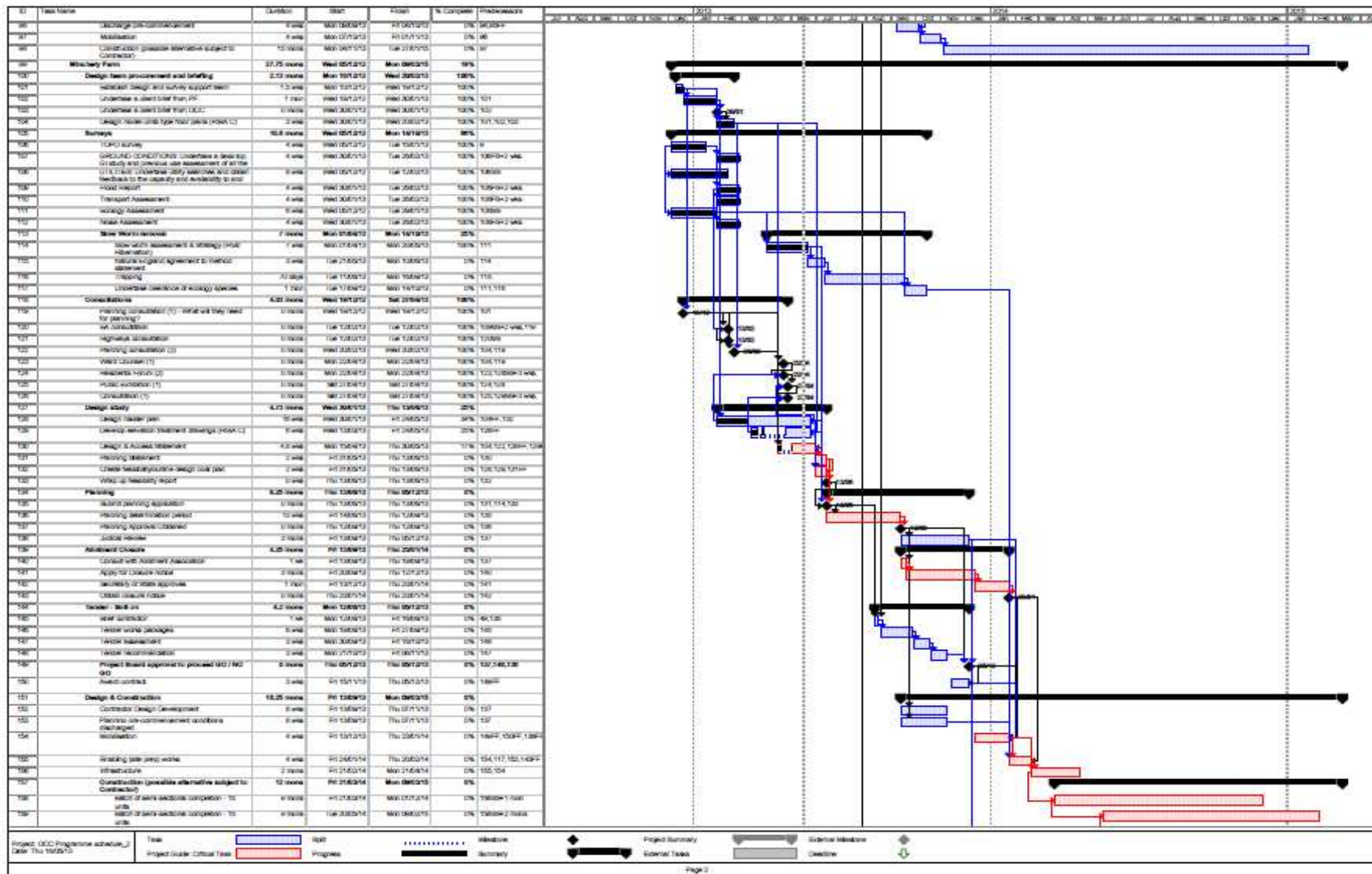
Appendix B - Responsible, Accountable, Consulted, Informed (RACI) Chart

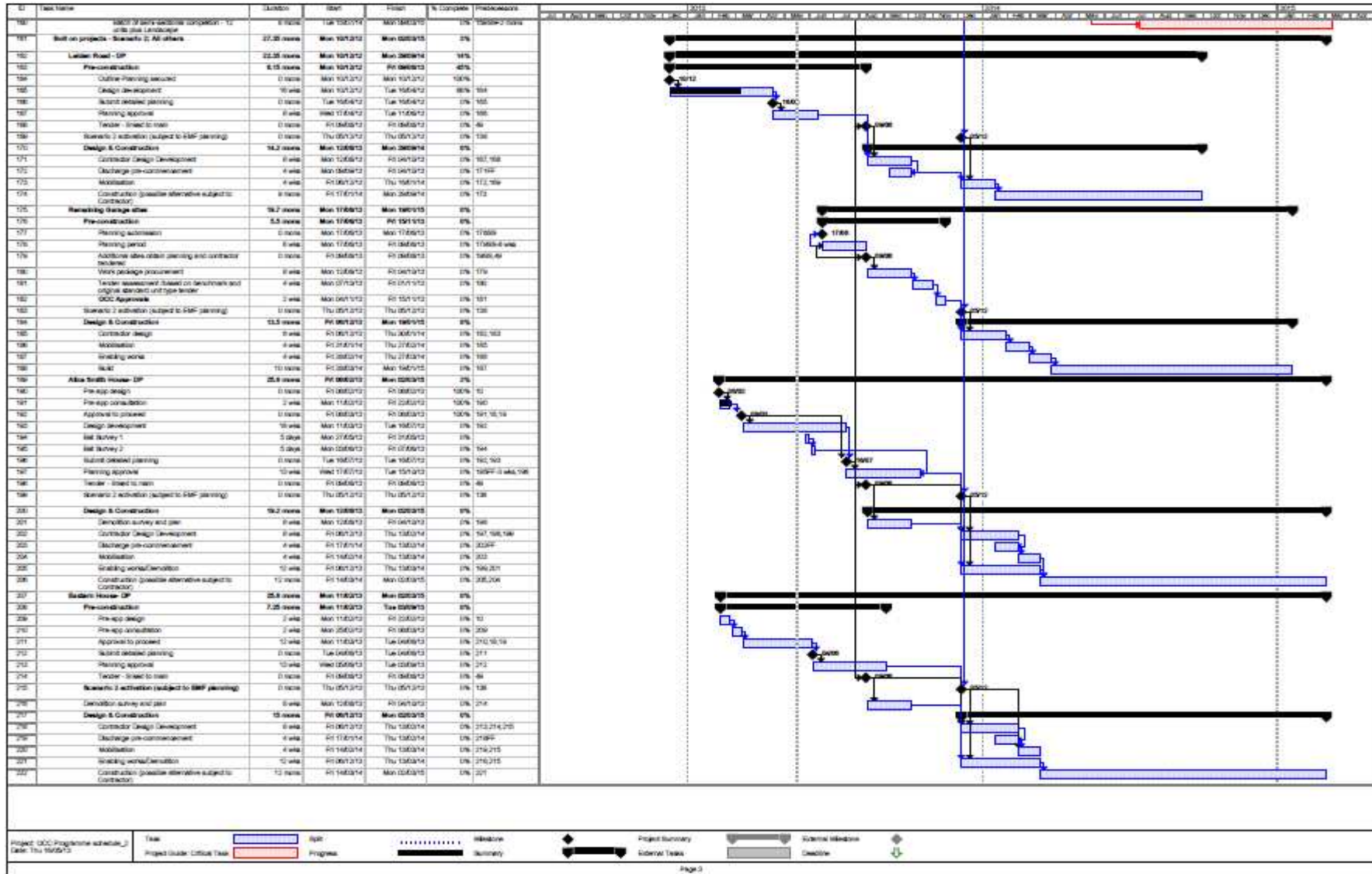
This is a live document and will be updated throughout the project - Not Available

Appendix C - Change Control Process









Appendix 2

Affordable Homes Programme 2012-15 ~ Risk Register

amber / red thresholds	3	2
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Risk Information										Risk Reduction Plans			Current Risk Scoring					
Risk ID	Current Stage	Status	Type	Strategy	Cause	Impact	Consequence	Risk Owner	Category	Specific Risks	Initiation, Address / Feedback Plans	Action Owners	Next Report Date	Probability 1-5	Cost 1-5	Probability Range	Cost Range	Overall Score
000001	12	Open	Risk	Threat	Project Pipeline is not substantial enough. Therefore sites that fall away cannot be replaced.	Threat to achieving the 112 unit requirement	Potential partial loss of funding and reputation with the HCA.	Richard Hawkins	Operation	(General) Programme level	Keep searching for additional sites to add to the AHP pipeline.	Rob Kinton	01/06/2013	3	4	25-49%	£500-£2000	12
000002	12	Open	Risk	Threat	Planning submissions are not successful resulting in a loss in site.	Abortive costs incurred and potential threat to achieving the 112 units.	Potential partial loss of funding and reputation with the HCA.	Richard Hawkins	Operation	(General) Programme level	Keep searching for additional sites to add to the AHP pipeline. Meet with the Planners early to manage site expectations and planning likelihood.	Rob Kinton	01/06/2013	3	4	25-49%	£500-£2000	12
000003	12	Open	Risk	Transfer	Sites identified have specific challenges pertaining to buildability	Abortive costs incurred if sites are not progressed. Potential inflated costs for some sites. Potential threat to achieving the 112 units if sites fall away	Potential partial loss of funding and reputation with the HCA if the costs are not achieved. All schemes must be managed within the financial envelope.	Richard Hawkins	Operation	(General) Programme level	De-risking activities have been proposed and an indicative cost plan completed. Await formal tender returns to understand cost impact of potential risk transfer. Contingency allowances have been factored into the cost plan.	Dominic Geoghegan	01/06/2013	3	4	25-49%	£500-£2000	12
000004	8	Open	Risk	Threat	Bad weather is experienced during the build phases.	Potential delay to the delivery of the units, could cause loss of part funding from the HCA.	Need to extend the funding back stop from March 15.	Richard Hawkins	Operation	(General) Programme level	Open and frequent communication has been established already with the HCA. This will follow on and help to advise the HCA the impact of any delay and advise when delay is likely to be experienced.	Dominic Geoghegan	01/06/2013	3	3	25-49%	£250-£500	8
000005	6	Open	Risk	Threat	Contractors want to redesign the scheme to a lower quality.	Delivery of the units are not in line with quality expectations	A lower than expected product is delivered. Potential defect issues post build and during operation.	Richard Hawkins	Operation	(General) Programme level	A robust set of employment requirements (ERA) and design intent, with planning submissions, has been issued to the contractors to demonstrate the quality expectations. The professional team will manage the ERA and the contractors delivery against them to determine	Dominic Geoghegan	01/06/2013	2	3	10-24%	£250-£500	6
000006	6	Open	Risk	Threat	Tender returns from the contractors demonstrates that there is no appetite for the small sites.	Additional procurement exercises will be needed	Potential delay to secure a contractor for all the sites required	Richard Hawkins	Operation	(General) Programme level	The HCA DPP panel is proposed and commitment is secured for most sites, if necessary a separate procurement route can commence post the original tender if required. This has been factored into the overall	Dominic Geoghegan	01/06/2013	2	3	10-24%	£250-£500	6
000007	6	Open	Risk	Threat	000 add sites late to the process	Additional resources and assessment necessary	Abortive costs could be incurred and not underwritten by the programme	Richard Hawkins	Operation	(General) Programme level	Robust change control and governance will be used to inform the board of the impact and manage expectations throughout.	Dominic Geoghegan	01/06/2013	2	3	10-24%	£250-£500	6
000008	4	Open	Risk	Threat	Contractor tender return prices are in excess of the cost plan.	unaffordable scheme	Cannot deliver the 112 units	Richard Hawkins	Operation	(General) Programme level	Benchmark costs have been used for the cost plan with associated contingency allowances for risky sites. Unlikely event, however appointment	Dominic Geoghegan	01/06/2013	1	4	0-9%	£500-£2000	4
000009	2	Open	Risk	Threat	The tenders return a need and want to split the housing from the sheltered accommodation.	Two contractors are appointed	Additional management and contract administration. Additional professional team fee.	Richard Hawkins	Operation	(General) Programme level	The saving in the split procurement will not weigh the additional fee, therefore manageable with the financial envelope if necessary.	Dominic Geoghegan	01/06/2013	2	1	10-24%	£0-£500	3
000010	2	Open	Risk	Threat	Other government departments challenge the viability of the sites, such as Natural England and the LAs.	Cause additional work upfront and potentially limit the development of the scheme.	Potential loss of sites and abortive works if not progressed.	Richard Hawkins	Operation	(General) Programme level	Early engagement and dialogue will commence on the sites where challenges occur. Constant reporting to the board informing of risk and status.	Dominic Geoghegan	01/06/2013	2	1	10-24%	£0-£500	3

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