



# Training Work Shop Overview

By Dale Henderson

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## Best Practice in the Procurement and Delivery of Construction Services

On the 6<sup>th</sup> and 15<sup>th</sup> of April the Centre of Advanced Engineering (CAE) ran a workshop on “Best Practice in the Procurement and Delivery of Construction Services”. The workshop covered case studies and public sector procurement guidelines from the United Kingdom. Jason Le Masurier, CAE Programme Manager and Senior Lecturer in Civil Engineering at the University of Canterbury facilitated the workshop

The guest speakers for the workshop, Tim and Amanda Warren have extensive experience in the area of project procurement and delivery and were part of the UK “Rethinking Construction” initiative team with Jason. Amanda’s current position is Operation Director with Mace Performance Management. Tim is a Senior Project Manager at the University of Cambridge.

Proceedings began with an overview and introduction to the CAE Best Practice in Construction Procurement initiative. Jason gave an overview the status of the construction industry in New Zealand and the benefits to be gained by the New Zealand economy through efficiency improvements in construction. Recent research by Masters in Engineering student Clement Toh showed that if 1/3 of industry was to adopt some of the improved procurement methods already proven to be effective in the United Kingdom, the New Zealand economy could potentially reap over \$700 million dollars in savings.

Jason outlined the ways in which CAE is promoting improvements in procurement methods in the construction industry through themed workshops, knowledge brokering, industry networks and demonstration projects. The combined effect of these initiatives is intended to demonstrate improvements, provide evidence of benefits that can to be gained and promote wider adoption of performance improving innovations.

**Guest Speaker: Amanda Warren**

**“Dramatic Results using the Integrated Supply Team”**

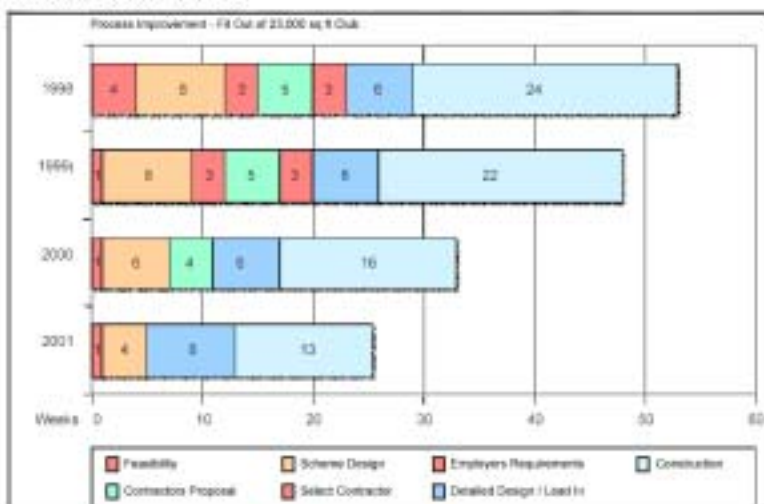
Amanda’s presentation explored the benefits that can be derived from using an integrated team and supply chain when procuring a project.

Amanda began by outlining the need to reduce waste and the areas from which waste can be present in the supply chain. To illustrate the benefits that can be derived from reducing waste and using an integrated supply team Amanda used two key projects she was involved with through Mace in the UK; Hereford City Council and Cannons Leisure Centre.



Hereford City Council intended to refurbish and build several schools within the region and worked with Mace to undertake this project using an integrated supply team. The project is incomplete though has already begun to demonstrate significant benefits, in particular the supply team has been able to move directly from one school to the next avoiding the long tendering processes typical for each job. This has enabled schools to be completed during school holidays, a result which would not have been possible via traditional procurement routes.

**Construction Time**



The second example used by Amanda was the Cannons Leisure Clubs. This example illustrated how an integrated supply team and collaborative working techniques can generate substantial benefits for the client. Cannons wished to expand their business throughout the country, greatly increasing the number of centres from which they provide their services. Their priority was “getting more customers through the door”. A

collaborative arrangement was created between the key contributors who would build all the facilities. Through a carefully constructed pain-share/gain-share arrangement outstanding results were achieved both in shortened construction time (see Figure) and club construction costs. Savings were invested back into club facilities thus adding more value for Cannons.

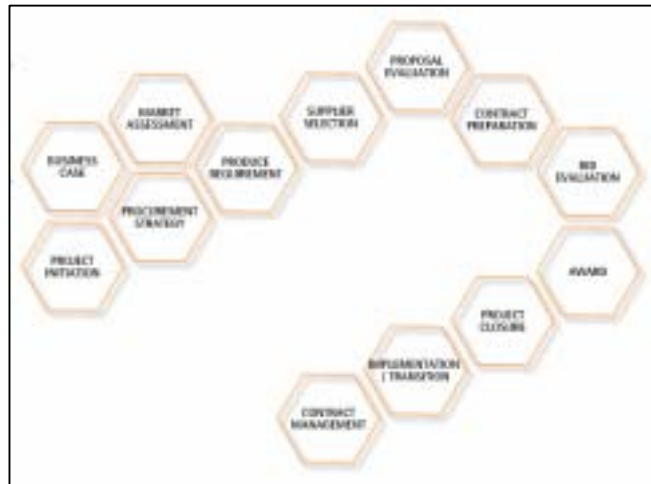
**Guest Speaker: Tim Warren**

**“Office of Government Commerce’s Gateway Model”**

Tim’s presentation focused on the UK Office of Government Commerce Gateway Model. The model is intended as a guide for project management in the public sector, though is applicable to any project.

The model was born from “Rethinking Construction” and has been endorsed by the UK Audit Office. The OGC Gateway Process examines a programme or project at critical stages in its lifecycle to provide assurance that it can progress successfully to the next stage; the process is based on well-proven techniques that lead to more effective delivery of benefits together with more predictable costs and outcomes.

Tim described the model as a “...over arching strategy” which provides a framework to work through during the course of the project. The model is a means of assessing progress and ensures that the right questions are asked at the right times (Gateways) during the course of the project. The framework encompasses the entire project “from cradle to grave” but enables the user to delve down into the details when required.



In a practical sense Tim explained that the model works via a series of streams that run parallel to the course of the project which all have to be considered and satisfied. The toolkit is composed of several parts that compose the different stages of a project. Most powerful aspect is that it allows you to incorporate a broad range of best practice techniques.

**Key Web Sites Mentioned:**

[www.constructingexcellence.org.uk](http://www.constructingexcellence.org.uk)

[www.kpizone.com](http://www.kpizone.com)

[www.caenz.com](http://www.caenz.com)

[www.ogc.gov.uk](http://www.ogc.gov.uk)