



Performance Measurement on the London Construction Programme

David Mulford

Construction Procurement Manager
London Construction Programme

david.mulford@haringey.gov.uk

LCP@haringey.gov.uk

<http://lcp.g2b.info>

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Agenda

- 1. Introduction to London Construction Programme**
- 2. Construction Related Consultancy Services (CRCS) Framework**
- 3. The Drivers for using Performance Measurement**
- 4. Embedding Performance Measurement in the Framework**
- 5. Performance Measurement 1: Project level KPIs**
- 6. Performance Measurement 2: Supplier Engagement**

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1. Introduction to London Construction Programme

- London's public sector spends anything between £1.5bn - £2.5bn each year on construction projects and their related professional services.
- Working in isolation, individual commissioning organisations carry the full cost of each procurement project and the resulting contract performance management.

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1. Introduction to London Construction Programme

- **The LCP was established by a group of local authorities in London, supported by London Councils, to develop a pan-London strategy to improve construction procurement.**
- **LCP offers framework agreements, contracts and category management support to deliver construction projects more efficiently and effectively.**

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2. The CRCS Framework

LCP's aim is for London's public sector authorities to work collectively to achieve to cut the cost and risk of localised procurement and achieve better value for money outcomes from construction projects through collaboration.

LCP's strategy is to:

- Make available a suite of pan-London construction related Framework Agreements
- Establish a range of shared services and resources for class-leading procurement and performance management enable access to expert knowledge and experience within LCP participating organisations.

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2. The CRCS Framework

LCP's strategy is to:

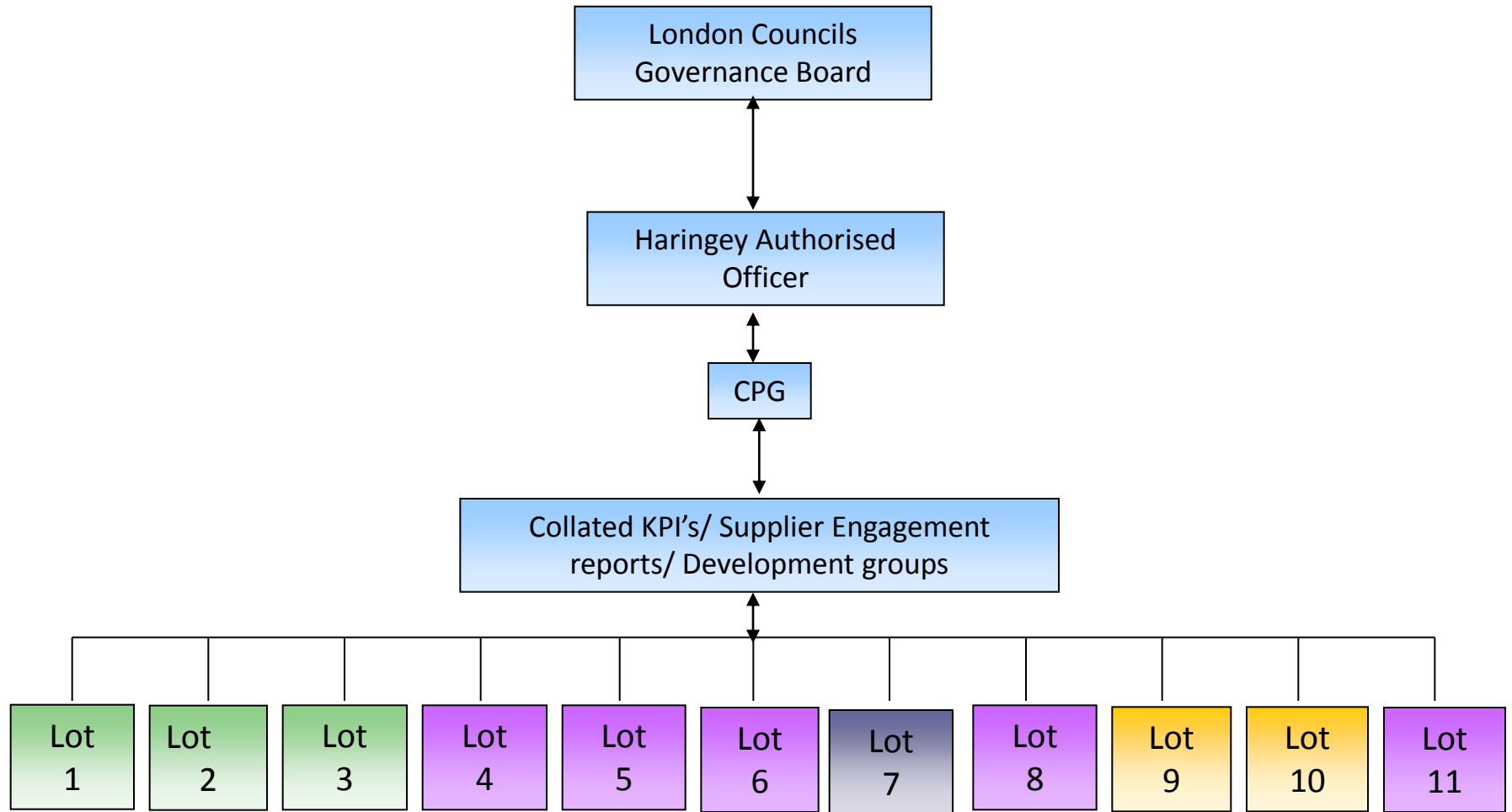
- LCP's Construction Related Consultants Services (CRCS 2012) is the first of these frameworks.
- Frameworks for Contractors and Suppliers of related products and materials are in development

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Lot 1: Multi Disciplinary up to £249,999	Lot 2: Multi Disciplinary £250,000 - £999,999	Lot 3: Multi Disciplinary over £1,000,000
Atkins Limited	EC Harris LLP	Atkins Limited
Frankham Consultancy Group Limited	Frankham Consultancy Group Limited	Frankham Consultancy Group Limited
Keegans Ltd	Mouchel Ltd	Keegans Ltd
Pellings LLP	NPS Property Consultants Ltd	Mouchel Ltd
Ridge and Partners LLP	Ridge and Partners LLP	Pellings LLP
Lot 4: Education Architect up to £2,999,999	Lot 5: Education Architect over £3,000,000	Lot 6: Project Management
AcanthusLW architects	Curl Ia Tourelle Architects	Baily Garner LLP
AD Architects Ltd	Haverstock Associates LLP	Mace Limited
Architects Design Partnership LLP	Hawkins\Brown	Mott MacDonald Limited
Mouchel Ltd	Mouchel Ltd	Northcroft Group Limited
Pick Everard	NPS Property Consultants Ltd	Sweett (UK) Limited
Rivington Street Studio	Pellings LLP	
Shepherd Epstein Hunter	Pick Everard	
Watkins Gray International LLP	Pollard Thomas Edwards architects	
Lot 7: CDM Co-ordinators	Lot 8: Quantity Surveyors	Lot 9: BREEAM Assessors
Calford Seaden (Health and Safety) Limited	Keegans Ltd	Architects Design Partnership LLP
Frankham Consultancy Group Limited	Mott MacDonald Limited	Atkins Limited
Gleeds	Playle & Partners LLP	Clancy Consulting Ltd
Stace LLP	Stace LLP	Frankham Consultancy Group Limited
Sweett (UK) Limited	Sweett (UK) Limited	Gleeds
Lot 10: Clerk of Works	Lot 11: Client Design Advisors	
John Burke Associates	3DReid	
John Rowan and Partners LLP	Curl Ia Tourelle Architects	
MDA Consulting Ltd	Pollard Thomas Edwards architects	

2. Governance of the CRCS Framework



Key



Enfield



Haringey



Barnet



Haringey & Barnet

3. The Drivers for using Performance Measurement

Purpose is to set up a suite of KPI's which relate to construction projects to enable projects to be compared across London and much wider – i.e NIEP, IESE and other regional construction hubs.

Create a process which helps record Consultants performance within the CRCS 2012 framework agreement creating league tables for each lot.

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3. The Drivers for using Performance Measurement

- Support the value for money of framework projects
- Compare performance across projects and activities
- Identify best practice
- Drive continuous performance improvement

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3. The Drivers for using Performance Measurement

Traditionally clients want their construction projects delivered:

- **On time**
- **On budget**
- **Free from defects**
- **Right first time**
- **Safely**

Regular clients expect continuous improvement from their construction teams to achieve year-on-year:

- **Reductions in project costs**
- **Reductions in project times**

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3. The Drivers for using Performance Measurement

We now include other key issues as standard (although some used previously) :

- **Apprenticeships**
 - **Local Labour**
 - **Local Supply Chain**
 - **Sustainability**
 - **Consultant fee as % of contract value**
 - **Cost per£/m²**
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4. Embedding Performance Measurement

- The KPI's are an obligation within the Participating Organisations access agreement
- and
- within the Consultants framework agreement.
(collection by PM or lead Consultant (where no CRCs PM)).

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4. Embedding Performance Measurement

Participating Organisations

5 PROVISION OF INFORMATION

5.1 The Participating Organisation shall provide management information reports, consisting of the information detailed below (the “Management Reports”), to the Lead Authority, and such of the Core Team Council members as the Lead Authority shall nominate, at no charge on a monthly calendar basis (or such other period that may be agreed between the parties) (the first calendar month after the date of the first Call-Off Agreement entered into by the Participating Organisation), unless agreed otherwise, covering the period since the date of the previous Management Report and shall include, without limitation, the following details:

(b) Completed KPI’s for all projects and Frameworks;

(c) Supplier Engagement Forms for each Consultant;

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4. Embedding Performance Measurement

- The KPI's are an obligation on the consultants within the CRCS 2012 tender documents

Introduction to preambles 2.7

The Framework Co-ordinator will also compile, complete, report and send information on all the framework requirements as agreed with the Framework Employer and CTC/CPG and the Employer such as commissions, progress, KPI's, final accounts etc as part of the strategic role of managing the framework agreement as contained in this specification.

The consultant will at the completion of the commission (or at agreed intervals throughout the framework) collate this data and send it with appropriate back up, to CTC/CPG.

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4. Embedding Performance Measurement

Preambles 3.10 Key Performance Indicators (KPI's)

The consultants performance will be measured throughout the course of the contract at key stages. These KPI's will be by agreement with both parties.

The method of monitoring used will be Key Performance Indicators and survey forms (Supplier Engagement Forms or the like). Refer also to clause 40.0 of the Framework Conditions of Contract.

The consultant will at the completion of the commission (or at agreed intervals throughout the framework) collate this data and send it with appropriate back up to the Employer.

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4. Embedding Performance Measurement

Preambles 3.10 Key Performance Indicators (KPI's) cont'd

Failure to carry out the KPI exercise will result in the Stage L payment being withheld (see clause 40.1.5 of the Framework Conditions of Contract). *(and clause 2.7 of the introduction to the preambles).*

The CTC/CPG will agree with consultant the format of the KPI's etc and the Consultant shall provide all KPI information and backup information as required.

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4. Embedding Performance Measurement

Preambles 3.10 Key Performance Indicators (KPI's) cont'd

Targets for year on year improvements will be agreed with the consultants at the commencement of the framework and failure to reach these targets will be deemed to be a breach of the framework which may result in resting from future commissions until an agreed rectification process and resolution in practice is set in place and carried out to the satisfaction of the Framework Employer. Refer to clause 40 of the Framework Conditions of Contract.

A KPI summary sheet was included in tender documents.

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4. Embedding Performance Measurement

Preambles 3.10 Key Performance Indicators (KPI's) cont'd

Where a Project Manager is appointed they will be expected to collate the project information for sending to the Employer and CTC/CPG but where no Project Manager is appointed the Lead Consultant will be expected to collate this information.

It will be expected that the Consultants will meet CTC/CPG on a regular basis (to be determined between parties)

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5. London Construction Programme

Project KPIs

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5. LCP Project KPI's

- Intention - to establish a London wide Public Sector benchmarking club facilitated which can report on performance of projects across London.
- Link to National Improvement Efficiency Partnership (NIEP) KPI's to enable benchmarking against other regions.
- Regular aggregation of performance data from projects across London will allow LCP to offer benchmarking of both client and provider performance in order to drive continuous improvement.

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5. LCP Project KPI's

- Standardised performance information removes the need to develop project-specific management.
- Benchmarking performance based on Constructing Excellence's specialist KPI Engine ensure optimum performance monitoring and management of each project.

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5. The LCP KPI Engine



KPI Engine

KPI Engine

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Welcome to the KPI Engine

You are logged in under London Construction Programme.

KPI's are a great way of collecting evidence for PQQ, demonstrating continuous improvement to clients and communicating how well your business is performing.

You can record your data in a number of ways.

[Click here](#) set up your new project.

[Click here](#) to enter your end-of-project or your monthly data to an existing project.

[Click here](#) to enter your company-level KPI data.

[Click here](#) to create a report on your existing project or company KPI.



Created by CCI



Centre for
Construction Innovation

Powered by Burr IST



- **LCP KPI Engine Measures and manage project level performance**
- **Benchmarks performance against the national industry dataset**
- **Benchmarks performance against other projects and clients on the Framework**
- **Use the KPIs to drive continuous improvement**

5. The LCP KPI Engine

- **LCP KPI Engine Measures and manages project level performance**
- **Benchmarks performance against the national industry dataset**
- **Benchmarks performance against other projects and clients on the Framework**
- **Use the KPIs to drive continuous improvement**

5. The LCP Project KPI's

1. Consultants Fee percentage Commit to Construct
2. Consultants Fee percentage Available for Use
3. Client Satisfaction with Service of Consultant (National KPI)
4. Client Satisfaction with Service of Contractor (National KPI)
5. Client Satisfaction with the Product (National KPI)
6. Defects (National KPI)
7. Predictability of Time – Construction (National KPI)
8. Predictability of Cost – Construction (National KPI)

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5. The LCP Project KPI's

9. Project Health and Safety (National KPI)
10. Apprenticeship weeks over £1,000,000 or as applicable (National KPI)
11. Predictability of Local Labour Area of LA plus 45 mins
12. Local companies/suppliers
13. SME Engagement
14. SME Spend
15. Considerate Constructors
16. Waste To Landfill Percentage [over £250k] (National KPI)
17. Carbon per £100000 project turnover [over £1m] (National KPI)
18. £/m² Commit to Construct
19. £/m² Available to Use

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5. LCP Project KPI's

- KPIs responsibility of Project Manager / Lead Consultant
- Clients provide satisfaction KPI's scores and are expected to check KPI's produced and clarify
- Clients can benchmark the performance of the consultants they contract with and against other clients and the framework overall
- Reduced number of KPI's for small works

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6. Supplier Engagement

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6. Supplier Engagement Forms

The Supplier Engagement forms are required to enable a process which helps records Consultants performance within the CRCS 2012 framework agreement creating league tables for each lot.

To help the ongoing management of the consultants as part of the supplier review process

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6. Supplier Engagement Form - Example



CRCS 2012

SUPPLIER ENGAGEMENT REPORT

**Lot 1: Multi Disciplinary (Building Surveying led) and Other Services and Associated Supply Chain:
Small Works Under £249,999**

Name of Supplier: <input type="text"/>		Project Name: <input type="text"/>	
Reporting Period: <input type="text"/>		Commissioning Authority: <input type="text"/>	
Name: <input type="text"/>	Tel: <input type="text"/>	Email: <input type="text"/>	

0 – Unacceptable; 2 – Mostly dissatisfied; 4 – Meets some expectations; 6 – Neither Satisfied Nor Dissatisfied; 8- Mostly Satisfied; 10 – Completely Satisfied

Owner	Key Performance Areas	Previous Scores	Score (0-10)
		eg. 8	0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input checked="" type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	1. Listen to client requirements and act accordingly to satisfy expectations		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	2. Response to commissioning document Part B		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	3. Quality of Staff		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	4. Overall quality of work		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	5. Reports produced on time		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	6. Production of minutes within 2 days of inception		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	7. Quality of Contract Administration		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	8. Agreement of Final Accounts within 3 months		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>
	9. Adequacy and provision of fee information		0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/>

6. Supplier Engagement Forms

They will be used to:

- Collate feedback
- Collate scores and create average
- Praise performance (show in league tables)
- Establish points for future discussions
Mitigation plans, Action plans and
improvement meetings
- Ensure Consultants have regular dialogue
with those Clients who commission work

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6. Supplier Engagement Forms

Process and Timings:

Collected on a Quarterly basis in line with Framework Levy

Haringey prepare overall report to London Councils every six months.

Feedback to consultants and Clients.

Rankings established (only for those who have gained work).

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