

PPC / TPC Awards 2015

Award for outstanding collaboration

Summary of Mulalley's Outstanding Collaboration PPC2000 Haringey Project

It has never been more apparent in construction where teamwork and collaborative working are at the heart of every successful project. This entry demonstrates the benefits realised through early contractor and supply chain involvement to mobilise and deliver a successful project, with the key principles of partnering through the PPC2000 Project Form being applied, adopted and embraced. The model builds on one of the Government's Trial Projects and takes supply chain engagement to a new level, through the piloting of the Considerate Constructors Scheme's new Ultra Sites initiative. Working together brings many benefits, not just to the community and the environment, but to those actually working on the sites, the various companies involved as well as the Client. In the first 18 months of the contract over 1000 kitchens and bathrooms have been completed, delivering excellent value for money through lean processes with extended warranties and guarantees. The integrated project teams have worked to maximise opportunities for employment and training for the local community, and deliver demonstrable added social value. The progression to Ultra Site status provides the platform for achieving even greater standards and collaboration across the entire industry and this is why we believe our Haringey project should win the award for outstanding collaboration.



Contact name: Peter Sharman

Job Title: Associate Director for Sustainability

Company: Mulalley

Client: Homes for Haringey

Email: peter.sharman@mulalley.co.uk

Telephone: 0208 551 9999

Signed: Peter Sharman

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Mulalley's Outstanding Collaboration PPC2000 Haringey Project

It has never been more apparent in construction where teamwork and collaborative working are at the heart of every successful project. This award entry submission will demonstrate the collective benefits of using the PPC2000 Project Partnering Contract embracing the whole supply chain and partnering team including working in close collaboration and with a common goal of successful delivery. Whilst there has been a trend to move back to more traditional and adversarial contractual relationships, Mulalley remain committed to creating and maintaining the partnering approach with our Clients and Supply Chain, as this creates more cost effective solutions and better outcomes for all those involved. We are at a milestone in time at this years' Conference, celebrating 15 successful years of partnering with PPC2000, and we hope that this case study will ensure that this approach will be the best way forward for the next 10 years and beyond, as we all seek to realise the potential of the Construction Strategy 2025.

The project itself is for our Homes for Haringey Client. Homes for Haringey procured the contract using the PPC2000 Contract Form with a strong emphasis on supply chain engagement and collaboration. This was building on their previous success of utilising the Government acclaimed SCMG model of two stage open book under PPC2000. Following the procurement on the basis of a 60/40 quality price evaluation, Mulalley were successfully appointed as one of four constructors on a four year framework and only one of two actually appointed to undertake works in the first two years. The contract value for Mulalley is £37M over the period and works are anticipated to apply to approximately 6500 non-decent homes. The nature of the works is social housing refurbishment and applies to internal and external refurbishment of blocks of flats and street properties. This includes new kitchens and bathrooms, electrical rewires, upgraded and new central heating, insulation work, new roofs, new windows, external cladding, repairs and decorations, brickwork, concrete repairs and all associated works to occupied properties. The contract itself commenced last year and we have engaged a total supply chain through the SCMG to deliver the works in collaboration with ourselves and our Client.

The Government's Trial Project study on SCMG is attached for ease of reference as **Appendix 1**. Aside from the benefits outlined within the appendix 1 (which have not been repeated here, although are all relevant to this case study), and the obvious advantages of this approach and resultant savings including high quality, it enables the Client to benefit from much greater transparency, extended warranties and guarantees, the Contractor to benefit from reduced prelims and overhead costs, and the supply chain to benefit from having an input into the design aspects and value engineering, given them a much more strategic role in project delivery. The contractual relationship and key aspects of the contract are then applied back to back with the Tier 1 contractor, giving a much more inclusive role for the supply chain specifically in relation to the following (which is not an exhaustive list):

1. The objectives and targets (Clauses 4.1 (i) to (vii) and 4.2 (i) to (x))
2. Communication (Clause 3.10), together with specific Supply Chain meetings
3. Partnering and project timetables (Clause 6)
4. Design and process development (Clause 8, in particular 8.3 (i) and 8.8)
5. Supply Chain and Volume Supply Agreements (Clauses 10 and 11)
6. Prices (note Clause 12.8 in particular)
7. Quality and environment (Clause 16.1)
8. Risk management (Clause 18.1)
9. Duty of care and warranties (Clause 22)
10. KPIS and continuous improvement (Clause 23)
11. Joint initiatives and strategic alliancing (Clause 24)

This year's contract value is £19m and we have already delivered and completed over 1000 kitchens and bathrooms and external refurbishment to numerous blocks in Wood Green and Tottenham. The project itself is intense and could not be completed successfully without a fully engaged and committed supply chain, and we are achieving high levels of customer satisfaction. Please see **Appendix 2** attached, which is an extract from our independent Resident Liaison Officer's Customer Satisfaction Survey Report for this year, which includes some of our customer's comments. The supply chain are very involved in the pre-planning and value engineering phases of the project, which leads to more effective and efficient project delivery, resulting in savings in cost and time and the more efficient the programme times, less prelims are required.

Mulalley prefer to work in partnership with our Clients and Supply Chain and in working in this way on long term frameworks, we are able to establish better buy in and community engagement. This is evidenced through the additional added social value particularly targeting our Client's own goals. On this project, together with our supply chain, we have maximised providing employment opportunities and work placements, by working as one team with local apprenticeship training agencies. This has led to local apprentices being taken on and full time employment being taken up with both Mulalley and supply chain partners. We have also liaised with local schools and been able to offer work placements both on site and in offices. A recent initiative has been engaging our supply chain with our drive to achieve ISO50001, which is aimed at energy management and reducing our carbon footprint and energy consumption. We have undertaken energy audits at our joint offices and put in place training programmes and measures with our supply chain to promote awareness to key environmental and sustainability measures, including toolbox talks for all the operatives. We will be one of the first construction companies to achieve this and the benefits are being realised across our whole supply chain, as it covers a range of issues which will lead to conserving resources and being more cost efficient. The integrated project team and have been offering additional assistance to residents with occupational therapy dependency and one such example is detailed on the attached **Appendix 3**, which illustrates how we have supported residents with garden clearances – similar to what Alan Titchmarsh is acclaimed for!

Thomas Farrell, who is Homes for Haringey's Strategic Manager Decent Homes (our Client), is the person responsible for providing the collaboration opportunity through the chosen procurement route and supply chain model. His testimony is recorded below:

***"Integrated supply chains working in close collaboration with the Tier 1 contractor Mulalley & Co. Ltd and Homes for Haringey (client) and underpinned by the partnering ethos and continuous improvement contained within the PPC2000 - Managed , coordinated and driven by MCL to ensure successful programme delivery, additional savings and improved value for the benefit of the whole partnering team which is a key principle which forms the cornerstone of the PPC2000."* - Thomas Farrell, October 2015.**

Mulalley's commitment to partnering and PPC2000 in particular, is further demonstrated through one of our Associate Directors involvement with the Steering Group and Conferences over the last 6 years (Peter Sharman). Peter is also our Considerate Constructor Scheme's Associate Member Representative, which has led to the following new national innovative concept being possible.

Whilst the foregoing is an excellent example of what can be achieved through collaboration with the supply chain using PPC2000, what really makes this submission stand out from the rest in terms of outstanding collaboration, is the fact that we have achieved the Considerate Constructors Scheme's Ultra Site status. This provides the platform for achieving even greater standards and collaboration across the entire industry and this is why we believe our Haringey project should win the award for outstanding collaboration.

Mulalley are a Founder Associate Member of Considerate Constructors' Scheme. Associate Members are companies who have proved their commitment to improving the image of the industry through a high number of registrations that have consistently performed to a high level. Associate Members agree to register all their sites with the Scheme, for a period of three years, and to comply with all aspects of the Scheme's Code of Considerate Practice.

The Considerate Constructors Scheme (CCS) itself seeks to improve the image of construction, and **Appendix 4** provides an overview of the scheme. This year, the CCS has launched a new initiative called Ultra Sites. The prestigious status of being an Ultra Site is awarded to those sites that take considerate construction to the highest level. This is achieved by committing the supply chain and suppliers engaged with a project to register for the scheme and this is what we have achieved with our Haringey project and the supply chain, ensuring that outstanding collaboration is achieved to the very highest level, benefitting all parties involved and leading to this particular project being a beacon site for the whole industry. Our outstanding collaboration with our integrated supply chain on our Haringey project is one of only six national projects to achieve this status and please refer to **Appendix 5**, which is our press release on this achievement. We were also able to showcase this project at the Scheme's National Conference and we delivered a case study focussing on how we collaborate with our supply chain, which is set to become a beacon for all other sites and projects to follow.

To conclude our submission, we would offer the following testimonies, to support our claim to be awarded the most outstanding collaboration award at the forthcoming awards dinner on 15.10.15, together with a team photo of the most collaborative team, which includes representatives from our supply chain, Client and Mulalley, pictured outside our Ultra Site in Haringey.

Dr Diana Montgomery, Chief Executive at the Construction Products Association (CPA), a co-owner of the Scheme, adds: *"Improving collaboration across the construction supply chain is a central component of CPA's role in promoting and campaigning for construction product manufacturers and distributors. **Ultra Sites will help greatly in improving and promoting the positive benefits of the supply chain working together more effectively**".*

Considerate Constructors Scheme Chief Executive Edward Hardy said: *"We're delighted to be an organisation spearheading greater collaboration across the industry. The construction industry is acutely aware of its need to work more closely together, and is increasingly realising the commercial, social and environmental benefits of greater integration. **We're very pleased that Mulalley is part of the consortium piloting Ultra Sites, which are the next level of achieving even greater standards and collaboration across the entire industry.**"*

Mulalley Operations Director Bruce Benson said: *"We are thrilled to be part of a select group of construction companies piloting this new initiative. **When the supply chain works together more effectively this has real, tangible benefits to all aspects of construction projects.**"*



Mulalley's Outstanding Collaboration Haringey Project Team