

# Delivering Ropemaker Place:

The Mace approach to a successful, high-quality close-out

After years of effort and coordination, much of a project's success comes down to the final months of delivery, when tenant requirements, commercial deals, and rent agreements are secured, and the quality and efficiency of the work to date is revealed. Ensuring that the practical completion process runs smoothly and efficiently requires a detailed close-out strategy that fulfils the programme and paves the way for the client to position the project for long-term commercial viability.



## THE APPROACH

- Manage trade contractors as area-based rather than as packages to deliver the programme
- Close all final accounts within six weeks of practical completion date
- Establish rigid quality control benchmarks
- Manage and deliver client expectations of practical completion by commencing inspections early
- Implement a real time, internet-based notification and tracking schedule to capture all quality control issues

## THE DELIVERY

- £150m shell and core building achieved PC in May 2009
- 38% pre-let to Bank of Tokyo - the biggest leasing deal in the Square Mile for 2009
- On time and budget

At Ropemaker Place, a City development by British Land, the stakes for the final phase of delivery were even higher than usual. The 20-storey building, which contains 586,000 square feet of sustainable office and retail space, was procured in an overheated construction market. Mace Group, which provided project management, construction management and

cost consultancy services, was responsible for ensuring that the project was handed over to the clients' satisfaction, on programme and in style.

It is at the crucial stage, when the practical completion date is looming, that the lines of delivery are often blurred and when a detailed close-out strategy is needed. The Mace team recognised this early on and set about enhancing its own processes to ensure they met the client objective to complete Ropemaker Place on programme, with a high degree of client satisfaction in relation to the quality of completion and hand over. This case study discusses the series of processes that were developed in order that the close-out had the highest opportunity to succeed.

The £150m shell and core building achieved practical completion in May 2009 and with 38% of the building pre-let to Bank of Tokyo, it qualifies as the biggest leasing deal in the Square Mile for the past year and was recognised as "Deal of the Year" in the Property Week Office Development Awards 2009. No mean feat when you consider the amount of empty office space in and around the City of London in recent times.

## PROJECT CLOSE-OUT

It is imperative that the exit strategy for the project is established at an early stage in order to effect efficient project close-out. The whole approach to logistics, quality, programme and sequence of close-out stems from decisions made at the front end of the project and the entire project team including the designers, client, delivery team and all trade contractors need to fully understand and engage with the close out strategy.

The close-out should be run as its own project, led by a relatively senior manager who is brought in fresh to the project, approximately a year to 18 months prior to the first element due for practical completion. This manager heads a dedicated resource whose only function is to support the delivery team and facilitate focusing on issues critical to efficient and comprehensive close-out.

## MANAGEMENT OF TRADE CONTRACTORS TO DELIVER ON PROGRAMME

Whilst it is accepted that each element of the works will have a contract programme and a series of contractual milestones that must be met, it has been successfully demonstrated on Ropemaker Place that a greater degree of focus can be achieved by increasing the visibility of trade contract programmes and integrating them with the specific close out requirements of the programme as a whole.

To implement this system, the Mace team moved away from the typical package based management system to an area based system. The team were assigned areas of the building to deliver to completion, managing up to 26 trade contractors per area/ room rather than managing one trade contractor for the entire building.

The Mace manager's primary responsibility was to deliver a coordinated close-out programme, produced with the full support of all trade contractors working in that particular area of the building.

The detailed area programmes generated the alignment of close out and commissioning requirements, that when comprehensively co-ordinated, ensured all trades were able to work efficiently together to deliver to the agreed completion dates.

Critical milestones were also extracted from the area close out programmes that helped to formulate a list of associated make ready needs. Daily review meetings were held at the end of each working day chaired by the Mace area manager and attended by the relevant trade contractor site managers. The action lists that were produced as a result of these meetings aided programme delivery and certainty, as a result of daily enforcement. Most importantly, the integrated approach of the close-out programme ensured there was a widely understood knowledge of what was required to deliver.

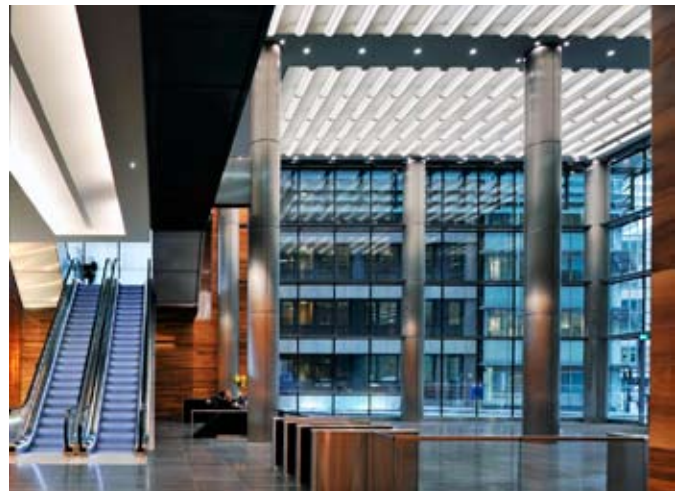
The key to the success of this approach was that individuals, whether from the Mace team, or from the supply chain, had to assume collective and individual responsibility for the programme. By engaging with the relevant trades and integrating their requirements into the close-out programmes, they effectively contributed to, and by default took ownership of, their role in the integrated close-out of complex areas.

Failure of any one element would create a knock on effect and this helped to create a healthy team approach, whereby all contributors were keen to ensure that they did not fail. To this end, if a problem did occur, every possible effort was made to redress the situation. Ultimately, this combination of regular review and transparent reporting led to the successful completion of all areas.

## CONTRACTUAL AND FINANCIAL CLOSE OUT

The same systematic approach was applied to final account negotiations with the trade contractors. A regular series of specific meetings were held to ensure they were all fully completing their contractual obligations, and that each financial closure was managed to ensure there were no contract or commercial barriers to stand in the way of project close-out.

The team set a target of closing out all final accounts within six weeks of the practical completion date, which they met by diligently ensuring Interim Statement's of Accounts (ISA's) were submitted by each trade contractor. This allowed them to manage and reduce the amount of instructed items to be agreed when each completed their works. The project generated nearly 5,000 instructions so only a rigid and disciplined approach to change control could ensure success in this area.



The positive manner in which the project progressed on site meant that very few claims were submitted for loss and/ or expense. Mace adopted a strict and detailed response procedure for those cases where a claim was submitted to demonstrate cause and effect and loss in accordance with the trade contract terms and conditions.

This systematic and tightly controlled process, with Mace acting as both cost consultant and CM cost manager achieved a construction outturn cost of £170 per square foot and a saving of almost £10m against cost plan.

## A QUALITY CLOSE OUT

The Mace team was acutely aware of delivering British Land's vision of a high quality close-out, which they achieved by implementing early inspections and agreeing quality benchmarks. They established quality control inspections and



compliance regimes before any package works got significantly under way via a real time, internet-based notification and tracking schedule, which was used to capture all the quality control and compliance issues.

This was accessible by all designers, trade contractors and British Land and allowed the team to manage quality in an effective and robust way. The system displayed the current project status at any given time and generated updates to the inspecting and authorising managers to resolve any logged issues at the earliest opportunity.

In order that there was demonstrable progress relative to quality close-out, the team generated pictorial representations of the areas of the building to show progress relative to inspections, remedial works following inspections, re-inspection following remedial work completion, and ultimately attainment of defect free areas. This easy to read report gave confidence to the client and professional team that the requisite quality levels were being attained in a progressive and managed way throughout the building.

### MANAGING EXPECTATIONS

The definition of what constitutes practical completion will vary from contract to contract. The requirements for a shell and core office will vary significantly from a high quality residential development. What is consistent however, is that there will be a large amount of requisite documentation and inspection / sign off. Even the most efficiently planned and managed agenda will not be able to cover all issues in one day. It is also, by nature of the definition, a requirement to ensure that the building is 'practically' complete, rather than 'absolutely' complete. With the use of the word practical', the exact status requirement of

the building is open to interpretation. To circumvent this, it is essential that expectations of all stakeholders are properly managed. Inspection regimes and the collation of handover documentation can not be left until the last minute. Therefore at Ropemaker Place, inspections commenced months ahead of the practical completion date, and administration reviews started eight weeks prior.

This discipline helped the internal Mace team appreciate the magnitude of the task, as well as gaining the confidence of the other stakeholders who had to give agreement that practical completion (PC) could be certified. To demonstrate that all elements required for PC were being systematically managed, the Mace team produced a tracking sheet to highlight all elements relating to contractual obligations, snagging issues, outstanding works, building control issues, requisite inspections and certificates and the status of operations and maintenance documentation.

Each package was reviewed with all interested parties and issues that were absolute prerequisites to the certification of practical completion were identified. By implementing this disciplined approach it was possible to define what was needed on a package-by-package basis to attain practical completion. Provided that all those issues were addressed, there could be no reason why a clean and robust practical completion certificate could not be issued.

On the day of practical completion at Ropemaker Place, the review meeting consisted of a lengthy site inspection, followed by a detailed review of the administration. As a result of the reviews that had already been undertaken, there were no issues that could be found to be noteworthy enough to prevent practical completion being certified.

