

RLB | Rider Levett Bucknall



**Affordable Housing & Residential Regeneration
Capability Statement**

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With over 2000 staff in more than 60 offices across Asia, Oceania, Europe, Middle East and the Americas, Rider Levett Bucknall is a global force committed to quality.

Rider Levett Bucknall UK has 400 staff, a turnover in excess of £35m and 9 core offices in UK. Our expert Residential team has wealth of related experience in the management and administration of high value target cost/open book contracts. After working on major projects for 25 Local Authorities and in excess of 50 RSLs, we understand the importance of investing time and effort at the start of a project or contract to establish the right management team and the systems and processes that underpin it.

In a climate of change and uncertainty people demand tailored security solutions that support their specific business goals. Our project experience ranges from Public Sector programmes of supporting 'Decent Homes' initiatives to delivery of high value apartment schemes that are proliferating our urban landscape. We are able to provide key resources, real expertise and added value to all city locations and have a wealth of knowledge to share and distil to our clients.

Our teams also have extensive experience in dealing and seeking to approve residential site appraisals, core feasibility studies and technical assessments as well as solving town-planning problems commonly associated with housing development.

Our residential customers can rely on us to meet or exceed their expectations for service and value, with professionalism, pride and a continuous commitment to the markets we serve. Our customers, themselves leaders in their field, are the best recommendation to new residential customers in that their trust in Rider Levett Bucknall is well placed.

Rider Levett Bucknall has a first class track record in major refurbishment and regeneration projects including:

- £40m Andover North Site project – the first MOD partnering contract
- £130m Crossways project, London Borough of Tower Hamlets – refurbishment of occupied
- £50m Pollards Hill, London – refurbishment of occupied properties.
- £80m per annum Decent Homes, Sandwell – refurbishment of occupied properties
- English Partnerships Londonwide Initiative
- £200m Park Hill, Sheffield – complete estate re-generation and refurbishment
- £50m Homes for Haringey, London - refurbishment of occupied properties

All of these were established and run on a collaborative basis.

What We Bring to Your Housing Regeneration Schemes

Rider Levett Bucknall has an unparalleled level of experience in the delivery of key services to residential projects throughout the United Kingdom.

- Project Direction
- Regeneration Strategy
- Financial Modelling
- Community/economic initiatives
- Community consultation
- Delivery Vehicles
- Development Costs
- Housing Expertise, notably finance, ownership and management



Our Philosophy | Consultation with Residents

To be an expert provider and facilitator of solutions that unquestionably adds real and measurable value to the successful delivery of property and construction projects. To do this we have to bring together all of the parties involved in a project, agree what has to be done, and deliver it.

We believe that our approach of teamwork, strong management, top class technical delivery and in depth knowledge and understanding of Housing and Regeneration makes us uniquely placed to make a real difference to the success of your project.

This philosophy is reflected in all of the processes that we follow on a project.

Consultation with Residents

We recognise the absolute necessity to engage the Residents into the process at the earliest possible stage. This will ensure that the evolving project follows the correct course from the outset. The residents will offer positive input into

- Design
- Selection of the Partners
- On-going management and approval of the project

Major Projects Include...

Name of project: SANDWELL HOMES – DECENT HOMES PROGRAMME

Date works commenced: Commenced on site March 06

Contract period: 6 years

Value: £80 million

Type of Contract: NEC 3

**Description of Works/services:**

Rider Levett Bucknall secured a 5 year partnering framework contract with Sandwell Homes to support their Decent Homes Programme. The appointment is to provide a complete “one-stop” consultancy service, including all design disciplines together with our traditional Project Management, Quantity Surveying, Building Surveying and CDM co-ordination roles.

To do this we have teamed up with BM3 Architecture and Peter Brett Associates to provide Architecture, Landscape Architecture, Structural, Civil and M&E design. The Rider Levett Bucknall team is working alongside Sandwell MBC’s Urban Design Department to design and manage the £80m programme to bring 50 tower blocks up to the Government’s Decent Homes Standard.

The construction works themselves are undertaken by three appointed constructor partners, Lovell, Thomas Vale and Connaught. Partnering is the cornerstone of Sandwell’s approach and Rider Levett Bucknall’s expertise in this area has been instrumental in helping formulate the overall approach. We were originally appointed as independent reviewer and strategic advisor, in 2004, to audit initial proposals and help develop the high level delivery strategy. From this came the opportunity to tender for the high rise programme itself.

To maximise the value obtained from the budget, Rider Levett Bucknall is working closely with Sandwell to scope the whole programme of works. Emphasis is being placed upon producing a set of standardised design solutions, details and components which will be employed on all projects. This approach enables the delivery supply chain to be given early knowledge of the forward work programme, helping further to drive down costs and optimise value. Rider Levett Bucknall and Urban Design are currently working with the three constructors to establish a single supply chain for the programme going forward.

Incentivisation and continuous improvement are key components of the delivery model. All contracts are placed on an open book basis linked to a target cost and GMP with a pain/gain mechanism for cost under/overruns. The form of contract used for both consultant and contractor appointments is NEC 3. KPI’s have been established to measure contractor and supply chain performance in year and this in turn impacts on the amount of work any contractor is awarded in a subsequent year.

Rider Levett Bucknall is responsible for the overall delivery of the programme as well as the day to

day financial control, design and programming.

As the work has progressed we have worked with Urban Design to ensure that the programme is delivered in the most efficient and cost effective manner possible. A specific example of this is the statistical sampling model that we have developed to measure the energy efficiency of the improved properties.

The Standard Assessment Procedure (SAP) is the Government's recommended system for rating of domestic dwellings for energy efficiency. Legislation requires social landlords to report on the SAP rating of their stock on a regular basis to show that works carried out benefit the user and the environment and meet the minimum requirements. A 100% survey of dwellings to measure their SAP rating is:

- Expensive.
- Labour Intensive.
- Difficult to achieve in practice, as access to all dwellings is unlikely.

The usual practice is to sample between 10% and 20% of the dwellings, depending on stock variability. Even for these small percentages, getting an average SAP rating for the overall stock can be expensive, as a specialist surveyor has to visit each dwelling (sometimes more than once) in order to measure its SAP rating.

With this in mind, Rider Levett Bucknall developed a smarter and more cost effective methodology to determine the average SAP rating for the stock. The first step was to model the 2005 SAP rating system and identify its key drivers. Using this data and the stock condition information, we:

- Stratify the stock and establish an initial desktop SAP rating for each dwelling.
- Sample an appropriate proportion of the dwellings (on average 2.5%) and measure their SAP ratings.
- Compare the desktop and measured ratings and apply a correction factor to determine the average SAP rating for the stock. This is comparable to 100% stock measurement.

The methodology has the following benefits:

- Significantly reduces the cost of undertaking a SAP rating.
- Reduces the number of properties to be surveyed to 2.5% on average.
- Reduce overall timescales.

The software developed allowed Sandwell Homes to carry out 'what if' simulations to determine how best to improve their stock SAP rating.

We are currently 2 years into the project and are on programme, on overall budget and developed and enhanced our relationship with tenants.

Name of project: CROSSWAYS ESTATE REGENERATION

Date works commenced:	2003
Employer:	London Borough of Tower Hamlets and Swan Housing Group
Contract period:	6 Years
Value:	£110 million
Type of Contract:	JCT 1998 with Partnering Supplement

Description of Works/services:

Through a strategic alliance between London Borough of Tower Hamlets (LBTH), Swan Housing Group and Countryside Properties, the local housing stock is being improved and extended over a six-year period to create a mixed and sustainable community.

Adopted by LBTH for inclusion in the successful “Communities for Business” SRB6 partnership bid, which was co-ordinated by Leaside Regeneration Partnership, the scheme has benefited from £4.5m of SRB6 matched funding.

The original option entailed the construction of 200 new homes (for rent and sale), refurbishment of one tower block for sale (92 homes), and two for rent (205 homes), with residents mostly in-situ. Scheme re-appraised and re-modelling led by Rider Levett Bucknall changed the scope of the scheme and the total number of new dwellings (both social and private) is now 415.

Rider Levett Bucknall was originally retained by London Borough of Tower Hamlets as strategic Project Manager, Cost Manager and Funding Advisor to deliver the business plan, set up the funding model and to manage the procurement of the developer partner.

Following a successful resident ballot, the ownership of the estate subsequently transferred to the Swan Housing Group, who has retained Rider Levett Bucknall as Employers’ Agent, CDM Co-ordinator and Quantity Surveyor.

Rider Levett Bucknall’s involvement commenced in October 2002. The project is due to be completed in 2010.



Key objectives achieved to date

- Private and Public sector funding streams secured
- Design team appointed
- Developer Partner appointed
- Successful stock transfer ballot
- SRB funding
- 4 phases of project complete and occupied

Key Services and Deliverables

- Financial Modelling and Business Planning
- Developing viable scheme options
- Consultation with existing residents
- Knowledge of the large scale social housing market
- Single minded delivery of objectives
- A scheme which is fundable
- A scheme which satisfies needs and aspirations of the residents
- A scheme which is delivered within a strict funding timetable

Name of project: **ENGLISH PARTNERSHIPS ADVISORY FRAMEWORK**

Method of procurement:	OJEU framework – mini competition
Date works commenced:	Various – RLB's current commission started in 2004.
Employer:	English Partnerships
Value:	£ Multi million

Description of Works/services:**1. Craylands and Fryerns Regeneration**

The project covers an area of 25.6 acres in London and aims to rejuvenate the Craylands Estate as a new sustainable neighbourhood, containing over 1,300 residential units. Rider Levett Bucknall were appointed, under our framework agreement with English Partnerships and are responsible for the provision of strategic cost management services, cost planning, financial appraisals and cost models, procurement advice, construction/developer selection and appraisal.

2. The Boom, Hull

Hull was once voted as officially the worst place to live in the UK! English Partnerships are making a strategic investment for the development of 303 residential apartments on the banks of the River Hull close to Hull's 'Old Town'. A total of 250,000sq.ft of accommodation and associated mixed use, commercial and retail space will be provided at a cost of £52m within an investment from English Partnership of £9.3m.

Rider Levett Bucknall's role was to undertake a detailed financial appraisal and financial modelling exercise including options analysis and risk assessment to identify the level of housing gap funding to be invested by English Partnerships in this project.

3. Park Hill Flats, Sheffield

Situated at a key gateway location to Sheffield, the Park Hill rejuvenation project seeks to provide high quality housing in a mixed community environment, whilst retaining the heritage aspects of this architecturally significant development. Rider Levett Bucknall was brought on board in 2005 to undertake a detailed financial appraisal for development partner - Urban Splash, Registered Social Landlord - Manchester Methodist Housing Group, and English Partnerships - the key funding body.

In addition to a normal cost value appraisal role, the brief evolved to include the development of a financial model capable of sensitivity analysis and generation of key value for money indicators and outputs aligned to the individual requirements of each stake-holder.

Using our dynamic 'Four Dimensional Cost Model' we were able to provide touch-of-the button financial "what if" modelling to demonstrate, the effects of varying the mix and tenure of units, rate of sale, deposit levels, build costs, timing and level of public sector intervention. Unique to RLB, the

model has been developed and adapted to provide a bespoke application to suit all stakeholders' needs.

"Rider Levett Bucknall has offered advice on various aspects of delivery, sometimes beyond their original brief, which has enabled a better project outcome." Graham Dobbs, English Partnerships

Client Benefits

The Four Dimensional Cost Model enabled the generation of the following key data:

- Evaluation of Internal Rate of Return, Net Present Value and developer profit
- Financial Cost/Value Appraisal
- Assessment of the level of public sector intervention to be set against respective stakeholders
- Analysis of intervention funding requirements
- Identification of profitable and non-profitable components to allow efficient cross subsidies to be made across the scheme
- Risk Analysis
- Sensitivity analysis – through iterative re-modelling of key variables

