# **Auckland Regional Womens' Correctional Facility**







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### **Auckland Regional Women's Correctional Facility**

- Collaborative Working Arrangement.
  - 286 bed secure prison facility.
  - \$158.8 million.
  - 20 month build programme.
  - 38 multi-use buildings.
  - 13 hectare site.
  - 1.5km perimeter fence.





### Auckland Regional Womens' Correctional Facility – Contractual Arrangements

- 5 Party Collaborative Working Arrangement;
  - Department of Corrections.
  - Hawkins Construction.
  - Perumal Pedavoli Pty (Architect).
  - Warren and Mahoney (Architect).
  - Beca Carter (Services Engineers).
- Not a separate legal entity but operated as a 'Virtual Company'
- Sub-Contractors engaged in two ways;
  - Traditional sub-contracting arrangement.
  - CWA sub-contractors.





### Auckland Regional Womens' Correctional Facility – Contractual Arrangements

- CWA Sub-Contractors
  - Cost plus margin and overhead.
  - Margin and overhead established by independent audit of previous three years accounts.
  - Chose own initial risk level for share of gain / pain.
- Engaged on basis of attribute assessment by CWA not necessarily the most economical
- CWA Trades included;
  - Earthworks.
  - Concrete Placement.
  - Structural Steel.
  - Civil Works & Drainage.
  - Carpentry.
  - Services.
- One set of project specific insurance policies. (PL, PI & CW)
- Target Out-turn Cost effectively a GMP





### Auckland Regional Women's Correctional Facility

#### Benefits

- Decisions made on a best for project rather than a best for individual basis.
- No blame significantly speeded up decision making process.
- Reduced staff numbers (no man marking or doubling up).
- Heated Market prevented significant escalation over duration of project.
- Flexibility of workforce and ability to direct resource to critical workface.
- People genuinely enjoyed working there.





### **Auckland Regional Womens' Correctional Facility**

- Downside
  - Not for everyone requires a certain mindset (No place for egos!).
  - Establishment of actual cost difficult and steep learning curve for supply chain.
  - Public Perception arguably media driven.
    - Under floor heating most cost effective and <u>vandal proof</u> heating system (whole life costing).
    - Deprivation of liberty not deprivation of basic rights.
  - Labour Loading aware of sub contractors utilising more labour than required.
    - necessary education of supply chain.





#### **Otago Regional Correctional Facility**







#### **Otago Regional Correctional Facility**

- 350 bed secure prison facility
- Different Challenges to ARWCF
  - Size and location.
  - Availability of Workforce.
- Different Structure to ARWCF
  - Greater number of Core CWA participants.
  - Greater proportion of subcontractors engaged under CWA basis (90%).
- All <u>major</u> decisions had to be approved through the CWA team
- Establishment of Target Cost included only standard risk allowances
  - No allowance for risk in the pricing of trades risk zero.





#### **Otago Regional Correctional Facility**

- Construction Manager Comments:
  - Allowed to move resource around the site to assist sections/trades which were struggling.
  - Allowed more time to concentrate on the construction aspects rather than contractual issues.
  - Allowed to provide a low maintenance facility.
  - Allowed for a collective team effort to complete the project without any contractual disputes or litigation.





#### **CWA Summary**

- Allows the team to concentrate on building the project rather than being distracted by contractual issues.
- Provides opportunities for the CWA team to become integrated solution providers for the client.
- Creates a culture of trust, open communication, feedback and a desire for continuous improvement.
- Provides the client with better value in terms of whole life benefits.

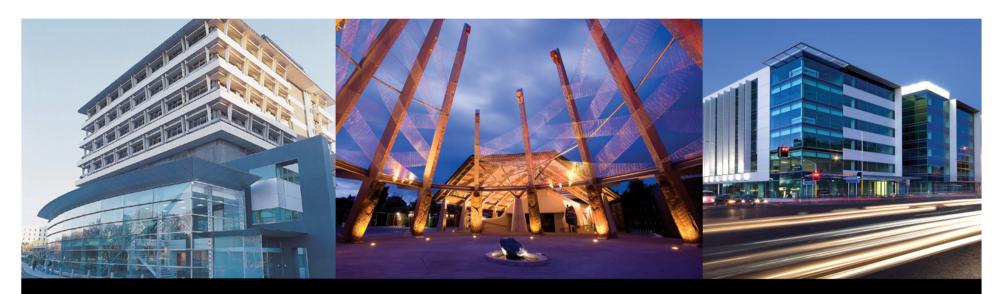




#### **CWA Summary**

- Promotes innovation and creativity within the CWA team for the benefit of the project.
- Removes dispute/claim cultures.
- "The traditional protectionism and contractual games must give way to a more open culture of collaboration, risk management and predictable performance in the best interests of fulfilling the client's needs" – Strategic Forum (UK).





## Partnering and Collaborative Working Arrangements











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