



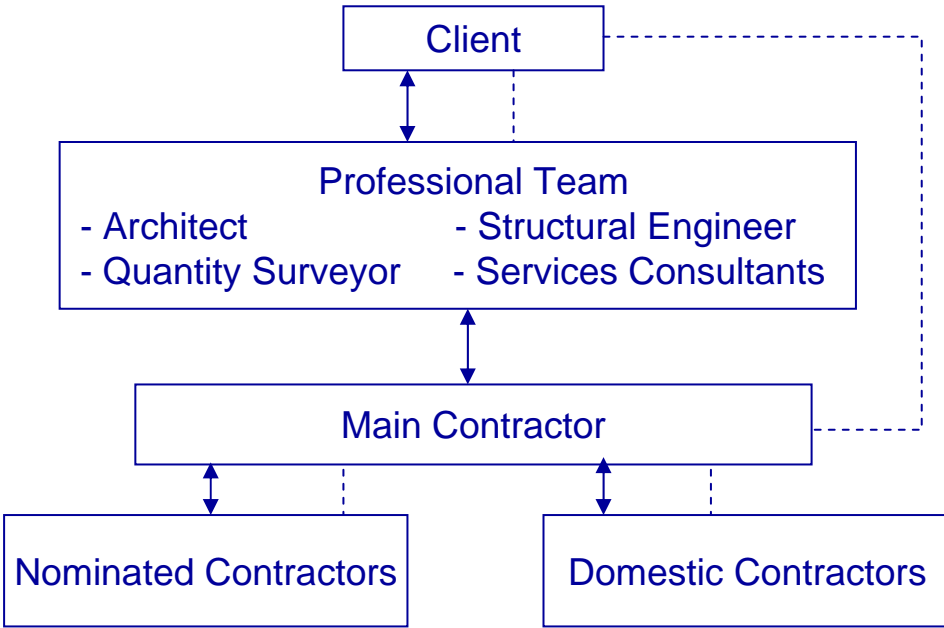
CONTRACTUAL ROUTES

Traditional

Design and Build

Construction Management

Traditional Route



Advantages

- A higher quality can be achieved.
- Fixed cost can be achieved against the Professional Team documentation.

Disadvantages

Time

- Requires fully developed Contract Documentation & Drawings which can become protracted.

Cost

- Unless design is fully developed, additional costs will be incurred.

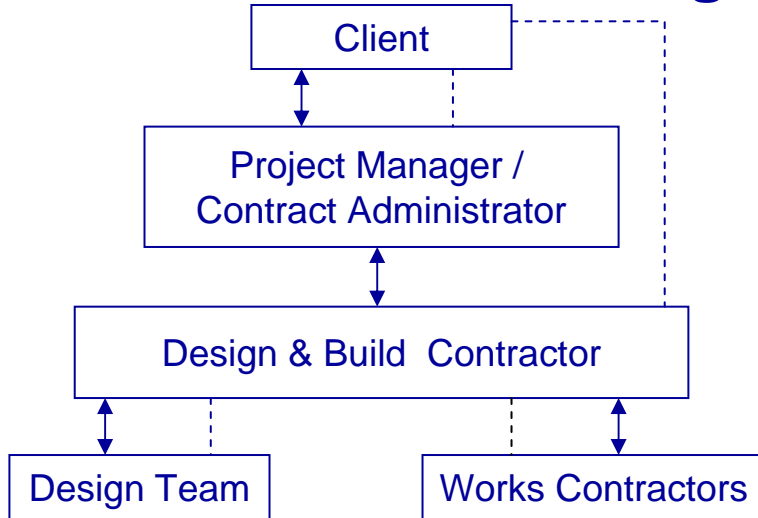
Standard forms of contract available

- JCT Standard forms of Building Contract

Characteristics

- Architect led with appointed Consultants and the Contract awarded by competitive tender.

Design and Build



Advantages

- Single point of responsibility.
- Saving in time / fast start.
- Client knows the initial price early on in the process.
- Fixed lump sum undertaking.

Disadvantages

Cost

- Higher costs than other contracts due to the “on-costs” imposed by the contractor.
- Change control procedures lead to excessive additional costs (unless controlled by Project Manager/Contract Administrator).
- Sub contractor savings due to reductions in quality remain with the contractor.
- Omitted items from the original proposal will incur additional costs.
- The specification can be amended to improve profitability

Quality

- Can be compromised as the specifications are designed to allow quality reductions during the project without cost reductions
- Design (notably services) is undertaken by the works package Contractor and not independent Design Consultants.
- The leading D&B Contractors generally achieve a high quality product but at increased cost.

Standard forms of contract available

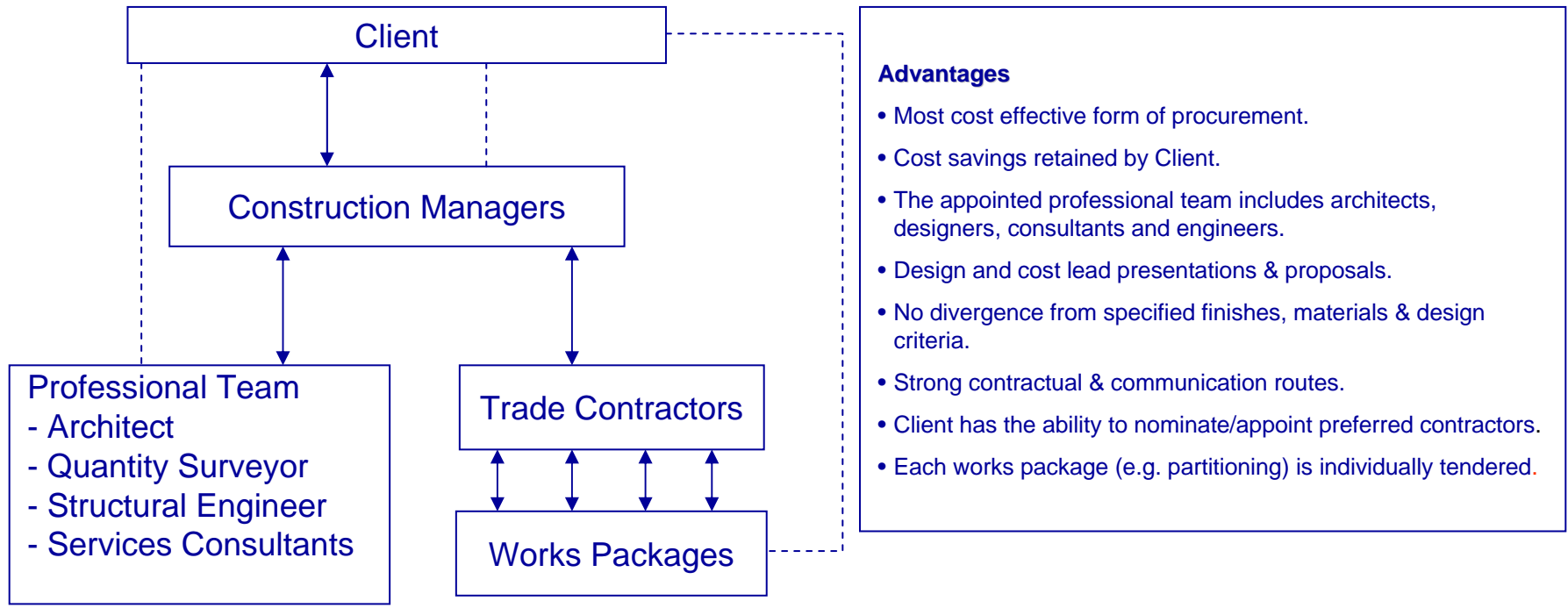
- JCT form of Contract with Contractors Design

Characteristics

- Design & Build Contractor has responsibility for the design and fitting out of the building.

- The Client should appoint an independent team to prepare the brief (Employer’s Requirements) which will denote contractual issues, to protect against increased costs, deficient design and programming over runs.

Construction Management



Advantages

- Most cost effective form of procurement.
- Cost savings retained by Client.
- The appointed professional team includes architects, designers, consultants and engineers.
- Design and cost lead presentations & proposals.
- No divergence from specified finishes, materials & design criteria.
- Strong contractual & communication routes.
- Client has the ability to nominate/appoint preferred contractors.
- Each works package (e.g. partitioning) is individually tendered.

Legend

Contractual Links

Communication Links

Standard forms of contract available

- JCT form of Contract of Construction Management

Characteristics

- Management Service provided by fee based Professional Team.
- All trade & professional team contracts are with the Client.

Disadvantages

- The appointed Construction Managers must have a strong & highly experienced team.
- All payment arrangements including trade contractors are client direct.