

7. MANAGING YOUR OWN BUILDING PROJECT

This chapter gives guidance to schools on managing their own building projects. Alternatively schools can implement projects through Construction and Maintenance.

Major Capital Projects

Major Capital Projects in schools are managed by the Council and are outside the scope of this Handbook. This Handbook is in respect of projects initiated and managed by schools themselves from their devolved budgets.

Nature of Building Projects

Schools must have sufficient understanding of the technical and compliance issues associated with the proposed construction works, and ensure that they appoint and utilise the appropriate professional/technical competence to manage the project in a safe and compliant manner. Construction related works in schools can be commissioned through the Council, the Diocese or the governing bodies. The technical management of projects in Council or Diocesan programmes is generally undertaken by an appointed approved consultant who will liaise with the schools through a Council or Diocesan appointed project manager.

If a project is initiated at the school, it is also essential that there is compliance with the Council's Contract Standing Orders in respect of all procurement activity. [Contract Standing Orders](#) must be adhered to at all times.



A school may decide not to appoint professional/technical consultants and rely instead on contractors to provide the technical competence required. In these cases schools must ensure that the contractor is themselves competent to undertake the task. Competence includes having sufficient knowledge, training, experience and qualifications as appropriate to the works in question. Where the competence of contractors cannot be established or where the school is unsure what constitutes competence in respect of the works in question then professionally qualified consultants must be used to protect the interests of the school and the Council/Trustees. Schools must not undertake construction works which are outside the scope of their own understanding or competence. The risks associated with this include potential breaches of statutory including health & safety legislation. Because in-house competence may vary from school to school depending on the individual employees in post, it is difficult to give precise guidance in respect of all situations. Schools should operate on the principle that if they don't know what to do they must ask the Council/Diocesan Surveyors, and take their advice as to how to proceed.

Selection of Consultants and Contractors

Tender lists for consultants or construction contractors should meet criteria relevant to the project for:

- financial capacity and stability

- health and safety policy and practices
- environmental policy and equal opportunities practices
- appropriate insurance cover (professional indemnity, employers & public liability)
- technical competence and experience (take up references).

Schools must use the national database of contractors '[Constructionline](#)' to identify lists of accredited technical agents and contractors.

A consultant may be a project manager, architect, building surveyor or a quantity surveyor. S/he will be experienced in the construction process and be able to advise schools how to proceed with a project. Each specialist has different skills and will approach the process from a slightly different perspective. Schools should note that the appointment of technical consultants will also incur fees.



<i>Building Surveyor</i>	able to procure most repair work and modest new build/refurbishments. Will advise on which other agents will need to be appointed for more complex projects and co-ordinate their work to deliver the project on budget and on time.
<i>Project Manager (PM)</i>	employed to give general advice on how to procure the building work and advise on other agents that may need to be appointed. Can also co-ordinate these other agents to deliver the project on budget and on time. It is generally only economic to employ a project manager on large schemes. Although a trained specialist, the project manager would act as the co-ordinator rather than be employed for a specific professional background.
<i>Architect</i>	designs the building and can give general advice on how to procure it and advise on other consultants that may need to be appointed. Can also co-ordinate these other agents acting as lead consultant on small/medium schemes to deliver the project on budget and on time.
<i>Quantity Surveyor</i>	advises on and manages the building construction cost. Can also act as lead consultant and give general advice on how to procure the building.
<i>Building Control Officer</i>	employed by the Council to ensure all construction meets with Building Regulation requirements. For Building Regulation advice please call Building Control on 01344 351106/351208
<i>Clerk of Works</i>	responsible for ensuring the project is undertaken in accordance with the drawings and specifications, employed by the client to check quality of work through the project leader.

Contractor or Main Contractor:

a building contractor who carries out the work that has been specified and designed by the consultant. Normally appointed following competitive tendering.

Sub Contractor:

a specialist or trade contractor employed by the main contractor to carry out part of the work (e.g. electrics, heating, plastering, foundations). He is employed by, and responsible to, the main contractor.

The range of technical agents required for a particular scheme will normally vary according to the scale of the works required. As explained above, there is overlap between the functions of agents, if all are employed for larger schemes.

The formal commitments that should be gained from any technical agent employed are as follows:

- level of fees that they intend to charge, which can be as hourly rates, a lump sum or expressed as a percentage of the total cost of the scheme. If the appointed agent is undertaking the full range of services (architect, quantity surveyor, electrical engineer, mechanical engineer, etc.) then expect to pay 10-15% fees. Other fees may also apply, such as Building Regulations, site surveys, site investigation, asbestos surveys or tests and planning fees. Therefore ensure at the outset what the agent is including in the fee quote.
- experience of similar schemes: any technical agent with a record of achievement in the education sector should be able to provide examples of work done at other schools
- personnel they are committing to the scheme: how many people of what level of experience
- commitment to the scheme: a large practice may have a greater capacity but the schools scheme may mean more to a smaller firm; therefore it is important to question the agent's current capacity to deliver
- what they expect of the client; ensure that a thorough client briefing of requirements has been supplied: a good agent should automatically request a detailed specification and inquire about any local factors that will influence the scheme: as a client, Headteachers should not be expected to have a complete understanding of all the technical factors that affect a scheme, but Headteachers should be prepared to provide as full an account as possible of the schools' aspirations and intentions in embarking on the project. If, at the initial meeting, the potential agents do not raise these important issues, they are unlikely to take sufficient heed of the school's needs.
- Public Liability insurance: any technical agent or contractor should be able to show evidence of their public liability insurance, which must be at an appropriate level. It is not exceptional for a minimum level of cover of £5 million to be required although this will increase for larger more complex projects. Technical agents must also have professional indemnity insurance, which will normally be a requirement of their own professional body.



Consider The Following Issues When Progressing Projects:

Construction (Design & Management) Regulations 2015 (CDM)

All construction work must be designed in such a way that it can be managed, implemented and maintained afterwards in a safe manner.

The framework for the conduct and responsibilities of technical agents, building contractors, the client (Headteacher in the case of directly managed work) and school based staff managing the contractor, are set out in the Construction (Design and Management) Regulations, 2015. The CDM Regulations are a statutory instrument under the Health and Safety at Work Act 1974 and impose legal duties on Clients, Designers and Contractors to work together to incorporate health & safety measures into the design, construction and ongoing maintenance of the scheme. Schools need to be aware that if they implement building projects they are taking on the legal role of the Client under CDM.



The CDM Regulations place specific responsibilities on identified participants, particularly the client, at the very early stages of a project. Hence professional advice should be sought before any project is started.

Please ensure that all parties are fully aware of their respective duties and that they comply fully with these regulations. It is strongly advised that if in any doubt about implementing them, to contact the Councils' Construction & Maintenance Team.

Further information on the CDM Regulations can be found at:

<http://www.hse.gov.uk/construction/cdm/2015/>

Clients cannot pass their duties under the Regulations onto an agent when commissioning construction work. Under the regulations, the school becomes the Client. The duties of the Client under CDM are extensive but include:

- Ensuring that those who have duties under the Regulations are formally appointed and that they complete their duties; Principle Designer and Principal Contractor.
- Ensuring the Principle Designer and Principle Contractor have the right experience and knowledge to run the project.
- Ensuring sufficient time and resources are allocated for the design and construction periods
- Providing the Principle Designer with any information that you hold relevant to health & safety on the project such as the asbestos survey and any other known site hazards. Where additional information is required, instructing for this to be compiled.
- Ensuring that construction does not start until a satisfactory Construction Phase Health & Safety Plan has been produced.
- Ensuring that construction does not start until satisfactory welfare facilities are provided for the contractors use.

- Ensuring that the Health & Safety File is kept available for inspection after the project is completed.

The CDM Regulations impose other formal duties on the Designer, Contractor and Principle Designer, which the Client should also be aware of.

The consultant you employ as the Designer may also be able to act as the Principle Designer, but you will need to;

- Assess whether they are competent to do so
- Give them clear written instructions as to which of the CDM duties they are being employed to undertake.

Building Regulations

Building Regulations are a Statutory Instrument under the Building Act.

Compliance with the Building Regulations ensures that the building meets minimum health and safety standards for the users of the building. Headteachers should ensure that the appointed technical agent is fulfilling these requirements.

Most schemes requiring structural work and or drainage work (and now even window replacement) will require Building Regulation approval. This means that drawings and specifications will need to be prepared by the technical agent. So for example, if a classroom extension is being planned, internal alterations or replacement windows, think Building Regulations. General repair and maintenance is not covered by the Building Regulations.



Building Regulation approval is obtained on application to the Council's Building Control team.

<http://www.bracknell-forest.gov.uk/buildingcontrol>

building.control@bracknell-forest.gov.uk

Tel: 01344 351106 or 351208

Planning Permission

Any building extension or change of use will require Planning Permission under the Town and Country Planning Act. Even minor works may require planning permission. Again this means that drawings of the scheme will need to be prepared. Planning Permission for schemes relating to schools must make a pre-application which may extend the timescale for planning approval to up to 20 weeks.

<http://www.bracknell-forest.gov.uk/planningapplications>

Permission is likely to be granted subject to conditions, some of which may require discharging prior to being able to start works on site. Therefore conditions need to be factored into timescales as it can add 8-12 weeks (as a minimum) to the process.

Listed Building Consent

A Listed Building is a building or structure which is considered by the Secretary of State for Culture, Media and Sport to be of special architectural or historic interest. Under the Planning (Listed Buildings and Conservation Areas) Act 1990, listing gives a building legal protection from demolition and alterations, which would destroy historic features or affect its character. The whole of a building is listed - the exterior and interior, together with any outhouse, wall or other structure built before 1 July 1948 within the grounds of the building.



If a school occupies such a building, then any extension (including internal alterations) will require Listed Building Consent as part of the planning permission. Again this means that drawings of the scheme will need to be prepared by a property professional, and approval can take about 8–13 weeks. **It is a criminal offence to undertake works without the necessary consent.**

Permission is likely to be granted subject to conditions, some of which may require discharging prior to being able to start works on site. Therefore conditions need to be factored into timescales as it can add 8-13 weeks (as a minimum) to the process.

Approval and Monitoring by the Council

The Council supports the improvement of school premises by projects implemented by schools. However, it is necessary for the LA to safeguard its buildings by ensuring that no structural or on-going maintenance problems will be caused by the proposed work and that all potential pitfalls have been identified. In addition the Council has the statutory duty to provide sufficient pupil places and schools must not make changes to their accommodation that might affect or change their Published Admissions Number. In order to ensure this, all capital project proposals must be submitted to Education Capital and Property for approval. This requirement is not intended to be restrictive, but is necessary to ensure that the scheme has been considered by the appropriate professionals, to enable the Council to meet its statutory duty to advise schools on procedural, health and safety and compliance issues. Additionally it is a requirement of the DfE that all projects funded by Devolved Formula Capital receive the approval of the Council prior to work commencing.

LA approvals include:

- Approval to incur DFC expenditure using the recognised application form
- Approval of plans and drawings prior to construction start.

School Site and Buildings Data

As part of the development of the AMP, the Council's premises records are required to be updated with any changes to school sites or buildings. It is therefore important that any new building work proposed by the school not only receives the approval of the Council, but that the Council is fully advised of any amendments to accommodation and to plans. Schools should forward any proposals and/or plans to alter the school building to Education Capital and Property.

Contract Works Insurance

This additional insurance cover may be needed during building works, dependant on the size of the project and the contract type. Whilst the details can vary depending upon the type of building contract employed, typically projects that involve extension to or works within an existing building are insured by the client. In which case it would be necessary to notify the Councils' insurance department of any intended works and there may be additional premiums to pay.

Projects to create new buildings are typically insured by the contractor and evidence that suitable cover is in place should be obtained before work commences.

Defects

As a project draws to a conclusion, the contractor will offer the works up as complete and ask for a 'handover'. This is known as Practical Completion. Any evident defects should be noted and rectified (via a "snagging list") prior to this date.

Defects can also appear in new work after hand over; shrinkage and minor cracks are not uncommon and occasionally even new fittings fail. Building contracts allow for this and it is normal practice for the client to retain 2.5% of the final contract sum for a defined period (typically 12 months) known as the Defects Liability Period. The contractor is liable to rectify any defects that arise within this period that are due to poor workmanship or materials. Depending upon the nature of the defect, it may be necessary for the contractor to attend immediately. For less urgent issues though, it may be preferable to defer any remedial works until a final review of the whole of the project at the end of the defects period. Once all identified snagging works have been rectified, the project reaches what is known as Final Completion.

Extra costs

It is important to be clear what the budget is from the outset and to discuss this with the technical agent. Because the extent of the works will not be completely defined until the project is complete, a contingency sum needs to be included at the design stage. The technical agent will advise how much this should be, but 10% is not unusual. Once the contract is let and a contractor is in place, it is still important to allow a contingency for unforeseen items, usually 5-10%.

If extra work is introduced, then the costs will rise and Headteachers will need to either cut back on other areas of work or increase the budget. Variations will need to be reflected in writing and in accordance with the contract documents. Sometimes, especially on alteration work, something unforeseen arises, e.g. the discovery of asbestos, and if it is a traditional contract Headteachers will have to pay for this, although with a design and build contract the contractor may be liable.



Value Added Tax (VAT)

All VAT incurred by schools when spending any funding made available by the authority is treated as non-business activity and as being incurred by the authority and therefore qualifies for reclaim from HM Customs and Excise. However, this does not include expenditure by the governors of a voluntary aided school when carrying out their statutory responsibilities to maintain the external fabric of their buildings.

Schools are advised that VAT payments cannot be reclaimed unless:

- BFC (school) makes the purchase (places the order, receives the supply, receives a tax invoice addressed to it and makes the payment); and
- BFC (school) retains ownership of the purchase and uses it for its own non-business purpose; and
- Sufficient records are maintained to enable such purchases, and the purpose for which they are made, to be identified.

Time Overrun

The technical agent will need to know the deadlines so that these can be built into the programme and work organised accordingly. The technical agent should supply regular updates to confirm that these deadlines will be met and re-schedule the programme if there is any slippage in order to pull the scheme back on target. Once on site the contractor is required to complete the works by the prescribed Date for Completion.

A traditional contract allows for extensions to this date for a variety of reasons e.g. exceptionally inclement weather, so there needs to be a time contingency to plan for these allowable delays.

Under a design and build contract these 'risks' can be transferred to the contractor so it is their responsibility to ensure the project is completed on time – if necessary by working weekends, to pull back any lost time.

If Liquidated and Ascertained Damages have been pre-agreed through the technical agent, these can be deducted from payments to the contractor to recompense for any delays incurred by him.



Managing Risk

A Risk Register is a useful tool in managing risks with larger projects. The purpose of a Risk Register is to minimise the incidence, and mitigate the impact of problems or issues occurring that could be avoided with a degree of forethought. Project risks are identified, assessed and mitigated and reported in the form of a Project Risk Register, as set out in the example below:

Disclosure			and			Barring			Service		
Risk Assessment			Risk Management and Tracking								
Description of Risk	Risk Rating	Risk Response Action	Chosen Action	Risk Rating	Risk Owner	Target Date for Completion					
	(select from drop down)	(description)									
Project objectives not met	H	Avoid	Management & governance including Project Team structure. Clear objectives	L	All	Ongoing					
Availability of sufficient resources	H	Avoid	Budget is approved and in place prior to contract start	L	Bursar	Ongoing					
Costs are not controlled	H	Avoid	Project Manager responsible person. Regular cost reports	L	PM	Aug-16					
Tenders exceed project budget	H	Avoid	Optimise procurement route and undertake robust pre-tender estimate	L	PM	Sep-17					
Scope creep	H	Accept	Robust change control procedures in place including written approvals	L	PM	Ongoing					
Delays during pre-construction period	H	Avoid	Adherence to agreed programme. Monitor this closely	M	PM	Sep-17					
Delays during construction period	H	Avoid	Adherence to agreed programme. Monitor and manage the contractor	M	PM	Sep-19					
Planning permission not forthcoming	M	Eliminate	Early engagement and timely application	M	PM	Aug-16					
Design quality	M	Reduce	Design team meetings. Consultation, participation, scrutiny & sign off of plans	L	Head	Ongoing					
Lack of suitable tenders	H	Reduce	Advertise tender and approach previously successful contractors	L	PM	Aug-17					
Contractor, sub-contractor or key supplier goes into administration	H	Avoid	Check audited accounts, Dunn & Bradstreet checks, Robust contract docs	M	PM	Aug-17					
Quality of construction	M	Reduce	Site supervision by PM, witnessing key works, sampling & testing, bldg control	L	PM	Sep-17					
Fire Safety	M	Reduce	Fire risk assessments by Contractor during construction & School thereafter	L	Contractor & School	Sep-18					
H&S Risks associated with construction	M	Reduce	Robust CDM procedures in place	L	Head, PM, Contractor	Ongoing					
Safeguarding	M	Reduce	DBS checks, secure perimeter to working areas, coloured name tags, vigilance	L	PM & Contractor	Sep-18					

*Disclosure and Barring Service (DBS)

It is normally the Project Manager who manages risks and updates and reports on the Register at regular intervals. The Risk Register is a living document that can be added to as any potential risks become apparent during the life-cycle of the project, and risks can also be removed once they are closed out.

A logical process for risk management could include the following:

- Identification
- Assessment
- Avoidance (wherever possible)
- Transferring the risk
- Controlling the risk
- Mitigating the risk
- Monitoring and review

Risk assessment can include combining severity with likelihood, and risks assessed and recorded using a simple RAG methodology as follows:

Risk Assessment Matrix

Likelihood	High	MED	HIGH	HIGH
	Medium	LOW	MED	HIGH
	Low	LOW	LOW	MED
		Low	Medium	High
		Severity		

Mitigation/Control measures can then be applied to reduce the risk and the residual risk will be managed, monitored and reviewed.

Health & Safety Issues

The governing body is required to have due regard to the duties placed on the Council in relation to health and safety, and the Council's policy on health and safety matters in the management of the schools budget.

In carrying out building projects, a school must give high priority to ensuring that health and safety issues are addressed, particularly when work begins on site. It is a point worth noting that HSE inspectors may carry out site checks when building work is in progress.

Section 3.5 of Schools Health and safety Manual includes relevant information relating to management systems, dealing with contracts and contractors, asbestos, electricity etc.

[Schools Health & Safety Manual](#)

[Corporate Health & Safety Manual](#)

Where the governing body fails to comply with the policies contained within the Manual of Guidance, the Council will arrange for inspections and work to be carried out itself and charge the schools budget with the associated costs.

Please contact Education Capital and Property with any queries or concerns about the above procedures.

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