

Project management & cost control

James Bryden



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CLPM

*Project Management &
Quantity Surveying Expert*

James is a construction project cost expert and has over 25 years' experience in the construction industry, within both the commercial and private sectors. James founded ClearPlan Project Management Ltd with his wife Nicky back in 2009, which merged with Charlie Laing Ltd to form CLPM Ltd in 2014.

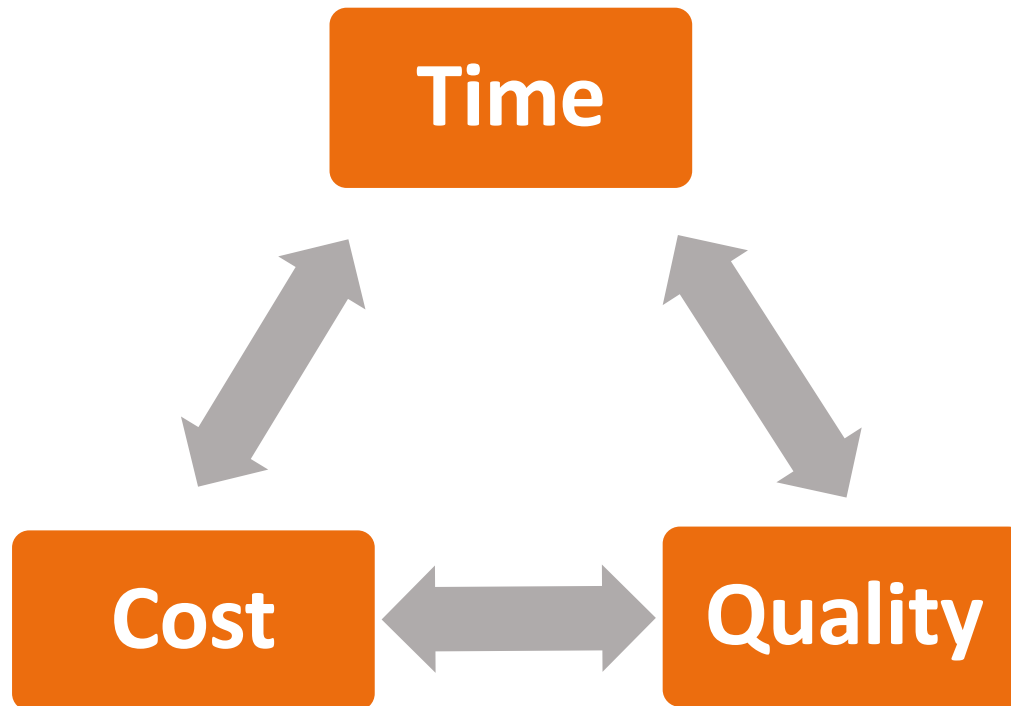
What Do Project Managers and Quantity Surveyors do?

James Bryden

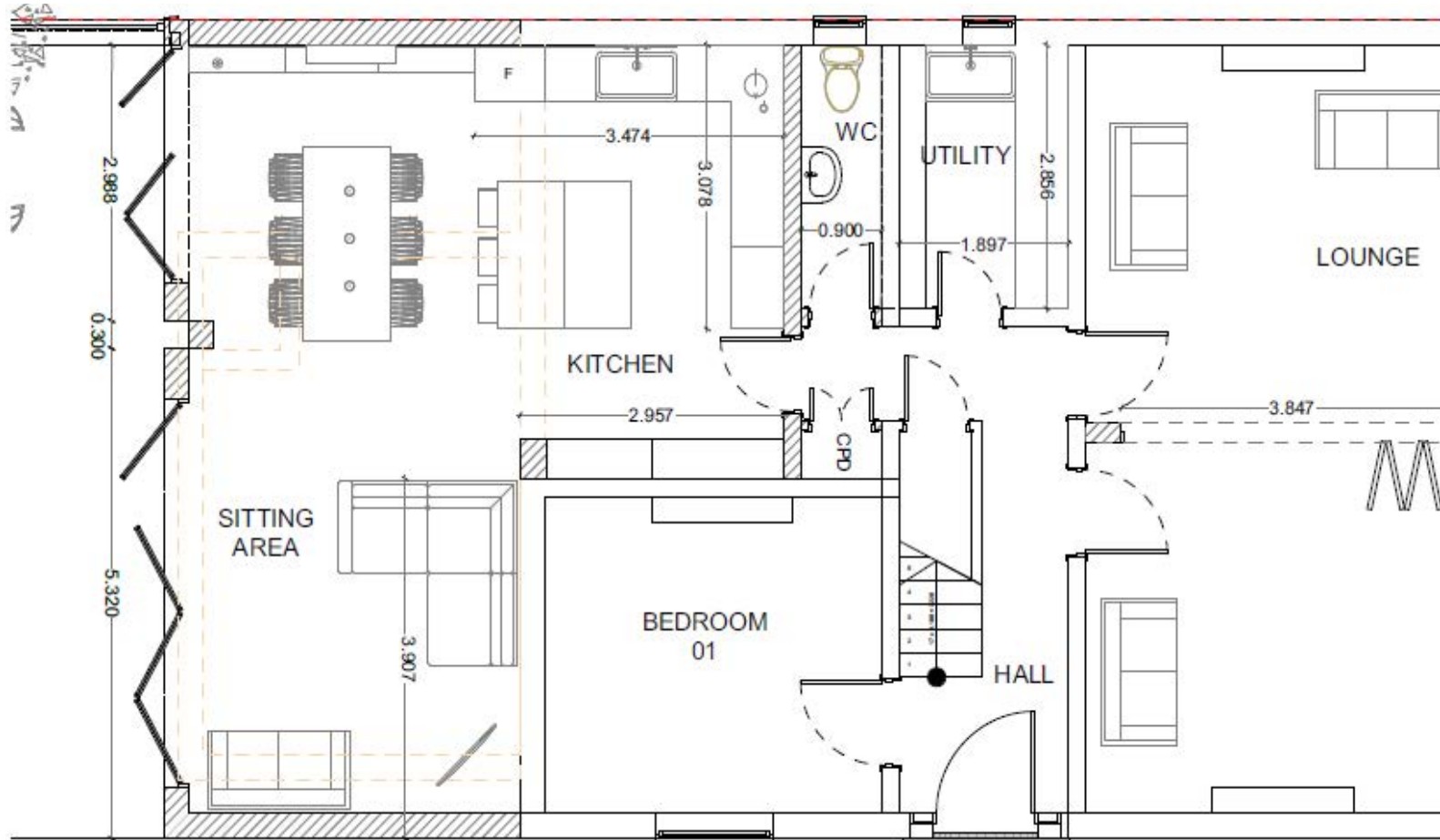
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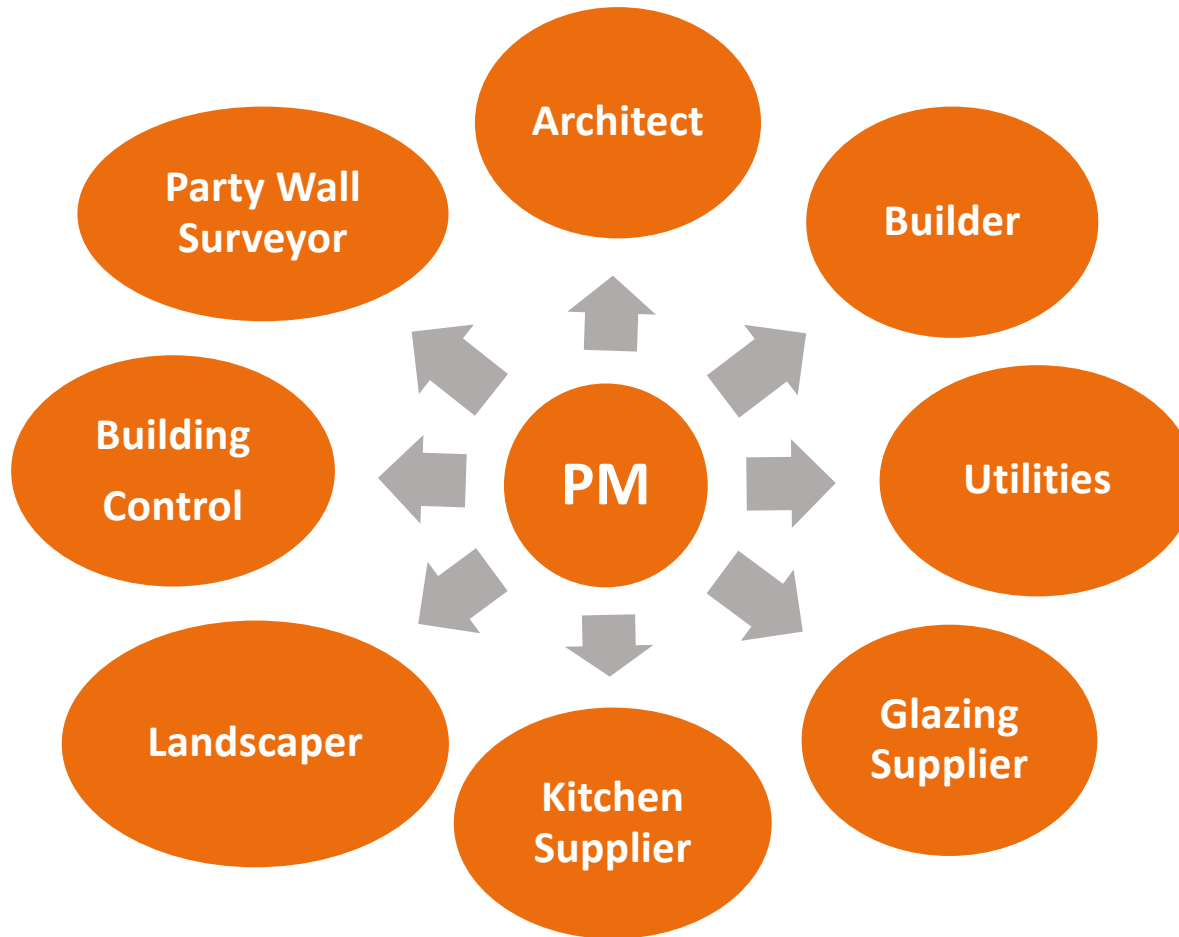
Every project needs a project manager.
Someone has to do it !



Rear Extension



Potential Parties To Co-ordinate



New Build



Time Available



Standard PM Options

Depends on procurement route.....

Main contractor / builder manages

Architect / designer manages

Design & Build Turnkey Constructor

Client manages

An independent project manager



Should I Be The PM?

Ask yourself and be honest in your answers...

How much time do I have?

How much construction experience do I have? What are your skills? What are your knowledge gaps? Which roles will I really enjoy?

Money. Is there enough contingency in my budget if I get it wrong?



Where Time is Critical

Prepare realistic programme & monitor it

Uphold supplier & contractual deadlines

Information flow & timely client approvals

Ensure clear payment terms & cash flow



Where Quality is Critical

Review design documentation. Ensure detailed specification that makes sense

Suggest several potential contractors

Check against drawings and specifications

Regular inspections – How often?





Where Cost is Critical

- Comprehensive design for contractors to price
- Comprehensive budget agreed before work starts (don't forget to include VAT)
- Manage tender process (if designer not doing this)
- Valuation of work & changes as project progresses

Budgets & Cost Plans



Will depend on level of design information available

May start out as a £ / M2 rate based on some initial parameters

May evolve to be a detailed measured set of values from a completed design

Key is to ensure everything is allowed for (eg: landscaping & new utility connections)

Tendering

Tendering method varies depending on procurement strategy and level of design

Entire project is competitively tendered

Project broken up into packages and each package tendered or negotiated

Somewhere in the middle !!

Forms of Contract will vary depending on project complexity and parties involved (eg: a lender may sometimes dictate a form of contract)





Paying a Builder

The Housing Grants, Construction & Regeneration Act stipulates that interim or stage payments are due to any party to a construction contract that has a duration of more than 45 days

Commonly known as interim valuations

Basic principle is to pay for work correctly carried out to the date of the valuation

Try to avoid advance payments, though sometimes deposits required, but please get copies of orders & invoices

Sample Valuation

Percentage progress added

Running total calculated

Retention deducted

Previous payments deducted

Trades	Contract Sum		Valuation	
	Price	Price (inc. OH&P)	Progress	Value
Groundworks including foundations	18,500	21,275	100%	21,275
Drainage	8,350	9,603	90%	8,642
Masonry	38,750	44,563	100%	44,563
Structural Steelwork	8,750	10,063	100%	10,063
1st fix carpentry	27,400	31,510	60%	18,906
Roof finishes & rainwater goods	23,750	27,313	25%	6,828
Glazing	25,475	29,296	0%	-
Plumbing & heating installation	22,800	26,220	0%	-
Electrical & media installation	19,300	22,195	0%	-
Drylining & plastering	12,450	14,318	0%	-
Tiling fitting	10,800	12,420	0%	-
2nd fix joinery	22,750	26,163	0%	-
Decoration	12,400	14,260	0%	-
Preliminaries		-		-
Scaffolding	3,400	3,910	75%	2,933
Management including H & S co-ordination	27,650	31,798	30%	9,539
Welfare & security	2,400	2,760	30%	828
Overheads & Profit	15%	42,739		inc
Provisional Sums				
Landscaping	10,000	10,000	0%	-
Utility connections	5,000	5,000	0%	-
Prime Costs				
Supply of tiles per m2 based on £50 / m2	6,000	6,000	0%	-
Sanitaryware	5,000	5,000	100%	6,800
Total Contract Sum		353,664	Gross Valuation	130,376
			Less Retention	5%
				123,857
			Less Previous Payments	
				104,500
			Stage Payment Due	
				19,357



Summary

Decide if the priority is time, cost or quality

Ensure clear & detailed design & scope

Prepare and update a programme

Ensure comprehensive pricing schedule

Only pay for work correctly completed

Continually checking the drawings match the build

Thank you for listening !



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