

Capital Investment

A+DS Briefing Paper



Architecture+DesignScotland
Ailtearachd is Dealbhadh na h-Alba

Introduction

The Scottish Government's Infrastructure Investment Plan, 2008, states:

"In developing Scotland's infrastructure, the Scottish Government recognises that good building design should be responsive to its social, environmental and physical context. It should add value and reduce whole life costs. ... Equally important to the design of individual buildings is the design of sustainable places. Well-designed buildings and places can revitalise neighbourhoods and cities; reduce crime, illness and truancy; and help public services perform better. "

"...it can be seen that assets created some 30-40 years ago have not always provided the length of good service anticipated at the outset. ... It is vital that key national and community assets ... are fit for purpose not just when built but throughout their economic lifecycle if they are to provide good value."

Architecture and Design Scotland (A+DS) has provided comment to the Parliamentary Inquiry on Capital Investment, and on the Government's Consultation on the Scottish Futures Trust, regarding the cultural and procedural changes needed across procurement routes to deliver such aspirations. Our recommendations are based both on the lessons learnt from three years of operation, particularly in reviewing school designs and working with public sector clients such as Health Boards, but also from the professional experience of our Board Members and the broader A+DS family. **Our overriding conclusion is that Public Procurement has become all about the 'HOW', with insufficient focus on the 'WHAT' and the 'WHY'.**

Lessons Learnt

"It is disappointing that the majority of schools reviewed in that period fall below the quality which Parliament foresaw in the Architecture Policy – despite the best intentions and the good quality published guidance"

Excerpt from A+DS School Buildings Briefing Paper

"[Firm Foundations]... together with SPP3, Planning for Housing, and the National Planning Framework 2008, presents an important opportunity to plan for housing in an integrated and effective way: avoiding past mistakes, creating thriving communities. This will not be achieved by working to lowest cost denominators.

Excerpt from A+DS response to Firm Foundations Consultation

"The client team described the situation where the preferred development option, which delivered the best environment with the least disruption and at lower cost and risk, was likely not to be affordable in revenue terms. This may result in the Board choosing an approach that will take longer to deliver (impacting operational efficiency and patient care over a greater period), cost more to build and have greater cost uncertainty."

Excerpt from an A+DS Design Assessment Report

"At this stage, Architecture and Design Scotland has particular concerns about 'using a greater degree of standardisation based on exemplar, energy efficient, sustainable designs to meet public authority requirements.' (question 4) ... We recognize that there can be some benefits and economies of scale in appropriately repeating small components of a design. However, larger scale repetition and the commissioning of 'clone' buildings across Scotland is contrary to the principles contained in The Policy on Architecture and Designing Places and A+DS would oppose such a proposal."

Excerpt from A+DS's response to SFT Consultation

Recommendations

We recommend that the review examine funding and procurement methodologies against the following three broad principles:

1.0 Policy and delivery should be linked.

Policy makers, and those with an overarching responsibility for the delivery of design quality by the Scottish Government, should be accountable for the delivery, by public bodies, of such quality. Their responsibility should go beyond the production of guidance to include responsibility for the impact that guidance has on investment.

2.0 Public leadership of procurement processes.

Public procurement should value and deliver well designed environments that support our communities and public services and thus realise the full potential of capital investment. From our work and involvement in projects we note the following areas for improvement:

- Client bodies need to recognise and understand that a development is not “**fit for purpose**” unless it supports both the sustainable development of the community in which it sits and the health and wellbeing of its users. These broader qualitative issues should be a key objective of the commissioning body, and one in which the public has a voice.
- The opportunity, through good design, to **increase efficiency** and **reduce the cost** of running a public service needs to be understood and capitalised upon. This will require strategic design skills to be targeted at appropriate points in the procurement process to ensure that the investment realises the broadest and best impact.
- The client body should **control** the execution of the project to ensure that quality is delivered. Transferring responsibility for quality to those less motivated in the wider public interest makes the delivery of these broader objectives more difficult to achieve. Further, reducing the access of the client (and stakeholders) to the designer can be an obstacle to the constructive dialogue that assists designers in responding to the client’s needs and aspirations.
- If the public sector client is to take a leadership role in procurement then project teams must be suitably **resourced and trained**. Client teams need to have the skills to plan and control the stages of the process by which it is delivered. This requires leadership at the highest level to ensure that quality is an objective given to the team, but also that senior people within the client team have a **professional design education** so that they have the confidence and skills to make judgements on such issues.

3.0 Procurement processes should recognise and value design quality.

An understanding of the value and contribution that a well designed environment can make to service delivery and the wellbeing of the wider community is key in effectively targeting investment. We recommend that long-term qualitative objectives are given prominence in the following processes:

- **Project Initiation:** the earliest documents describing the required outcomes of the project - the criteria against which the success of the project, and therefore the client team, will be assessed – should include quality as a required outcome.
- **Financial modelling of business cases:** criteria should be developed to allow the value of a well designed environment to be quantified and recognised in financial assessments, particularly in relation to offsetting any revenue costs that may be seen as a bar to capital investment.
- **Project review systems:** these should include an assessment of the potential of the project to deliver an outcome of quality so that long-term best-value can be more readily realised and more properly planned for - thus reducing the risk of cost and programme over-runs.
- **Competitive selection procedures:** these currently include assessment of both quality and cost aspects of a bid, however the quality of the end product is often only a small proportion of the total score due to the number of other factors that are included in the quality section and the weighting of these elements. We recommend that design quality be a separate and prominent part in the assessment of bids i.e. “quality:cost” ratios would be replaced by “design:delivery:cost” ratios.

- End -



**A+DS's RESPONSE TO THE SCOTTISH GOVERNMENT'S CONSULTATION PAPER ON
GLASGOW 2014 - DELIVERING A LASTING LEGACY FOR SCOTLAND
MAY 2008**

1. Architecture and Design Scotland (A+DS) welcomes the opportunity to contribute to this consultation. A+DS has been a part of the 2014 All Scotland Group, and has encouraged support for this project from the outset.
2. Architecture and Design Scotland (A+DS) is Scotland's national champion for good architecture, design and planning in the built environment. It was established by the Scottish Government in April 2005. Architecture and Design Scotland is a Non Departmental Public Body (NDPB) which acts as a key delivery mechanism for the objectives of the Scottish Government's Policy on Architecture for Scotland. Our main aim is to inspire better quality in design and architecture in the public and private sectors to ensure that Scotland's built environment contributes in a positive way to our quality of life and our built heritage.
3. We welcome the identification in the consultation document of opportunities for the benefits of design to be realised through the 2014 Commonwealth Games. In a deeper sense, an important legacy from the preparation for and staging of the Games will be the wider awareness of the ways in which well-designed environments can enhance many aspects of our lives in Scotland. And for those who will live, work or enjoy leisure activities in the built infrastructure improved or developed as part of the Games' activities, the legacy will be of very tangible advantage.
4. There is a wide range of design opportunities, which include modest aspects of sites in the East End of Glasgow, as well as across the City Region where visitors may be travelling, all of which should be being considered as part of plans for 2014 – in addition to the major infrastructure investments such as the Games Village and Transport Links. A considered approach to realising such opportunities will be the most likely to have a significant cumulative impact, offering ways of encouraging more small and medium sized businesses to bid for public sector contacts.
5. Design opportunities of all kinds should be taken up, including art and sculpture, to provide opportunities for emerging designers and artists.
6. Designers should be selected according to ability and quality, together with other criteria appropriate to the scale and complexity of the project.
7. Designs should be tested using independent design reviews and other tools for assessing design quality.
8. Procurement decisions should be made on best value rather than lowest cost, use evaluation criteria and where appropriate, specialist advisers.
9. We attach our Capital Investment Briefing Paper, which sets out the basic principles for procurement that we see as essential to the production of successful built outcomes.



10. Strong 'design leadership' now needs to be identified within the Clyde Gateway Urban Regeneration Company, to work in close liaison with the design leadership team in Glasgow City Council.
11. Of the statements contained in the consultation document, we strongly endorse the following elements:

Pages 14 and 17: "to encourage more small and medium sized businesses to bid for public sector contracts" and "to ensure that as many Scottish products and services are used in the Group as possible"

Encouraging local design talent, as noted above, will be most welcome – and could generate a significant impact across the creative industries for the future by demonstrating to clients, public and private, how to brief for and commission design successfully.

Page 17: "Use the Glasgow 2014 Commonwealth Games to showcase our festivals, artists and creative industries, such as computer games and music."

A+DS will be interested in working with others to encourage showcasing of design and talent in architecture and place-making.

Such activity can assist the objective to "Use the Games as an opportunity to express the rich cultural life of Scotland."

Page 18: "Work to make the Glasgow 2014 Commonwealth Games cultural programme a celebration of the best that Scotland has to offer in the arts and creative industries, recognising that this is key to the quality of life for which Scotland is famous and the opportunities it offers to its visitors."

Such a programme could examine the design impulses behind the Games initiatives, as well as their historic, social and cultural context. A+DS will be pleased to work with others, for example RCAHMS, in supporting such a programme.

Page 27: "Learning and Teaching Scotland will feature the Games in developing resources and teaching materials, building on strategies used by other Games, such as the Melbourne 2006 Commonwealth Games. The roll-out of the Glow network in schools will offer additional ways for schools to make links and share projects."

This educational aspect of the Legacy will be of particular interest, building on on-going work at the Lighthouse, Glasgow.

Page 40: "Work with the Clyde Gateway Urban Regeneration Company (URC) to ensure that key Games projects are developed in line with regeneration plans for the East End and the wider Clyde Gateway area."

A+DS will be providing Enabling support to the URC as part of an agreement with Scottish Government, aiming to assist the delivery of excellence in place-making activities in the entire regeneration area.



Page 41: “Work with the Games Organising Company to implement the Games Transport Plan, which uses improved transport links to excluded communities around the Games site, such as the extension of the M74 and construction of the East End Renewal Route.”

In strategic terms, A+DS would support the creation of a new rail stop adjacent to the Celtic Park and NISA sites, for long term as well as Games-related purposes.

Page 45: “Apply ‘secure by design’ principles to accommodation and public buildings/arenas to reduce opportunities for offending behaviour.”

“Engage local communities in the design of the Athletes’ Village to build in innovative responses to safety and security.”

A+DS is keen to ensure holistic design solutions that lead to more secure and friendly environments for all. Considering the results of such work, might the benchmark better be local or regional, rather than national averages? Local stakeholders’ engagement is a principle that can helpfully inform ALL design related projects.

Page 48: “The Athletes’ Village and new venues will set exacting standards, for example, for carbon emissions, waste and sustainable food.”

“The Athletes’ Village will act as an exemplar of good design.”

These objectives are strongly endorsed and methods need to be put in place to provide assurance that these ambitions are now being met.

Page 51: Transport and Infrastructure

A+DS strongly advocates for well designed transport and infrastructure projects – which will contribute to “visitors enjoying an easy and seamless journey”. A+DS is pleased to work with Transport Scotland and others on such projects, preferably at the earliest stages.

12. **Conclusion:**

If the legacy of 2014 in respect of design, and built infrastructure is to be a key component of the aims of the Games, then these will need to be built into the partnerships and delivery vehicles established, through their key performance indicators.

Such KPIs are more likely to be delivered if shared commitments can be made by all key parties. A+DS has received information on this approach, which is being adopted for the 2012 Olympics in London, through the “2012 Construction Commitments”, led by Government. A copy is enclosed for reference – and is commended as it deals with: Design Quality, Sustainability, Procurement and Integration, Client Leadership, Commitment to People and Health and Safety (attachment).