Dear Sirs,

The following paragraphs are a brief and somewhat hurried response to SFT’s very welcome request for feedback.

**The SFT’s role in securing additional investment;**

I have no particular comment to make here, except that the general commitment from government to maintaining investment in public infrastructure is very welcome, and SFT have played a part in making this possible.

**The SFT’s role in securing better value for money and improved public services;**

I have been involved in both NPD and Hub projects. There is a marked difference in the two experiences.

**NPD**

NPD is a development of pfi and, in essence, has now been around for over 20 years. Over that period it has been fine tuned to become significantly more effective in providing decent buildings than at the start. This “fine tuning” is not merely a matter of re-writing contracts, although the changes to the formal structure and detailed wording have undoubtedly led to improvements. More important than this is the way in which clients and contractors (and therefore designers) are responding. It is not (yet) universal, but there are significant examples of clients demanding and getting quality results. Contractors seem to have realised that quality is a serious issue and are more careful than previously in selecting teams.

However, there is still a huge amount of wastage in the system. Specific issues are:

**Three designs carried out for each scheme.** Take a mythical £60m hospital project. By Final Tender each architect will have done around £720k worth of work. If all three bidders go to this stage that is some £2.16m, £1.44m of which is wasted. The fact that the contractors will only have paid the architects between a quarter and a third does not help the situation. Engineers and other consultants will be in the same situation. By the time the bids are submitted therefore the country will have wasted at least £2m – probably significantly more.

There is also another cost – a personal one. Three teams devote their lives to these jobs, and two of them are shattered with grief when they lose. This is not an over-statement.

**The conversation during dialogue is very inhibited.** Due to the need for fairness in a competitive situation it is “against the rules” for the client to contribute ideas during dialogue discussions. This makes a “normal” design conversation impossible
and limits the possibilities for ideas to develop as the design progresses. The result is that opportunities of all sorts are missed.

**There is an enormous amount of strain put on client bodies.** Having to have three conversations at once is a severe burden on people whose main job is often very pressurised and may not let up during the process.

At Forth Valley College we are trying to solve at least some of these issues by taking the design further and then mandating large elements of it. This appears to have been enthusiastically received by the industry, but as we (architects and engineers) are to be held client side (for various understandable reasons), it does introduce the anomaly that the designer of the building will change during the process. We will be interested to see how this goes.

**Hub**

My experience of Hub is more limited. However, both from personal experience and from conversation with others I have to say that it seems on occasion to be encouraging the worst sort of behaviour in various quarters. The emphasis seems to be entirely on cost, and specifications and designs are stripped mercilessly, with no thought for value. I am bound by a strict confidentiality agreement so cannot go into more detail in writing without risk of legal action (this in itself is an issue).

**The SFT’s role in fostering innovation to improve outcomes;**

I am not convinced that the concept of innovation is understood within the processes currently being used, except perhaps in procurement itself, where, as above, the results are mixed. I am encouraged by SFT’s response to our/Forth Valley College’s proposal for a variant to the NPD process.

**The SFT’s role in encouraging collaboration to improve efficiency**

No comment to make

**The SFT’s efficacy in securing better outcomes including job creation, training and apprenticeships, environmental sustainability, broader community benefits and digital connectivity.**

I am aware of efforts being made on all of these issues, but have no particular comment.

**Any other comments you might have on the SFT's work towards achieving its key aims.**

I have a real concern regarding the future of public building in Scotland. In talking about **value** all I seem to hear is talk about **money and cost.** Much of this seems short sighted. An example. Each NPD project has a capex cost limit applied to it. Why? The nation does not pay the capex. If a consortium can offer a smaller availability charge by spending a bit more on the building, should this not be encouraged?
Then again, within many projects design has been side-lined to an unprecedented extent. In the way that the processes are set up there seems to be little understanding of how to enable good design and no understanding of the benefits to the country of achieving it.

Much good work has been done. The improvements made to old pfi to make it into NPD are good, and the process runs much more smoothly than before. (It is unwelcome that some of these improvements are now under fire from Europe).

Thank you for the opportunity to comment. I am sorry that this is rather hurried (and therefore a bit blunt in places). I would welcome the opportunity to be involved in further dialogue.

Andy Law