

Building Connections No 4

CRCS 2012 KPIs Management

Performance matters in construction. The costs are high. The risks are high. The impact of failure is high. Performance management ensures projects are delivered **on time, on budget, right first time and safely**. It supports benchmarking of projects and performance, and drives continuous improvement to achieve **year-on-year reductions in project costs and delivery schedules**.

Construction performance management, and the KPIs to manage it, were the subject of our first educational **Workshop on 5th July**. With the performance of consultants and contractors in mind, LCP's David Mulford was joined by Jon de Souza from Constructing Excellence and Michael Dickinson from the Centre for Construction Innovation at University of Salford to present the why's, what and how of performance management under LCP's CRCS 2012 Framework.

Beyond 'on time, on budget' and towards benchmarking

Clients in the construction industry have always wanted projects delivered:

- On time
- On budget
- Free from defects
- Efficiently
- Right first time
- Safely

Today, though, we also want them to address the **added value** of apprenticeships, local labour, sustainability, cost per £/m² and client satisfaction, and to help us understand the **strategic view of public sector construction** across London. LCP's performance management measures and KPIs for its CRCS 2012 Framework aim to:

- help clients understand individual project performance
- help clients and consultants understand consultant performance within the Framework
- enable projects to be compared across London and more widely through benchmarking.

Reporting KPIs is an **obligation within LCP's Participating Organisation's Access Agreement**. We're aligning LCP KPIs to those established nationally by NIEP (www.niepbuiltenvironment.org.uk). Our aim is to establish a London-wide Public Sector bench-marking club, facilitated by Constructing Excellence (www.constructingexcellence.org.uk), to report on project performance for London's

construction landscape. Your Access Agreement details the performance reporting and KPI submissions required for CRCS 2012. If you have any questions about your obligations or what's required, please **contact the LCP Team** on 020 8489 1037 or 1073.

How to submit KPI information

We know that many LCP client organisations are at an early stage of project development, and are not yet at a point where they can submit project performance data. However we do want clients and consultants to be **informed and ready to submit** performance data for their live projects.

CRCS 2012 KPIs need to be submitted via the LCP **KPI's Engine**, supported by Constructing Excellence. The user license is paid for by LCP and is a benefit enjoyed by Participating Client Organisations and Consultants on the CRCS2012 Framework. A demonstration account for the KPI Engine can be accessed by clicking [here](#). When you have been awarded your first CRCS project please email the Centre for Construction Innovation at kpi@ccinw.com or telephone on 0161 295 5076 and they will create your company's account and send you through your unique username and password.

We expect KPI information to be submitted by the Project Manager or Lead Consultant, and clients are expected to check the KPI information produced for their project. Framework KPIs include:

- Predictability of Time - Construction
- Predictability of Cost - Construction
- Client Satisfaction with the Product
- Client Satisfaction with Service
- Defects
- Waste To Landfill Percentage
- Carbon per £100,000 project turnover
- Project Health and Safety
- Apprenticeship weeks
- Predictability of Local Labour
- SME Engagement
- SME Spend
- £/m2 Commit to Construct
- £/m2 Available to Use
- Consultants Fee percentage Commit to Construct
- Consultants Fee percentage Available for Use
- Considerate Constructors

To generate the KPI scores consultants will be asked to **submit data about each project that they are leading** using the easy to use web page interface of the LCP KPI Engine. Consultants will then be able to generate reports based on the data

entered to **demonstrate performance to clients**. Clients and the LCP will be able to benchmark performance across projects to identify **good practice** and areas for **continuous improvement**. Performance reporting and benchmarking across the framework overall will be issued from the KPI Engine on a six-monthly basis after one year, and, as part of LCP's governance, will be reported through to London Councils.

Support for Performance Measurement Implementation

The LCP and Constructing Excellence are currently finalising documentation that will support the implementation of the framework's performance measurement process. In addition we're in arranging training sessions, that will be available to consultants and clients, on use of the KPI Engine. Full details will be sent out shortly.

We look forward to working with you to establish class-leading performance management for the construction sector. If you have any comments or concerns about project performance management under the CRCS 2012 Framework please email me at David.Mulford@haringey.gov.uk

Kind regards

David Mulford
Programme Manager
London Construction Programme
020 8489 1037
LCP@haringey.gov.uk

Working together BUILDS better results

For more information about London Construction Programme visit <http://lcp.g2b.info>

