

## THE CONTRACTOR 'INNOVATIVE THINKING'



**John Frankiewicz, chief executive officer, Willmott Dixon Capital Works**

We've already proved we can achieve 20% cuts, but it relies on innovative thinking and good leadership from client and contractor alike.

We've invested in developing standardised designs to cut costs by 30%. The first going to market relate to education, and we are working on designs for the health and leisure sectors. This does not seek to undermine the work of architects; in fact we used several to develop our standard designs, but it does give clients a particular option when their budgets are being cut and the project is in doubt.

One barrier to standardisation is that contractors will not invest in intellectual property that can be used by a rival. We offer our standardised design through the Scape framework where we are sole contractor, and clients on other big frameworks must resolve how they can develop standardisation within a competitive tender process. However, the use of standard designs for certain projects is inevitable if we are to achieve more for less and squeeze out costs.

Another area is the co-location of facilities. For example, on a joint health and leisure complex for Gateshead Primary Care Trust and Gateshead council, we saved £1.2m in overall costs compared with the price of building both facilities individually, with savings from sharing the front entrance and atrium, combining M&E plant and services, landscaping and utility connection charges. Clients need to be receptive to this, and companies such as Willmott Dixon have acted like a strategic partner by making the case when they see it.

The government should also consider removing VAT on refurbishment work, as clients can achieve major savings by remodelling what they have. At Cheshire's Macclesfield High School, where one-third was refurbished and the remaining added as new build, this produced a 22% saving against going down a total new build route, with a contract sum of £15.1m as against £19.5m for a new school.

