

# CONSULTANCY

## *How to...*

### APPOINT AND MANAGE A DESIGN CONSULTANCY FOR A SPORT OR RECREATION FACILITY



*A GUIDE FOR SPORT AND RECREATION FACILITY PLANNERS*

June 1996



# C O N S U L T A N C Y

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## *Executive Summary*

The appointment of a design consultant is the final step in the facility planning process. It follows the:

- Strategic plan or needs assessment;
- Feasibility study;
- Management plan; and
- Project design brief.

These processes are fully explained in the relevant “How To...” Kits published by the Ministry of Sport and Recreation (see Section 4).

Before appointing a design consultant, it is important to prepare a comprehensive project design brief. This will reflect the needs and aspirations of potential users and management and helps prospective design consultants to prepare submissions.

Appointing and managing a design consultancy has some key elements:

- Determining the need for a design consultant.
- Preparation of the Consultant’s Brief.
- Evaluation of submissions.
- Engagement of the selected Consultant(s).
- Managing the Consultancy.
- Project evaluation.

Fees should not be the sole factor in choosing a design consultancy. A good consultant can save money - both in capital and operating costs - in the design and delivery of a facility. As projects become more sophisticated, consequences of poor decisions can have significant ramifications.

Consultants are used to ensure the project is completed on time, within budget, to the standards required, and at minimal risk to the client.

To appoint a design consultancy, your organisation has to have properly agreed and constituted powers to engage in contracts for construction. This is for the protection of individual members of your organisation. Consultants will carry the risk for your organisation on technical, probity and accountability issues relating to the project through their own Professional Indemnity insurance.

## ***1.0 Introduction***

When planning and designing a sport or recreation facility, it is often the case that all the skills required are not available within the client organisation.

There is a range of specialist tasks to bring a project to a successful conclusion. Input and advice may be needed from some or all of the following disciplines:

- Project Management;
- Architecture / Landscape Architecture;
- Numerous Engineering Disciplines;
- Cost Planning / Quantity Surveying; and
- Environmental Planning.

Large projects may need a Cost Planner / Quantity Surveyor to be appointed at the “feasibility study” stage. However, design consultants are not usually appointed until the decision is taken to proceed.

Appointing and managing a design consultancy is no different from assessing and appointing a new staff member.

- The need for the position has to be justified.
- A Duty Statement, with the duties and responsibilities of the position, is prepared.
- A salary package is assessed.
- Selection criteria are set.
- The position is advertised.
- Appointment is made after interviewing and evaluating applicants; and
- The appointed person is responsible to a nominated supervisor or manager.

Evaluating submissions, making an appointment and then managing the consultancy can be an intimidating task.

# C O N S U L T A N C Y

This “How To...” Kit provides guidelines to assist you in appointing the most appropriate consultants to design your facility.

The kit is written with the appointment of a design consultant for a large, complex project in mind. The project management structure will require the consultant to report to a Project Co-ordinator and a Project Control Group. Although there are other ways to set up the project management structure (Figure 2), this option reflects the entire appointment process.

The kit is part of a series of “How to... Kits” published by the Ministry of Sport and Recreation which deal with facility planning. Others include:

- *How to Undertake a Feasibility Study for a Proposed Sport or Recreation Facility* (1995).
- *How to Develop a Management Plan for your Facility* (1995).
- *How to Prepare a Project Design Brief for a Sport or Recreation Facility* (1995).

These resources are designed to assist local government bodies, sporting associations, sport and recreation clubs and other relevant agencies in the planning, design and management of sport and recreation facilities. The kit *How to Prepare a Project Design Brief for a Sport or Recreation Facility* is especially relevant.

Planning and designing a sport or recreation facility can be a long and sometimes difficult task. Staff at the Ministry of Sport and Recreation are available to assist you with information and support.

## 2.0 The Facility Planning Process

The appointment of a design consultant takes place in the **Design** phase of the facility planning process as illustrated:

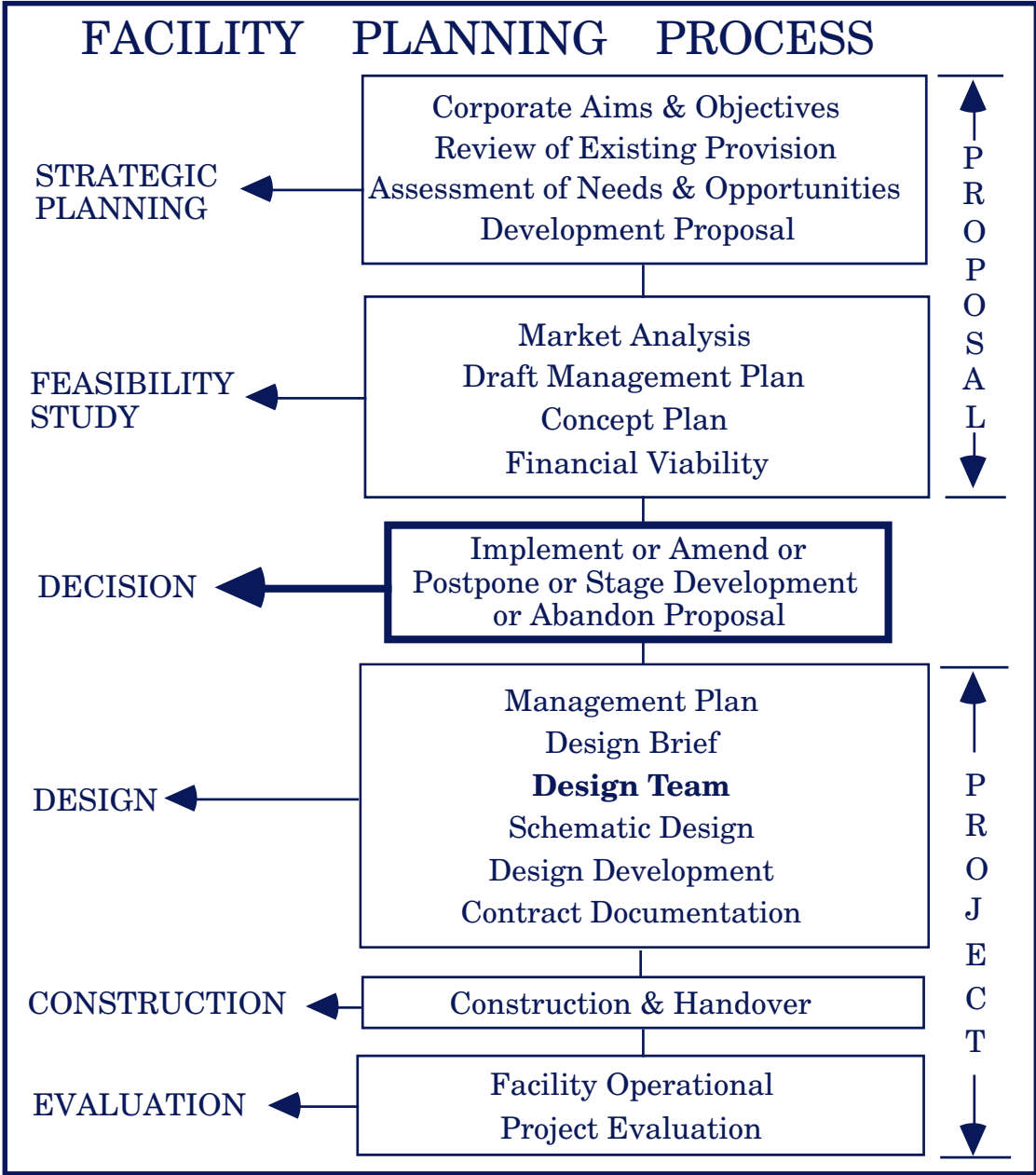


Figure 1: The Facility Planning Process.

It is important that a comprehensive project design brief be prepared before engaging a design consultant.

### 3.0 *The Process of Appointing a Design Consultancy*

The process of appointing a design consultant is summarised as:

**DETERMINATION OF NEED**  
Establish the need to appoint a consultant, and determine the type of skills required.

**CONSULTANT'S BRIEF**  
Develop the documentation containing all details of the Scope of Services, Program of Works, Terms and Conditions of Engagement, Management Structure, Evaluation Criteria and any other pertinent information.

**EVALUATION OF CONSULTANTS**  
Evaluate all the submissions and make an appointment.

**ENGAGEMENT**

**MANAGING THE CONSULTANCY**  
Determine how the consultancy will be managed to ensure a successful outcome.

**PROJECT EVALUATION**  
Assess the overall project and the performance of all those involved.

## 3.1 DETERMINING THE NEED TO APPOINT A CONSULTANT

At the outset, evaluate resources within your organisation to see which skills, expertise and technology are available. You can then determine the extent and type of external skills required.

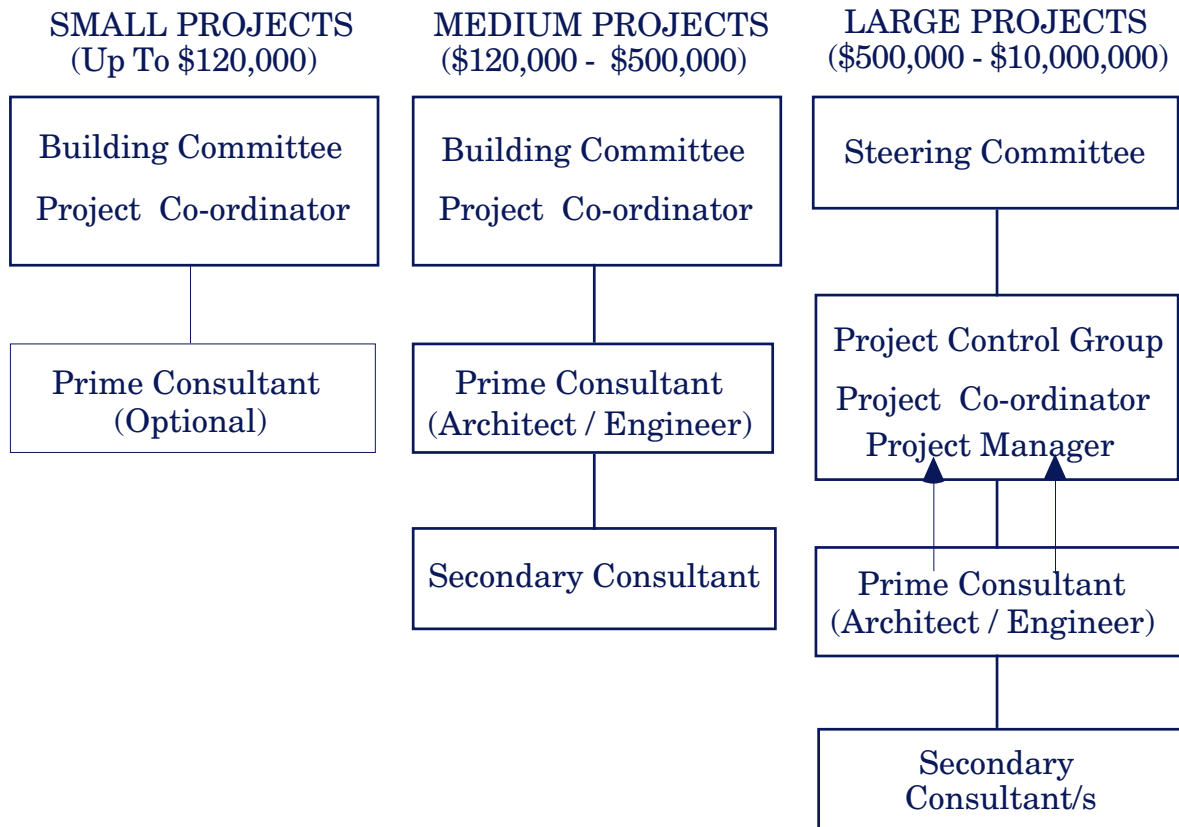
Your organisation should have the properly agreed and constituted powers to engage in contracts for construction in order to protect the individual members of your organisation.

Having decided that “in-house” resources are not adequate, decide on the most effective method of appointment. Generally, the options are:

- **Project Manager.** A professionally qualified person who is a member, or eligible for membership, of the WA Project Managers’ Association (WAPMA). The Project Manager is responsible for the scope, time, cost, quality and risk of the project. He or she can engage a prime consultant or even secondary consultants, and manage their contracts, to ensure a single point of instruction and responsibility.
- **Prime Consultant.** Depending on the technical nature of the project, this may be an Architect or Engineer, who acts as the link between you and the secondary technical consultants. This person may engage secondary consultants and be responsible for their output.
- **Consultants.** These are appointed on an individual basis with the Client coordinating their activities and outputs. This method is usually adopted only for quite small projects.
- **Design and Construct.** An agreement with an organisation which provides both design and building services. These are known as a “package deal” or “a turn key project”.

The most common project management structures for small, medium and large projects are outlined in Figure 2.

## THE PROJECT MANAGEMENT STRUCTURE



*Figure 2: The Project Management Structure.*

No matter which method is used, always retain control of the project and the consultancy: You can do this by:

- Appointing a Project Co-ordinator – one person from within your organisation who will be responsible for delivering the project.
- Acknowledging that the appointment of a consultant does not lessen your responsibility for a successful outcome.

(National Local Government Productivity Council, P.12).

## 3.2 PREPARATION OF THE CONSULTANTS BRIEF

Once you have decided the type of external consultant(s) and the way the appointment will be structured, compile a Consultant's Brief. This will develop all the documentation relating to the scope of services, program of works, terms and conditions of engagement, selection criteria and any other pertinent information.

### 3.2.1 SCOPE OF SERVICES

Make the design consultant fully aware of your requirements through a clear and comprehensive scope of services that will enable the consultant(s) to:

- Adequately assess the time and resources needed; and,
- Submit a detailed and accurate submission.

The scope of services should include information on the client, management of the consultancy, the project and the range of consultant services required.

#### **The Client**

Provide the Consultant with a pen picture of your organisation so they can get a "feel" for it. Such things as:

- Full name and address.
- A general overview of the organisation's purpose.
- An outline of the organisational structure, especially any committee structures which will be involved in the reporting process.
- An indication of skills and resources which are available within your organisation.

#### **Management of the Consultancy**

Provide the consultant with a clear understanding of how the consultancy will be managed, the lines of communication, an outline of responsibilities and authorities, and the desired level of community or user group involvement. Include:

- The name, title and extent of authority of the person you have appointed to manage the project. This may be an "in house" officer or an external appointment.
- The person to whom the Consultant will report.
- The membership, extent of authority and proposed meeting frequency of the Project Control Group.
- The extent of community and user group consultation.

The project is to meet community needs, and there should be appropriate consultation to ensure the project's objectives are being met. Community "ownership" of the facility and its services and programs will encourage proper consultation, which is essential during the Schematic Design stage.

### **The Project**

The Consultant must be fully aware of the extent of the project. You need to provide:

- (i) An outline of the professional services sought. For example:  
*"Architectural and appropriate specialised consulting services are required for the schematic design, design development, detail design, contract documentation and contract administration for the development and delivery of (project description)".*
- (ii) Complete details of the project. This information is contained in the Project Design Brief, which is prepared following the acceptance of the Feasibility Study.

### **Scope of Consultant Services**

Outline the particular services that the consultant(s) will provide. The scope of services will include: schematic design, contract documentation, contract administration and other general matters.

### *Schematic Design*

This work translates the requirements of the project design brief into a preliminary design format.

It enables a formal review of the potential outcomes; a more detailed cost analysis and further community and user group consultation.

Any technical problems are generally resolved at this point.

The outcomes of the schematic design phase include:

- Finalise the design brief.
- Finalise the project budget.
- Complete the community and user group consultation process.
- Resolve any technical and design alternative issues.
- Obtain all relevant preliminary approvals.

The documentation will include:

- Comprehensive architectural brief and site report.
- Detailed site survey.
- Site plan showing contours, roadworks, paving, drainage and indicative landscaping.
- Floor plans.
- Elevations and sections.
- Roof plan.
- Coloured perspectives.
- Preliminary schedule of materials and finishes (with samples where practical).
- Building Service Report indicating basic type, extent of service, costed options and operating costs.

To assist with community consultation the following will be needed:

- Coloured set of plans, elevations and sections.
- Coloured set of perspectives.
- A detailed cost plan will be required from the Cost Planner / Quantity Surveyor.

### *Contract Documentation*

This will involve:

Preparation of detailed working drawings, specifications and contract documentation. Nominate the type of contract to be used.

The outcomes will include:

- Preparation of all drawings and specifications
- Complete contract documentation approved by legal advisers.
- Ensuring budget parameters are met.
- Obtaining all final statutory approvals.

The documentation includes:

- Final Plans and specifications for calling of tenders.
- Draft Contract documentation as approved by Client's legal adviser
- Advertisement inviting tenders
- The Cost

A Planner / Quantity Surveyor should prepare a pre-tender report and any adjustments to be made to meet the approved budget to be effected by the Principal Consultant.

**Note:** If the project exceeds \$2 000 000, consider having the Cost Planner / Quantity Surveyor prepare an abridged Bill of Quantities or Schedule of Rates.

If the project is in excess of \$4 000 000, a full Bill of Quantities may be more appropriate to control cost variation.

### *General Matters*

Any general conditions which are to apply should be included in the scope of services.

The documentation could include:

- Limitations on the Consultant's authority to approve variations without the client's **prior** written authority.
- Your retained right to appoint secondary consultants and nominate working relationships.
- The Prime Consultant is responsible for:
  - (1) The integration, co-ordination, performance and delivery of service of all consultants.
  - (2) The design of the project within the approved budget.
  - (3) Liaising and co-ordinating with the appointed Cost Planner / Quantity Surveyor.
- The Prime Consultant should obtain your approval at the completion of the following stages **before** starting the next stage:
  - Schematic Design
  - Design Development
  - Documentation (prior to calling tenders)
  - Receipt of tenders (prior to letting a contract)
  - Variation approval limitations.
- The Prime Consultant should obtain all approvals necessary for the project.

## 3.2.2 CONDITIONS OF ENGAGEMENT

The Conditions of Engagement are similar to terms and conditions of employment for an employee.

Most professional associations to which consultants belong have standard or guideline agreements which cover the services they provide. If you use a standard agreement, it should be checked by your legal adviser to ensure it is in line with your requirements. Alternatively, your legal adviser can prepare a form of agreement and include this in the consultancy brief. This way, all interested consultants will be aware of their contractual arrangements.

Standards Australia has prepared documentation relating to the appointment of consultants. These are:

*AS-4121 - 1994 Code of Ethics and Procedures for the Selection of Consultants*

*AS 4122 [Int.] - 1993 General Conditions for Engagement of Consultants*

The specific issues that you need to address in the conditions of engagement include:

- **Ownership and Copyright**

State whether the ownership and copyright of the outcomes of the consultancy rest with you, or retained by the consultant.

- **Secondary Consultants**

A design team usually appoints several consultants to ensure the outcomes of the Project Design Brief are met. State who will be responsible for those consultants, and the arrangements for payment of fees.

- **Fees and Charges**

Fees can be expressed in several ways. The most common are:

*Lump Sum:* A lump sum fee is a single charge for the work. It covers all costs and disbursements, such as travel and accommodation, postage, telephone and fax costs, all plans, drawings and other documents required, all reports and any other costs.

*Hourly Rate:* An hourly rate is quoted to carry out the work. The final cost is determined by the amount of time spent on the project by the consultant. All other costs and disbursements are additional to the fee.

*Scale Fees (Commission):* A fee is charged, based on a percentage of the gross Cost of the Works. All costs and disbursement are additional.

Decide how you want to pay the consultants and seek submissions on that basis. When preparing the overall project budget, the Cost Planner provides an assessment of fees on which you can measure proposals received. From a management point of view, the most acceptable method of payment would be a lump sum.

***Note that fees should not be the sole determinant in selecting a consultant. A consultant should be selected on consideration of all the selection criteria.***

### 3.2.3. SELECTION CRITERIA

Consultants should be informed of the criteria for submissions. You want to appoint the consultant who is the best equipped in terms of experience, quality of work and empathy with the project.

The selection criteria may include:

- Demonstrated experience in the type of project being undertaken;
- Quality of previous work of a similar nature;
- Qualifications and experience of staff;
- Process proposed to manage and deliver the project;
- Ability to meet project timetable;
- Ability to reduce capital costs without effecting standards and management requirements; and
- Demonstrated understanding of the issues.

### 3.2.4 INFORMATION REQUIRED IN THE SUBMISSION

List the information the consultant is to include in the submission, such as:

- Addressing each of the selection criteria.
- Listing at least three referees.

### 3.2.5 FORMAT OF THE SUBMISSION

Prepare a format for the submission so you can compare submissions on an “apples and apples” basis.

A sample format is included in Australian Standard AS 4122 – ‘General Conditions For The Engagement Of Consultants’; Annexure Part A. This form can be modified for your needs.

### 3.3 EVALUATION OF CONSULTANTS

Evaluate and appoint a consultant to meet your regulatory and policy requirements. The objectives of the project should be reflected in the selection criteria.

For larger projects, it is appropriate for the Project Control Group to interview short-listed applicants and recommended an appointment. Alternative methods of selection will be governed by your organisation's policies and procedures.

The recommendation report should include:

- Selection criteria and weighted scores for each criterion.
- Summary of submissions.
- Assessment of conformity with the brief.
- Summary of how submissions were sought.
- Detailed assessment of the recommended applicant.

Standards Australia has published the following information which may be useful in the evaluation process:

AS 4121 (1994) *Code of Ethics and Procedures for the Selection of Consultants*. This is excellent guide to the overall process.

AS 4122 (1994) *General Conditions for Engagement of Consultants*.

AS 4120 (1994) *Code of Tendering*.

An example of an Evaluation Worksheet is contained on the following page.

# C O N S U L T A N C Y

## EVALUATION WORKSHEET

- Example -

Selection Criteria	Level of Importance %	Consultant 1	Consultant 2	Consultant 3
<b>EXPERIENCE</b> What previous experience in a similar type of project has been demonstrated by the applicant?				
What is the reaction from the applicant's nominated referees?				
What are the qualifications and experience of the consultant's staff, especially those having day to day control of the project?				
Has the applicant met the time criteria for previous projects? (Determined from Referee's)				
<b>PROPOSAL</b> Was all required information submitted?				
<b>PROJECT</b> Has the applicant demonstrated a clear understanding of the brief?				
Are there any conditions attached to the submission which are at odds with the brief?				
<b>METHODOLOGY</b> Do the processes proposed by the applicant meet with the requirements of the brief?				
Has the applicant raised any concerns about meeting the key target dates that have been established?				
<b>FEES</b> Is the fee submission made in accordance with the terms of the consultancy brief?				
Do the fees fall within the budget parameters?				
<b>GENERAL</b> How well will the applicant work with the Project Management Team?				

The importance of each criterion is assessed on a project-by-project basis and represented in percentage terms. Assessment can be made on a points basis, with the recommendation being on the highest level of overall acceptability.

## 3.4 ENGAGEMENT

The appointment is confirmed by both parties signing the Form of Agreement, included in the Consultancy Brief. It's best to do this with a legal adviser.

## 3.5 MANAGING THE CONSULTANCY

The consultancy should be effectively managed to ensure that objectives are met, changes evaluated and approved, disputes resolved speedily, and an appropriate reporting system established.

The management tasks for major projects are primarily the responsibility of the project control group. The composition of this group is established at the "Scope of Services" stage and included in the Consultant's Brief. The group's terms of reference should include:

- Frequency, location and time of meetings;
- Taking, recording and distributing of minutes;
- Reference procedures to internal groups for progressive approvals, and the procedure for those groups to "sign off" each stage;
- Reference procedures for community consultation and review by user groups;
- Method of recording instructions to the Prime Consultant;
- Procedure for the approval or otherwise of contract variations (both to the consultancy and the resultant construction contract);
- Financial management procedures;
- Cost planning procedures;
- Reporting frequency and method to client; and
- Dispute resolution procedures.

The extent of authority of the design team should be clearly established as unnecessary delays in the process can affect the final cost.

## 3.6 PROJECT EVALUATION

At the end of the project, determine whether objectives have been met. Lessons learned can be noted for future projects.

The assessment should examine the following issues, and include a brief report on each. Reasons for not meeting an objective should be recorded and recommendations made to assist in future projects.

### **The Project**

- Were the original functional objectives met?
- Were the design objectives met?
- Were time targets met?
- Was the budget met?

### **Project Management**

- Were Project Control Group meetings held regularly?
- Was general internal administration adequate?
- Were progress and other payments met on time?
- Were user and other groups adequately consulted?
- Were internal processes for approval and review adequate especially with respect to time?
- Were decisions taken in a timely manner without effecting the project timetable?
- Were time, cost and quality objectives met?

### **Consultants**

- Were the requirements of the brief met?
- Were necessary statutory approvals obtained on time?
- Were time schedules met?
- Were reporting requirements complied with?
- Were fee budgets met?
- Was the standard of reporting and other documentation satisfactory?
- Was the level of supervision of the project adequate?
- Was the level of contract administration satisfactory?
- Was the number and cost of variations satisfactory?
- Was there adequate liaison and co-ordination of secondary consultants?
- Was the level of communication satisfactory?
- Would you engage the consultant again?

# C O N S U L T A N C Y

## **Public and User Group Consultation**

- Comment on the processes involved.
- What feedback was obtained?

*NOTE:* Project evaluation reports should be worded with care, particularly in regard to:

- Evaluation of consultants' work being based on fact and not feeling;
- Avoiding emotive evaluation; and
- Ensuring that confidentiality is maintained.

Litigation may be considered when a consultant believes a reputation has been damaged by defamatory comments.

## 4.0 Further Reading

National Local Government Productivity Council, 1993  
*Achieving Value for Money From Consultants in Local Government*

Hillary Commission for Sport, Fitness and Leisure and Queensland Department of Tourism, Sport and Racing, 1994.  
*Getting it Right – A Guide to Planning and Developing Sport and Recreation Facilities.*

Standards Australia and Construction Industry Development Authority.  
*AS 4120 – 1994 Code of Tendering*  
*AS 4121 – 1994 Code of Ethics and Procedures for the Selection of Consultants.*  
*AS 4122 (Int.) – 1993 General Conditions for Engagement of Consultants*

Western Australian Municipal Association  
*General Conditions of Contract for the Appointment of a Consultant*

Royal Australian Institute of Architects  
*PN 17G/1 Client and Architect Agreement*  
*PN 17G/2 Scope of Architects Services*  
*PN 17G/4 “Short Form” Client and Architect Agreement*  
*PN 63 Project Management*  
*PN 71 Alternative Methods of Procurement of Buildings*  
*PN 82 The Building Maintenance Manual*  
*You and Your Architect*

Association of Consulting Engineers Australia  
*Register of Consulting Engineers Practising in Western Australia*  
*Value Selection. ACEA Guidelines on Quality-based Selection of Consulting Engineers*  
*What is a Consulting Engineer?*  
*Guide to Consulting Engineering Services*  
*Guideline Terms of Agreement between Client and Consulting Engineer for Professional Services.*

Ministry of Sport and Recreation  
*Sport and Recreation Facility Provision – A Guide Document for Community Groups 1995*  
*How to... Develop a Management Plan For Your Facility, 1995.*  
*How to... Undertake A Feasibility Study For A Proposed Sport or Recreation Facility, 1995.*  
*How to... Prepare A Project Design Brief for a Sport or Recreation Facility, 1995.*

Thomas J Ucko, (Available from Small Business Development Corporation)  
*Selecting and Working With Consultants... A Guide for Clients*

# C O N S U L T A N C Y

## ***5.0 References***

*Achieving Value for Money from Consultants in Local Government.* (1993). National Local Government Productivity Council.

*Glossary of Building Terms.* (1994). Standards Australia.