

## Case study 1

iPro have been established with the primary objective of providing an unrivalled intelligent Project Management Service in property management and investment. The case study below gives some insight into how we approach challenging opportunities. Client confidentiality does not allow us to be specific in terms of the site or client.

### Background

Our client (a bank) had provided funding by way of a secured loan for £2.4 million for the unconditional acquisition of a town centre site of approximately 0.36 acres. The client became increasingly concerned with what the borrower described as the normal negotiations with the local authority planning department. iPro were appointed to review the planning status of the scheme as a planning application had not yet been submitted and the borrower was some 6 months behind programme.

**iPro** used its contacts within the local authority to secure a meeting with a senior member of the planning department. This meeting established that the proposed design by the borrower's professional team did not match the expectations of the planners. iPro identified significant elements of complex over design, in appropriate use of expensive materials and build ability issues. After further analysis, iPro also found that the current design proposal had difficulty in meeting the requisite Housing Association Standards. Upon reporting these findings to the client a meeting between the Bank, borrower (developer) and iPro was convened, the outcome of which resulted in the existing Architect being dis-instructed and an Architect known and respected by iPro and the local authority being appointed. A further outcome was the appointment of iPro to project manage the entire scheme on behalf of the bank.

In terms of the appointment and brief, iPro essentially reviewed the development and put forward a proposal to the bank including our fees and a reward structure. In terms of outcome, iPro worked in collaboration with the local authority planning and housing departments and delivered a resolution to grant planning consent within 6 months from appointment achieving a total of 44 Residential Units, 4,900sqft of commercial space.

We negotiated the sale of the site to an RSL on the basis of a joint venture with a builder / developer that iPro secured through negotiation. Prior to the appointment of iPro the Bank had the site valued in the sum of £1.3million. iPro secured a land value for the bank of £2million, plus a future (realistic) overage payment of approximately £300,000. In terms of the detailed responsibilities of iPro, these were as follows:

### **Stage 1: Initial appraisal**

- Inspecting paperwork and any plans prepared to date.
- Take a detailed brief from the client, researching the planning position and provide a schedule of third party costs.

### **Stage 2: Planning stage**

- Prepare a project timetable.
- Instruct architects and oversee the design process, report to the client and seek ongoing approval.
- Engage in conjunction with the architects with the local authority, to include the planning department, highways and other such departments which will have an input in the project.
- Undertake a check of the viability of the project and report accordingly.
- Investigate and initial cost check for the proposed scheme
- Investigate sales and lettings
- Secure the support of the appropriate Housing Association.
- Liaise with the HA throughout the planning stage, including attending meetings and assisting the HA with their viability assessments. Ensuring that the design complies with current HCA requirements. Assisting the HA to obtain the requisite internal and external approvals.
- Undertake a thorough check of the title, way leaves and easements and all matters likely to effect the carrying forward of the scheme.
- Identify and instruct on behalf of the client all necessary third parties which might include rights of light surveyors, transport consultant's environmental engineers etc.
- Oversee the preparation of any 106 agreement.
- Generally oversee the planning and legal process (sale to the RSL and their joint venture partner)
- With the clients approval contact and meet with local ward councillors to present our proposals and gain their support.
- Identify local community representatives and similarly secure their support.

### **Stage 3- Post planning / pre contract stage**

- Preparation of the employer's requirements.
- Prepare contract package.
- Instruct architects and over see the preparation of drawings suitable for a D&B contract.
- Tender the project / negotiate with JV Partner.
- Oversee the procurement process.
- Undertake the value engineering process and finally advise on contractor / developer selection.
- Instruct contractors and hand over the site, check and maintain records relating to health and safety, CDM, insurance and security.
- Check and approve in conjunction with funders and funder's solicitor's collateral warranties, contract documentation leases etc. Attend meetings with the nominated RSL and ensure that all documentation complies with their criteria.

### **Stage 4: Construction phase (based on a D&B contract).**

This element of works not required in respect of this Case Study

- Undertake regular inspections of the work, to include attendance at all design meetings and all progress meetings.
- To oversee the design development process and to sign off design proposals in accordance with the employers requirements, the contractor's proposals and good building practice.
- Oversee quality control.
- Agree the recommendations of the cost consultants in dealing with interim applications for payment in accordance with the terms of the contract.
- Oversee the hand over process and agree PC with the architects.
- Liaise with the funder's surveyor.
- Manage the defects liability period and the payment of the final account.
- Liaise with the employers' agent for the RSL.
- Complete the handover to the RSL.