

THE EXAMINATION IN PROFESSIONAL PRACTICE & MANAGEMENT: PART 3, 2002

SCENARIO to the Practice Examination

All the characters, locations and incidents contained in this Paper are fictitious. The projects if based on live events have been amended to conceal specific identity.

© This paper is the copyright of ASSA (the Association of Scottish Schools of Architecture) and the contents may not be reproduced in any form without written approval.

SCENARIO

The following information describes the hypothetical architectural practice for which you, the candidate,

'work' as an architectural assistant with two and a quarter years of post-Part 2 experience. It sets out the structure of the firm and something of its philosophy, the people involved and the work they are presently doing, and the financial framework within which they are operating. It includes scenario information on various projects which may be the subject of questions in the written Examination Paper.

THE PRACTICE

GFP Building Design
Chartered Architects & Development Consultants
Geddes House
1 Union Street
CITYBURGH
CB1 9RW
United Kingdom
Tel: 004 523 0079
Fax: 004 523 7863

THE PARTNERSHIP

Miriam Gorst DA. RIBA. FRIAS is in her mid 50s. She trained at the Westcoasts University School of Architecture and was a Cityburgh Silver medallist and an RIBA Bronze medallist as a student. She is a past President of the Cityburgh Institute of Architects. She promotes conservation and green issues and has gained a reputation as a good designer and, recently, as an expert witness.

Duncan Flynn B Arch, Dip. TP, MB, MRTPI, RIBA, ARIAS, MaPS is also in his early 50s.

He trained in London as an architect and planner and spent three years as editor of the national journal 'The Urban Designer' and as a tutor on Urban Design. He continues to write on Urban Design and to lecture part-time. He has trained as a Planning Supervisor, has registered as a member of the Association of Planning Supervisors and is actively involved in its Regional and National Committees. He has recently been appointed to the local / regional panel of Adjudicators and has commenced a part time MBA with Cityburgh University.

Background:

GFP was set up in 1985 and benefited immediately from the mid-80s building boom. However, there was a dramatic downturn in workload and fee income in the early 1990s, with a number of jobs coming to an end and with an increasingly competitive fee environment. The practice made insufficient profit to meet partners' drawings and would have gone under if it had not addressed the problem. The practice re-thought its design policy, instigated better resource and fee management procedures, introduced a more productive CAD system and, after being forced to make two staff redundant, established a viable basis for continuation. The partners recognised the need to diversify their work load and, following introduction of the CDM Regulations, added Planning Supervision as one of its capabilities.

A change in the partnership occurred when Neil Paske, who had retired as a partner during the restructuring exercise and was acting as a consultant to the practice, had his agreement terminated earlier this year following a major liability issue resulting from a project for which he was responsible. Fortunately, the matter was settled by the practice's Professional Indemnity Insurers before it reached court and no further action was taken against Neil Paske. The practice, however, had to pay the excess on the Professional Indemnity Policy.

The uncertainty surrounding the liability case and the resultant departure of Neil Paske diverted Miriam and Duncan from the task of developing their Cityburgh office, but now that the matter has been resolved they have to decide how best to develop and strengthen the practice.

They are concerned that the office needs new blood particularly at Partner/Associate level and that with the departure of Neil Paske they have lost his experience in housing projects – an expertise which is highlighted in their marketing material and website.

As neither of the associates is ready for the step up to partner level the partners are examining options open to them for strengthening the practice, and have opened a dialogue with another firm of Architects which has offices in Merseyside and Londinium, with a view to merging the practices. The Chairman of PDG Architects Ltd, was at university with Duncan Flynn and they have retained a close friendship. He is President of the National Architects Institute and enjoys a high profile within the profession.

PDG Architects employs about 17 people in its two offices and has established a strong design reputation, especially in the field of housing, and has a number of young architects as directors. A merger could therefore result in 3 offices of similar size whose combined skills and coverage throughout the UK would offer new opportunities for both practices.

Miriam and Duncan are also considering the possibility of changing GFP to become a Limited Liability Partnership which is a relatively new form of business vehicle.

Policy:

The Partners originally sought to mould a philosophy for the practice based upon their respective strengths. The practice had a reputation for its architecture in the context of the community, but with that market place not recovering to the same extent as the commercial market, the practice has had to develop an understanding of working as a 'developer's architect' in commercial development and to apply their experience and background in this new market. Larger development work, of a commercial and industrial nature, has been handled by Gorst, whereas urban based projects, centred around retail, offices and infill work, are normally carried out by Flynn.

The practice secures many small projects which are managed by both Partners with support from the Associates. Although these are beneficial in regards to workload and cashflow it is found to be increasingly difficult to generate any profit from them and they divert staff from larger, potentially more lucrative jobs.

There is a growing recognition that strength relates to size and the range of expertise that the practice can call upon. Although the practice has benefited from a change in direction, with an increase in turnover and staff complement, the partners realise that its strength in depth leaves something to be desired and market developments demand that the practice addresses these matters. Hence the merger proposal. Being part of a larger operation could facilitate involvement in PFI or 'partnering' arrangements.

At present Duncan Flynn deals with the practice administration and management matters, supported by the Practice Secretary who has been trained in a variety of computing programmes to give efficient financial control and management reports in respect of the status of the practice. The Practice Secretary operates the fee recovery procedure and keeps the bank informed on all financial matters on a regular basis.

The Partners recognise the difficulties of running the practice in times of change and actively seek the participation of all staff members. They know the benefit of allowing their staff to develop within the practice, through close contact with all aspects of the business of architecture. Thus 'quality' and 'professional development' are terms that say something about practice objectives both in the way it operates and in the architecture it seeks to produce.

CPD is encouraged on a personal development plan basis to meet the requirement of the profession. These plans are discussed and agreed with the Partners at annual reviews along with personal logs which staff are expected to maintain to monitor their CPD activity which is tailored to suit individual training/career requirements.

An on-going internal programme of CPD events, including computer training, is arranged for all staff whilst individuals are asked to attend external courses/seminars, disseminating the information to the rest of the office at internal sessions on their return.

The Practice is a subscriber to Distance Learning and the profession's Practice Information Service and is also considering joining the Architects Channel CPD Video Service, subject to positive staff feedback.

The firm operates a quality management system, which is subject to regular internal audit, and all practice documentation is reviewed regularly. This is proving valuable for the whole office. The office prefers to use current documents. The Scottish Conditions of Appointment (SCA/2000) for Architects Appointment is preferred, but both CE/99 and RIBA-SFA/99 are also considered, depending on client or site location. It is now the practice's policy that all their appointments should accord with the discipline of these documents whenever possible.

The firm maintains professional indemnity insurance amounting to £2,500,000 for each and every claim.

Premises:

GFP rent a half floor in a 1970s office building, with 3000ft² at £15 per foot plus an annual service charge of £8,000. Rates are £15,000 per annum; heat and light is £2,000 pa and, since it is a fully repairing lease, the practice budgets £8,000 per annum for repairs. The lease however will be reviewed next year and there is some uncertainty about future premises costs which may lead to consideration of other accommodation options. Any discussion on future premises will have to be delayed, however until the question of merger is resolved.

Computers:

GFP has a fully integrated computer network with a workstation for each member of staff. Elliot North takes general responsibility for the computer system. The file server has an automatic back-up system; they use an industry standard package for word processing, spreadsheets, database and E-mail, and they have an industry standard CAD system which is used both for 3-D visualisation and production work. The office also has its own fax machine and photocopier and recently acquired a data projector.

Recently the practice initiated a web site, which enables it to showplace its work and keep in touch with its client base. It is proving to be successful but there is some concern that it needs more active management and regular updating. Staff are being sounded out to find someone who will take on this work after suitable training.

Administration:

Partner Duncan Flynn in association with the part-time book-keeper Hubert Reed and the PA/ Secretary, Roberta Smith, handle the administrative load for the practice. Miriam Gorst carries out the major PR and promotion of the partnership. The office has a 35 hour working week and a 1575 hour working year, allowing for all holidays and a provision for lost time. Holidays total 30 working days per annum, both public and private. A flexitime arrangement has recently been introduced following representations by several members of staff.

Staff:

Miriam Gorst DA. RIBA. FRIAS Partner £46,000 (notional salary) Duncan Flynn B'Arch Dip. TP MRTPI RIBA ARIAS MaPSPartner £46,000 (notional salary) Paul Moore BArch Dip (Arch) ARIAS Associate £27,000 Jill Kahn ARIAS, RIBA, Lib Associate £27,000 Elliot North MA(Hons) Dip Arch RIBA Architect £18,000 Mark Lang BArch Dip (Arch) ARIAS Architect £18,000 Helen Goldie BIAT Architectural Technologist £11,000 Candidate BArch Dip Arch Architectural Assistant £15,500 Janet King Year Out Student £10,500 Carol Murray Trainee Architectural Technologist £8,750 Sub Total: £227,750 Roberta Smith BAPA Secretary to Partners £16,500 Melanie McKean Secretary £12,500 Hubert Reed Part time book keeper / librarian £9,200
Sub Total: £38,200
Total: £265,950
NI contributions

£23,403

Total Salaries Bill £290,292 TIME CHARGE RATES

Partner £65.00 per hour Associate £55.00 per hour Architect £37.00 per hour Technologist £23.00 per hour Architectural Assistant £31.65 per hour Year Out Student £20.25 per hour Trainee Technologist £16.90 per hour

CONSULTANTS/ADVISERS

LEGAL DUN, TRIPP and FORSYTH, Solicitors 70 Albert Road, CITYBURGH, CB2 8OA
Contact

Mr Brett Forsyth, Mlitt LLB FINANCIAL MONTROSE Ltd, Accountants
3 Albert Close, CITYBURGH, CB2 7AA.
Contact Mr Viresh Susendrah CA

(The financial year runs from 1st September to 31 August)
BANKBURGH DALE BANK PLC
92 Chambers Street, CITYBURGH, CB1 3PN.
Contact: Ms Irene Mc Splash (Senior Manager)

INSURANCE EASTERN ASSURANCE PLC
46 The Square, CITYBURGH, CB1 2EM.
Contact Mr Sean Gordon

For professional consultation the following firms have been regularly used. Other Consultants for Building Services, Landscape, etc are engaged as necessary depending on the nature and source of each job.

QUANTITY SURVEYORS MANNARS SURVEYORS

14 Chambers Court, CITYBURGH, CB1 XA.

Contact Mr Rod Mannars LLB ARICS

Mannars are an old firm with a good reputation and some bright younger staff.

CONSTRUCTION CONSULTANTS GLM (West) Ltd.

20 Upper Town, WESTBURGH, W1 2UP

Contact: Geom Le Mesurier, FRICS, ACI Arb, APS

STRUCTURAL ENGINEER STREVOR MAILLOT BSc Eng M I Struc E 14 Brade Street, CITYBURGH, CB4 7TS.

Contact: Mr Maillot. A small firm established in 1990

ENVIRONMENTAL ENGINEERS GREEN & GREEN, 127 Brade Place, CB4 BTZ

Contact: Mr George Green BSc M IMech MIEE

An experienced firm with a keen awareness of building sustainability.

FINANCIAL SUMMARY

Following a difficult year in 2001, partly due to the liability issue and the resultant payment of the Professional Indemnity Insurance excess, GFP ended the financial year over £10000 in the red.

It is hoped that the restructuring exercise will begin to show benefits in 2002 and although they are running an overdraft for most of the year the projected figures show a credit balance at the end of the year of £12,000. This, however, includes some anticipated income towards the end of the year and highlights the need for effective marketing and efficient working procedures.

GFP Partnership
Summary Trading Projection for Financial Year 2001/2002

INCOME Estimate of Fee Income 600000 Chargable
Expenses 18000 TOTAL 618000 EXPENDITURE Technical Salaries 135750 NI Costs 12896 Pension 4073 Sub-
total 152719 Admin Salaries 38200 NI Costs 3629 Pension 1146 Sub-total 42975 Accountancy 10000 Bank
Charges 5000 Computer/CAD 40000 Insurances 18000 Lease Costs 32000 Legal 10000 Rent/
Rates 60000 Subscriptions 5000 Postage 8000 Print Costs 9000 Heat & Light 2000 Office
Maintenance 8000 Drawing Office Supplies 6000 Travel
Costs 15000 Library 4000 CPD 6000 Stationary 6000 Telephone 10000 Marketing/
PR 18000 Photocopying 5450 Provision for Practice
Development 10000 Depreciation 12000 Contingency 8000 Sub-total 307450 TOTAL
EXPENDITURE 503144 PROFIT before Partner Drawings 114856 Partner Drawings 92000 Retained Profit for
Year 22856 Balance of Retained Profit at Year Start -10326 Balance of Retained Profit at Year End 12530

SCENARIO INFORMATION RELATING TO QUESTIONS IN THE WRITTEN PAPER

Question 1
No specific scenario for this question

Question 2
SCENARIO:
Chimerage Mansion Appointment Date:
September 2002 Fee: 7%
Project:
New House Client:
Chimerage Estate Contractor:
Not yet appointed Contract:
To be agreed Project Status:
Stage 'C' Sketch Proposals CDM:
Request sent to Health & Safety Executive for ruling regarding the need for Planning Supervisor
appointment. Private dwelling but may require some demolitions.
Project Value: £1.5M
Project Team:
Miriam Gorst
Paul Moore
Candidate Partner Responsible
Associate/Project Leader
Architectural Assistant
Background:
Direct approach from Estate factor regarding the conversion and extension of a large stable block to form a
new house for Estate owner.

Question 3
Project: Possible new project
Contract: Design Build CD98

Question 4
SCENARIO:
Village Hall Appointment Date:
January 2002 Project:
New replacement Village Hall Client:
Little Gosford Village Hall Committee Contractor:
Gosford Builders Ltd Contract:
JCT 98, Private Edition with Quantities (current amendments apply)
L&A damages £500/week
Project Status:
Building Control Application lodged. Out to tender 6 September 2002. CDM:
CDM applies – PS by GFP

Project Value:

£450,000

Project Team:

Miriam Gorst

Paul Moore

Elliot North

Partner in Charge

Associate

Architect/Project Leader

Background:

New village hall funded mainly by lottery money. Client in form of The Hall Committee is indecisive and lacks leadership. Changes are constantly being made despite fixed budget.

Question 5

No specific scenario for this question

Question 6

SCENARIO:

Cityburgh Railway Station

Appointment Date:

December 2001

Project:

Refurbishment of ticket office and footbridge

Client:

Management Contractors

Contractor:

Cityburgh Construction Ltd

Contract:

JCT 98 Private Edition with quantities

Project Status:

On site

CDM:

Applies – external Planning Supervisor

Project Value:

£250,000

Project Team:

Duncan Flynn

Jill Kahn

Helen Goldie

Partner Responsible

Project Architect

Architectural Technologist

Background:

GFP were appointed by Management Contractors on behalf of National Rail to lead the consultant team on a relatively small refurbishment project. GFP had to appoint the Structural Engineer who advised mainly on the refurbishment of the iron footbridge over the rail track.

Question 7

SCENARIO:

New speculative office development

Appointment Date:

June 2002

Fee:4.5%

Project:

Office development to be owned by Penurious Developments with probable tenancy by Wig & Gown,

Lawyers

Client:

Penurious Developments

Contractor:

-Contract:

-Project Status:

Stage C

CDM:

External

Project Value:

£7.2M

Project Team:

Miriam Gorst

Jill Kahn

Mark Lang

Helen Goldie

Carol Murray

Candidate

Partner responsible

Associate/Project Leader

Architect

Technologist

Trainee Technologist

Architectural Assistant

Question 8

SCENARIO:

Student Accommodation/Budget Hotel

Appointment Date:

March 2001

Fee:

3.2%Project:

New build project for development company; in construction stageClient:

Landup Developments LtdContractor:

International Builders LtdContract:

'JCT Standard Form of Building Contract 1998 Edition, Private with Quantities' and current relevant amendments Liquidate and Ascertained Damages @ £2000 per week.

Project Status:

On site stage KCDM:

In house PSProject Value:

£7MProject Team:

Miriam Gorst

Paul Moore

Elliot North

Candidate

Janet King

Carol MurrayPartner responsible

Associate/Project Leader

Architect

Architectural Assistant

Year Out Student

Trainee Technician

Question 9

SCENARIO:Distribution Warehouse, CityburghAppointment Date:30 April 2001

Fee:12% (for complete design team)

Project:New Distribution warehouse for longstanding client

Client:Household Supplies plc

Contractor:Jack Up construction

Contract:JCT 98, Private Edition, with quantities. (Current amendments apply) LA damages of £5,000.00 per week. Contract period 48 weeks

Project Status:Approaching completion of work on site

CDM:Applies – Planning Supervision by GFP

Project Value:£1.2M

Project Team:Duncan Flynn

Mark Lang

Candidate

Partner Responsible

Associate/Project LeaderBackground:GFP have carried out work for this client over many years and have maintained a good working relationship with the company.

The client manufactures a large range of household goods such as plastic basins, brush and pan sets, dish drainers etc. The Client acquired an adjacent area of ground and decided to build a new storage and distribution warehouse. This allowed him to free up a smaller existing distribution area and convert it to a new production area. The client supplies to most of the major supermarket companies and needs more production to meet the increasing demand for his products.

It is essential that the new warehouse opens on time, thus the relatively high L&A damages, and Duncan is concerned that Mark Lang has recently been distracted by his impending fatherhood and the Contractor may be taking advantage of this situation.

Question 10

SCENARIO:

Get Up Sports ClubAppointment Date:

October 2001Fee:5%

Project:

New sports club, GlasgowClient:

Landup Developments LtdContractor:

Not yet appointedContract:

JCT 98, Private Edition, with quantitiesProject Status:

Preparing Bills of QuantitiesCDM:

Applies - external PSProject Value:

£1.9 millionProject Team:

Miriam Gorst

Elliot North

CandidatePartner Responsible

Project Leader

Architectural Assistant

Background:

One of several leisure club developments being carried out for Land-Up Developments Limited and about to go on site. Landup are expanding rapidly with a view to either a public rights issue or selling out – possibly to Lloyd George Leisure Limited.

Their management organisation has doubled in the last 6 months and they have appointed a new property director.

Miriam is concerned GFP's previously good relationship with Landup has been compromised as their former Building Surveyor Manager, a personal friend of Elliot North has moved to another company. There is also concern that Landup are over-extended financially. Tenders are due to be issued on 07 October 2002.