



CASE STUDY

South Australian Regional Police & Courts

Client:
Plenary Group

Location:
South Australia

Project:
Requirement for a PPP fee abatement system and centralised, web based FM help desk application.

Value:
\$40 million

Builder:
Hansen Yuncken

Objectives:
To efficiently monitor and report on the services provided.

Architect:
Walter Brooke & Associates

Results:
Optimum service delivery in a complex and ground-breaking Public Private Partnership.

Services:
Plenary Group

Duration:
25 years

QFM Optimises Service Delivery at South Australia's First PPP Project

In June 2005, Plenary Justice was contracted to construct nine new police and courts facilities across regional South Australia. This project was the first public private partnership (PPP) in South Australia and as a result became the focus of much media speculation and industry interest.

As the first Australian PPP to take advantage of a fully integrated, fee abatement calculator for the payment mechanism, the South Australian Regional Police and Courts project was also ground-breaking from a technology perspective. QFM, from Service Works was selected to manage service delivery and PPP reporting requirements. An integrated FM helpdesk and PPP concession management system, QFM is now an integral part of the South Australian Regional Police and Courts facilities operation. Worldwide, Skanska employs 52,000 staff, and in 2010 its sales totalled around £11 billion.

► Meeting the PPP Challenge

A tightly managed construction phase, combined with the active participation of Plenary Group, meant that the nine facilities were completed on budget and ahead of schedule. However, the real challenges still lay ahead within the operations phase of the project.

The inherent difficulties of managing remote facilities meant that delivery of the building maintenance services was never going to be straightforward. Contractors were required to fly to certain sites, with very different standards of service being offered between remote regions. Only a year into the contract, difficulties mounted when the Facilities Management provider entered into voluntary administration. This left Plenary Justice with stringent KPIs to meet, with limited contractor resource and inadequate systems to facilitate the high standard of building services required in the contracted Project Agreement.

As a standard feature of Plenary's management of PPP projects, a transition plan was prepared to identify all activities that needed to be undertaken, including timelines to replace the existing Facilities Management provider whilst transitioning to a new provider. The replacement service provider appointed for the South Australian Regional Police and Courts project was Plenary Justice itself.

With a detailed and considered operator replacement plan in place, Plenary was able to implement effective measures quickly and efficiently, to ensure that service delivery was not compromised during the transition of the facilities services provider.

► Maintaining Service Delivery

Whilst having an FM provider going into voluntary administration after only a year may be viewed as bad luck, it put to the test a central value and key point of difference that Plenary introduced to the PPP marketplace in 2004; the concept of 'hands on' active ownership in PPP projects. Up until this point, the role of financiers and investors in PPP projects was simply to provide the necessary funding and the contract was frequently sold to a third party equity investor.

In the case of South Australian Regional Police and Courts, rather than having to go through the process of going out to tender to find another FM provider, Plenary Justice took over the operational running of the contract directly, ensuring no disruption to service delivery and without incurring a single fee abatement.

To support their decision to take over the day-to-day management of the contract, Plenary Justice needed a software solution that would assist their operational requirements. It was essential to ensure that processes were followed and key times for service response, temporary fixes and permanent fixes were met, as well adhering to the complex reporting requirements inherent in any PPP.

A further benefit that was provided for the South Australian Regional Police and Courts Project was the implementation of a fully integrated deduction calculator for the payment mechanism and the quarterly invoice, both of which could be generated at the single click of a button, in the desired format. The fully integrated calculator eliminated the need for complex and labour-intensive Excel-based worksheets and was the first of its type for the Australian PPP sector.

"Looking at our requirements in the context of the Australian market place and the urgent implementation timelines, the software choice became obvious," said Glenn Hay, Executive Manager of Operations and Asset Management at Plenary Group. "We have a strong understanding of the operational complexities of PPPs, particularly the processes, the avoidance of abatements and the reporting requirements. Service Works has a proven track record in developing PPP software, namely QFM, to manage these needs and we saw the potential to develop a strategic partnership."

Service Works
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software



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Once the decision to select the QFM application was made, the implementation progressed rapidly. Data collection and analysis of the output specification and the definition of services (both quality and availability failure deductions and of room categories in line with functional weightings) all began the day of the project initiation meeting. "Having two organisations that knew what needed to be achieved, helped the implementation enormously", said Glenn.

“QFM clearly highlights the effectiveness of Plenary’s management standards and service levels and this type of transparency between project stakeholders is fundamental to the success of any PPP project.”

Within only 8 weeks, QFM was installed and fully operational, including the implementation of the customised QFM payment mechanism application. "Our project and development teams worked quite literally around the clock. When the sun went down in Australia, we would hand development over to our UK team, and we would test the results the following day in Australia. This was how we were able to cut the normal implementation time in half," said Gary Watkins, CEO of Service Works.

► Security

QFM Web was also implemented to provide members of South Australian Police and Courts staff with the ability to log and monitor calls with the centralised Help Desk in Adelaide. Due to the very strict policies which the Police and Courts have surrounding internet security, neither organisations were able to accept web applications that used Active X controls.

QFM Web was developed with this in mind, and has been implemented in numerous highly secure environments. When a call is logged by Courts and Police staff using QFM Web, the only information that needs to be entered is a location (selected from a drop down menu) and a description of the job. This automatically generates an e-mail to the Plenary Help Desk, who then reacts

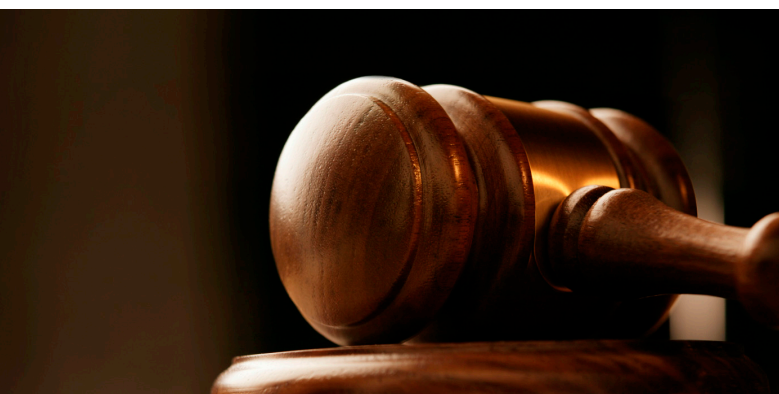
accordingly. On the odd occasion that a helpdesk operator may be away from their desk, job notifications are received on their PDAs from QFM, ensuring jobs are not missed.

This is critical due in order to meet response times within the designated two hour timeframe. Plenary Help Desk staff then process the call by allocating the relevant service category, as defined in the output specification, and select a contractor to carry out the work. QFM can also automate this function. Once this is complete, another automated e-mail is sent to the person who requested the job, thus meeting response requirements.

On a busy PPP Help Desk, the most important role is to stay on top of outstanding work requests, ensuring that times for response, temporary fixes or permanent fixes are not missed. Failure to meet timeframes could lead to potential business-critical abatements.

For South Australian Police and Courts, the beneficial part of the solution is the implementation of QFM’s unique Event Director. Event Director provides a traffic-light view of all open jobs, green meaning ‘on target’, amber indicating ‘action required’ and red, ‘exceeded timeframe’. Each of these escalations is configurable, enabling Plenary Justice to set certain buffers for the Help Desk. For example, a two hour response would be green for only a third of the time, amber for two thirds, while both temporary and permanent fixes were set to be green for half the time and amber for the other half.

Glenn Hay explains, "The Event Director is a simple, yet extremely effective, visual way to guarantee that Plenary mitigates service failure risks by ensuring that time-based performance indicators are met, or at least known. On some occasions we would need to use the extension of time functionality once authorised by either Police or Courts, but the job remains live in the Event Director."



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Results

Following a month of live operations, QFM's tailored reporting outputs were produced and delivered to the State. These reports included a Deduction Assessment Report and Quarterly Invoice; both of which were generated at the single click of a button within QFM, and included calculations for CPI adjusted quarterly service payments based upon an initial annual unitary charge per facility. In addition to these were the very complex PPP payment mechanism reports, taking into account geographical weightings, abatement periods, quality failure points and quality failure multipliers. None of these abatement criteria have ever been put to the test, due to Plenary's exemplary service delivery to date.

Glenn Hay concludes, "QFM provides an opportunity to take the operations management and reporting of the South Australian Regional Police and Courts Project to the next level, as well as demonstrating to Australia's PPP market the effectiveness of Plenary's hands-on approach and operational management capabilities. QFM clearly highlights the effectiveness of Plenary's management standards and service levels and this type of transparency between project stakeholders is fundamental to the success of any PPP project."



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