

Insurance Backed Alliancing under the IPI Model

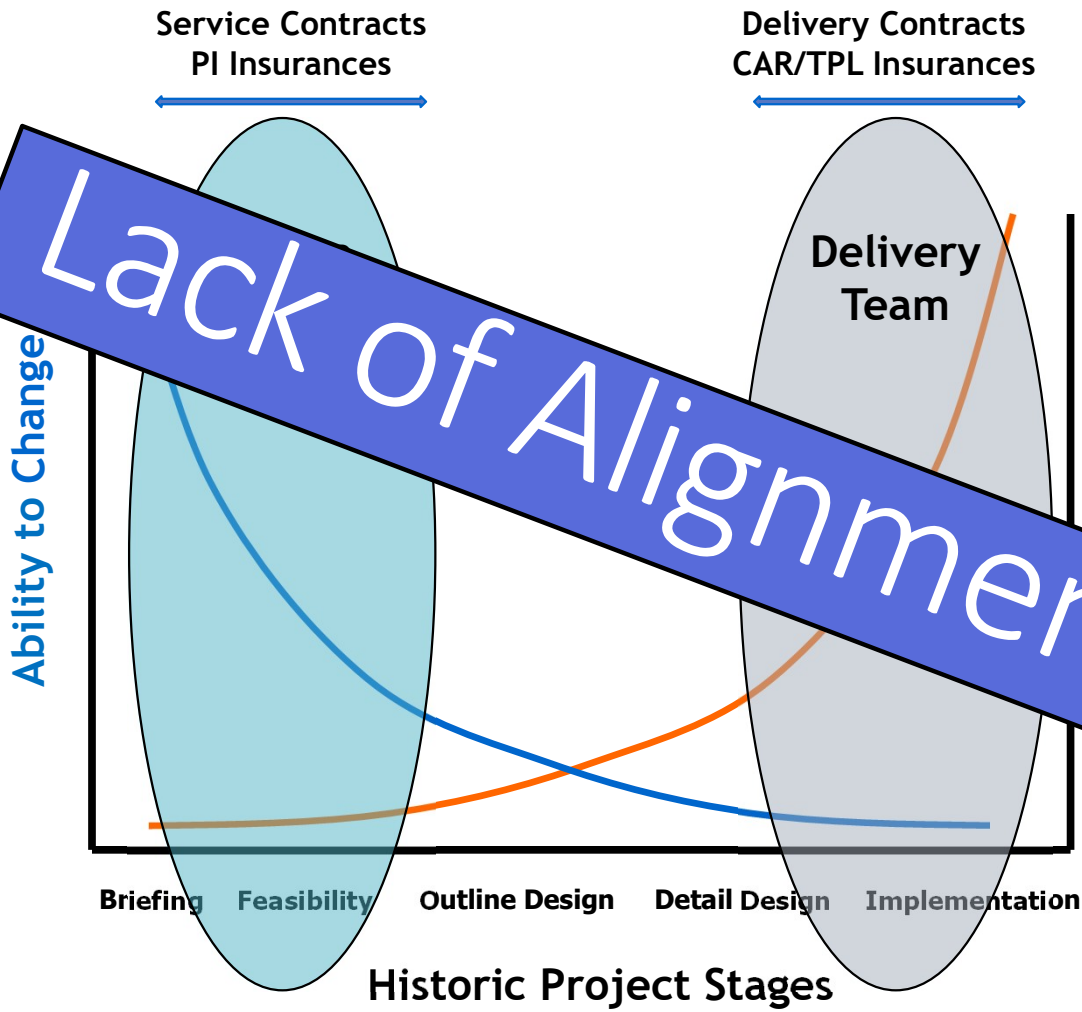
IPIInitiatives
Collaboration Without Barriers

Sharing Risk and Reward with the IPI Model

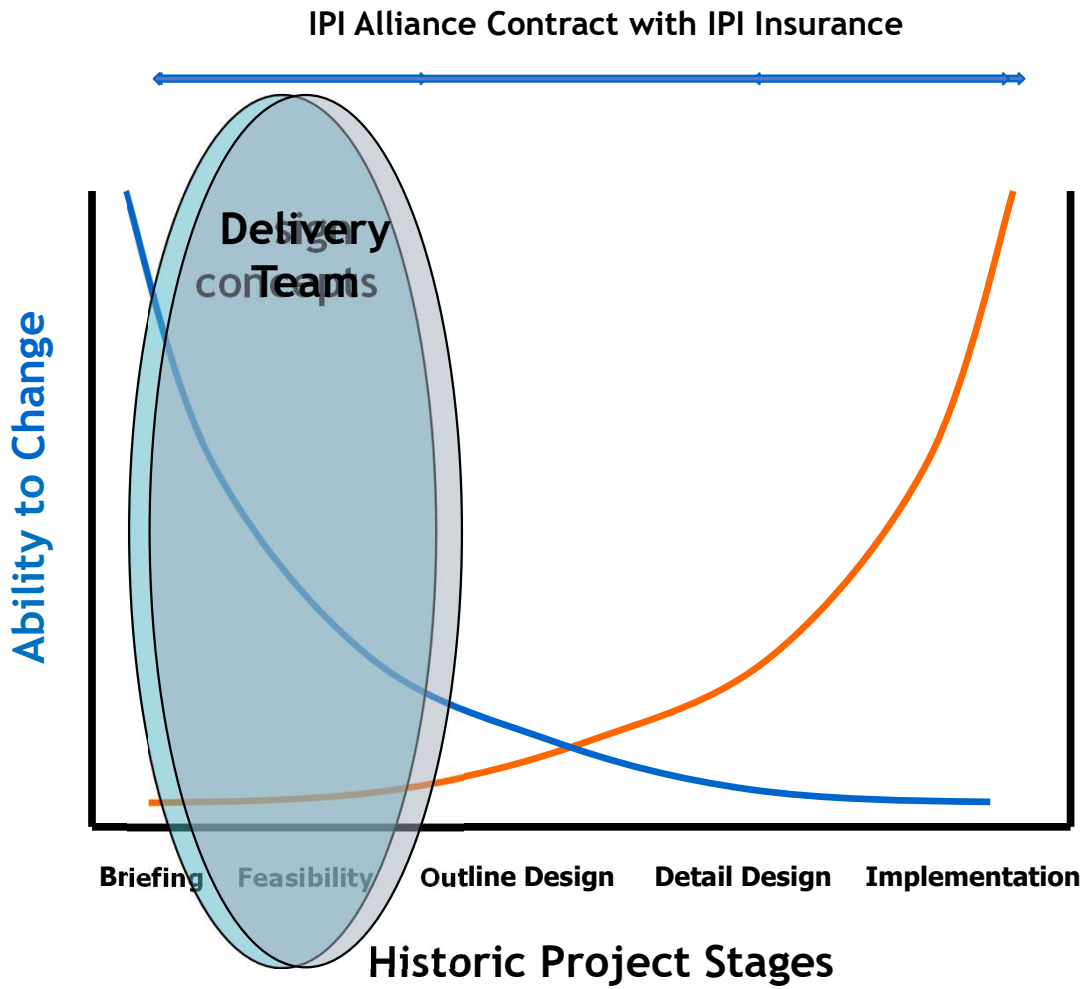
Kevin Thomas

IPIInitiatives: Creators and Facilitators of the Model

www.ipinitatives.co.uk

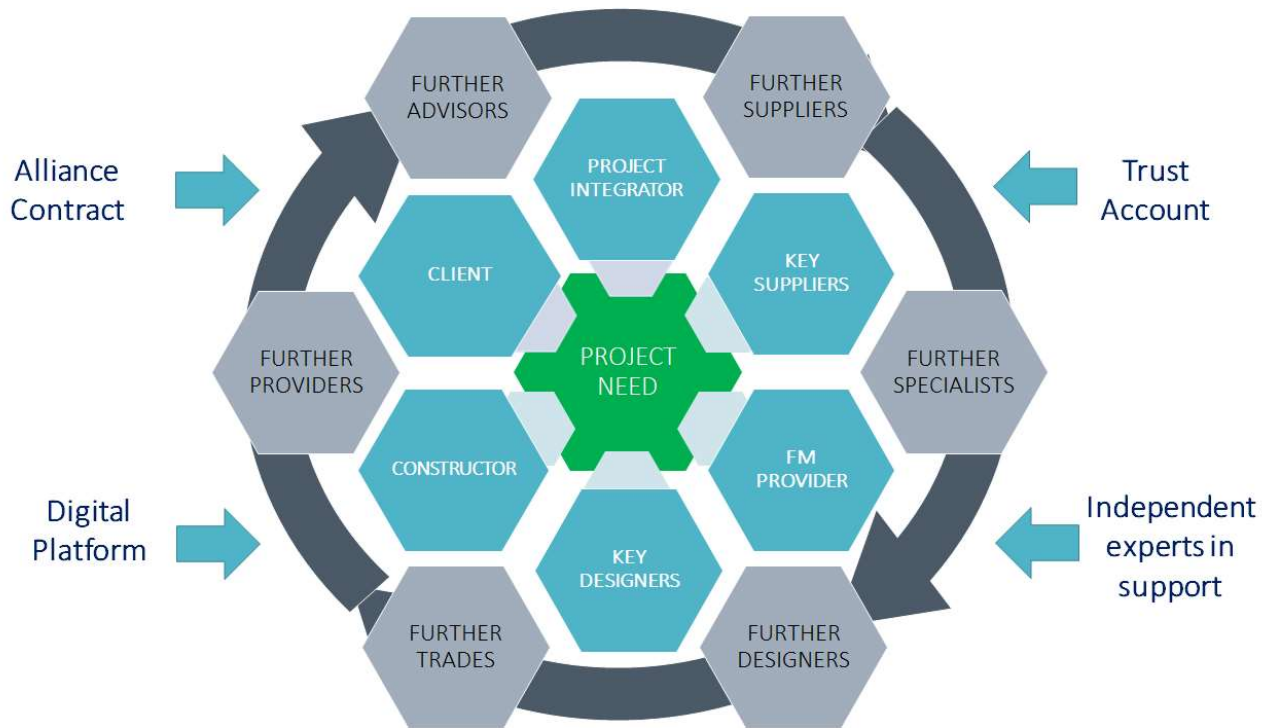


Design and Delivery Separation



Design and Delivery Integration

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 Collaboration Without Barriers



IPI Alliancing

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Phase 1 – Optioneering & Approval to Invest and Insure

- Optioneer possible solutions (+ validation of decisions already made)
- Identify proposed solution, target cost and associated opportunity and risk profile
- Develop PEP and agreement of incentives
- Client, underwriter and funder approval to proceed

Phase 2 – Development & Implementation Agreed Solution

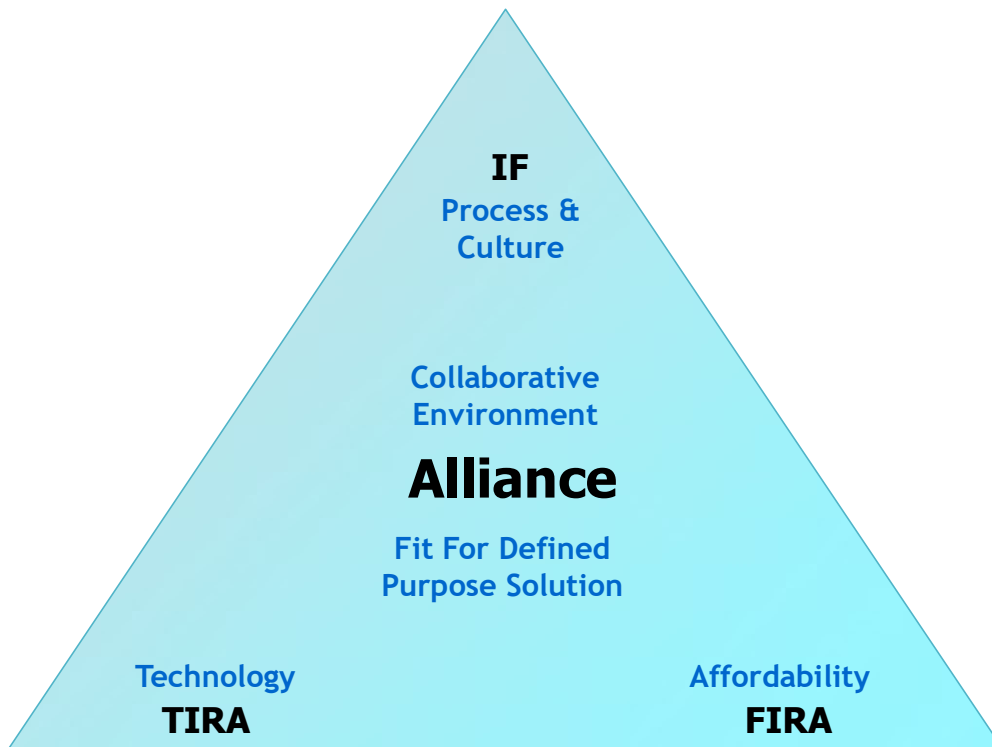
- Inception of IPI policy
- Execute the agreed plan
- Develop and deliver solution through open book collaboration
- Completion and operational proving

Phase 3 – Operational Support & Defects Rectification

- Settlement of gain/pain shares,
- 12 Months [or more] soft landings, operational support and seasonal commissioning
- 12 Months defects resolution
- 12 years latent defect liability protection

Key Features of IPI - Process

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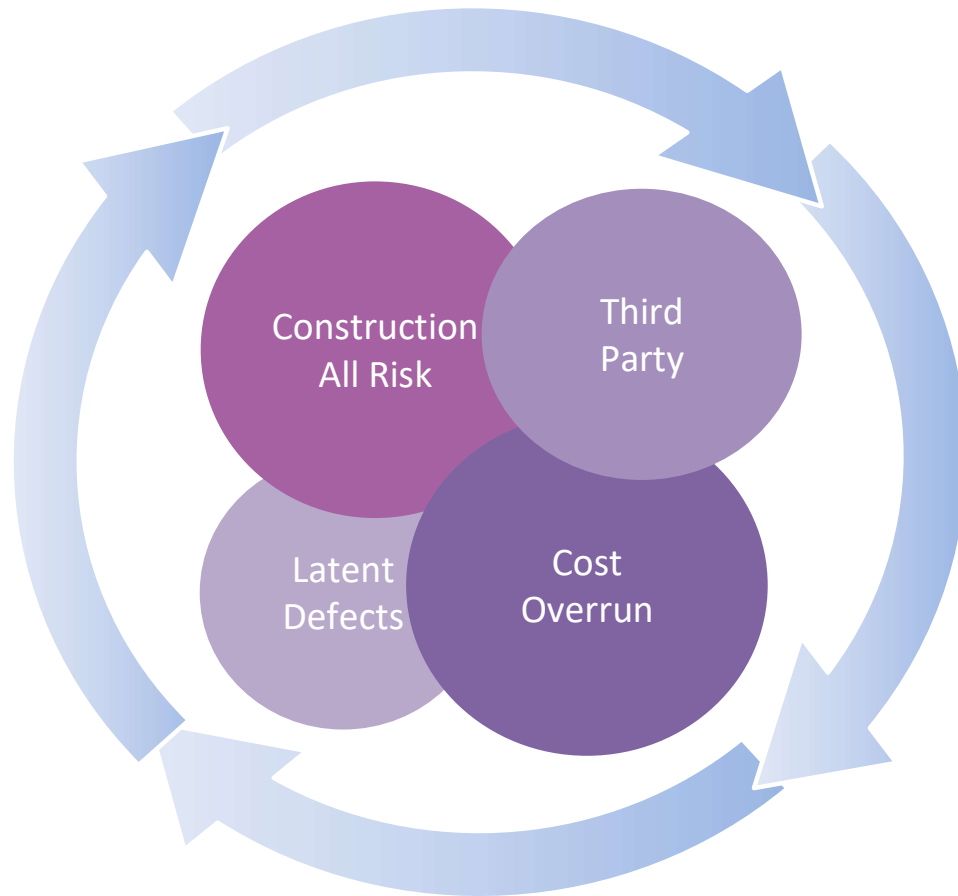
Key Features of IPI - Assurance

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Key Features of IPI - Insurance

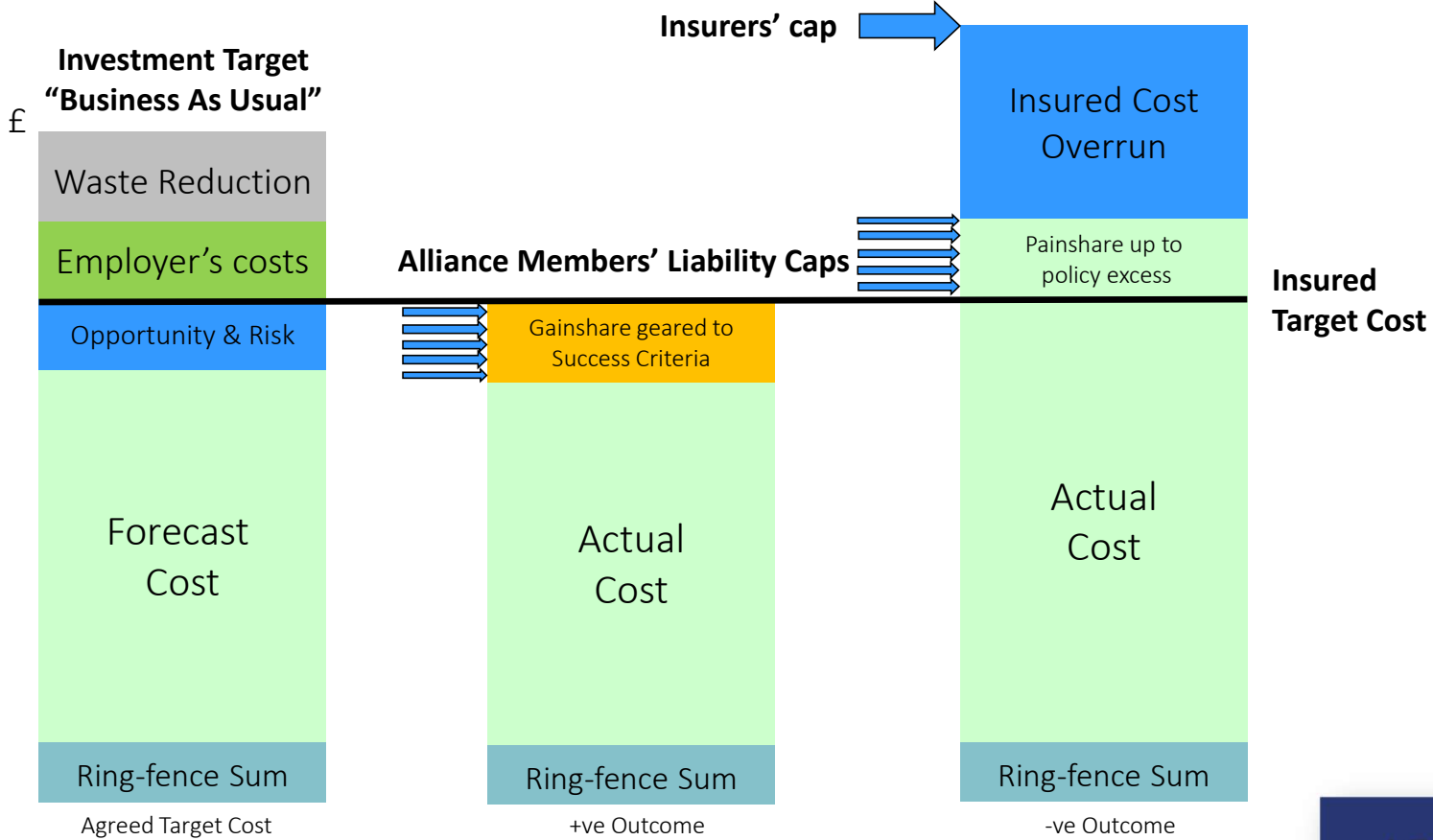
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Key Features of IPI - Insurance

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Financial Outcomes



Results



Dudley Advance II - £11.7m

Net client reinvestment benefit 6.5%

Building operates at 50% energy consumption of sister benchmark building

Regional & National Winner of 2018 CE Collaborative Working Award

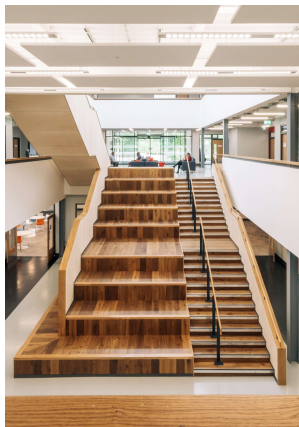
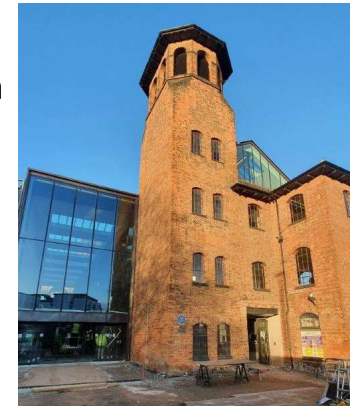
Museum of Making - £17.0m

Potential £1.6m cost & 5 months of delay mitigated to £54k & 4 weeks

Only project to achieve Covid 19 crisis funding from the Heritage Fund

2021 Building Refurbishment Project of the Year and Construction News Project of the Year

Winner of 5 CE Regional awards including Project of the Year



Black Country & Marches Institute of Technology - £23.1m

Completed early with a gainshare of £275k

Final cost betters DfE baseline by £58/m² (and IoT benchmark by 130/m²)

Building operates with 24% less energy consumption than Advance II

2021 Winner of CE Regional Integration & Collaborative Working Award



- Partners selected for experience, capability and behavioural competence; no solution to price
- Employer and Alliance Partners form 'virtual company' with collectively responsible for all project parameters
- All suppliers are equal members of the Integrated Project team
- Alliance works 'top down' from investment target to provide best for project outcomes
- All information is open book - only one version of the truth
- Profit earned on people deployed not spend turnover
- No blame/claim provisions with gain/painshare mechanism incentives all
- Integrated Project Insurance (IPI) includes cost overrun and 12 years (CML) LDI – covers all
- Everyone knows their maximum liability in advance
- Creates a 'can do' inclusive collaborative culture – reducing stress and increasing mental health

IPI Model In A Nutshell

The whole process assured
by 3rd party experts

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