



Rijksgebouwendienst
*Ministerie van Binnenlandse Zaken en
Koninkrijksrelaties*

PPP in Dutch government housing

Choices, examples and
decisions

Frans Deeleman
Manager Real Estate
Development & PPP
Contractmanagement

12 februari 2013



Introduction

Rijksgebouwendienst (Dutch Government Buildings Agency)

- Main objective Rijksgebouwendienst is to organize housing for central government organizations;
- Portfolio consist of > 7 mln m² gross floor area;
- > 2.000 office buildings, prisons, museums, Royal Palaces and ca. 350 monuments;
- International organizations in The Hague.



Examples Portfolio Rijksgebouwendienst



Department of Justice
130.000 m² GFA



Medieval Bastion, city Naarden,



Examples Portfolio Rijksgebouwendienst



International Criminal Court (ICC)



Castle Muiderslot (ad 1283)



Examples Portfolio Rijksgebouwendienst



Rijksmuseum Amsterdam
55.000 m2 GFA

Houses of Parliament
80.000 m2 GFA (ad 1200)





Why did the Dutch government get into PPP?

- Developments in UK on PPP drew interest because of tradition of large infra- and housing projects that failed in terms of budget/time and sometimes quality.
- Evaluate all larger housing and infra-projects on PPP feasibility;
- Better risk-allocation, innovation and one stop-shopping.



PPP Projects Rijksgebouwendienst

To date:

- 5 PPP's contracts in exploitation (DBFMO);
- 1 PPP project in progress;
- 5 PPP projects in the tendering phase;
- 3 PPP projects in the preparation, the pre-procurement phase.

- Examples of positive/negative results:
Atrium hall Ministry of Finance / Meeting facilities in office

- Conclusion so far: Projects are within budget/time and in some cases exceeding expectations in terms of quality!



Example 1: Ministry of Finance (The Hague)



- Renovation of a building from the 70's, ca. 70.000 m² GFA
- Mayor changes on climate/comfort
- Contract value €450 million
- 25 years
- Delivered in 2008



Example 2: Tax & School Authority (Groningen)



- New construction
- Focus on sustainability and architecture
- 47.000m², 2500 workplaces, 675 parking places, 9000 m² public garden.
- Contract value € 350 million
- 20 years
- Delivered in 2011



Example 3: Office building (The Hague)



- Renovation of a monumental building (1920)
- Est. contract value € 73 million (2012)
- 30 years
- Deliverance 2015



Example 4: Office building (The Hague)



- Renovation
- Est. contract value € 225 million (2012)
- 95.000 GFA
- 25 years
- Period 2013-2016



Example 5: Dutch Supreme Court (The Hague)



- Renovation monument
- Est. contract value € 94 million (2012)
- 25 years
- Period 2013-2016





Some crucial /strategic choices for any iconic housing project?

- What is the scope of your needs?
- The phasing, temporary housing alternatives (big bang/gradual)?
- What is your vision on the monument/architecture? For example, is it an option if parts are radically modified or even demolished?
- What are your ambitions in relation to sustainability for ex. geothermal energy, solar-energy, wind-energy etc.?
- DB – F – M – O?
- What is your vision on the workplace concepts, eg. everyone their own room or shared spaces in combination with teleworking/other combinations?
- For which period do you want the contract 15/20/25/30 years?
- What do you want to do with your own staff if you decide to go for a DBFMO contract (security, catering, facility mgt, repro)?
- Are you 'only' going for a design and build or would you prefer to include finance, maintenance and operations in your contract and why? Or any another combination?
- How do you organize the governance, the RACI's?



Overall conclusion Rijksgebouwendienst on PPP

With an excellent preparation PPP can get you more quality, innovation, better risk-spread and less management concern.

in other words...

more value for (the same or less) money!



Showstoppers for PPP

1. An incomplete request for proposal (meager preparations, no support throughout your own organization, no clear vision on the objectives, lack of (financial/legal etc. expertise within your projectteam);
2. Lack of professional trust: you must 'learn to trust' your consortium as a partner and must be willing to help the consortium to grow into its role;
3. Underestimation of the contractmanagement-function and phase, the way you deal with the consortium 'in good times and bad times'.



Questions?