

ABSTRACT

The Local Experiment with the Design, Finance and Construct Contract Delivery System

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The design and build method of construction is one of the earliest delivery systems used traditionally by the master builder of the 18th century. With the development of contracts, several new forms of delivery systems have emerged which can all be characterised by their separation of the design and build functions and by the corresponding high level of specialisation of each of these functions. In recent times a large number of clients from the developed countries has returned to the combined design and build contract forms for house building and industrialised building construction. Very recently, that is in the last five years, some local clients mainly in the public sector have joined a new trend also emerging in the developed world and are attempting to combine the design, construction and finance aspects of civil engineering construction work into a single contract with one entity being responsible to the client for the provision and performance of the constructed facility.

This project attempts to trace the evolution

of this contract form since it represents a turning point in the history of our local contract development. The project reviews the consequences of our attempts at implementing this new form of contract and analyses the mechanisms that were set up, the projects listed to be done, the contract forms that were proposed and the methods for controlling and administering these contracts. It summarises the pitfalls of the Trinidad and Tobago experience and offers recommendations which need to be addressed to satisfy the concerns raised by all the traditional actors in the construction drama. The three main problems were that of control, risk evaluation and management and the implementing of appropriate contract documents.

What has emerged is that while none of the projects listed evolved as pure design, finance and construct packages, there has been no real local test to discard the system. This contract system can be optimised for its successful use where the client has no available capital, for projects which are revenue generating and where the contractor is better predisposed to financing the construction. The project concludes that each contract system will find certain situations in which it is better suited and the client needs to establish whether this system is appropriate.