



Integrated Project Insurance®

The IPI Model: An introduction

Kevin Thomas
IPIInitiatives

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What is the IPI Model?

The IPI - Integrated Project Insurance - Model is one of three government approved new models of procurement. It is designed to unlock the potential of integrated collaborative working to deliver.....

- **Better Outcomes**
- **Faster**
- **With Less Capital**

..... than established methods of procurement.

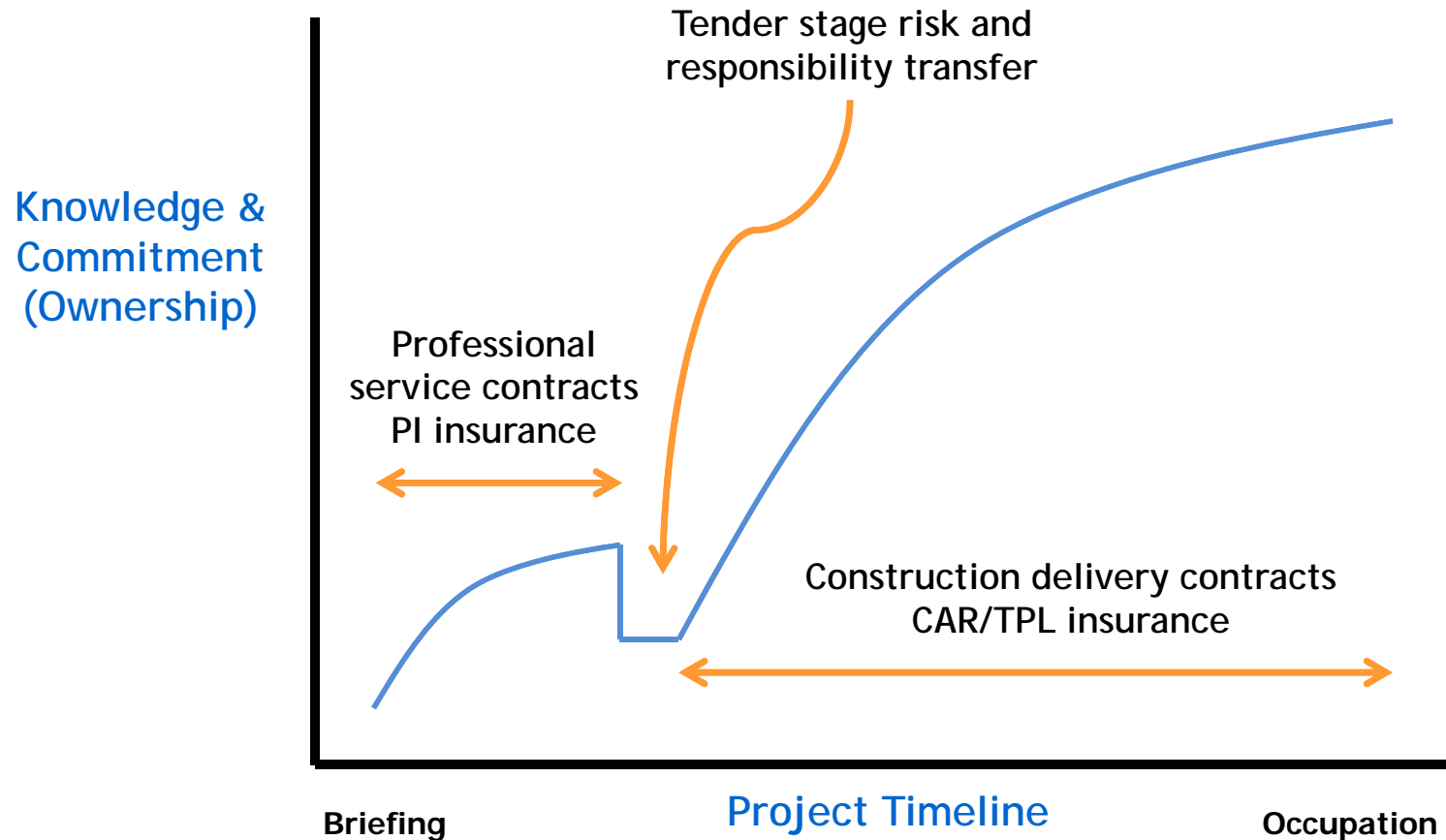


How the IPI Model does this

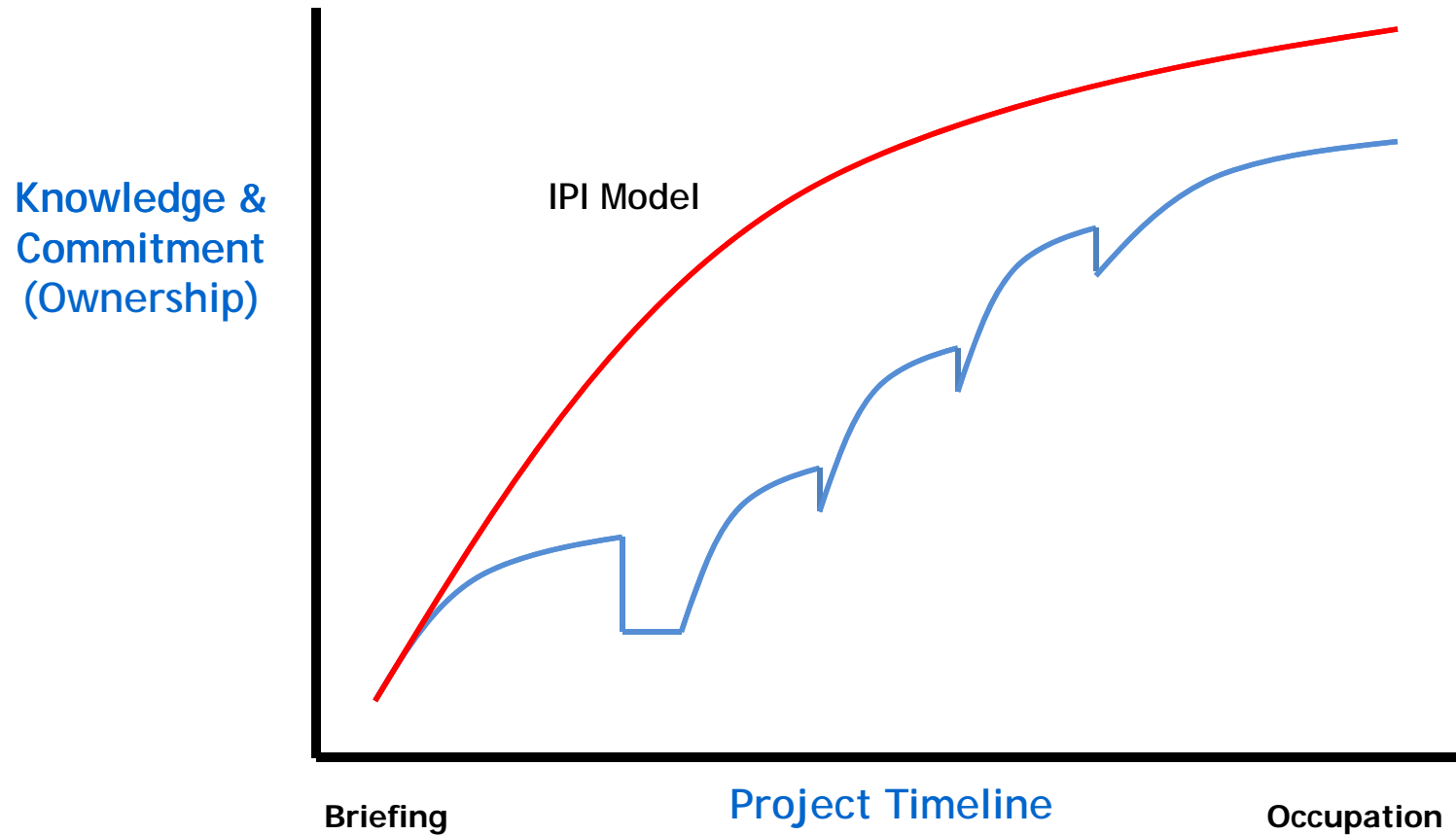
- IPI removes the barriers to design and construction integration
- It sweeps away contracts and insurances which fragment and divide the industry
- Maximises deployment of key partners experience and capability right from the beginning
- Creates a 'best for project' culture where all agree what needs to be done, when and by whom
- Removes waste & inefficiency
- Creates a focus on delivering outcomes which are both "fit for defined purpose" and insured



Design & Construction Separation



Design & Construction Separation



Key Features of IPI - Alignment

- Common selection process (OJEU) based on ability to achieve
- Key Parties form a virtual company Board under a new Alliancing Contract
- Collaborative open book working through a BIM enabled environment
- Working top down from a benchmarked investment target to meet the needs
- Savings achieved by stripping out processes, products and procedural waste & inefficiency
- Incentivised through gain/painshare mechanism



Key Features of IPI - Assurance

- 3 independent specialists included in the model
- Facilitation to ensure an inclusive collaborative culture is developed and maintained
- Technical and Financial Risk Assurors to 'interactively audit' and confirm solutions are;
 - ✓ technically sound
 - ✓ Affordable
 - ✓ have appropriate allowances for risk
- Client and underwriters receive regular reports and recommendations regarding status and issues



Key Features of IPI - Insurance

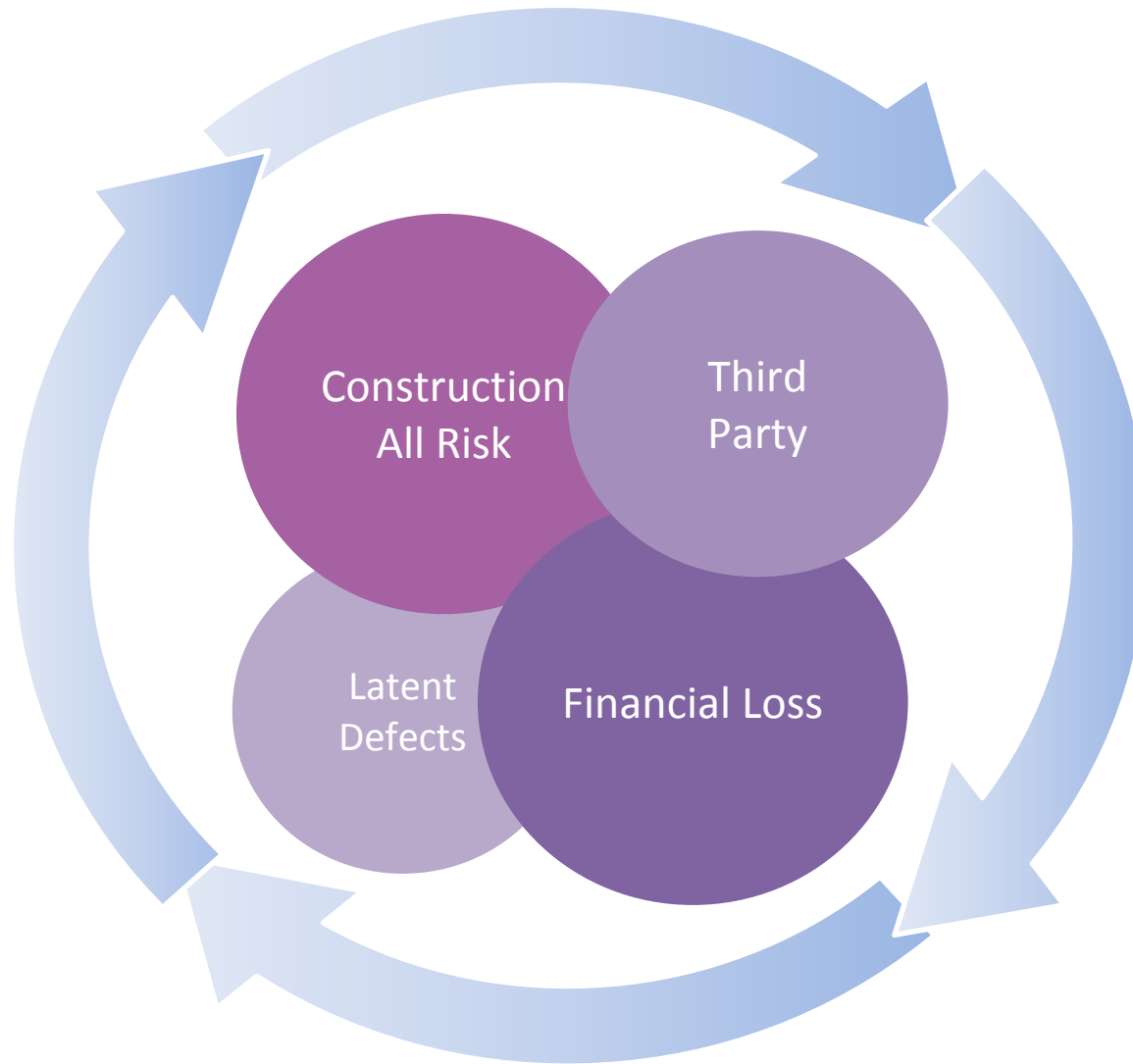
Construction
All Risk

Third
Party

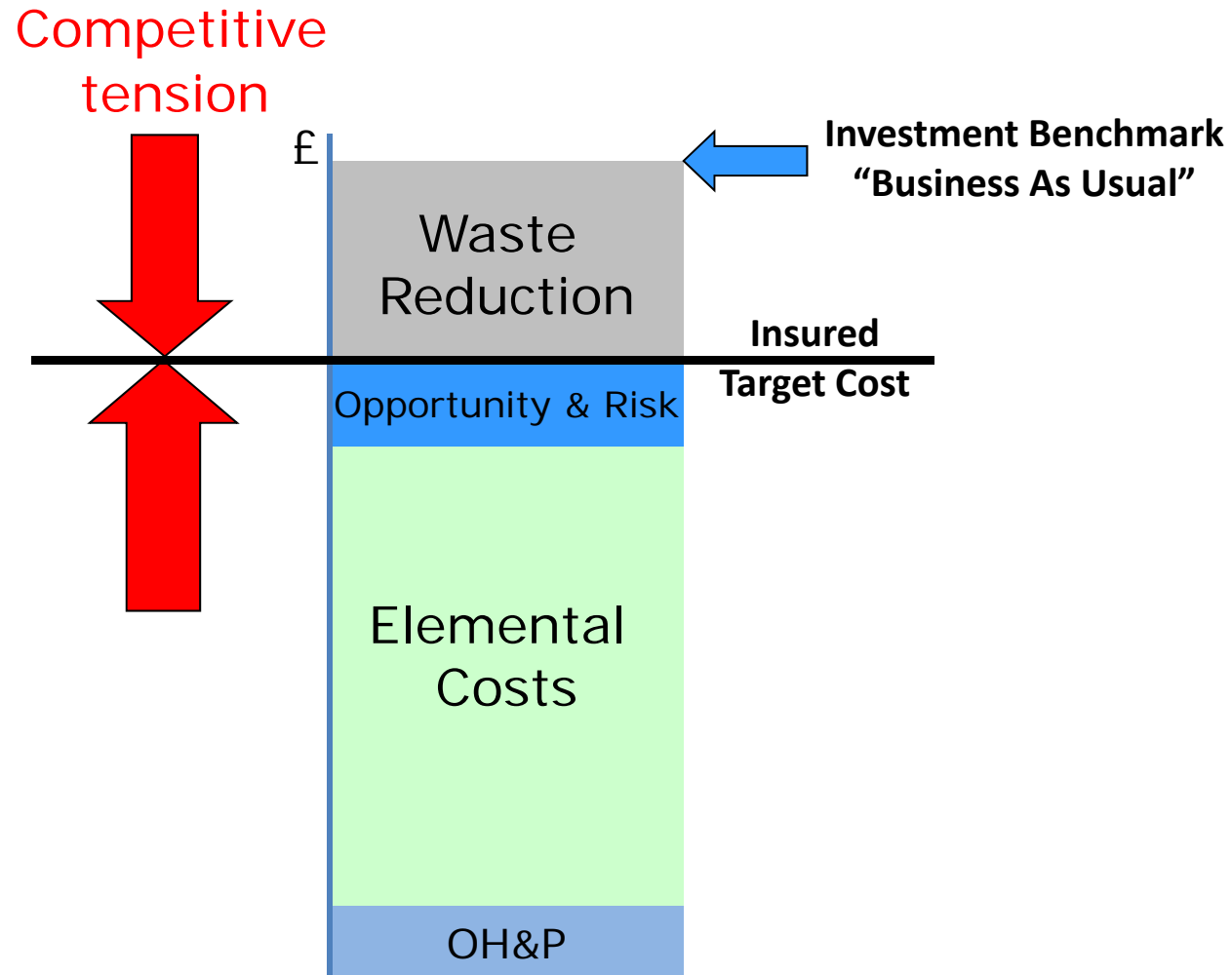
Professional
Indemnity



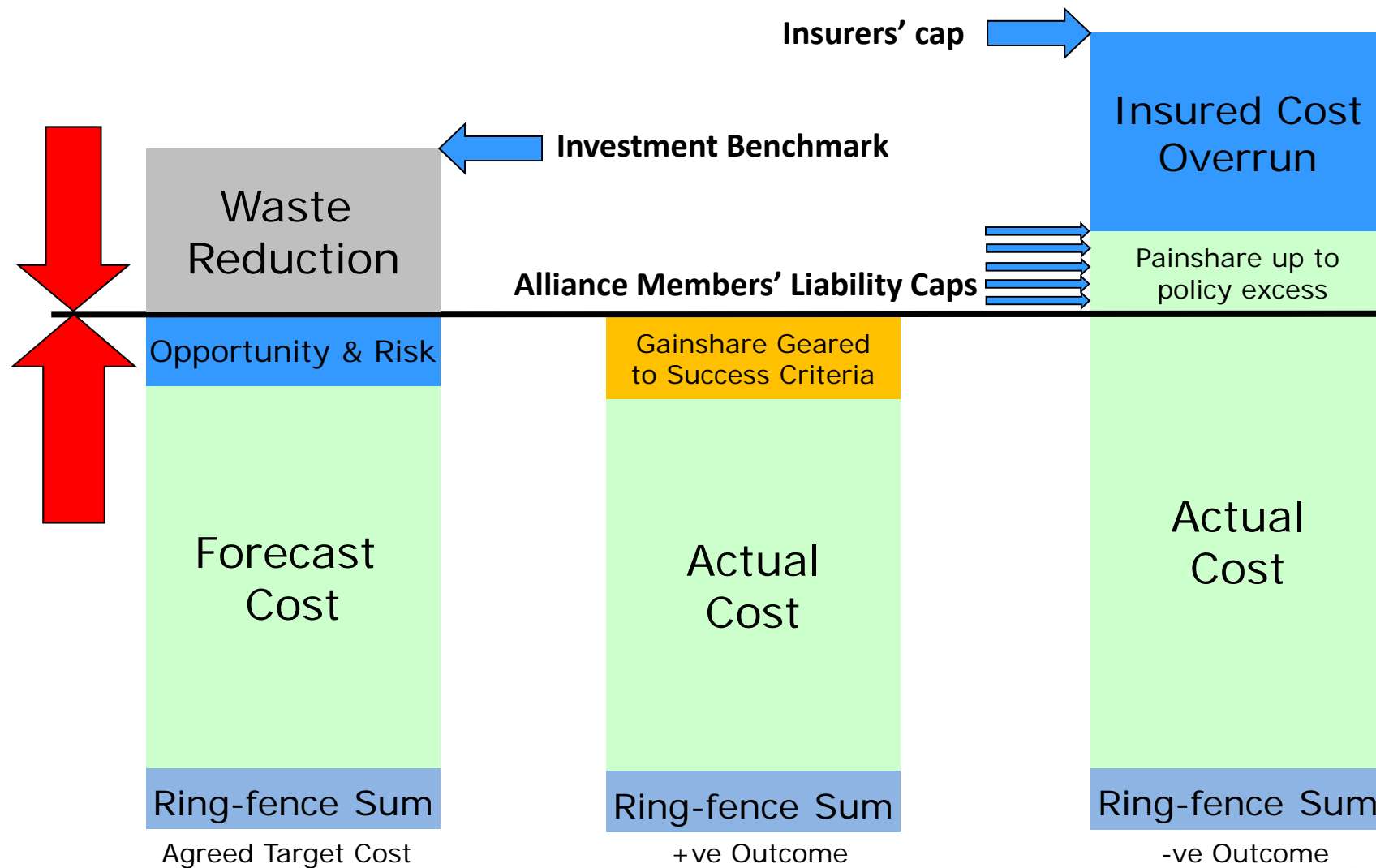
Key Features of IPI - Insurance



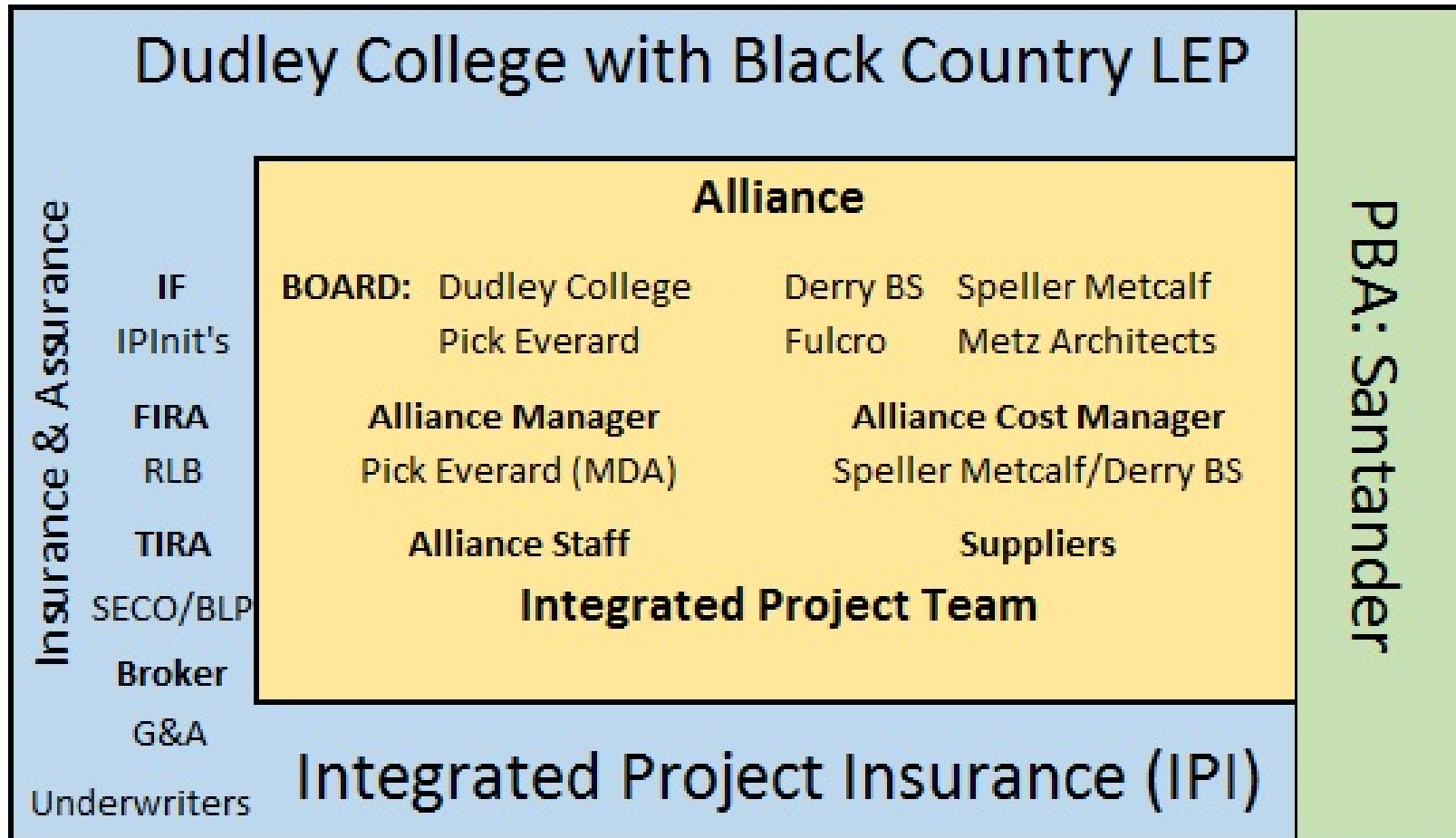
Establishing The Cost Target



IPI Project Outcomes



Advance II - IPI Organisation



Dudley Advance II – Where are we now?

- ✓ Defined the Purpose
- ✓ Agreed the Investment Target
- ✓ Selected via “price free” OJEU
- ✓ Signed new Alliance Contract
- ✓ Agreed Solution and Target Cost
- ✓ Incepted new IPI Insurance Policy
- ✓ Started on Site
- Completion planned for June 2017



IPI Model – Application at Dudley



What have we (re)learned to date?

- Not everyone is ready for IPI
- There is a lot less understanding of cost than we thought
- Ongoing facilitation is essential for change
- Don't underestimate the collaborative conundrum
- Those who get it really get it!
- BIM Level 3 won't happen without breaking down the 'liability barrier'
- Open Book is not Cost Plus
- IPI isn't ready for everyone

