505 GEORGE STREET, SYDNEY
WINNING COMPETITION ENTRY BY ARCHITECTUS AND INGEHOVEN
Procurement

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CORRECTION

We apologise for the incomplete caption on page 4 of the Regional issue (Vol 75, No 3), for ‘States of awareness: Aboriginal activism and the built environment in NSW’ by Catherine Donnelley. It should read:

During the Freedom Ride SAFA (Student Action For Aboriginals) Trip in February 1965, University of Sydney students surveyed and protested about the Aboriginal living conditions in towns in western New South Wales. Pictured are Ann Curthoys and Louise Higham interviewing May Copeland (Fenella Stanley) and Tottie Barlow (Bertha Saunders) at Moree Aboriginal Station, February 1965. Photo: Noel Hazard. Courtesy Mitchell Library, State Library of New South Wales and the Tribune / SEARCH Foundation

WRITE TO US
Send your feedback or suggestions to bulletin@architecture.com.au.
We also invite members to contribute articles and reviews to our Chapter section. We reserve the right to edit published responses and contributions.
Now is an appropriate time to reflect on the role of the architect. How can our profession improve the built environment and protect the public in their use and enjoyment of buildings when procurement practices so often hamper our ability? Whether it be through competitive procurement processes, partial services, reduced certification, less regulation of others in the construction sector, or restrictive fees, the outcome affects the control we can offer for the final built quality. This issue of Architecture Bulletin addresses the pros and cons of some existing procurement methods and opens up the discourse to look at alternatives.

Competitions allow us to champion better design outcomes, which include improving the public domain and urban design experience, providing a route to unearth new talents, and – as long as the guidelines remain intact – empowering the winning architect controlling the project to completion. See Graham Jahn’s article for the history of how the unique Sydney model developed. But the cost of preparing a competition entry is typically 3.42 times more than the fee (Concannon article) and with a one-in-five chance of winning (Davison, Freestone article) this limits those practices who can apply. With competitions increasingly awarded to international architects, do we need a restrictive quota so that local talent can be recognised and not swallowed up by the big names with deep competition pockets? Should we revise the Institute’s guidelines for the conduct of architectural competitions?

An alternative is ‘parallel competitions for complex projects’ with a high level of interdisciplinary practice and two-phase qualification, discussed by Anita Morandini and Dr Karl Friedhelm Fischer in their article.

Many government and university procurement practices involve EOI/RFTs requesting detailed practice information, project programming and budget, implied or explicit unpaid design ideas infringing intellectual property rights and require a fee to apply (Kibble, Cockburn, Graham, Lahz article). The procurement taskforce has produced a best practice guideline for EOI and RFT (FitzGerald, Hardwicke article) which the Institute is about to roll out to address these issues. Please make us aware of any infringements of this guideline so that we can advocate on your behalf.

Small public projects are attractive as they allow architects to add value to the public domain and provide community benefit, yet the open procurement practice makes the success rate very low. Finishing the project to the quality level required can also cost more than the fee, leading to the comment, ‘at that rate, why not donate money to charity’ (Crawford article).

The Government Architect NSW recognises that good design outcomes need appropriate procurement methods to achieve the quality required (Macchia, Hopkins article). With both support from GANSW and the updated Environmental Planning and Assessment Act that now mandates good design – ‘to promote good design and amenity of the built environment’ – we may now be in a position to advocate good design as a reason to change problematic procurement practices.

Is the key here to link good design with quality? Have we missed the plot just talking about procurement (Lewarne article)? Do we need to make the discussion wider to reinforce that good design and quality are intrinsically linked to the procurement process?

How can we quantify built quality? Is it by post occupancy evaluation that also rates the social value of good design as Flora Samuels suggests in her article? Cost has become the overreaching factor in the UK with ‘design and build’ contracts – not unlike our ‘design and construct’ – to the detriment of quality outcomes. The parallel process (Morandini, Fischer article) includes consideration of social, cultural, economic and environmental outcomes.

Project partnering contracts, as used in the UK (Samuel article), are multi-party contractual two-stage contracts, where a team-based approach does not shift risk in one direction; instead it shares the decision-making amongst the client, consultants, contractor and specialists to all come to agreement with mutual rights and obligations. It would not work for all situations, but is it a step in the right direction?

The debate is open. As your new president I am pleased to be working with the Institute to bring forth the issues of procurement and quality as major agenda items in our advocacy. I appreciate your feedback.

Kathlyn Loseby
Guest Editor and NSW Chapter President
Design competitions

and the pursuit of excellence in Sydney’s CBD

Gethin Davison and Robert Freestone
Design competitions in architecture and urban design have a long and rich history that can be traced back at least to Ancient Greece. As a procurement method, they are the required or preferred mode of selecting designers for major public works in many European countries today. Elsewhere overseas, competitions remain a popular method for selecting designs and/or designers for high-profile public projects such as art galleries and museums, but their use is less systematic. Increasingly, competitions are being run voluntarily by private developers, especially in China and other Asian countries. A major part of the appeal of a competition for private developers is the increased profile that a competition can generate for a project, especially where high profile designers are participating.

In Australia, the popularity of the design competition format has ebbed and flowed, but the last 20 years have been something of a boom period in Sydney. The main reason for this is a set of planning provisions introduced by the City of Sydney in 2000. These require that the design of major new buildings in the Sydney CBD must be the result of a competitive design process. This effectively means that major new public or private projects cannot be granted planning consent in the CBD until a minimum of three different designs has been proposed for them and a jury has decided which is best. The requirements introduced in 2000 remain in place today, albeit in a slightly amended form. They are there to ensure that the highest standard of design – ‘design excellence’ – is achieved in new CBD developments.

The graphic in Figure 2 gives a sense of how big a part of the design and development process the competition format has become in Sydney CBD since 2000. Similar requirements for design competitions have more recently (2012) been applied by the City of Sydney to areas outside the CBD, and by a few other planning authorities in NSW. Other cities such as Melbourne and Perth have assumed a watching brief, and there have been inquiries from overseas cities. Recognising that mandatory design competitions are becoming increasingly commonplace across NSW, the Government Architect this year released draft guidelines on the planning and delivery of what it terms ‘design excellence competitions’.

### THE CITY OF SYDNEY’S COMPETITIONS

The overall responsibility for the organisation of the City of Sydney’s mandatory design competitions rests with developers. Nevertheless, the City of Sydney’s Design Excellence Unit is involved in closely observing or contributing to every step. The City’s statutory Local Environmental Plan requires all developments, private and public, in the Sydney CBD to be subject to a competitive design process when they meet or exceed one or more of three thresholds:

1. Height (55 metres)
2. Site area (1,500 m²)
3. Capital value ($100 million)

Elsewhere within the City’s jurisdiction the height and capital value thresholds drop and in the process pick up many apartment buildings in urban renewal zones like Green Square. There are two main types of competitive process: competitions (in turn distinguishing between open and invited forms) and ‘the preparation of design alternatives on a competitive basis’ (competitive design alternatives process). The similarities and differences between these competition types are summarised in Table 1.

For any type of competitive process, an additional 10% in either floor space or height of the maximum permissible may be granted by the consent authority based on the extent to which design excellence is attained. A further uplift is available for full competitions: such projects may be eligible for a discount in the amount of heritage floor space required to be purchased under the City’s mandatory transferable heritage floor space scheme promoting conservation of heritage buildings.

### RESEARCHING IMPACT

The mandating of design competitions for private property developments is something that appears to be utterly unique to Sydney: in no other city in Australia or around the world are competitions for private buildings mandated in the same way through a statutory planning process. We recently completed a research project looking at how the City of Sydney’s mandatory design competitions work and what they are delivering on the ground. The research was funded by the Australian Research Council (DP150104054) and is written up in a book to be published in early 2019 entitled *Designing the Global City*. We undertook appraisals of the 26 projects completed under the City’s provisions to date as well as interviewing 60 people involved in some way in competitive processes in Sydney CBD. We were particularly interested in their views as to the value-add and criticisms of the requirements, and briefly summarise some key findings below.
BENEFITS OF THE CITY OF SYDNEY’S MANDATORY DESIGN COMPETITIONS

Design exploration and innovation
There was near-consensus among our interviewees that competitions elevate design quality by encouraging a fuller exploration of design possibilities for a site and therefore enabling the best feasible outcome to be identified. Putting architects in competition with one another was also seen to drive design innovation as designers look to make their entry stand out from others.

The public interest
In a competition, architects work in a way that is relatively detached from their developer clients (compared with a situation where they have been hired directly). This, coupled with the involvement of the City of Sydney’s officers in the development of the competition brief, allows architects to better pursue design outcomes that are in the public interest – indeed outcomes that might be rejected or at least compromised by clients in a more traditional developer-designer relationship.

Prioritising design considerations
Competitions make design capability, rather than other things, the primary criterion used to select a designer. The City of Sydney requires that competition-winning designers are hired and retained by the developer through to the completion of the project. This means that a developer’s hold over their designer is weakened; architects are in a better position to push back against cost saving design amendments.

Design diversity
Competitions help diversify the range of firms attracting design commissions and are an effective way of unearthing new design talent. As illustrated in Figure 2, there is a great deal of diversity among the firms both participating in and winning City of Sydney design competitions since 2000. Our data record 52 winning firms for the 46 competitions in our project dataset, with the differential here explained by winning multi-firm collaborations. We were also able to obtain data on the non-winning competitors for 44 of the 46 dataset projects. For these 44 projects, there were a total of 88 firms filling 223 competitor slots. This means that on average, there were about five competitors in each competition and that each firm competed 2.5 times.

Certainty for sponsors
By passing through a City of Sydney design competition the developer increases the likelihood of a straightforward planning approval. Having several designers working on a project also ensures against poor or unworkable design outcomes. Importantly, the development uplifts available for passing through a competitive process offset the additional costs that the competition imposes on the developer.

‘A competition allows architects to better pursue design outcomes that are in the public interest – indeed outcomes that might be rejected or at least compromised by clients in a more traditional developer-designer relationship.’

<table>
<thead>
<tr>
<th>Invitation process</th>
<th>OPEN COMPETITION</th>
<th>INVITED COMPETITION</th>
<th>COMPETITIVE DESIGN ALTERNATIVES PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public notification of an EOI; all respondents given the competition brief</td>
<td>Developer invites competitors, with advice from the City of Sydney</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of participants</th>
<th>All respondents can participate; usually ends with a shortlist of approximately five firms</th>
<th>Minimum five firms</th>
<th>Minimum three firms</th>
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</thead>
<tbody>
<tr>
<td>Jury name</td>
<td>Jury</td>
<td>Selection panel</td>
<td></td>
</tr>
<tr>
<td>Number of jurors</td>
<td>Minimum four; maximum six</td>
<td>Not stipulated</td>
<td></td>
</tr>
<tr>
<td>Juror selection</td>
<td>Half of jurors nominated by planning authority, half by developer; Only persons with expertise in design or construction; Majority of jurors to be registered architects</td>
<td>All selection panel members appointed by developer, with City of Sydney observer present</td>
<td></td>
</tr>
<tr>
<td>Shortlisting</td>
<td>Jury may suggest refinements to one or more schemes</td>
<td>Selection panel may request refinements to one or two schemes</td>
<td></td>
</tr>
<tr>
<td>Development uplifts available</td>
<td>10% FSR or 10% building height; 50% reduction in Heritage Floor Space requirement</td>
<td>10% FSR or 10% building height</td>
<td></td>
</tr>
<tr>
<td>Design timeframe</td>
<td>28 days</td>
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</table>
DRAWBACKS OF THE CITY OF SYDNEY’S MANDATORY DESIGN COMPETITIONS

Costs for participants
Although competing firms are paid around $50k–60k by the developer, sometimes more, it will typically cost those firms at least five times that amount to put together a competitive entry. Many interviewees believed it was unfair that architecture firms were effectively working for developers for free when those developers stood to be substantially rewarded for undertaking the competition through an uplift in the permissible floorspace or height.

Limited client-designer dialogue
As we said above, competitions allow designers to work relatively independently of their client in a way that they usually cannot in a traditional client-designer relationship. This may potentially be good for public interest outcomes, but it can lead to poorer architectural outcomes where designers are essentially working blind and anticipating client preferences, rather than engaging in dialogue with them about those preferences.

Lack of transparency
The City of Sydney’s competitions effectively operate as a private procurement process. Members of the public can typically view and comment only on the entry that wins a competition, and only then once that scheme has been further developed, post-competition, and formally lodged as part of a DA. Many interviewees saw this as a missed opportunity to engage the public in design matters. Some also felt there was a lack of transparency in selecting competitors and jurors for the City’s design competitions.

Domination of international (st)architects
Our interviewees felt that competitions had helped bring about an increase in the number of overseas firms designing buildings in Sydney CBD. Most saw this as a positive thing, but some complained that too many City of Sydney competitions were being won by international architects, with Australian firms squeezed out or else playing ‘second fiddle’ as documentation architect. They also claimed that big name overseas designers often won competitions on reputation alone and rarely did their best work in Sydney. While we cannot verify or dismiss this last claim, the point that City of Sydney competitions are dominated by international designers does appear to be something of an overstatement: of the 52 winning firms for the 46 competitively designed projects in our dataset (approved between 2001 and 2017), just 21% are headquartered overseas. While this figure for all 46 dataset projects is quite low, our data does suggest a trend towards an increasing proportion of competitions being won by overseas firms in more recent years.

CONCLUSIONS
Our research concluded that the City of Sydney’s mandatory design competitions have helped bring about marked improvements in the design quality of CBD property developments since 2000. While several of the earlier competitive projects fall some way short of achieving design excellence, the quality of outcomes has improved over time and there are a range of competition-winning projects that make a very positive contribution to the CBD (Figure 1). Another marker of the quality of the completed projects is the number of awards they have won: of the 26 completed projects in our dataset, 16 (62 %) have won major industry awards and thirteen (50 %) have received awards from the Australian Institute of Architects.

Despite some of our interviewees claiming that the City of Sydney’s mandatory competitions are not genuine design competitions because they are invited, rather than being open to anyone wishing to participate, we found that they are delivering the sorts of benefits typically associated with open competitions: elevated design quality; design innovation; improved public realm outcomes; the prioritisation of design considerations; the unearthing of new design talent; and professional and cultural advancement. The way they are doing this also addresses some of the drawbacks of more open competition formats: all competitors receive some remuneration for their efforts; the establishment of clear design guidance through the competition brief provides certainty for competition sponsors; the running of a competition increases planning certainty; and the appointment of developer representatives to juries helps ensure that any competition winning entry will be buildable.

That said, there are opportunities for improvement:

- Greater public exposure to, if not involvement in, the process would help educate members of the public about design and engage them in design debate and decision-making
- Tighter limits on competition deliverables (and effective enforcement of those limits) would help curtail the spiralling expectations of participating designers
- Greater clarity about the City’s competition protocols and procedures would eliminate confusion for some other participants in competitive processes
- The development uplifts available for developers are substantial and there remain unanswered questions about whether these are fully commensurate with the public benefits gained from a competitive process.

Excellence in design is about a project having qualities or merits that are superior or preeminent in some way. From our perspective this is about the successful marrying of public, private and professional interests. Our research evidence leads us to conclude that mandatory design competitions, with over a decade and half of experience, are now consistently producing development projects in the CBD that deliver on the City’s public interest objectives while also satisfying the commercial requirements of property developers and having the support of the design professions (notwithstanding concerns about the costs of participating). The provisions requiring competitive processes represent an innovative form of design regulation that is not overly prescriptive and rewards extraordinary, rather than ordinary, performance. We view the spread and institutionalisation of mandatory competitions in NSW, and potentially beyond, as an extremely positive trend.

Gethin Davison and Robert Freestone are in the UNSW Faculty of Built Environment. Their book Designing the Global City: Design Excellence, Competitions and the Remaking of Central Sydney will be published in early 2019 by Palgrave Macmillan.

1. We surveyed the awards programs of the Australian Institute of Architects, Property Council of Australia, Urban Development Institute of Australia, Urban Taskforce and Housing Industry Association.
Procurement in the UK

Flora Samuel
It is time to wake up to the damage that procurement is inflicting on both our built environment and on innovation and to start doing it better. In this brief reflection on the UK procurement scene I will make the case for performance (or outcomes) based procurement, an argument that I develop more in the book Why Architects Matter: Evidencing and Communicating the Value of Architects (2018).

A significant recent report by the Construction Industries Council, *Procuring for Value*, has highlighted the need to consider kinds of value other than economic. In the UK social value has risen to the top of the agenda in the wake of the Social Value Act 2012. We in the London-based Research Practice Leads network are working with RIBA on a methodology for translating the social value of good design into money, a necessary step in making sure it takes its rightful place alongside other kinds of value in procurement and policy.

So how did we get here? As the UK drifted into neoliberalism towards the end of the 20th century, efficiency and monetary value were to become the dominant discourse, most notably with the 1998 publication of the Egan Report. One result was a move from traditional building contracts in which the architect leads the team to design and build contracts led by the contractor – responsibility for delivering quality is passed from hand to hand. As clients became more demanding, the uptake of design and build contracts became more widespread. By 2012, 50% of private contracts and 40% of public contracts were procured this way. Here the architect is novated by the employer to the contractor – with the agreement of the contractor and the architect or responsibility for design is passed to often low status design managers within the contractor team. The resultant ‘design errors are a symptom of dysfunctional organisational and managerial practices that prevail within the construction industry. They contribute to cost and schedule growth, and rework’. A high profile example of the costs caused by design errors in the private sector is Fitzroy Place in London, a project that resulted in £89m of losses for the contractor McAlpine attributed in part to ‘risk management during tendering and the management of our design responsibilities and changes’. It seems very likely that similar design errors were core to the tragedy of Grenfell Towers.

The forced marriages that are currently imposed upon so many construction teams result in multiple agendas each pulling a project away from its original design intention. Team empathies are more important than contractual complexities. Procurement can however be used creatively to encourage collaboration, learning and sustainability. One example is the use of PPC 2000 and ‘the standard form of contract for project partnering’ for the truly sustainable Centre for Alternative Technology at Macynlleth in Wales (started 2006).

Lack of continuity in construction teams means that there is little shared learning and little shared improve-

‘The London-based developer Pocket Living rejects the use of frameworks as they know it makes sense to call upon emerging practices to drive innovation … [and] achieve its desired outcome by using a bespoke appointment contract with a highly detailed brief and a standard specification.’
perhaps fifteen years. Practitioner Andrew Wright has brought together wide-ranging multidisciplinary, inter-practice experts who have all delivered collaborative success to learn from their achievements with his project Constructive Collaboration. Such clients use team development activities to enhance collaborative working and to successfully spread risk and reward.

Procurement can be a creative activity designed to foster innovation. In Japan, contracts can be minimal even for large buildings, but Japanese culture deals with non-performance in very different ways to the UK. I have consulted with many procurement experts, none of whom could offer a tidy solution to the problem of fostering collaborative innovation. But it has to be possible to create contracts in which mutual objectives are formalised, methods for resolving problems are agreed and measurable improvements are actively sought without paying lawyers excessive fees. Long-term personal relationships that build up across construction teams are extremely important, but these relationships have largely been edited out of current practices. New creative relationships will not happen without the intervention of knowledgeable clients and a return to first principles.

The government can do much to incentivise improved processes through the administration of its own contracts. Indeed, ‘improving technical solutions and reducing costs by challenging the existing roles of consultants, contractors and suppliers’ has become a key government objective. Complexity in procurement reduces the industry’s ability to change. The ‘creation of a cultural environment which is co-operative, seeks to learn and share’ has never been so important.

Perhaps the most serious victim of a short termist profit-driven view of design value has been organisational learning on what works. Although the need for post occupancy evaluation (POE) and its sister building performance evaluation as generators of evidence on the performance of the built environment was fully recognised in the early 1960s, as few as 3% of architects undertake regular POE despite the serious benefits that it can bring. Because of the paucity of post occupancy evaluation, very little is known about what good design – for me, design for wellbeing – might actually look like. Increasingly, data will be needed for the improvement of services and the management of risk and for the development of the performance-based contracts that are currently being used by some of the most innovative global clients. Feedback will in turn enhance the process of standardisation, important for driving down costs and driving up quality.

In order for any of this to happen, architects need to be there with the client at the very start of the process. It is the role of the institutions to lead on the transformation of procurement and to restore client faith in the architect as the leader of the team. This, I argue, can only be done by restoring standards of professionalism in which ethics, financial savvy and the best use of cutting-edge knowledge become the industry norm.

Flora Samuel is vice president for research at RIBA and professor of architecture in the built environment at the University of Reading, UK. She is the author of the book Why Architects Matter: Evidencing and Communicating the Value of Architects (2018).
Credit where credit is staged

Kerwin Datu

Following in the footsteps of an increasingly complex procurement regime is the question of who gets the credit. Major NSW government projects including transport, stadiums, museums and hospitals involve at least two stages of design procurement very often awarded to different design teams. The same can be true for large projects procured by corporate and institutional clients. The first stage sees the design team engaged by the client to produce designs to inform numerous internal approval processes including a definition design to support a business case and a reference design forming part of the tender documents. Once a contractor has been selected, the second stage sees a design team engaged by the contractor, with no obligation or even likelihood that the same team is retained for both phases.

The theory is that the first team’s design is the embodiment of the client’s performance requirements and a demonstration that they can be fulfilled, reducing the risk for both client and contractor, but that it is the contractor’s responsibility to provide the actual design that will be delivered, supplied by their own design team, with a wall of probity separating the two.

If this were true, then design authorship for the completed project could be neatly attributed to the contractor’s design team. In reality, the more complex the project, the more likely it is that the first team’s design has been used as the basis for the second team’s design. The second team may even be given the first team’s Revit models to use as its point of departure. On highly technical projects, the first design team may have overcome a number of potentially project-killing challenges, both technical and administrative, and it would be highly wasteful for the second team to resolve them again from scratch. This is not to say that the second design team has a less demanding role technically or administratively; it is to highlight the critical value of both teams for the realisation of the project.

So who gets the credit? Is it simply the second team whose competitiveness, talent and persistence have allowed it to win and follow through on the delivery of an outstanding complex project? Or should some go to the first team whose own skill and dedication made the project feasible to begin with, both in general and in numerous particulars?

In awards, marketing and other form of bragging rights, it is the delivery design team that gets the lion’s share. The reference design team is mentioned in passing if it is mentioned at all. In one sense this may reflect a certain legal reality for some major projects, where the first design team has agreed to transfer the copyright of the reference design to the client, and perhaps even consented to non-attribution of moral rights.

Numerous governing principles expect more of architects than this. When we give credit, we are not simply acknowledging our peers, we are telling the industry and the public what we value about our profession. What do we want them to value about the contribution of architects? Is it just the ability to complete the delivery of a project? Or is it also the ability to establish and define the project and meet its foundational challenges? If we want architecture as a profession to be respected for the full range of its contributions to the realisation of major projects from inception to delivery, we should start by announcing that contribution by citing our peers who worked on other stages.

There will be cases where the first design team has not waived attribution, or even agreed to transfer copyright, yet their design has been used as the basis for the delivery design. Again, the more complex, the more likely this is. In these cases the moral right of attribution of authorship, given by the Copyright Act 1968, requires the delivery design team to acknowledge and appropriately attribute the contribution of the first design team in its promotional and publishing activities.

Regardless of individual agreements surrounding copyright and attribution, the two main codes of conduct also require conformance to a higher standard than what current practice appears to deem acceptable. Clause 18 (2) of the NSW Architects Code of Professional Conduct declares that an architect may not put their name to any work ‘in a manner that misleadingly implies authorship’. In the case of major projects known to have used staged design procurement, omitting citation of the reference design architect is increasingly in breach of this clause. And Clause 4.2 of the Australian Institute of Architects Code of Professional Conduct states that ‘Members must not appropriate the intellectual property of nor unduly take advantage of the ideas of another architect without express authority from the originating architect [...] and should recognize and give credit to others for professional work performed.’

In an industry where a staged procurement pathway is more and more the norm, giving credit to the design teams of preceding stages is a growing imperative under law and under our own professional regulations. If we know that our designs have been founded upon those of another team, we must credit them, not only for their benefit, but as a demonstration of respect for the full value of our contribution as a profession throughout the life cycle of major projects.

‘If we want architecture as a profession to be respected for the full range of its contributions to the realisation of major projects from inception to delivery, we should start by announcing that contribution by citing our peers who worked on other stages.’

Kerwin Datu is a practising architect as well as a qualified urban and economic geographer. He is also the chair of the NSW Chapter’s editorial committee.
Does a healthy competition inspire imagination and deliver better design?

Interviews by Kathlyn Loseby

Evolution of design is the result of experienced teams working together on a common purpose, having the creativity and skills to bring that vision to life. So, in the spirit of collaboration and to discuss the merits of design competitions, we reached out to those involved in the 505 George Street project to gain their perspective. While views shared were individual, sentiments about the value of design competitions tell us that, yes, they are worth it, win or lose.

Here is what several participants of this particular competition had to say about the advantages and disadvantages of design competitions, lessons learned and ideas to enhance the process.

**WHAT ARE THE ADVANTAGES OF A COMPETITION?**

Client: In our case, holding an international design competition allows us to tap into talent from all over the world and Australia and gives us the greatest opportunity to have a world class design. It motivates a variety of diverse responses and identifies opportunities for the project that may not have previously been thought of.

For example, we now have creative solutions for site constraints. That may not have happened outside that competition environment. This project is a significant contribution to the city’s skyline and therefore it should be considered a genuine collaboration between the City of Sydney and the proponent.

Pascal Bobillier
General Manager Development,
Coombes Property Group

Dominic Hunt
Senior Development Manager, Mirvac Group

Planner: Design competitions genuinely seek to deliver design excellence for the future users and the urban fabric of the city, benefiting the private and public domain. One of the key benefits of a competitive process is that it’s more likely to deliver a quality architectural outcome. This is not to say that other approaches don’t; just that it is more likely. Perhaps this is because a competition gets the creative juices of the participants flowing more.

Competitions also result in a true collection of ideas being put forward. Alternate approaches can also deliver exceptional outcomes but can be more dependent on the creative wealth of a single architectural firm – a competition is about getting the best of the best from the domestic and international architectural community.

Competitions also generate rigorous testing of the planning framework – indicating where there may be flexibility but also where constraints are curtailing good outcomes. This often results in the generation of insights and ideas that are outside the scope of the initial brief.

James Harrison
Director, Ethos Urban

Jim Murray
Associate Director, Ethos Urban

‘You only need to look around Sydney to see the positive outcome of design competitions. Both Mirvac and CPG support the City’s competitive design policy.’

– Pascal Bobillier (Coombes) and Dominic Hunt (Mirvac)
Participating architects

Architectus and Ingehoven: Design competitions help to foster creativity in an industry that thrives on innovation. When you have some of the best architectural minds collectively focusing and competing you create innovative ideas that otherwise may not have been put forward, so the client ultimately gets the best design outcome for the site and the public offering is maximised.

Design competitions also give architects the freedom to respond to briefs imaginatively, creating what they really believe is the best outcome for the site. Providing a rational but imaginative response to the brief can challenge the preconceived ideas for the site and offer the client alternative opportunities to explore.

An example of this is our response on 505 George Street – not only did it respond to the brief and the site constraints, but we extended our ideas beyond this to present further opportunities.

Gary Henighen
Associate, Architectus

Bates Smart: The 505 George Street design excellence competition was extremely professionally run. My comments are in relation to competitions in general.

There are advantages for both the client and the architect. The client gets to see five or six different design responses in a relatively short period of time, and for a relatively small cost. There is also a design education purpose, whereby clients get to sit in on and understand the issues around design excellence being discussed by a jury. Finally, while there is no commitment from a council for approval, the advantage for council is that they also have a ‘buy-in’ to the process, and an understanding that a design excellence process has selected the best scheme.

From the architect’s perspective design competitions are a condensed and intense period of creativity; when the maximum amount of ideas and concepts are tested in the shortest possible time – often leading to innovative results.

Philip Vivian
Director, Bates Smart

FJMT: The comparison of very different design concepts and ideas developed within an intense period … fast and imaginative.

Richard Francis-Jones
Design Director, FJMT

SOM: Competitions reinforce the idea that the city is a public trust. They establish a transparent and competitive forum to evaluate fresh perspectives on the public realm. They allow the design and development community to have a critical voice in the decision-making process and bring public discourse to the development of the city, making those choices more community-oriented and deliberate. The community is able to see and decide what will be in the context of what could have been.

Adam Semel
Partner, Skidmore, Owings & Merrill (SOM)

Crone: Competitions can be a great experience and continue to strengthen and evolve the design culture within our practice. They teach us to cut through a lot of information quickly and provide the framework for architects to be recognised for their creativity, storytelling, strategy, interpretation beyond just yields and floor space ratios.

Greg Crone
CEO and Chairman, Crone Architects

‘Working collaboratively with an international partner provides great insight into different design process and culture. If the process is truly collaborative then the process can be rewarding. Certainly in the case of 505 George Street there was a mutual respect and openness between SOM and Crone to achieve a positive outcome.’

– Greg Crone (Crone)
WHAT ARE THE DISADVANTAGES OF A COMPETITION?

Planner: Competitors are often working with restrictive built form controls, which can hinder opportunities for landmark architectural statements. So, it’s a matter of finding a balance between giving sufficient direction in a brief to ensure that entrants come up with commercially viable and approvable schemes, without unduly constraining creativity.

On this site there was a tightly-defined envelope within which to design an iconic tower. Interestingly, when you look at the schemes that were put forward there was quite a degree of difference in the architectural expression and the way each scheme responded to the brief. Competitions do also add time and cost, but this has to be balanced against the fact that every building is a lasting landmark and there is a responsibility to get it right. James and Jim (Ethos Urban)

Participating architects

Architectus and Ingehoven: At Architectus we love to collaborate with our clients to come up with the idea that exceeds their brief – understanding what a client wants and then interpreting it. Using our expertise to bring originality and new insights to the client’s brief is what architecture is all about. In a design competition, this element of collaboration is taken away, creating a risk that the client’s brief may be misinterpreted. Gary (Architectus)

Bates Smart: Often competitions are conflated with risk management by developers, resulting in inflated deliverables including public art strategies, planning summaries, structural and services analysis and reviews by the developer’s consultants. Ideally the competition process would refocus on being about the design concept rather than resolution, reducing deliverables and emphasising architecture.

The other issue is the payment of consultants whose input is required by the brief. Typically competition fees aren’t enough to pay consultants, and so engineering consultants are providing free advice. We recommend that if a consultant input is required one of the following occur:

1. An amount be nominated in the brief
2. The proponent’s consultants be nominated and paid for by the proponent
3. A clear spatial brief be provided by the proponent’s consultant. Philip (Bates Smart)

FJMT: The limitations of a brief and the critical lack of collaboration with stakeholders and clients. Richard (FJMT)

SOM: There are disadvantages. First among these is the way design teams are siloed from having any meaningful interaction with the owners, city officials and members of the architectural community during the design process. These are such important voices in the design process, and the competition format excludes them from the actual development of the design solutions. While this is important in maintaining a fair and transparent competition process, it means that designers are left working somewhat in a vacuum. By contrast, projects that are developed outside the competition process can offer significant interaction between the design team and these other groups. The resulting outcome is highly influenced by that engagement.

It must also be mentioned that design competitions come with a tremendous cost and this burdens the design teams tremendously. Adam (SOM)

Crone: Competitions are a gamble. We sometimes second guess ourselves – Is this what the City of Sydney or the client would want? – because we don’t have the same level of access to these stakeholders as we may have outside of a competitive design process. That said, we put forward what we believe is the right outcome for the site while balancing what we know about the needs of all stakeholders.

The time commitment required to work collaboratively with international partners and to educate on the complexities of Sydney planning controls, such as apartment design guides and competition processes, is onerous. On the flip side, this type of collaboration offers a fresh set of eyes on the city that can result in more innovative, unexpected outcomes.

Greg (Crone)

‘At an industry level financial investment is also a hot topic when it comes to design competitions. For architecture practices the large competitions involving collaborations and myriad consultants can see costs rapidly add up. In some cases, collective costs can be as high as $1 million per entry, and it falls to the architecture profession to wear this cost.’

– Gary Henighen (Architectus)
‘Successful competitions rely on cooperative relationships between the council and proponent, a clear brief and passionate architects – all of which we had at 505 George Street.’

– James Harrison and Jim Murray (Ethos Urban)
Client: A competition denotes a significant investment for the proponent and competitors. We recognise that, and it is our responsibility to take a disciplined and organised approach to the competition; it needs to be a fair and efficient process for all.

Part of that comes down to the brief and ensuring you have spent adequate time on preparation and that the brief achieves a balance between clearly defined design and commercial outcomes.

It is also important to make sure you have the right people in place with a strong team of technical advisers supporting you – reviewing the submissions is a complex and timely process. The information prepared by technical consultants must be concisely and clearly presented to the jury, Pascal (Coombes) and Dominic (Mirvac)

Planner: We continue to refine the way we support clients through the competitive design process.

The competitive process needs to reflect the circumstances of the site – its location, prominence and size. 505 George Street was a very significant site. The resources needed to support a competitive design process where international architects have been invited should not be underestimated, nor the timeframes within which you need to provide advice. There were some tight timeframes where we had to put in some long hours. It’s often an unavoidable part of the process but must be considered from the start.

James and Jim (Ethos Urban)

Participating architects

Architectus and Ingehoven: One thing that we find to be invaluable at Architectus is rigorously testing all our design iterations through physical models and 3D modelling, and this is certainly something we found worked well on this project. Analysing the physical models against the existing urban context provides the team with a firm understanding of the site’s constraints and allows for the design concept to flourish as a product of its environment.

Gary (Architectus)

Architects and Ingehoven: One area where the Sydney process falls short is that the technical requirements tend to be very high, but from what we have seen the technical execution does not significantly influence the jurors’ evaluation. This approach is part of what makes them such an investment of time and resources, but a lot of the effort doesn’t contribute directly toward the evaluation.”

– Adam Semel (SOM)

Bates Smart: We recommend that competitions adopt the following:

– A minimum 50% Australian architects as entrants in any competition with the principal design practice as being equitable
– Establish the principle that design competitions are about the ‘ideas’ for a building not the resolution
– Superfluous DA-type requirements that don’t contribute to the architectural idea should be discouraged. For example, public art strategy, planning controls summary and landscape design (in some cases)
– Allow enough time for competitors to present, relative to the competition complexity
– An architect with experience in the building type is included on the jury
– As a rule of thumb allow a minimum competition fee of $12.5k/week excluding consultants
– That following the competition the competition organiser will allow each competitor to review the other schemes and be debriefed
– If engineering consultants are unpaid, there should be a requirement that they will proceed along with the winning entry. Philip (Bates Smart)

FJMT: It’s important to be critical, to generate ideas but then step back and get some distance from the work. But also to try to save the baby from the bathwater that inevitably gets thrown out. Richard (FJMT)

SOM: A collaborative, multidisciplinary design approach is the hallmark of our practice, and we enjoy the process of teaming with local designers and specialists to enrich the design process and the result. We will continue to explore teeming relationships that result in creative collaboration and great design outcomes. Adam (SOM)

Crone: Brief requirements and deliverables can be quite onerous if translated literally. We have realised that strict adherence to deliverables isn’t always the best use of time and it is ultimately the team’s responsibility to determine what information is relevant to present a scheme most effectively. Crone is open to the idea of reducing deliverables and placing more value on concepts and innovative principles as a model to reduce pressure on staff.

For the 505 George Street competition, we had staff from Crone and SOM working together in Chicago and Sydney for a period of time. This proved to be a far more effective way for us to collaborate with international partners as communication across different time zones can be challenging. It also makes for a 24-hour office in rotating shifts.

We valued our post-competition debrief with Mirvac. It was refreshing to receive detailed feedback on our proposal. Crone supports public exhibition of competition proposals beyond a jury report, which typically features only a single image and short paragraph about each scheme. Greg (Crone)
**ANYTHING YOU WOULD DO DIFFERENTLY IN THE NEXT COMPETITION?**

**Client:** There is always the opportunity to learn and the benefit of hindsight means there are always things we will consider for next time. For example, the complexity and diversity of technical responses from the competitors means that more time to review following the final submissions from architects and before the jury deliberations would be beneficial.

In the future we may look to provide more details in the brief to ensure the design response is consistent with the intended commercial positioning and operation of the asset. Pascal (Coombes) and Dominic (Mirvac)

**Planner:** I don’t think there is anything we would do differently in the next competition. We have made some minor adjustments to the Ethos Urban competition manager software, which is used to support competitions as part of our commitment to continual improvement, but otherwise no. James and Jim (Ethos Urban)

**Participating architects**

**Architectus and Ingehoven:** 505 George Street was an excellent result for Architectus and Ingenhoven, and I wouldn’t change anything fundamental about our design process. It is essential for anyone participating in a design competition to continually refer to the original concept for the project. It may be one single idea that differentiates your project with a competitor’s project. If you dilute your design through the process to make things easier or quicker, you can lose what made your idea innovative and unique. Gary (Architectus)

**FJMT:** Yes of course, every site, every brief is different, so the next one will be different. But also architectural ideas are explored, developed and deepened across projects realised or not. Richard (FJMT)

**SOM:** We will continue to engage collaborative teams to put forward our very best design ideas to make for a more humane and sustainable public realm and innovative architectural design and engineering. Adam (SOM)

**Crone:** Our process is contextually specific and we don’t have any preconceived ideas about how an architectural response should emerge. While designing a complex tower is the combination of many factors – ground plane, tower form, sustainability, value for money, materiality – there is usually an overarching theme that ties a proposal together. This theme will vary from competition to competition. But is important to distil something that is multifaceted into something that a jury can grasp very quickly. Greg (Crone)

Congratulations to Architectus and Ingehoven who were the successful competitors.

Thank you to all the contributors for sharing their perspective as we examine the value of design competitions. Having this healthy discussion is one of the many ways we can collectively improve the competitive process and achieve the designs of the future.

Kathlyn Loseby is the chief operating officer of Crone and the NSW Chapter president of the Australian Institute of Architects.

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‘We are impressed with the rigor and transparency of the Sydney process. The stated objectives and evaluation criteria are always clearly spelled out, so we feel that all submissions will be evaluated fairly.’

— Adam Semel (SOM)
Competitive double edge

Design competitions can result in excellent outcomes for the built environment and for proponents, but how are the design architects faring?

Kate Concannon

At the core of the City of Sydney’s commitment to design excellence is its competitive design policy (CDP), which requires a design competition be held for all major public and private developments in the central business district where building height exceeds 25 metres and/or the site areas exceeds 5,000 square metres. The City’s policy also gives proponents whose development results from a competitive design process access to 10% more height or floor space than would otherwise be permissible, which presents a significant incentive.

The City and the public it represents stand to benefit from a CDP that draws out the best and brightest design thinking. Concomitantly, architectural practices stand to benefit from the various opportunities that the competitive design process has the potential to afford, from commission to exposure and experience. Accordingly, there is mutual benefit in ensuring the terms and implementation of CDP attract competition participation.

A number of Institute members are or have been actively engaged in the City’s design competitions. In response to expressed concern that these competitions involved a substantial amount of work not covered by the participation fee, the Institute undertook a survey with endorsement from the City to elicit their experiences. Through this survey the Chapter intended to assess the balance of risk and reward for architecture practices participating in competitive design processes within the City in order to develop and report key recommendations for improving the City’s design competition policy.

The survey invited 77 practices that had participated in City of Sydney design excellence competitions between March 2013 and March 2016 to provide information about their practice and detailed feedback regarding up to three competitions. The respondents reflect a broad cross section of members, ranging from emerging to established practices and representing small through to large firms. Of the competition projects reported on, the vast majority were either residential (44%) or mixed commercial/residential (34%).

Findings from the survey highlight a number of issues architects experience with the current competition process – issues that contribute to a sense of ambivalence which detracts from, and in some cases deters, participation. These issues are interrelated and concern competition approaches, fees, governing rules and deliverables. Additionally, respondents reported a lack of transparency in the evaluation of entries that undermined their faith in the judging process and outcomes. This feedback is also consistent with concerns raised informally by members in regard to design competitions held by proponents outside of the City of Sydney.

A TANGLE OF ISSUES

The survey data confirms what is well if bitterly understood: the costs of competition entry typically outstrip fees. By far. For the average project, producing a competition entry cost 3.42 times the participation fee paid, and two thirds of respondents reported that the competition process has created income and expenditure/balance sheet problems for their practice. This situation arises because practices must commit so many resources to producing the required deliverables and because of pressure to compete when other participants will often provide additional materials to gain competitive edge.

COUNTING THE COSTS OF PARTICIPATION

The cost burden of producing required or expected deliverables is significant for practices and pressure to ‘overproduce’ with fully resolved schemes is high, typically demanding weeks of long hours worked by staff. This brings the added costs of lost opportunity and burn out. In addition to the resource waste of several schemes being developed to development application level, this cost burden can limit practices’ ability to participate. It can also place pressure on design and resourcing through the life of a successful project as the practice works to recover the entry costs.

DEMANDING DELIVERABLES
Respondents’ total reported costs for preparing competition entries, as well as the total cost paid to external consultants, ranged between $25,000 and $550,000 (ex GST), with the average cost of preparing a submission coming in at $131,666. By comparison, the average fee paid was just $45,300.

More than 75% of projects had construction budgets in the range of $26 million to $100 million. As a percentage of total construction value, the total cost of preparing entries amounted to 0.14%. This means that for the average project, the total cost of preparing the entry was higher than the fees paid by a factor of 3.42, and that both the total and average fees paid represent only 0.06% of the construction budget. These figures would seem to legitimize respondents’ sense that the compensation they received was low to the point of unreasonable, unfair and, not infrequently, detrimental to their viability as a business.

The Institute has made the following recommendations to create a more equitable competition environment where the challenges posed give positive design outcomes, rather than impeding fair and accessible competition:

1. Provide stronger guidance to proponents on (higher) participation fees and, as a minimum, apply the Government Architect NSW’s draft Design Excellence Competition Guidelines in terms of when fees are payable.
2. Encourage proponents to reduce deliverables and emphasise the value of concepts and ideas above highly resolved design, documented to a level more appropriate to a Stage 2 development application.
3. Enforce entry requirements, accepting set deliverables only and excluding materials submitted after the closing date.
4. Explore alternative competition methods to consider including in the CDP, such as peer review and design charrettes.
5. Promote a transparent judging process and require developer selection panels to include architects with relevant experience.
6. Encourage proponents to provide adequately resourced consulting services with fair access for all competitors.

As the issues are interrelated, so too are these recommendations. Accordingly, not all recommendations may be required to be adopted as the issues addressed by one may obviate the need for implementation of another.

It is the Institute’s firm view that, done well, design excellence competitions can lead to very positive outcomes, in terms of experience and exposure for members, and for built forms and public interest more generally. With growing use of design competitions as a procurement method, it is critical that the Institute continues to advocate for best practice in this space. The input of members is invaluable to ensuring the Institute remains highly informed about the design competition environment and we welcome your feedback via email to bulletin@architecture.com.au.

NOTE: Since this survey was completed, the Government Architect NSW has released its draft Design Excellence Competition Guidelines, which seeks to establish a framework for design competitions that balances the requirements of consent authorities with both the objectives of proponents and the needs of entrants for procedural fairness and reasonable compensation. It also outlines important steps to ensure design integrity through delivery. Access the Institute’s submission at www.architecture.com.au/about-us/nsw-chapter/policy-advocacy.
Competitions and land release strategies

windows upon two European case studies

Køge Kyst, Copenhagen and Hafencity, Hamburg

Karl Friedhelm Fischer and Anita Morandini
In Europe, new windows upon urban development and design as an activity in the interest of the public good were opened in the late 20th century. This led to a redefinition of the role of public and private actors and to the growth of strategies which combine design competitions with innovative forms of land release and tendering processes.

Aiming for raised standards of design, improved social outcomes, liveable and lively communities and higher degrees of sustainability, these strategies have added new fields of action. They have also demonstrated that the surplus value generated by applying these strategies – mechanisms not primarily geared towards generating maximum turnover – could not only be seen in superior urban design outcomes. Many have been paying economic dividends before long.

Among the wide range of approaches adopted in Europe, this article opens two narrowly defined windows on strategic principles pursued in German and Danish case studies. Among the two projects, HafenCity is the older and larger. It is the largest urban redevelopment project in Hamburg (population 1.8 million). Based on a masterplan that emerged from an international urban design competition in 1999/2000, the district extends the city centre of Hamburg by about 40%. It covers a land area of 127 hectares and envisages the construction of 7,500 homes for 15,000 residents, offices for 45,000 jobs, several universities, schools and a wide range of commercial and cultural buildings by 2025.

On 24 hectares, some 40km to the south-west of Copenhagen, the city of Køge (population 35,000) is developing its former harbourfront district of Køge Kyst into a new community with 63,000 residents, 10,000 jobs and commercial, health and cultural facilities. The following focuses on the strategy of parallel competitions applied there and on the combination of competitions and land release strategies in Hamburg.
Parallel competition or assignment is a model adopted for complex projects, in which a high level of interdisciplinary practice and client engagement is considered crucial to inform the design outcome.

As one such agency, the Danish member-based philanthropic foundation Realdania (www.realdania.org) regularly partners with municipalities to provide finance and expertise in built environment projects. Through its 100% owned subsidiary Realdania By & Byg, it invests in mission-driven ventures, urban development projects and historic houses. It is committed to achieving optimum sustainable urban development in the widest sense of the term, addressing social, cultural, economic and environmental issues.

As land and property owner with significant stakes in the success of a project, Realdania By & Byg exerts control, employing sophisticated design and quality management programs and varied competition types as key mechanisms to attain superior quality.

**KØGE KYST DEVELOPMENT SETTING – PUBLIC PRIVATE PARTNERSHIP**

In the Køge Kyst project, parallel competitions form one part of a suite of strategies within a public private partnership context. Køge Municipality is contributing land holdings and Realdania provides equity and strategic urban development expertise to form the development corporation of Køge Kyst P/S. The partnership participants share the benefits reaped in the sale of development rights over the 25-year life of the project.

The parallel competition is adopted to ensure that the best design solution is secured by balancing complex public and private interests. It functions as a comparative design process and powerful vehicle in revealing latent project opportunities and constraints which may not have otherwise been identified, and with the potential of adding value and mitigating risk in the development.

The competition takes place only after a significant amount of foundational work has been done by the partners, including preliminary development estimates, defining the vision, feasibility studies and formal establishment of a partnership as a corporation.

The outcome of the competition determines the development plan used for marketing to investors. It also informs the making of regulatory planning controls and a quality program to which consequent development must adhere.

Individual development lots sold to private investors are subject to conditions of sale to ensure that proposals are aligned with the quality program encompassing design and construction. Investors are required to present concept proposals for approval by the Køge Kyst board as prerequisite.

**PARALLEL COMPETITION PROCESS**

Conducted over a year in 2010, the parallel competition for Køge Kyst involved a two-phase process. Based on an open prequalification shortlisting, seven interdisciplinary teams were invited to prepare project concepts and process description submissions; five teams progressed to prepare detailed proposals; the competition jury selected three offices for further development, of which one was eventually appointed to prepare the masterplan and to engage in the next development phases.

A striking feature of the parallel competition is the requirement for competing consortia to work in parallel and in full view of the general public and each other. Each competitor partakes in open workshops and forums. These involve the municipality, Køge Kyst P/S representatives, technical experts...
and the competition jury. All provide advice and feedback on design proposals within a process of public dialogue.

Each team functions like a consultancy service, working in open competition to arrive at the best development plan. The workshop environment provides a fertile ground for the rigorous testing of alternative solutions and for responding to critical issues raised by public citizens and expert advisors early in the process.

The competition may not result in a singular winner; rather there may be multiple awarded schemes and multiple competitors engaged by the client to collaborate on post-competition design development and services carried through to further delivery stages.

All competitors are remunerated for their services, with fees commensurate to the scope of work. The partnership company accounts for competition fees as part of its initial financial set-up and budget.

**OPEN PUBLIC DIALOGUE**

During the live competition, citizens are invited to attend exhibitions and presentations, ask questions and provide input in direct conversation with the competing teams and client body. Official websites provide a forum to publish comment and follow public discourse.

Dispensing with competitor’s anonymity (usually adopted by traditional competitions) and opening the competition to the public establishes a high level of transparency and robust dialogue. It promotes ongoing civic participation rather than momentary engagement and the potential to seed communities bringing life to the future development. Within a context of increasingly market-led development, these strategies foster design literacy and assume that a well-informed society capable of assessing and demanding design quality will continue to assist in finding an appropriate balance between competing commercial and community interests.

While facilitating design responsive to client needs, this open procurement process may also result in a narrowing of design alternatives and innovation, as critics have pointed out.

A challenge for competitors is to refrain from providing pre-emptive design solutions before the multitude of issues and complexities are fully understood. While public engagement may amplify this challenge, it also generates vigorous discourse and creative energy.

Key to the success of a parallel competition is the skilful management of the program, ensuring transparent, respectful and professional dialogue between all stakeholders and identification of critical design issues to be addressed during the competition. Realdania emphasises that this management demands deep project knowledge and negotiation skills.

**MERITS AND CHALLENGES**

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CASE STUDY 2
COMPETITIONS AND TENDERING PROCESSES
HAFENCITY, HAMBURG

The development of Hafencity began with a big bang. On 7 May 1997, Hamburg’s mayor Henning Voscherau announced that the City of Hamburg had taken control of crucial parts of the derelict harbour areas south of the CBD under a cloak of secrecy and had initiated the development of a strategic plan as early as 1991. The dimensions of the project and the planning culture of the period in which it materialised alongside other urban renaissance projects meant that traditional institutional arrangements and planning instruments were recognised to be unsuitable tools.

At the institutional level, the City State of Hamburg created a development agency, the Hafencity Hamburg GmbH (HCH). This ‘quasi autonomous non-governmental organisation’ is a 100% subsidiary acting as a trustee of the state-owned lands, from the sale of which it finances its activities, including those of development planner and entrepreneurial master developer. Until 2013 this budget also served to finance the infrastructure of the new container terminal Altenwerder.

As a government entity HCH has to prioritise public benefit alongside strong investment returns. A set of institutional arrangements of checks and balances involving government representative bodies at city and district levels provides a high degree of public accountability.

For the 25-year development period, a combination of fixed basic principles and operationally manageable rules took shape in a new form of a flexible and open masterplan at the level of the entire district. Pursuing a mixed-use approach, the plan outlines the development of today 10 city quarters in strict sequential order. At the intermediate level, urban design competitions with 10–12 participants are held for each area, and landscape competitions with 30 participants for groups of one to three areas.

At site level, a combination of approaches applies. For the architectural design of public buildings, competitions with up to 100 participants are held; with four to 12 participants for private buildings (depending on the size plus landscape architects). Hamburg’s iconic Elbphilharmonie was an exception – no competition was held.

Within the multifunctional structure of Hafencity, plots scheduled for residential use are allocated by a tendering process that has come a long way from the system of awarding land to the highest bidder. This concept-bidding procedure is based on an elaborate system of allocating points to a set of criteria including the quality of design, environmental sustainability and social considerations. These factors account for 70% of the weighting of factors in the application process versus 30% for the offer price for the plot. This concept-based tendering process is a procedure applied in many German cities since it was introduced in the early 1990s in the conversion of the military barracks in the town of Tübingen.

Special concessions are awarded to innovative, ecologically sustainable and socially inclusive projects, new enterprises and in particular to housing cooperative Baugruppen and other joint building ventures. Such institutional forms have been promoted not only to mitigate the emergence of exclusive high-end quarters, but also because their value for generating social capital supporting district-related processes of self-organisation. The latter has been recognised as an important catalyst in the formation of a neighbourly culture.

Since 2011, the proportion of building plots in Hafencity for subsidised housing has been increased from 20% to one third in an effort to contribute to the fine-grain mixture of uses and users to create a vibrant and diverse community; one shaped by parameters of urbanity, ecological sustainability and innovative development strategies and processes. Introduction of an ecological certification system, the Hafencity Ecolabel, has triggered a considerable sustainability drive.

Development control does not stop at the point of land allocation. Following ratification by the Land Commission, the city retains its ability of intervening in the development process over a period of 18–24 months of intense cooperation designed to optimise risks, costs, quality and time scales for both the city and developer. Public discussion of the complex processes of planning and development guarantees a lively and often controversial discussion in media, bodies, conferences, exhibitions and civic initiatives. Every principle and aim of the development process and achievements can be and has been challenged. While this may be unsettling, this productive coexistence and public interaction of positive appraisal with critical views is a forte of the German approach to ‘building culture’ and demonstrates the value of looking at the world through different windows.

Anita Morandini is an architect and design excellence manager at the City of Sydney. Opinions expressed here are her own. Awarded the 2013 Byera Hadley Travelling Scholarship, she has researched Danish architectural policy: integrating environmental, social, cultural and economic aspects to create sustainable, high-quality environments.

Karl Friedhelm Fischer is a visiting professorial fellow at the Faculty of Built Environment, UNSW. He was a professor for history and culture of the metropolis at HafenCity University; taught urban regeneration and planning history at the University of Kassel; and joined UNSW in 2015 as acting head of the masters course in urban development and design. The windows metaphor used in this article is explored in Fischer’s book Windows Upon Planning History (Routledge, 2018).

Special thanks to Anne Mette Rahlbæk, development manager, Realdania By & Byg for providing information.
HafenCity development area  Photo courtesy of HafenCity Hamburg GmbH
Competitive tension

CHROFI presenting their scheme to jurors from Iris Capital and jurors Peter John Cantrill of Tzannes Associates (far right) and Andrew Courtese of Grimshaw (centre right) with City of Sydney and Iris consultant observers for the redevelopment of the Crest Hotel site (now Omnia) on Darlighurst Road, Kings Cross, 2014.

Photo: Graham Jahn

Graham Jahn
Just how prescient is the studio crit system, the backbone of architectural education, in preparing students for competitive design processes in practice today? Architecture students have for a long time presented their major design works in a system of comparative presentations, one after the other. ‘Jurors’ consisting of in-house tutors and guests, judge the content and delivery of each project on its own merit and in comparison to the cohort. Within a set time, they must outline the challenge (the brief), pitch their response with or without notes either as individuals or part of a team.

The ability to answer unscripted questions about assumed internal logic, ideological positioning or practical application contributes to an overall score derived from the marks of individual assessors. They learn to present coherently, think on their feet, develop lines of enquiry and have thick skin. For many, this system was mistakenly considered anachronistic from the ’70s through to the 2000s. At times it gave permission to a mild form a confidence-sapping torture administered by harsh and undisciplined critics. The luck of the draw. Decades later, this same system is near fit for purpose for contemporary competitive practice. With the right approach, analysis and skill set, the crit system has become highly relevant to the public practice of architecture today.

Internationally, procurement through competitions are closely associated with public land, public funding and public interest. Landmark competitions in Sydney were few and far between; Sydney Town Hall, the Anzac War Memorial and the Sydney Opera House were stand-outs. New national institutions in Canberra such as the High Court, National Gallery and Parliament House itself embraced competitions while Sydney entered a long hiatus.

Perhaps dampened by the controversy surrounding the Opera House build, cost and treatment of – or difficulty with – the ‘foreign architect’ (depending on which side of the fence you sat in the day) gave architectural competitions a bad name from the mid-1960s to at least until the ’80s and ’90s.

Around this time, younger architects of the Australian Institute of Architects, through its competitions committee and elected presidents, sought to modernise the policy and campaigned to see competitions more widely accepted. Overseas competitions for masterplans and buildings on public land in Europe, and Berlin in particular, were seen as a useful benchmark.

Individual competitions in Britain (Lloyds, 1979, Rogers), Spain (reconstruction plans for Madrid and Barcelona) and France (Parisian public buildings and parks) were influential. For example, the 1982 UIA-endorsed competition for Parc de la Villette in Paris (won by Bernard Tschumi from 472 entries) had hopes of being a new type of urban park that would ‘be the expression of urban civilization, and perhaps most of all, the metropolis’. This portrayed an ambition for a new urban culture, a culture of change and density, searching for programmatic invention as well as design intention. But it was the influence of urban theorists such as Leon Krier (New Urbanism), the reconstruction of German cities generally and Berlin in particular that served up a rich vein of exemplars and the revival of block edge development.

The best form of promotion is through demonstration. A competition-winning design for a new wing and auditorium would form part of the NSW Chapter’s new headquarters at the compulsorily-acquired Tusculum site (1988, Levine and Durbach).

Effort went into promoting competitions to government, with the most success being had at the local level. A number of masterplan competitions were pursued including South Sydney Council’s Green Square Structural Masterplan (1997, Stanisic Turner and Hassell) and the more detailed masterplan competitions for the Australian Consolidated Industries site (1997, Lester Firth Australia) and the Green Square Town Centre (1998, Lester Firth Australia). To varying degrees these tried to resolve block edge development typologies with urban landscaping.

The committee was successful. In 1996 the Museum of Contemporary Art commissioned the author to set up a competitive process for selecting an architect and North Sydney Council commissioned the author to run a two-stage national design competition, sponsored by the Institute, for the renewal of North Sydney Olympic Pool (1997, Hassell from 130 entries). A year earlier, Stephen Varady was commissioned by the City of Wagga Wagga to run an open competition for a new civic complex including what was to become the National Glass Gallery. The quest for ‘the best architectural solution’ was won by emerging architects Lindsay Davis and Jill Garner (the latter is now Victorian Government Architect).

In 1998, the Andrew ‘Boy’ Charlton pool renewal competition was also endorsed by the Institute. This two-stage competition won by Lippmann Partnership (1998, Ed Lippmann from 151 entries) was awkwardly described by the Sydney Morning Herald in November 2002 as a ‘curious hybrid – an open competition into which a select handful were formally invited – [so much so] that Lippmann almost didn’t bother [to enter]’. Thankfully, according to the SMH, his wife changed his mind.

The City of Sydney – having modernised its urban design controls in 1993 (draft) and 1996 (final) under the direction of John McInerney, the former chief planner for the City of Melbourne – faced great difficulty in having them taken seriously by a property industry fused at the hip with a number of commercial architects. (The rebel was Seidler who refused to fuse with anyone if he didn’t agree, whether client or council.) Streets were destroyed by ramps and commercial car parks, edged by unsecured windswept open space and poor heritage outcomes – wafer-thin facades plastered to carparks.

The concept of a design dividend or ‘design excellence’ was researched and defined during 1998–99 by LM Frank Sartor and the author (who was the planning committee chair at the time) and introduced and woven into planning law (LEP). From 2000, for significant local buildings (above 55 metres), designs had to result from a competitive design process. One of the first full competitions was held for World Square tower won by Nation Fender Katsalidis. This was soon followed by the competi-

‘The driver for City of Sydney system of competitive design was the public interest; the legacy for a city undergoing constant renewal; and the project raising the very low bar for urban and architectural design.’
‘The system is guided by a low document policy setting, establishing the minimum requirements for a pre-DA competitive design process.’

The completed Omnia development (2018) in Kings Cross by Durbach Block Jaggers

Neil Durbach during the Crest Hotel site competition presentation in 2014 – quite possibly the gesture that won the project for Durbach Bloch Jaggers

The City of Sydney system of competitive design is for local significant developments over $100m or above 55 metres in the CBD and over 25 metres elsewhere. The driver was the public interest; the legacy for a city undergoing constant renewal; and the project raising the very low bar for urban and architectural design. Over 18 years around 120 developments have passed through the system.

The system is guided by a low document policy setting, establishing the minimum requirements for a pre-DA competitive design process – in terms of number of jurors, number of competitors, probity of the main actors and the role and approval of the brief. The jury selects the preferred entry (often called the winner) with recommendations that is worked up into a development application. Only the consent authority can determine whether design excellence has actually been achieved. Competitive design processes are run by the proponent, usually the land owner or applicant. There is no restriction on the openness of the competition, on the transparency of its operation (presentations could be live streamed on YouTube) or on the holding of an exhibition or the publication of a catalogue afterwards.

The policy is blind to whether projects are public or private. When the proponent has been public, for instance by the City of Sydney, the City has elected to go above the minimum. Examples include the Green Square Library (2013, Stewart Hollenstein + Colin Stewart from 167 entries) or the Green Square Aquatic Centre (2014, Andrew Burgess + Grimshaw from 144 entries) as was the case with the Andrew ‘Boy’ Charlton Pool renewal, two decades earlier.

In these cases, the City met the jury and competitor requirements as well as organising an exhibition and a public talk. Private proponents rarely choose to do this, although on occasion, talks featuring all entrants in a competition have occurred and a small number of proponents have exhibited all the entries or just the winner. There is no constraint to rise above the minimum requirements. Similar processes for the procurement of the best architectural solution for a particular site and program are employed by other city councils, by the university sector and is being promulgated for development classed as state significant.

For buildings and places that shape our cities and urban experience, the concept of elevating design excellence through competitive design processes definitely alters the balance of considerations for the commercially driven producer. The common good matches private gain. The competitive process, like the studio crit system, puts architects on centre stage, presenting coherently, thinking on their feet and developing lines of enquiry with co-permission to address dimensions other than purely commercial narratives.

Graham Jahn AM LFRAIA Hon FPIA Hon AIA is the director of city planning, development and transport at the City of Sydney. He has served on the Institute’s competitions committee; was a two-term national president; and was elected as an independent councilor and planning committee chair at the City of Sydney Council (1995–99). His seminal Guide to Sydney Architecture is available on Amazon.
The National Council of the Australian Institute of Architects has identified procurement of architectural services as a key policy priority. Government agencies – and many institutions such as universities – have adopted various forms of quality based selection to handle the assessment and commissioning of architectural services. The process can involve expression of interest (EOI), shortlisting and request for tender (RFT) submissions, or only RFTs. Quality based selection should allow clients to choose their architects for attributes specific to the client’s needs, with fee considerations coming after the quality choice has been made.

**ISSUES**

Quality based selection has consistently led to quality outcomes for our important public and institutional buildings and the Institute endorses architect selection via the EOI and RFT submission process. Yet, in recent times the nature and extent of information requested of architects in submissions has become excessive and onerous. In some cases, it is of questionable value in the quality based selection process. Requests for unpaid design ideas in submissions further load the applicant’s time and cost burden, and infringe basic intellectual property rights.

**PROPOSAL**

The Institute has established a National Procurement Taskforce and commissioned research to investigate best practice procurement methods with a view to producing guidelines for clients commissioning architectural services via EOI and RFTs.

The target audience for the guidelines includes clients from all levels of government (federal, state and local) along with institutions, such as universities, research institutes and NGOs. The aim is for clients to review their own procurement methods and align them with the best practice set out in the guidelines. The ultimate outcome is to reduce bidding costs for architects and assessment costs for clients, and to make procurement processes straightforward and fair.

**RESEARCH**

Researcher Michaela Sheahan from Hassell, directed by the taskforce, undertook qualitative and quantitative research methods; a review of government and peak body policy documents; interviews of client representatives; and an Institute member survey.

An initial idea to detail specific best and poor practice clauses from EOI/RFT documents was dropped as confidentiality requirements prevent sharing or use for any purpose other than the tender process. Instead, the taskforce has drawn on members’ experience to develop the guidelines.

Another challenge was to generate findings and guidelines relevant to a range of practice sizes and specialisations, in a format relating to both the EOI process and the more complex RFT stage. The guidelines contain recommendations for the ideal information requested at each stage of the process.

While issues relating to procurement processes run far deeper than the scope of this research, early discussions with the members revealed concerns about construction procurement models, contract variety and complexity, and public sector capability. Overwhelmingly, the most common concerns related to the time and money involved for submissions and the implications for practices.

An initial desktop review included nine best practice procurement guidelines/policies from a range of government agencies and peak bodies. Thematic analysis of these documents reveals five recurring themes: clarity; equity and opportunity; risk; quality; and time and cost. The dominant concern – time and cost of production – is a direct result of the remaining four themes.

**MEMBER SURVEY**

A members’ survey of EOI and RFT practices was undertaken between 22 October and 2 November 2018. The results were analysed and included in the final report.

**ONGOING STEPS**

The draft guidelines for procurement of architectural services via EOI and RFTs was completed last December. It has been circulated among the Chapters for comment and was endorsed by National Council at its February meeting. It will be available to members in coming weeks.

Adrian FitzGerald is chair of National Procurement Taskforce and a national councillor at the Australian Institute of Architects. Leanne Hardwicke is policy manager at the Australian Institute of Architects.
My four-person practice Redshift Architecture & Art loses far more jobs than we win. No doubt it’s a common story.

Redshift chooses not to do requests for quotations, expressions of interest and design competitions. But we have prepared RFQs and EOIs in the past. Preparing submissions cost thousands of dollars – often going into five figures – and the cost of winning small projects represents a significant proportion of the final fee. From a business sense, it’s hard to justify.

Redshift doesn’t like to do work for free or to subsidise someone else’s project through free work or cut-price fees. This approach only serves to bring the value of the entire profession’s work down.

My contention is that by focusing on the procurement process, the profession is at risk of inattentional blindness. This condition is best illustrated by the Invisible Gorilla Test, where test subjects are asked to watch a video of people in black or white T-shirts passing a ball and instructed to count passes by the white or black team. A person in a gorilla suit walks through the middle of the game halfway through the video. Through inattentional blindness approximately 50% of the test subjects fail to spot the gorilla.

What is the profession failing to see by focusing on procurement? The issue is much bigger than procurement. Leadership throughout the profession, not just at the top.

The profession continues to say yes to unreasonable fees; to doing work (including submissions and competitions) at significantly reduced rates. The profession has to start saying no. Instead of spending its time not being paid for unreasonable submissions, start spending the unpaid time advocating a more reasonable position and fees with client bodies. Explaining why they are saying no. Explaining the problems with procurement. Explaining what value they bring. Explaining the importance of design excellence and what that takes in time. Explaining what the true cost of the work is. Let’s be clear – the true cost is gender equity, mental health, long hours, poor pay, staff subsidising businesses with their own time and profits.

There are many pressures on the profession. Rather than fighting to regain lost ground, the profession must seek out new ground, using its vast skills and expertise. It’s time for the profession to pivot – to generate work in alternate ways. Nightingale Housing is an excellent example of this. It raises the question: how might architects learn to say no and better lead the way in procurement?

Michael Lewarne is a director of Redshift Architecture & Art. He is also the vice president of the Association of Consulting Architects (NSW/ACT).

Did you spot the gorilla? Or were you too fixated on procurement?

Michael Lewarne
Together with Shaun Carter of Carter Williamson Architects, I addressed the NSW Chapter’s medium practice forum last year on the topic of tendering on public projects – winning, losing and surviving. Preparing for the talk was both enlightening and sobering. It forced me to examine in detail our reasons for doing public projects, the costs of tendering and profitability of doing the work. It made me question whether we should do it at all. The answer is yes – we do it because we love it. But the more pertinent question is why? It costs us an inordinate amount of time and money to win the work; and we typically lose money in the delivery.

I established a successful residential architectural practice in 1999, after completing a house for a family member. I love designing houses and will continue to do so, but designing houses alone is not satisfying. Many of us want to do work that has a broader impact; work that is accessible to all, rather than for those who can afford it. Public work opens up a different field of concern where issues of the public domain and community benefit are front of mind.

But at what cost? We keep very accurate and detailed records of the time that we spend in the studio. They reveal that the cost of winning a public project – the time spent preparing the expression of interest or responding to the request for tender – is too high a percentage of the fee of the projects that we win. Our win rate is okay: we win three in ten of the projects that we go for. But when we add up the cost of tendering on all public projects that we go for, including the ones that we lose, the cost of winning equals 20% of the fee of the projects that we win. That would be okay if each winning fee had enough fat in it – but it never does. To win a public project you must submit a competitive fee, not to mention the extra risk and administrative duties we assume as the lead consultant engaging a team of subconsultants. Even excluding the costs of tender, we lose money on public projects. The cost of delivering projects to the quality that we feel is necessary can often be double our fee. At that rate, why not donate money to charity?

Compare that to our work on private houses – our win rate is far better. We win one in two of the projects that we go for and the cost of tendering is far less: 1% of the fee of the projects that we win. On our current fees we make a modest profit on most private houses that we design (though definitely not all). The net result is that our private clients heavily subsidise the public projects that we do.

How can that be? I don’t know. Why would we do it? Madness.

The way that public clients tender their projects has a huge impact on our ability to tender and to carry out the work efficiently. Far too many public projects seek to lock us and the subconsultant team into a fixed price contract without the fundamental components of project brief, site or budget locked in. Delays and inefficiencies on the client side are typical of public projects and further undermine our meagre fee.

There is a perpetual cry from the architecture fraternity for a solidarity in not ‘buying the job’ by submitting unrealistic tender prices. This has failed to materialise even in the current buoyant market. Why is this so? The competitive spirit somehow continues to stifle this sensible and beneficial approach. Why do we race to the bottom while lamenting the current state of play?

One of the motivating factors to do public work and to pitch for it aggressively is the knowledge that the work will be done regardless. If good quality architects do not win the work and advocate for a high quality design outcome, then the quality of the built environment and our public spaces will ultimately suffer.

Sam Crawford Architects was established in 1999. Sam Crawford is currently a member of the NSW Chapter Council, co-chair of the small/medium practice forum and a member of Bayside design review panel and the Government Architect NSW state design review panel.
Procurement of architectural services

An email discussion with

Robert Graham, Laura Cockburn, Alex Kibble and Annabel Lahz
What do you think are the main issues facing architects today in the procurement of architectural services?

Alex Kibble: The main issues relate to clients asking for excessive information and unreasonable commitments about a potential project – often at a time when it is hard to make those commitments. Architects are also increasingly asked to take the role of principal or head design consultant which shifts the risk to the architect for the engagement of subconsultants – in many cases for disciplines that have a very tenuous relationship to architectural services.

Laura Cockburn: Providing more information than is reasonable, such as exhaustive open EOI or tender detail requirements, and at its worst free concept designs to enable the client to pick ‘a winner’. It is unfortunate that the passion which drives the desire to win the project within the profession often neglects to look at the details.

Robert Graham: Where scope is undefined there is a general assumption that the architect will fill in the gaps regardless of whether it is their expertise or not. This inevitably leads to tension between clients, architects, consultants and contractors. When working in an environment of constrained fees and tight time frames, scope creep is an added source of pressure on already limited resources.

Annabel Lahz: Dense, generic, time-consuming EOI/RFT documents, which generally have two major objectives: reducing client risk by shifting as much risk as possible to the architect and getting the lowest price. Often these documents have unreasonable contractual obligations and an ever-increasing number of quality procedures and mandatory criteria to be a complying tender. The fee often has the highest weighting which has resulted in architects’ fees being eroded as they compete for work. While our fees decrease our scope of work and responsibilities are increasing. Aside from unreasonable demands, many of these EOI/RFT documents are poorly written with either minimal functional briefs or, in many cases, no brief, budget or defined scope of work to accurately base fees on. The result is that in many instances architects underestimate and suffer a financial loss; or battle to have variation requests approved; or recalibrate their level of service and resourcing to reflect lower fees. None of these outcomes are good. This type of procurement has become entrenched in government and institutional sectors – and even the most resilient of us run the risk of being ground down and ultimately walking away from work procured like this.

Do you think that the profession is able to adequately respond to the requirements of the EOI/RFT process used by government and institutional clients?

Alex: The profession deals with procurement in an ad hoc way that is reactive to the particular needs of each project, as there is no accepted standard for procurement of architectural services in both the public and private sectors. It is frustrating that the procurement of architectural services for public and institutional projects is inconsistent; even within one organisation there can be a variety of models used. In this context the profession can only respond at an individual practice level. This does not usually lead to improvements overall.

I wonder if some of this actually starts early in our careers. The profession doesn’t acknowledge the importance of this key part of architectural services in the education of graduates who largely don’t understand how projects are secured and how we decide how much risk to accept. If we had a well understood position that was consistent then we could be a stronger voice in the advocacy for good procurement.

The profession also tends to revert to the ideal position of avoiding risk and providing responses that don’t acknowledge there is a complex dialogue required to prepare a meaningful and well-defined response to an EOI or RFT. The profession does have a huge amount to offer in the delivery of projects and our knowledge of the relationships of various disciplines (in addition to architectural design) are what our clients are looking for. We need to ensure this knowledge and skill is valued and not traded or given away through an inability to argue for fairer procurement processes.

Laura: The problem often lies with the legalese or bureaucratic responses from the clients or project managers that do not answer questions or clarify a point within the documentation. This inevitably requires assumptions, limitations or exclusions that must accompany the tender. The worst situation is where the tender schedules will not allow for any clarifications, exclusions or assumptions. I have even seen tender schedules that prevent you from raising any concerns with the contract conditions because it will make your bid non-compliant. It’s a disappointing one-sided discussion where everyone retreats to their corners and makes the appropriate adjustments to their bid to cover the risk or even walk away.

Robert: Architectural practices are adept at responding to the constantly changing requests for information, no matter how relevant it is. There are now significant costs to practices associated with compiling submissions in order to win projects through the EOI/RFT process.

 Unrealistic time frames to respond to these highly complex and bespoke submissions is another major issue with the EOI/RFT process. The requests for submissions often give five to ten working days for architects to compile their responses. This is inadequate when trying to respond thoroughly and accurately to documents that can run into hundreds of pages. Those assessing the submissions tend to do so to no apparent time frame and can take months to make a decision, while there can also be a lack of clarity around the terms of reference of the decision-making. The most unsatisfactory outcome of all is not so much losing out to another practice but often there is no result at all, with projects not progressing beyond the submission phase. This is a waste of time and resources.

Overwhelmingly the profession has a huge amount to offer in helping clients refine their procurement practices and policies to assist them achieve their expectations, or even exceed the design
Being asked to provide unpaid design responses in an EOI or RFT is a major concern as this goes to the heart of what we do as architects. If the selection of the architect cannot be made solely on qualification-based criteria and a design response is needed, clients must pay for this.

– Alex Kibble (TKD Architects)

outcomes through an efficient and project relevant EOI/RFT process.

The desired outcome is always to ensure that clients select the practice best placed to meet their needs. But unfortunately what we see now is more about selecting the practice that can best navigate the EOI/RFT process, rather than the practice best suited to the project.

Annabel: It is a reasonable assumption that smaller practices don’t have the resources to prepare and submit this type of tender in addition to having all of the mandatory systems in place. It would be useful for the Australian Institute of Architects to determine what size practices actually submit to public/institutional EOIs and RFTs.

Understanding the cross section of firms participating in this type of procurement is important as it will show the diversity of practices who are currently delivering our built environment. If certain types of practices are missing or under-represented we need to ask why this is and whether this is a good thing.

Are there specific issues in the procurement space that give you concern? For example: design excellence competitions, unpaid design ideas competitions, novation of services, or opaque assessment criteria and insufficient feedback.

Alex: Being asked to provide unpaid design responses in an EOI or RFT is a major concern as this goes to the heart of what we do as architects. If the selection of the architect cannot be made solely on qualification-based criteria and a design response is needed, clients must pay for this. We really must hold firm on this point and architects should be united in this position, for every time we give ground to get a commercial ‘edge’ we further erode our collective position where design matters and has a value. If we just give it away, it is not worth anything and all we are really doing is coordination of a broad consultancy service.

Another concern of mine relates to excessive demands on us as the principal or head design consultant. We are asked to confirm fees for services as diverse as structural engineering, site contamination, community consultation and graphic design as just four examples. Some of these services are easy to define upfront, while others are very hard, especially when clients provide limited information about a project. We carry this risk in fees when a project is viewed as a lump sum all-inclusive fee, yet our clients who know more about their sites and projects don’t acknowledge this.

I have no objection to forming a core team – architect, landscape architect, structural engineer, building services engineers – but the management of the plethora of other consultants distracts us from our main role as the head designer or lead consultant. The cost of this management is never truly acknowledged as it is not coordination of the design and thus sits outside the traditional fee models for architectural services. It is rarely understood even by the people who commission the services in the first place.

Laura: Unpaid design competitions need to cease to exist. Our value is with our design expertise and holistic viewpoint of the project. Why would you choose to give it away? By doing so you merely continue to undermine our profession.

Design excellence competitions are really a question of scale. The stipend received doesn’t cover a quarter of the costs (on average) and at times the design requirements are very detailed requiring many hours of unpaid work by all involved. It is a very large risk to carry and it puts a lot of pressure on the business to undertake them. It also means that some of the profession’s best small practices or sole practitioners aren’t at the table because they can’t carry that risk. So does that make it a design excellence competition only for the big end of town? I would advocate that we need scalable requirements within competitions, fair payment for effort and more collaboration between firms of varying size.

Novation used to be a dirty word but more clients are seeking its benefits to reduce apparent risk to themselves during the detailed design and construction phases. It can work when all parties are aware of the changes in the contractual relationship and abide by them. Unfortunately, it does put an end to the close relationship that the client and architect have created; it can exist but it is often fraught with blurred lines between contractual obligations and existing good will. The relationship between the contractor and the architect also works best when it is open and all parties work towards a common goal. We bring our expertise and knowledge of the project and the client to the table but it doesn’t mean that we are not able to contribute and drive design solutions that meet the financial requirements of the contractor. The best novation contracts are where there is mutual respect and an open conversation about the objectives. The worst cases see architects designing in a vacuum where everything is ‘over budget’ … but the budget has never been defined.

No one likes to waste their time – in a highly competitive tender situation you want to know that you have given it your best shot and that you are being considered on a fair basis. Unfortunately this is not always the case and ‘gap fillers’ occur.
This can be a very expensive exercise for a practice and sometimes you have little choice because you want to be considered for the next tender and not offend the client. It really pays to do your homework in these situations and understand the political framework you are walking into before committing time and resources.

**Robert:** All of the above. We’re happy to compete for projects on our merits through the design excellence competition process but there needs to be an acknowledgement that these are ideas competitions and the best design response needs to be rewarded. Some proponents are requiring too much resolution in the competition phase, primarily as risk management for planning approvals and cost planning rather than sourcing the best design response to then develop further. Competitions must be paid as our ideas are the most valuable part of our service. The competition assessment criteria needs to be transparent and equitable to all practices, whether international or local.

Developer-run competitions can be problematic with regard to a transparent and equitable process. As well as being paid a reasonable fee, there needs to be a well-structured process, reasonable time frames along with clearly defined and realistic deliverables. The jury is also an important aspect of the process. There should be at least one (preferably more) independent and experienced juror with the credentials to establish terms of reference for a jury to judge and reward the best design outcome.

Novation of our engagement post-tender from client to a main contractor is a reality of our profession and has been for a long time, especially when procuring large projects through a design and construct (D&C) process. The concerning aspect of novation is the conflict of interest between architects and contractors about scope of service and maintaining design quality. Architects are in a difficult position when fighting to retain project quality when they are effectively engaged by the entity generally compromising the quality through ‘value engineering’. Where the scope of an architect’s services is not clearly defined, contractors are likely to to extend the scope beyond that initially intended without the opportunity to renegotiate fees. When there are competing interests fuelled by the competing interests caused by the D&C procurement process, the resulting environment can be incredibly difficult and stressful when trying to navigate a good project outcome.

**Annabel:** Unpaid ideas competitions are a major concern of mine. As architects our main craft is our skill in analysing problems, developing strategies, thinking laterally and having ideas. By giving them away for free we disrespect ourselves and devalue our profession. Clients asking for free ideas indicates that they either don’t know or don’t value what an architect brings to problem solving and design. If we provide ideas for free we risk becoming or turning ourselves into a document delivery service.

Novation can bring good outcomes and results but can also deliver poor outcomes. Firstly it is critical that the architect has the right under their contractual agreement with the client to be able to review the contractor prior to entering an agreement with them. This is often not the case. Generally the success in novation and D&C delivery processes relies on all participants in the process understanding and ‘buying in’ to the core design principles and intent of the project. This includes construction managers, the project manager, the building stakeholders as well as subcontractors and consultants.

Critical also to this process being successful is the architect relinquishing some control over the design and documentation process and embracing being true collaborators. It has to be said that this is a big ask for many architects who are still in the thrall of the hero architect syndrome. By not being proactive and collaborative they are often excluded from the decision-making.

The benefits of consultant novation can be substantial. Being able to draw on the experience of others such as façade subcontractors and construction managers during the formative phases of design and documentation provides an additional level of expertise and input to what architects and subcontractors can provide.

Many EOIs and RFTs don’t provide the weighting for specific criteria they are assessing on. This often indicates that the fee is worth over 50%. It is important that EOIs/RFTs provide the weighting for criteria as that allows the architect to make an informed and commercial decision as to whether they will tender or not.

**What could the Institute do to assist in procurement processes?**

**Alex:** The Institute can provide leadership on this issue – the creation of firm policies that all members understand and advocate would be a step forward. The development of model documents and guidelines for EOIs and RFTs would be a really good way to demonstrate to clients what is a reasonable and fair method for the procurement of architectural services.

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“Some of the profession’s best small practices or sole practitioners aren’t at the table because they can’t carry the risk. I would advocate that we need scalable requirements within competitions, fair payment for effort and more collaboration between firms of varying size.”

— Laura Cockburn (Conrad Gargett)
Fortunately, this is already underway and through the creation of the NSW procurement taskforce and the national procurement taskforce these issues are being discussed by members so that we no longer have an isolated and disconnected approach to responding to areas of concern. What were once just anecdotes and ‘war stories’ with little chance of effecting change can now be focused through discussion and active research to deliver a unified position.

The national taskforce has developed a set of guidelines that are informed by research and consultation with both architects and clients. These guidelines are a clear framework for advocacy and will lead to the creation of model documents for EOIs and RFTs.

**Laura:** This is certainly the driver behind setting up the procurement taskforce on a state and national level. It has been refreshing to discuss these issues amongst peers and to then open this discussion to the office of the Government Architect and in time to broader industry and government organisations. Currently we are researching these issues from our members which will assist in providing factual background for how we should proceed with the method for procuring architectural services. Importantly we need to communicate the work that is going on. Too often the Institute is perceived (rightly or wrongly) as being complacent in the face of some of the issues affecting the profession. But this is a really positive step towards advocacy across our profession and I would urge members to contribute to the process.

**Robert:** I agree with Alex and Laura. Establishing the procurement taskforce at both state and national levels has been a hugely positive initiative by the Institute. The taskforce has provided a forum to discuss these significant issues around procurement which affect all of us to varying degrees. It has highlighted the need for some guidance from the Institute about a unified approach to procurement practices. There has been a definite commonality in the experiences of all parties contributing to the taskforce discussions. Capturing this knowledge through developing a set of guidelines and a framework for advocacy would be a great outcome for our profession.

**Annabel:** Education. Educate architects, educate clients, and start a public conversation. I think the Institute needs to have a higher social media presence and reach out not only to the profession but to the general public to start discussing these issues.

Do you have any suggestions on improvements that could be made to this critical process?

**Alex:** If we had a united and well understood position on this issue we could all make informed decisions on whether to accept the risk.

We first need a better education process at university, then post graduation where the reality of securing projects is able to be better understood. CPD that provides a series of informative and practical sessions to help architects fully understand the questions being asked would be a positive improvement.

We need to resist moves to continually increase the number of subconsultants engaged by architects, particularly those that have little or no relationship to the delivery of architectural service. I would suggest that we actively propose that procurement of architectural services should be just that and not be confused with extensive procurement of consultancy services. If subconsultants must be included as a comprehensive offer this should be limited to those that are central to the delivery of architectural service rather than the project overall.

Beyond all this, I would like to see a simplification of the process, leading to less demanding submissions when the likelihood of success is slight. An open EOI should be much less complicated to answer than a select tender asking for detailed submission requirements. This is about reducing the amount of wasteful submissions and work that leads nowhere and is not needed for the actual selection of the architect. There should be a clear progression in detail requested that is reflective of the chance of actually securing a project.

In the end, the point of all this is much more than just making life easier for architects; it is all about using scarce resources – our time and creativity – wisely. If procurement becomes so onerous that architects retract from offering innovation and creativity, then our built environment will suffer.

**Laura:** I believe we need to stand together as a profession and support one another. If we continue to undercut each other and accept poor and unreasonable conditions for procurement through the EOI, tender and contract stage our value will continue to decline and become marginalised. This doesn’t support a future with a built environment underpinned by design excellence.
There are simple steps we can take now: not accept unreasonable EOI or tender demands; ensure we all engage with our insurers and risk assessors to understand the nature of the contract we enter into; and not back down from unreasonable or uninsurable clauses.

As a part of this process I would like to see engagement with government and industry have a positive outcome that enables a more collaborative approach to understanding the procurement of our services, ensuring that the effort is spent where it should be, and that the engagement of those services is as efficient as possible for all concerned.

**Robert:** We work hard to provide our clients with creative and innovative design outcomes that respond to their requirements while also contributing positively to our built environment. The process of procuring our services should be one that is mutually beneficial and should play to our strengths as architects. We should be engaged to do what we do best rather than be distracted with tasks that are better managed by more appropriately qualified professionals. We need to work with the Institute to find ways to publicise relevant, efficient and fair procurement practices to the industries that support our profession in order to provide positive outcomes for all parties.

**Annabel:** The Institute represents our profession to various client bodies on our behalf; however this doesn’t absolve us as individuals from making a contribution to promoting change. An important question is how do architects/ architectural practices individually respond to the current procurement situation? Complaining to one another and then participating mutely by accepting onerous conditions and lower fees is not helpful and will not promote change. We need to remind ourselves that no one is forcing us to submit lower fees and in doing so we become active participants in their erosion.

I have often spoken up and been the lone voice at a tender briefing in a room full of colleagues querying the onerous requirements or lack of information provided in an RFT. This lack of support comes about through a fear of being labelled troublesome and being blacklisted. I don’t believe this to be the case and I consider that if concerns are raised professionally it allows us to start a conversation as well as an education for our clients. For example, we participated in a shortlisted competition where we raised concerns about it being unpaid. Apparently we were the only practice that did so and the outcome was that all participants received payment. The client’s response was they were unaware that paying stipends in a shortlisted competition was best practice. I would note that the balance of firms in that competition who didn’t raise this issue were all larger practices who should be the ones leading by example.

If every firm gave even one small pushback on an EOI/RFT document the collective results could be substantial. This pushback need not be radical – it could be a query on a tender forum over the lack of clarity for the scope of work, or the requirement for unpaid ideas, or the wording of a clause. We often raise concerns with tenders only to have clients respond with ‘Oh, this issue hasn’t been raised with any other applicants or on any other tenders’. This gives the impression that our concerns are not legitimate. Wouldn’t it be great to have the client say ‘Yes, this issue has been raised by several other architects and we are currently reviewing it’. We all need to step up to the plate.

Laura Cockburn is a director at Conrad Gargett and vice president of the NSW Chapter. Robert Graham is a studio director at Bates Smart. Alex Kibble is the managing director of TKD Architects. Annabel Lahz is co-director of Lahznimmo Architects. All are members of the NSW Chapter’s procurement taskforce with Alex Kibble as chair.

‘If every firm gave even one small pushback on an EOI or RFT document the collective results could be substantial. This pushback need not be radical – it could be a query on a tender forum over the lack of clarity for the scope of work, or the requirement for unpaid ideas, or the wording of a clause.’
– Annabel Lahz (Lahznimmo Architects)
Procurement for public value

Significant investment in public infrastructure calls for equal investment in design-led thinking. The Government Architect NSW (GANSW) is working to embed quality design processes within government agencies to help government become a best-in-class client. This article reflects on recent reports and legislative changes that suggest a government shift towards quality design processes and also considers how procurement of design consultancy services can deliver public value. We speculate on opportunities for architects, landscape architects and urban designers (the industry) to develop their capacity in the government sector and the potential legacy of this engagement.
Quality project outcomes result from collective effort. At GANSW we recognise that, as a client, the government impacts the quality of its built outcomes through the quality of its procurement methods. In June 2018 the NSW government’s construction leadership group (CLG) published the ‘Action plan: a ten point commitment to the construction sector’. In this document, CLG member agencies, all of whom are engaged in delivery of long term pipelines of public infrastructure, committed to improve the capability and capacity of the construction sector. These agencies have recognised that achieving value for money in construction procurement does not mean obtaining the lowest price for every project. The action plan takes a broad long-term view about the need to drive quality, innovation and cost effectiveness and to support a thriving and sustainable construction sector in NSW. This legacy-oriented approach to procurement aims to achieve public value.

GANSW recognises that good design outcomes stem from design-led processes. Procurement, as the formal mechanism for defining project parameters and engaging the delivery team, is therefore an essential mechanism for achieving good design. The 2017 Environment Planning and Assessment Act Amendment included a new object: to promote good design and amenity of the built environment. The EP&A amendment and the CLG action plan mark an important attitude shift towards such an integrated design approach across government agencies. GANSW advocates the value of integrating design services throughout a project life cycle, from definition to delivery.

In the 2018–19 state budget the NSW government committed to an $87.2 billion infrastructure program to be delivered over four years. This sizable capital expenditure includes a diverse portfolio: 40 hospitals, 170 schools, 10 police stations, 8 fire stations, correctional centres, cultural and sporting infrastructure. A strategic approach to procurement can ensure that design-led processes are threaded throughout the state’s built environment investment. These processes raise quality benchmarks and improve spatial outcomes for communities.

Strategic procurement of design services can drive positive systemic change through cumulative impact. As an advocate for design quality, GANSW encourages government agencies to consider the state’s investment in infrastructure as also an investment in the design industry that can build a professional legacy. Government projects can potentially grow the strategic, creative and technical capacity of professionals, and this contributes to a sustainable industry. Earlier involvement in projects opens opportunities for discourse within the complex environment where government decisions take place. This early participation enables designers to interrogate project boundaries, to inform briefs and influence strategic decisions – a process that we would argue delivers better results for government. This in turn, grows the capacity of the industry to respond to complex problems and synthesise competing interests.

The built environment is intertwined with issues of climate change, resource scarcity, advancing technology and social pressures. As our cities and regional centres are increasingly facing wicked problems, our future communities will need a design industry with the capacity to provide thought leadership. If the industry is to become a vital force amidst these emerging futures, then the challenges of the government sector are an opportunity to grow such capacity: this is the potential industry legacy of strategic procurement practices.

This renewed approach to procurement opens opportunities for creative collaborations, interdisciplinary partnerships and diverse project teams to bring innovative thinking into government. GANSW encourages emerging, scaled and interdisciplinary practices to participate in the public sector and for established practices to extend their portfolio. This is reflected in our (draft) Design Excellence Competition Guidelines and our advisory note on consultant selection. GANSW value industry-led teaming on large-scale projects and advocate for agencies to involve designers more frequently in the front end of complex projects. We recommend that government agencies consider targeting emerging and small- to medium-scale design practices when project complexity and risks allow in order to grow the strategic capacity of the industry. The Government Architect’s strategy and design excellence prequalification scheme is the pathway that we have developed to facilitate the design industry’s access to these opportunities and to engage with government agencies. GANSW recognises that these are early steps and that there will be opportunities ahead.

In 2019 GANSW will continue to support government agencies to realise the strategic potential and legacy of their engagement with the built environment design industry. The CLG’s action plan has confirmed that the NSW government aims to be a best-in-class client for the construction industry and its suppliers. Procurement, as a mechanism for achieving public value, is a key tool for achieving this goal.

Paulo Macchia is the director of design and housing at the GANSW. He developed and implemented the Government Architect’s strategy and design excellence prequalification scheme in 2015. He continues to advocate for strategic procurement approaches and design-led methods across government agencies.

Jillian Hopkins is a registered architect and senior design advisor at GANSW. She has recently joined the GANSW from the University of Technology Sydney. Her research focuses on the impact of governance on public projects and social agency in practice.

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