



GOVERNMENT OF THE  
**VIRGIN ISLANDS**  
Premier's Office



VIRGIN ISLANDS  
**RECOVERY AND  
DEVELOPMENT AGENCY**

# Temporary Homes

## Evaluating Value for Money

Project Number: HOU.01.26.154

# Temporary Homes

## Value for Money (VfM) Assessment Report

### 1) INTRODUCTION

One of the core roles of the Recovery and Development Agency (RDA) is ensuring Value for Money (VfM) in the delivery of programmes and projects aimed toward recovery and development of the Virgin Islands. Section 5(2)(c) and (d) of the Virgin Islands Recovery and Development Regulations outline the value for money mandate of the RDA, specifying that:

The Agency shall be responsible for implementing the Government’s Recovery and Development Plan in partnership with the Ministries and in so doing shall:

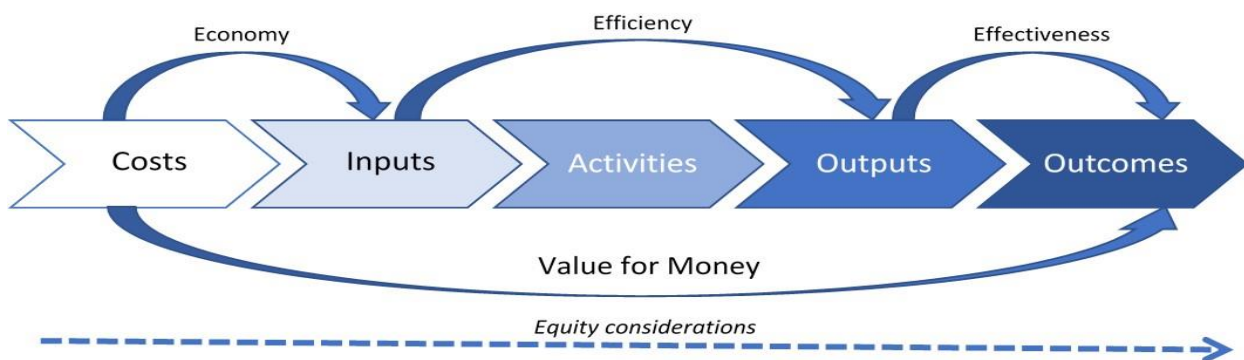
- (c) deliver the intended benefits; [and]
- (d) ensure that each project represents value for money.

To this end, the RDA has developed a Value for Money Framework and Methodology, which uses specific criteria to assess projects’ Value for Money and assigns an overall VfM score for each project.

The VfM score is made up of eight indicators (listed in Table 1) within the four outlined areas of Value for Money, namely Economy, Efficiency, Effectiveness and Equity.

*Table 1: Value for Money Areas within the 4Es*

| VALUE FOR MONEY AREA |  |
|----------------------|--|
| <b>Economy</b>       | Economy  |
| <b>Efficiency</b>    | Output Cost, Output Time, Schedule                   |
| <b>Effectiveness</b> | Output Effectiveness, Outcome Effectiveness, Quality |
| <b>Equity</b>        | Equity   |



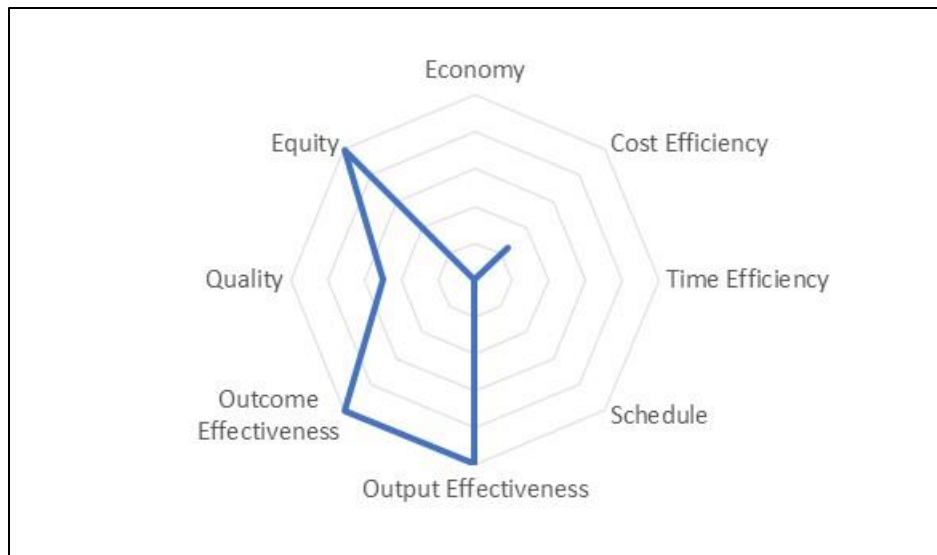
The Temporary Homes project began in April 2019, aimed at providing safe shelter for vulnerable households through the installation of temporary dome structures, and the installation of electricity, water and sanitation facilities. This project aimed at improving the living conditions of 13 households in the Territory. Over a period of 330 days, using \$372,995, this project was able to deliver some of its planned outputs, installing domes and/or services at 11 sites across the Territory, with challenges encountered relating to connectivity of services to mains supply.

The following sections of this report assess the overall Value for Money of the Temporary Homes project, using the methodology outlined in the RDA’s VfM Framework Guidelines for Economy, Efficiency, Effectiveness and Equity.

## 2) Overview of Overall VfM Score (50 out of max 100 points)

The main challenge to a more successful overall VfM score for this project was the failure of the project to be within budget and relevant benchmarks on spending and timelines, as well as limited valid defects reported, which negatively affected the Economy, Cost Efficiency, Time Efficiency, Schedule and Quality scores. Largely achieving its targeted outputs and contributing to a broader outcome, while progressing equity goals in the Territory, the project was able to get full scores on Output Effectiveness, Outcome Effectiveness, and Equity.

**Figure 1: Overall Value for Money Scoring – Radar Chart**



The overall Value for Money Scoring Chart (Figure 1) demonstrates the excellent scores received for Output Effectiveness, Outcome Effectiveness, and Equity; while Cost Efficiency received a middling score, and Economy as well as Time and Cost Efficiency which compares actual performance to budget and benchmark costs and timeframes received no points.

| Temporary Homes – VfM Scoring   |                       |       |               |
|---------------------------------|-----------------------|-------|---------------|
| <b>Economy</b>                  | Economy               | 0/10  | 0/10          |
| <b>Efficiency</b>               | Cost Efficiency       | 5/20  | 5/40          |
|                                 | Time Efficiency       | 0/10  |               |
|                                 | Schedule              | 0/10  |               |
| <b>Effectiveness</b>            | Output Effectiveness  | 20/20 | 40/45         |
|                                 | Outcome Effectiveness | 15/15 |               |
|                                 | Quality               | 5/10  |               |
| <b>Equity</b>                   | Equity Goals          | 5/5   | 5/5           |
| <b>Overall VfM Score</b>        |                       |       | <b>50/100</b> |
| <b>Total Adjusted VfM Score</b> |                       |       | <b>50/100</b> |

The overall VfM score was 50.0 out of 100. This indicates significant scope for improving overall Value for Money of this project. Delays in project completion, and challenges relating to service connections, as well as areas where both costs and timelines exceeded relevant benchmarks and valid quality defects were reported, affected the efficiency score.

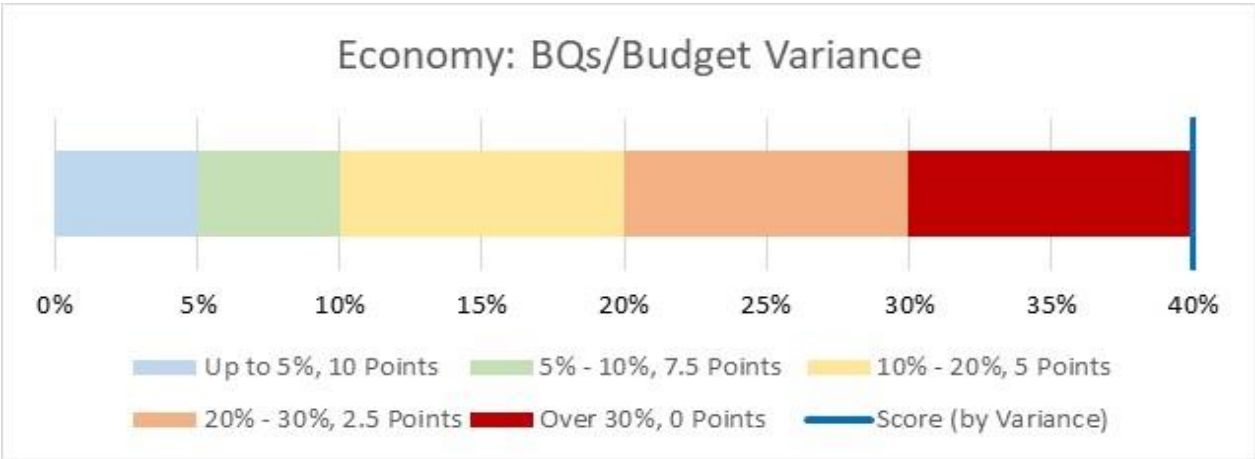
As part of an effort to continuously improve, the RDA has implemented cost containment strategies through creation of Agency-produced BQs, more detailed planning efforts and improved time management to help propel efficiency gains and more adequately capture user requirements.

**3) ECONOMY (0 out of max 10 points)**

The economy of the Temporary Homes project is assessed based on the budget for the Project. Within the Phase One Programme, this project was budgeted at \$200,000. The total spend as at end of March 2020 is \$372,995 which is approximately 86.5% above the original budget. As such, this project was unable to obtain any points in the assessment of Economy (Table 2). While the original budget from the Phase One Programme has been used for this assessment, it should be noted that the project budget was revised after more detailed planning was conducted, with a revised budget of \$450,000 handed over to Operations/Delivery for project execution.

Table 2: Assessment of Economy

| ECONOMY ASSESSMENT: 0/10 POINTS |             |
|---------------------------------|-------------|
| Original Budget                 | \$200,000   |
| Actual Spend                    | \$372,995   |
| Variance (\$)                   | (\$172,995) |
| Variance (%)                    | (86.5%)     |
| <b>ECONOMY SCORE</b>            | <b>0</b>    |

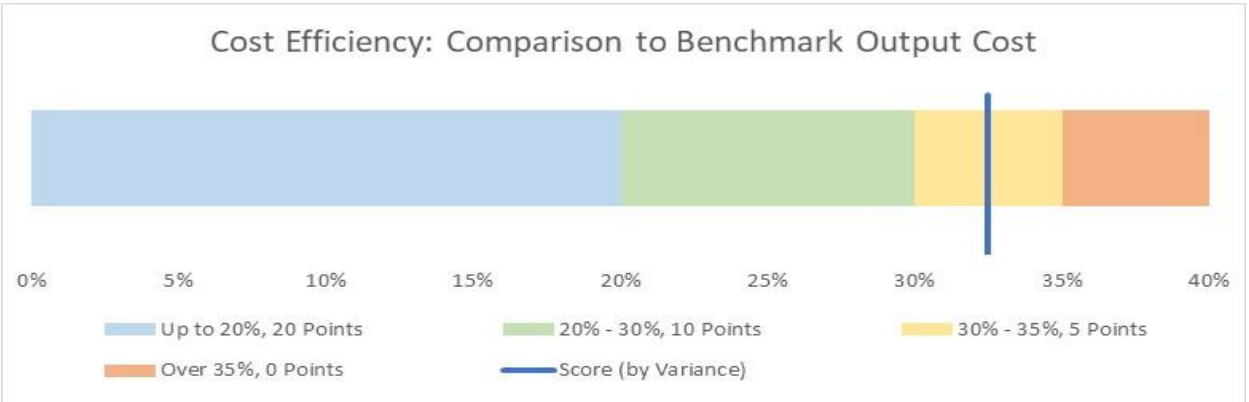


**4) EFFICIENCY (5 out of max 40 points)**

The efficiency of an intervention considers Output Cost (Cost Efficiency), Output Time (Time Efficiency), and Schedule. In terms of output cost, the project installed temporary domes, and electricity, water and sanitation facilities or services, at a total of eleven (11) sites across Tortola, Anegada and Jost van Dyke. This translates to an average of \$33,909 spent per site in order to create adequate living conditions at these sites. Based on research conducted, a benchmark cost of \$25,600, which was the unit cost for installation of comparable temporary homes replete with all services in Bahamas in 2019, has been used.<sup>1</sup> In this way, the cost of each output for this project was 32.5% above the benchmark cost of installation of domes and services for each site. As such, five points have been awarded for cost efficiency (Table 3).

*Table 3: Cost Efficiency Assessment*

| <b>COST EFFICIENCY ASSESSMENT: 5/20 POINTS</b> |                   |
|--|-------------------|
| Output Unit Cost                               | \$33,909 per site |
| Benchmark Output Unit Cost                     | \$25,600 per site |
| Variance (\$)                                  | (\$8,309)         |
| Variance (%)                                   | (32.5%)           |
| <b>COST EFFICIENCY SCORE</b>                   | <b>5</b>          |



<sup>1</sup> The benchmark cost per site (dome/services) installed is evidenced at: <https://ewnews.com/pm-minnis-domes-will-cost-6-4-million>

Having started on 4 April 2019, the Temporary Homes project was initially slated to be completed by the 8 August 2019, that is within 126 days. The project was completed on 28 February 2020, with a total recorded number of project days therefore at 330. In terms of assessment of time efficiency, the calculated output unit time was an average of 30 days to install temporary accommodation and/or facilities at each site, whereas the benchmark output unit time was an average of 11.5 days to install accommodation/facilities at each site. This meant that the actual output unit time significantly exceeded the benchmark, resulting in no points being assigned for Time Efficiency.

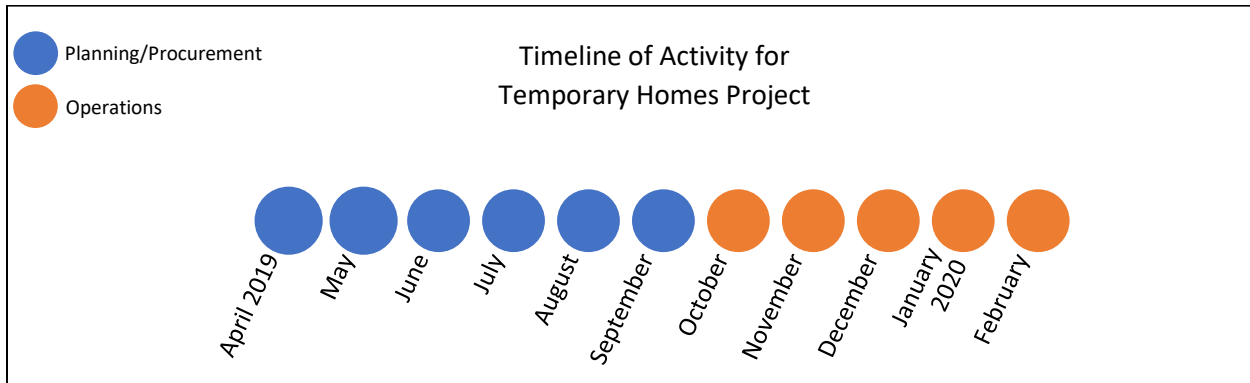
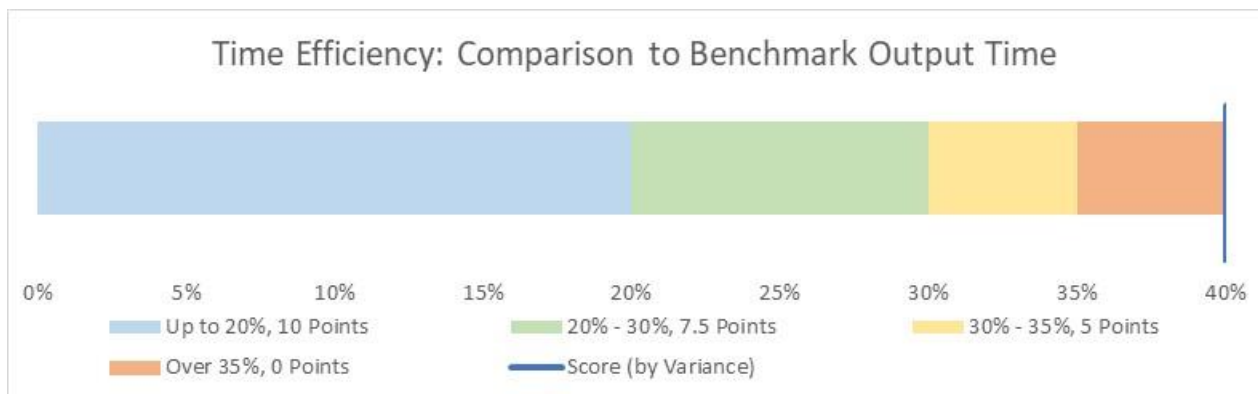


Table 4: Time Efficiency Assessment

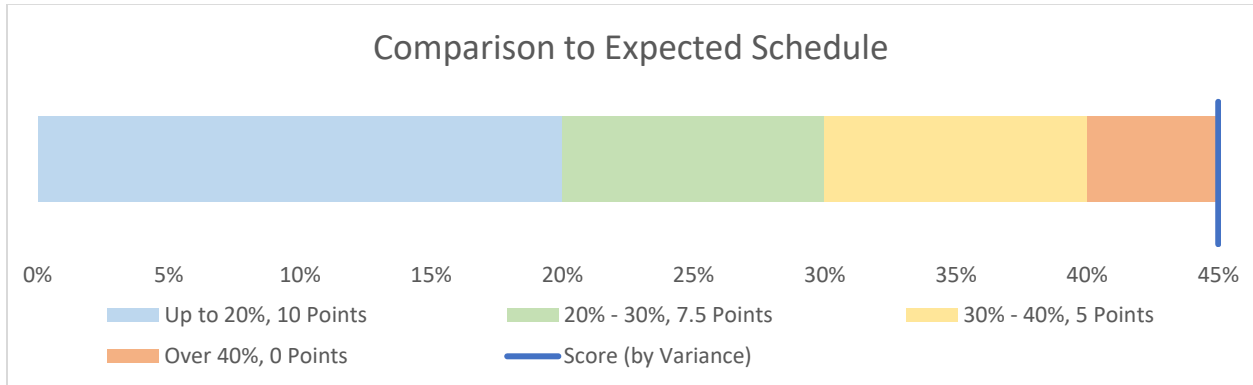
| TIME EFFICIENCY ASSESSMENT: 0/10 POINTS |                         |
|---|-------------------------|
| Output Unit Time                        | Avg. 30 days per site   |
| Benchmark Output Unit Time              | Avg. 11.5 days per site |
| Variance (days)                         | (18.5)                  |
| Variance (%)                            | (160.9%)                |
| <b>TIME EFFICIENCY SCORE</b>            | <b>0</b>                |



In terms of schedule performance, given that there were 126 planned project days compared to a total number of actual project days at 330, this variance of 204 days meant that the project was 161.9% over its scheduled timeline, indicating that no points were awarded for the Schedule assessment (Table 5).

Table 5: Schedule Assessment

| SCHEDULE ASSESSMENT: 0/10 POINTS |            |
|----------------------------------|------------|
| Planned Project Days             | 126 days   |
| Actual Project Days              | 330 days   |
| Variance (days)                  | (204 days) |
| Variance (%)                     | (161.9%)   |
| <b>SCHEDULE SCORE</b>            | <b>0</b>   |

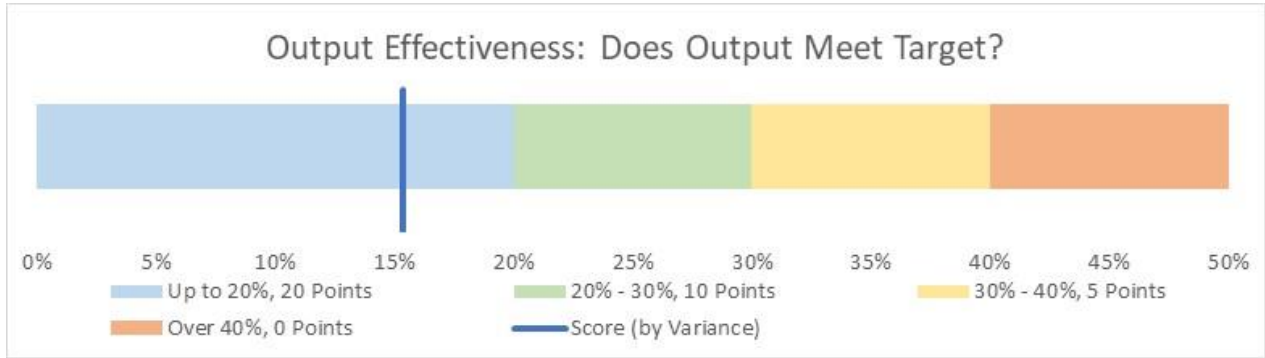


**5) EFFECTIVENESS (40 out of max 45 points)**

Output effectiveness is a measure which compares targeted output indicators to achieved output indicators. In the case of the Temporary Homes project, the total targeted number of sites at which temporary accommodation and/or electricity, water and sanitation services were to be installed was thirteen (13). Given that the project installed domes or services at eleven (11) sites rather than the full thirteen (13) targeted, this represented 84.6% of the target, with a variance percentage therefore of 15.4%. Given that this variance is within the 20% outlined for full points to be granted, a full 20 points has been assigned for Output Effectiveness (Table 6).

Table 6: Target versus Achieved Output

| OUTPUT EFFECTIVENESS ASSESSMENT: 20/20 |           |
|--|-----------|
| Targeted Outputs                       | 13 sites  |
| Achieved Outputs                       | 11 sites  |
| Variance                               | (2)       |
| Variance (%)                           | (15.4%)   |
| <b>OUTPUT EFFECTIVENESS SCORE</b>      | <b>20</b> |

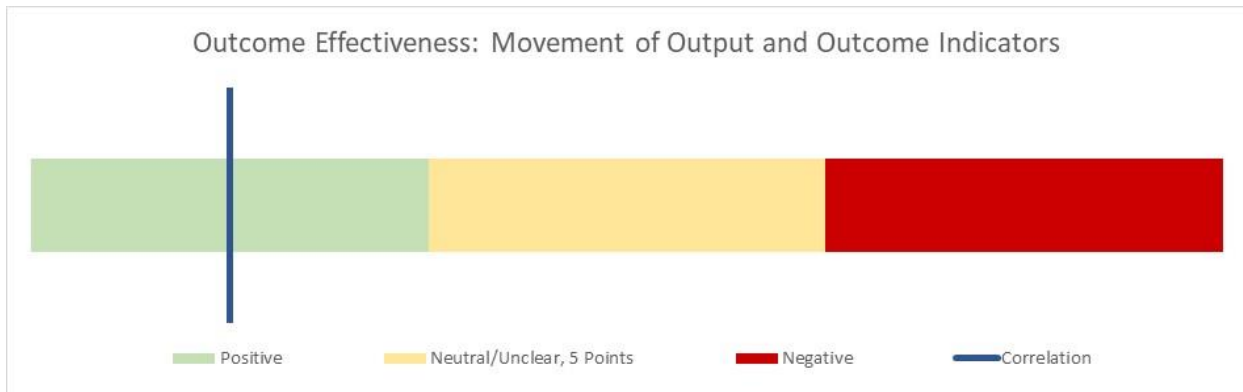


In terms of outcome effectiveness, the change relationship between the observed output and outcome has been used as a simple measure of outcome effectiveness. The directional change in output is compared to the directional change in outcome. In the case of the Temporary Homes project, both the output: domes and services installed; as well as the outcome: vulnerable households living in improved homes with safe, adequate conditions; increased in the assessment period.

The change relationship between output and outcome has thus been deemed a positive correlation, and the maximum score of 15 points has been assigned (Table 7).

Table 7: Relationship between Outputs and Outcomes

| <b>OUTCOME EFFECTIVENESS ASSESSMENT: 15/15</b>    |                      |
|---|----------------------|
| Output Change: domes and services installed       | +11                  |
| Outcome Change: households in improved conditions | +11                  |
| Assessment of Change Relationship                 | Positive correlation |
| <b>OUTCOME EFFECTIVENESS SCORE</b>                | <b>15</b>            |



In terms of quality measurement, valid reports within the defects and liabilities period has been used as a measurement of quality. As at 5 June 2020, there were a total of two (2) defects reported to the Agency namely:

- 1) Water ingress under domes at several sites which were later sealed off with foam; and
- 2) Water pressure issues at site resolved by removing shower head.



The two (2) valid defects reported have both been resolved. The reporting of these two (2) defects have resulted in a quality assessment of “Partially Met” being assigned to this Temporary Homes project (Table 8).

Table 8: Quality, Valid Defects Reported

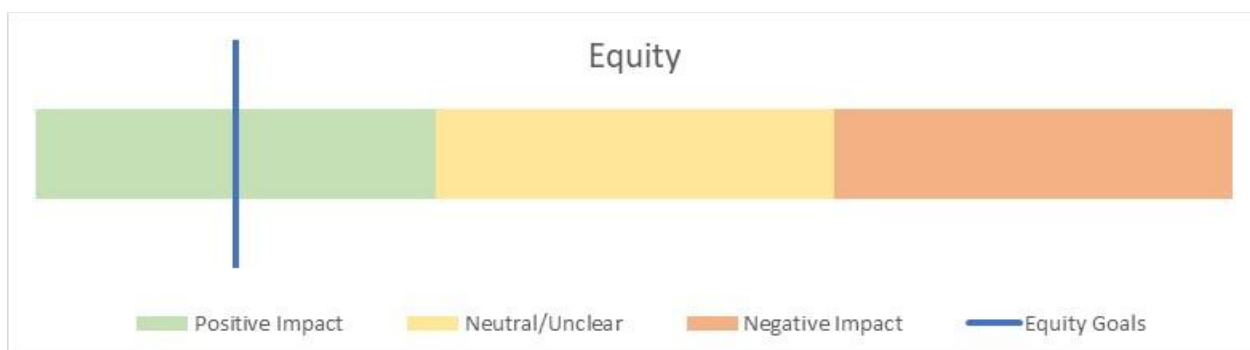
| QUALITY ASSESSMENT: 5/10 |               |
|--------------------------|---------------|
| Valid Defects Reported   | 2             |
| Assessment of Quality    | Partially Met |
| <b>QUALITY SCORE</b>     | <b>5</b>      |

## 6) EQUITY (5 out of max 5 points)

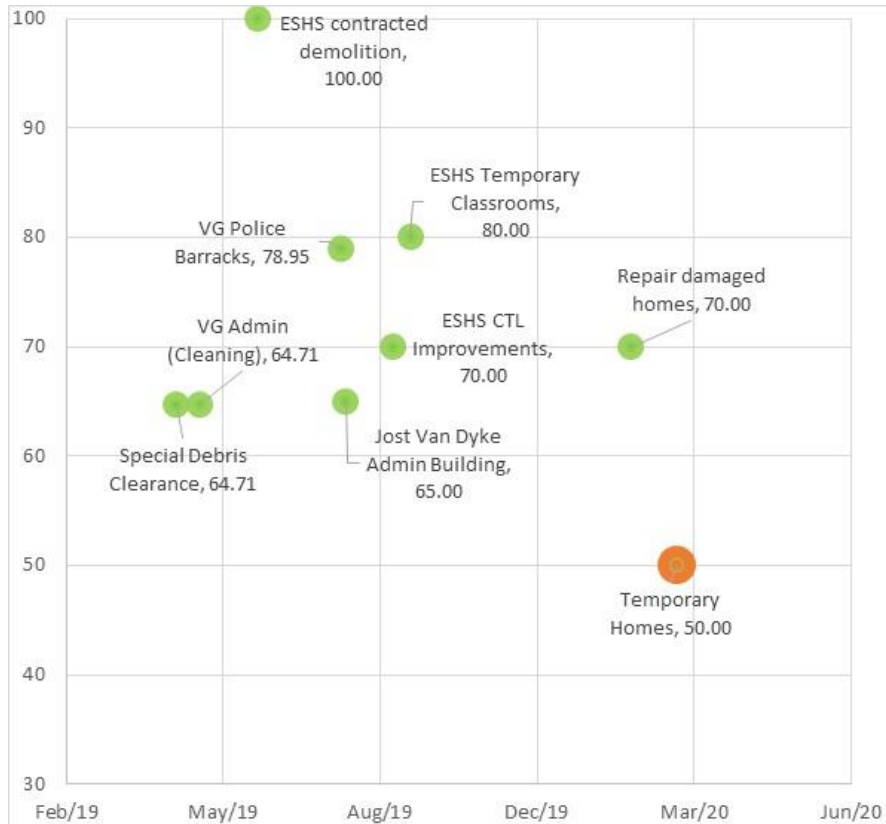
Measurement of equity involves assessing whether a project has realised the equity goals it aimed at achieving. For the Temporary Homes project, the installation of temporary domes and electricity, water and sanitation services has helped to improve the living conditions of vulnerable households. The Ministry of Health and Social Development conducted social assessments to determine the eligibility of households to receive assistance through the installation of domes and services. The improvement in living conditions for the most vulnerable households (met eligibility criteria), has decreased the level of vulnerability and relative poverty of these households, thereby contributing to the achievement of equity goals in the Territory. Achievement of this result which advances equity resulted in assignment of full equity points for the project (Table 9).

Table 9: Achievement of Equity goals

| EQUITY ASSESSMENT: 5/5  |                 |
|---|-----------------|
| Number of vulnerable households with improved living conditions | 11              |
| Assessment of Impact on Equity                                  | Positive impact |
| <b>EQUITY SCORE</b>   | <b>5</b>        |



**Figure 2: VfM Score Comparison with Other Completed Projects**



Lessons identified coming out of the Temporary Homes project include:

- 1) Strengthening detailed planning efforts in order to ensure needs are captured and accounted for in project design, including receipt of necessary permissions; and
- 2) Mitigating scope creep and budget increases by managing stakeholders through regular communication and up-to-date record keeping.

## 7) Conclusions

This report has been prepared using the RDA’s Value for Money Framework in assigning a VfM Score to the Temporary Homes project based on Economy, Efficiency, Effectiveness and Equity. The importance of keeping accurate, up-to-date, readily-accessible information on project budgets, schedules, spending and results has once again been underlined in the process of conducting this VfM assessment. The Monitoring and Evaluation Team continues to play an important role in reviewing the quality of this information, and collating data for calculation of projects’ VfM scores.

Achieving 50.0 points out of 100, the Temporary Homes project’s VfM could have been enhanced through improved cost containment, time management and quality assurance. That said, the project was able to largely achieve its target outputs, contribute to a broader outcome, and advance equity goals, demonstrating perfect scores in Output and Outcome Effectiveness as well as Equity.