



GOVERNMENT OF THE
VIRGIN ISLANDS
Premier's Office



VIRGIN ISLANDS
**RECOVERY AND
DEVELOPMENT AGENCY**

Road Town Police Station Phase II and Financial Crimes Unit Evaluating Value for Money

Project Number: SEC.01.21.181.06

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:

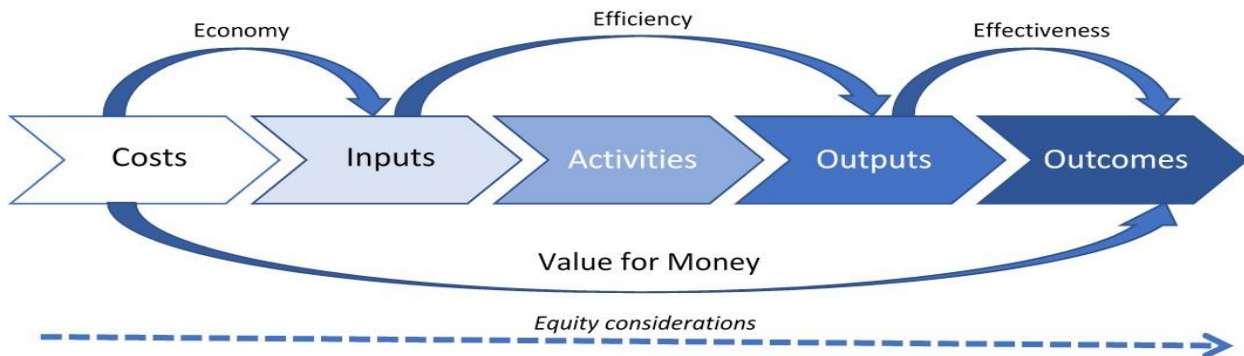
- (c) deliver the intended benefits; [and]
- (d) ensure that each project represents value for money.

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	
Economy	Economy
Efficiency	Output Cost, Output Time, Schedule
Effectiveness	Output Effectiveness, Outcome Effectiveness, Quality
Equity	Equity



The broader Road Town Police Station project involved reconstruction of the perimeter wall and fencing, wall, door and ceiling finishes, and electrical works including installation of air conditioning. This work was completed as part of the RDA’s Phase One Programme, following work done by the then Foreign and Commonwealth Office (FCO) directly following the impacts of 2017’s hurricanes. The now Foreign, Commonwealth and Development Office (FCDO) provided additional funding to complete additional works at the Road Town Police Station, with these additional project activities termed Phase II and the Financial Crimes Unit. In November 2021, the FCDO and RDA entered into an agreement for implementation of these additional works, which included renovation of cells, pipelines and air conditioning, mould cleaning, bathroom renovation, installation of work stations, and construction of K-9 kennels.

Specifically, the additional works on the Road Town Police Station involved rehabilitation of 4,196 square feet using \$412,898.34 over a period of 192 days. These project activities began on 1 November 2021 and were completed on 12 May 2022. The activities were able to deliver on their expected outputs and provide improved conditions at the Road Town Police Station.

The following sections of this report assess the overall Value for Money of the Road Town Police Station Phase II and Financial Crimes Unit activities, using the methodology outlined in the RDA’s VfM Framework Guidelines for Economy, Efficiency, Effectiveness and Equity.

2) Overview of Overall VfM Score (97.4 out of max 100 points)

The RTPS Phase II and Financial Crimes Unit project activities were able to achieve targeted outputs and contribute to a broader outcome within the estimated budget, schedule and cost benchmark, and also adequately met user expectations, resulting in full scores for Economy, Cost Efficiency, Schedule, Output Effectiveness, Outcome Effectiveness and Quality.

RTPS Phase II and Financial Crimes Unit – VfM Scoring			
Economy	Economy	10/10	10/10
Efficiency	Cost Efficiency	20/20	37.5/40
	Time Efficiency	7.5/10	
	Schedule	10/10	
Effectiveness	Output Effectiveness	20/20	45/45
	Outcome Effectiveness	15/15	
	Quality	10/10	
Equity	Equity Goals	NA/5	NA/5
Overall VfM Score			92.5/95
Total Adjusted VfM Score			97.37/100

The overall VfM score was 97.37 out of 100. This indicates a very high level of Value for Money achieved. Some delays in project completion affected the Time Efficiency scoring, when the achieved timelines were compared to benchmarks. All other aspects of VfM examined received full scores based on the RDA’s VfM Framework.

In general, the RDA has implemented cost containment strategies and improved time management through more detailed planning efforts which help propel efficiency gains.

Figure 1: Overall Value for Money Scoring – Radar Chart



The overall Value for Money Scoring Chart (Figure 1) demonstrates the excellent scores received for Economy, Cost Efficiency, Schedule, Output and Outcome Effectiveness, and Quality; while assessment of Time Efficiency resulted in a middling score. Equity was not scored for these project activities.

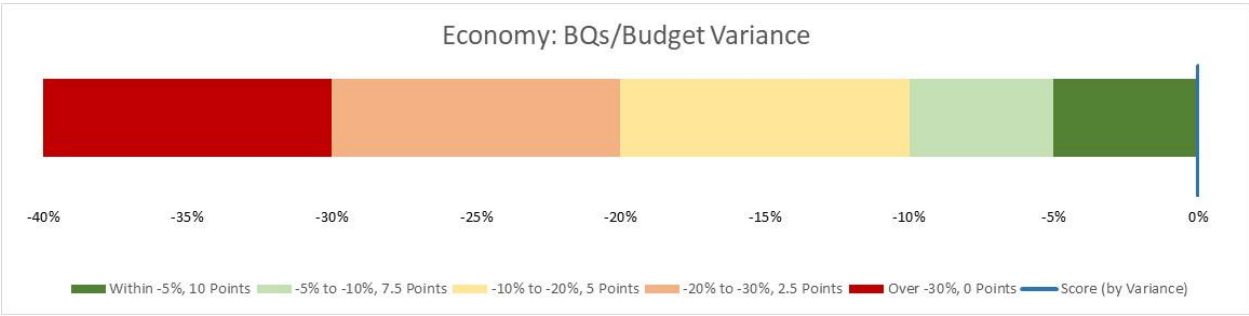
3) ECONOMY (10 out of max 10 points)

The economy of the RTPS Phase II and Financial Crimes Unit project activities has been assessed based on the budget set in the agreement between FCDO and the RDA. The original budget for these activities in the signed project agreement was \$558,525.14.

The total spend for these project activities as at end of September 2022 is \$412,898.34 which is well within the original budget. As such, full points have been assigned in assessment of Economy (Table 2).

Table 2: Assessment of Economy

ECONOMY ASSESSMENT: 10/10 POINTS	
Original Budget	\$558,525.14
Actual Spend	\$412,898.34
Variance (\$)	\$145,626.78
Variance (%)	26.07%
ECONOMY SCORE	10



4) ON BENCHMARKS USED

In calculating VfM Scores for both Cost and Time Efficiency, consideration has been given to performance against relevant benchmarks established for the production of specific outputs. Giving a background of the benchmarks used, and why, provides the necessary context for comparisons made.

In the case of the RTPS Phase II and Financial Crimes Unit project activities, the following benchmarks for cost and time have been used to assess cost and time efficiency:

Type	Benchmark	Sources	Considerations
Cost	\$215 per square foot rehabilitated	BCQS Market Trend Report 2020 (p. 20) https://bcqs.com/wp-content/uploads/2021/01/bcqs-construction-market-report-2020.pdf	Average reconstruction cost per square foot
Time	30 square feet rehabilitated per day	Aquila Commercial Construction Guide: https://aquilacommercial.com/learnin-g-center/how-long-build-out-reno-vate-office-space/	Average time to renovate office space (Number of square feet renovated per day)

Cost Benchmark

The cost benchmark has been determined based on the cost of constructing a 1-3 storey shell per square foot quoted in the 2020 Market Trend Report by BCQS, at \$215 per square foot (See Table above for details).

Time Benchmark

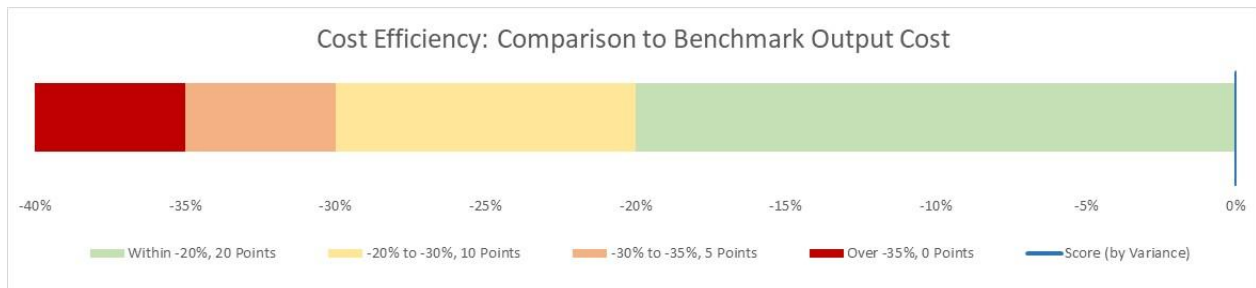
The time benchmark used was determined based on the average time taken to renovate an office space, quoted by the Aquila Commercial Construction Guide, at 30 square feet renovated per day. It should be noted that this benchmark has been adopted from the United States context, and that timing may therefore be longer in the Virgin Islands, given the need to import required materials.

5) EFFICIENCY (37.5 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 activities involved rehabilitation of 4,196 square feet of the Road Town Police Station using \$412,898.34. This translates to an average of \$98.41 per square foot rehabilitated in order to improve conditions at the Station. Based on research conducted, a benchmark cost for reconstruction of \$215 per square foot has been used. In this way, the cost of each output for this project was well within the benchmark cost, therefore a full twenty (20) points have been assigned for cost efficiency (Table 3).

Table 3: Cost Efficiency Assessment

COST EFFICIENCY ASSESSMENT: 20/20 POINTS	
Output Unit Cost	\$98.41 per square foot
Benchmark Output Unit Cost	\$215 per square foot
Variance (\$)	\$116.59
Variance (%)	54.23%
COST EFFICIENCY SCORE	20



Having started on 1 November 2021, the RTPS Phase II and Financial Crimes Unit project activities were initially slated to be completed by 11 April 2022, that is within 161 days. The project was completed on 12 May 2022, with a total recorded number of project days therefore at 192. In terms of assessment of time efficiency, the calculated output unit time was an average of 22 square refurbished per day, whereas the benchmark output unit time was an average of 30 square feet refurbished per day. This resulted in partial points of 7.5 being assigned for Time Efficiency, as the actual outputs - square feet refurbished - produced within the timeframe (22 square feet refurbished per day) was slightly less than the benchmark output unit time of 30 square feet refurbished per day (Table 4).

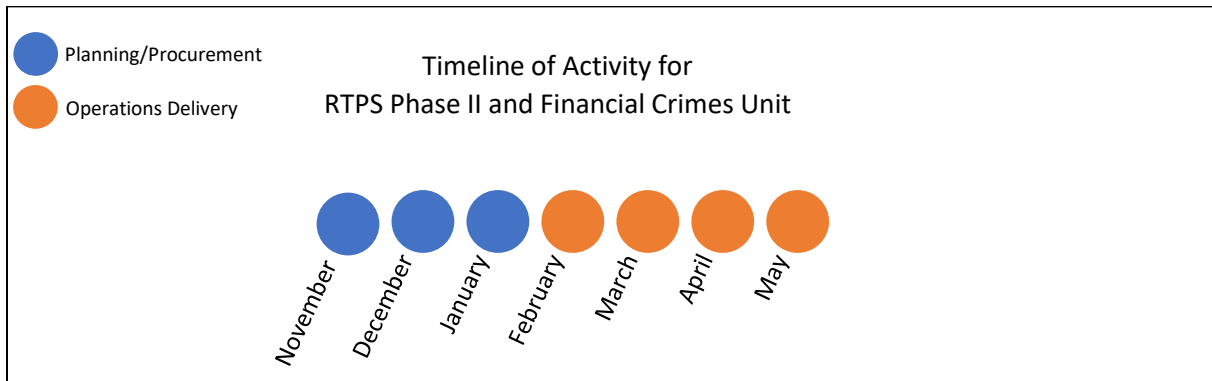
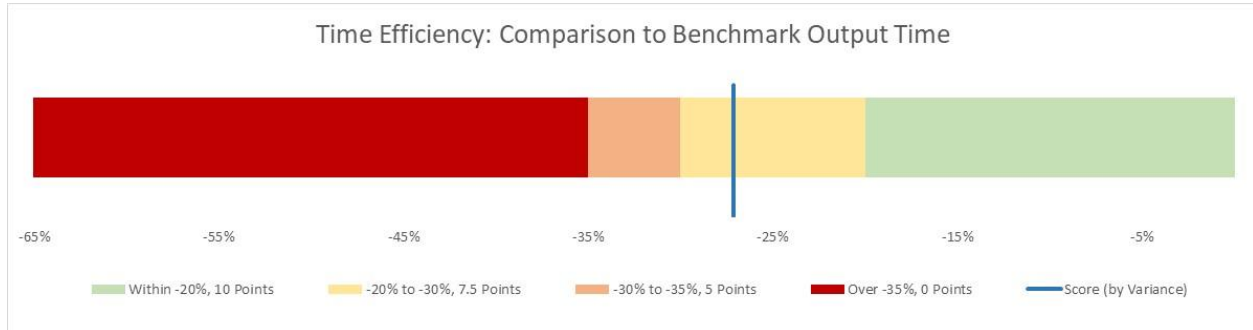


Table 4: Time Efficiency Assessment

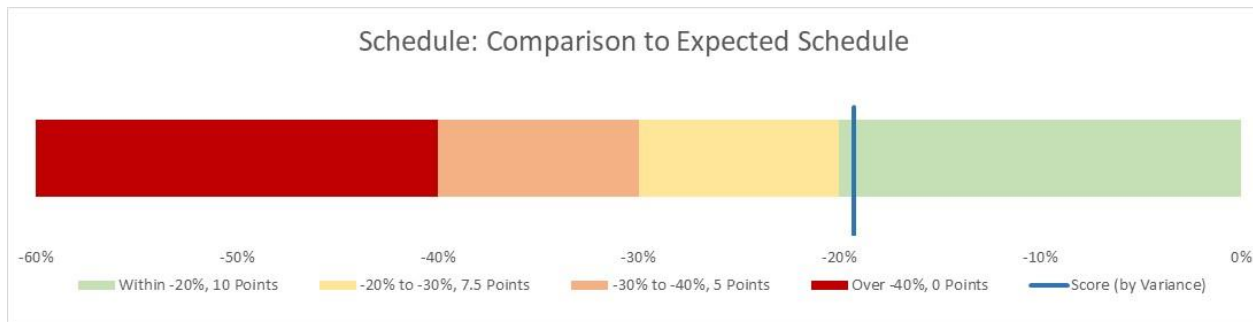
TIME EFFICIENCY ASSESSMENT: 7.5/10 POINTS	
Output Unit Time	Avg. 21.85 square feet refurbished per day
Benchmark Output Unit Time	Avg. 30 square feet refurbished per day
Variance (days)	(8.15)
Variance (%)	(27.15%)
TIME EFFICIENCY SCORE	0



In terms of schedule performance, given that there were 161 planned project days compared to a total number of actual project days at 192, this variance of 31 days meant that the project was 19.25% over its scheduled timeline, which is within the threshold for full points to be awarded. A full ten (10) points have thus been awarded for the Schedule assessment (Table 5).

Table 5: Schedule Assessment

SCHEDULE ASSESSMENT: 10/10 POINTS	
Planned Project Days	161 days
Actual Project Days	192 days
Variance (days)	(31 days)
Variance (%)	(19.25%)
SCHEDULE SCORE	10

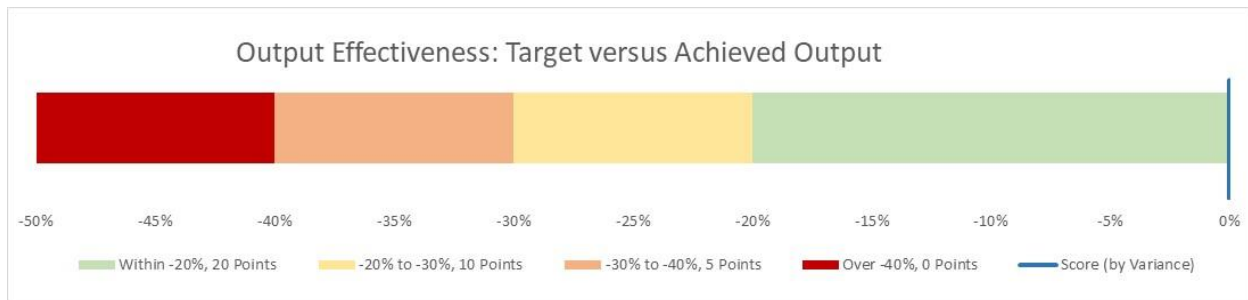


6) EFFECTIVENESS (35 out of max 35 points)

Output effectiveness is a measure which compares targeted output indicators to achieved output indicators. In the case of the RTPS Phase II and Financial Crimes Unit project activities, the total square footage targeted for refurbishment to improve conditions was 4,196 square feet. The project was able to refurbish the targeted square footage, hence 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 refurbished	4,196 square feet
Achieved outputs refurbished	4,196 square feet
Variance	(0)
Variance (%)	(0%)
OUTPUT EFFECTIVENESS SCORE	20

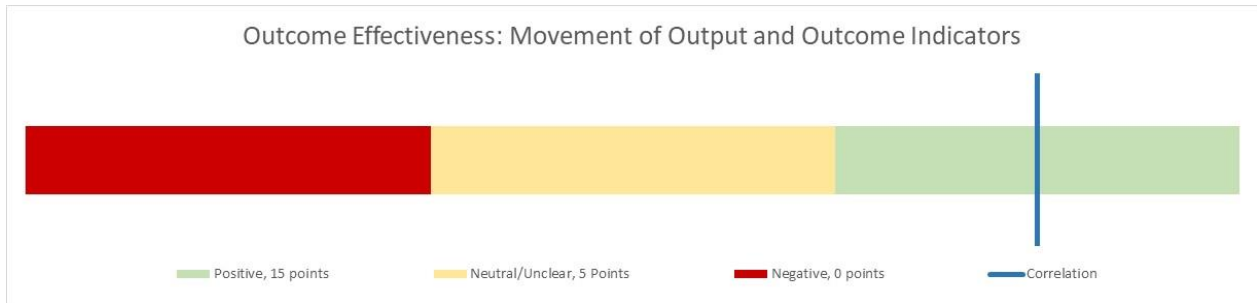


In terms of outcome effectiveness, the change relationship between the observed output and outcome has been used as a simple measure of outcome effectiveness. Using this methodology, the directional change in output is compared to the directional change in outcome. In the case of the RTPS Phase II and Financial Crimes Unit project activities, both the output: square feet refurbished; as well as the outcome: percentage of police facilities well-equipped; moved positively due to the execution of this project, i.e. as more square feet of the building were refurbished, a higher percentage of police facilities became well-equipped.

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

OUTCOME EFFECTIVENESS ASSESSMENT: 15/15	
Output Change: square feet refurbished	+4,196
Outcome Change: proportion of police facilities well-equipped	+
Assessment of Change Relationship	Positive correlation
OUTCOME EFFECTIVENESS SCORE	15



In terms of Quality, the project activities' ability to meet user expectations has been used as the measure of Quality. The end-user in this case has been the Royal Virgin Islands Police Force (RVIPF). Through survey questions, leadership of the RVIPF indicated overall satisfaction with the quality of the work delivered through these project activities. Specifically, the following comments reflect the status of user expectations for these project activities.

Asked about whether the intended objectives were met through implementation of the RTPS Phase II and Financial Crimes Unit project activities, RVIPF leadership responded:

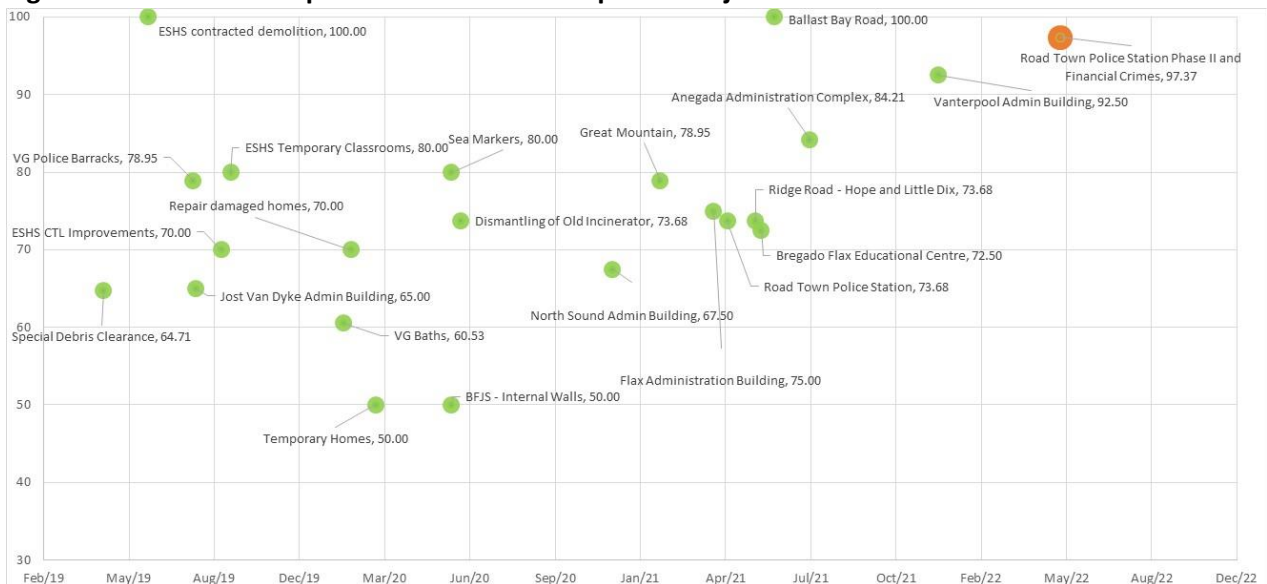
“Yes. Staff can now operate in a more conducive working environment.” and
 “Yes. Much improved working space.”

Reflecting this positive impression, RVIPF rated implementation quality of the project activities as 9/10, resulting in a full ten (10) points for quality, as user expectations have been met.

Table 8: Quality Assessment

QUALITY ASSESSMENT: 10/10	
Assessment of Quality - User Expectations	Met
QUALITY SCORE	10

Figure 2: VfM Score Comparison with Other Completed Projects



Lessons identified coming out of the RTPS Phase II and Financial Crimes Unit project activities include:

- 1) Importance of providing adequate time for planning in project schedules in order to minimise future delays. The timeline for this project was accelerated in order to meet the requirements of the FCDO's financial cycle. This accelerated timeline led to less-than-ideal provision of time for planning which resulted in the overall project activities having time overruns and completed outside of the planned schedule.
- 2) Avoidance of cost-plus contracts as the mode of delivery for projects and activities. These types of contracts may present uncertainties, and lead to unexpected increases in overall project costs.

7) Conclusions

This report has been prepared using the RDA's Value for Money Framework in assigning a VfM Score to the RTPS Phase II and Financial Crimes Unit project activities based on Economy, Efficiency and Effectiveness (Equity was not scored for this project). 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 97.4 points out of 100, the RTPS Phase II and Financial Crimes Unit project activities were able to achieve a high level of Value for Money, achieving outputs within budget and cost benchmarks, and largely within schedule expectations and slightly above the time benchmark used. With end-user expectations met, these project activities were also able to achieve a high level of Quality.