

Construction Quality Assurance (CQA) Mechanism in Grenada

Jean Marc Racine

Organization of American States

Department of Sustainable Development Montego Bay, Jamaica May 2006

Outline...

- Housing Situation in Post-Ivan Grenada...
- Construction Quality Assurance (CQA) in Pre-Ivan Grenada;
- Proposed Post-Ivan Construction Quality Assurance (CQA)
 Mechanism;
- Way Forward...

Post-Ivan Grenada ...

Housing Situation

Housing in Grenada after Sept 7, 2004*:

90 % of the stock damaged.

Of which:

- 30 % needed complete replacement;
- 20 % complete roof loss + Damage walls;
- 20 % complete roof loss;
- 20 % significant loss of roof covering

*UNDP 2004.



Credit: www.maimi.com/ Sept 2004

Post-Ivan Grenada ...

Estimate of Home Repair Market in Grenada*

Size (sq. ft.)	% of total	Number	Avg. repair cost (US\$)	Total repair cost (US\$M)
500 to 1000	55	16,500	10,000	165,0
>1000 to 1500	18	5,400	18,000	97.2
>1500 to 2000	12	3,600	30,000	108,0
>2000	15	4,500	50,000	225,0
Total	100	30,000		595.2
Total >1500	27	8,100		333,0

Table I: Estimate of Home Repair Market in Grenada – source *UNDP 2004.

Challenges for Home Reconstruction

Main Issue:

 Balancing need of having roof over heads (now !!!), and desire to build back Hurricane Resilient homes!

<u>Building Hurricane Resilient homes implies</u>:

- Access to affordable credits for owners with damaged homes;
- Access to design and construction advisory services ... ensuring resiliency to hurricane forces;
- Existence of a property insurance system supporting damages that <u>cannot</u> be completely prevented from construction standards.

The Grenada Hurricane Resilient Home Reconstruction Program G-(HR)²

Main Components:

- 1. A Home Reconstruction Lending Operation
 - Administered by local commercial banks with partial credit risk guaranteed to be provided by the International Finance Corporation of the World Bank (IFC);
- 2. A Sustainable Construction Quality Assurance (CQA)
 - Extensive Training for local engineers, builders and craftsmen; Capacity building of agencies/institutions involved, e.g. Grenada Physical Planning Unit (PPU).

The Grenada Hurricane Resilient Home Reconstruction Program G-(HR)² ... cont'd

2. CQA.. Cont'd

- Participation from the mortgage companies- through requiring CQA certification;
- 3. A property Insurance Component
 - Getting Major property insurers to agree on underwriting properties constructed through the CQA at favorable rates; hence,
 - Recognizing the attention given to hurricane resiliency in home design and construction;

Home Design and Construction Quality Assurance Systems (CQAS)

Required Characteristics of a CQAS:

- Compatible with/and overcoming any shortcomings of the existing building review system;
- Cost-effectiveness in implementation;
- Attractive to home-owners and Developers;
- Meets requirements of lenders and insurance companies;
- Sustainable goes beyond the project's timeframe!

1. Objectives:

- Assessing and analyzing the exiting Construction Quality
 Assurance System in Pre-Ivan Grenada;
- Identifying shortcomings of the Existing CQA... designing a Sustainable and Effective Quality Assurance System

Methodology :

- Survey of Construction Design Applications
 - 17 Construction design Application approved by PPU :15 residential 2 commercials;
 - All applications submitted between 2001 and 2005, and randomly selected from a total of 1748;
- Review PPU's on-site construction Control procedures.

A. Existing PPU Construction Quality Assurance System

1. Processing Construction Permits Applications

- Grenada National Building Code and guidelines contain appropriate building design and construction standards
- All residential applications are checked for compliance with Grenada Building Standards;
- Structural Engineer designs' compliance outsourced to a private engineering company;
- Most applications reported approved... either first or on submitting of additional information

2. Conducting on-site Inspections

- On-site inspections carried out by only 6 PPU inspectors;
- Only 20 % of the houses receiving construction permits are inspected during plan execution (e.g. 80 of 390 for 2004);
- A final site inspection <u>not always</u> required for Certificate of Occupancy permit approval;

B. Resources, Institutions, Groups Involved:

1. Governmental Agencies:

- PPU checks planning concerns, based on the Physical Planning & Development Control (PPDC) Act/ GBG : Zoning and setback distances
- Ministry of Public Health: sanitary waste disposal
- Ministry of Public Works: drainage
- Structural Engineering Firms: Structural design check outsourced to a private Structural Engineering firm – paid directly by Ministry of Finance
- Agency for Reconstruction and Development (ARD) Reconstruction coordination in post-Ivan Context.

B. Resources and Institutions involved... cont'd

- 2. Mortgage Agencies (MA):
- Submission of an approved PPU application first condition;
- Perform valuations at varied construction stages for disbursement approval;
- Valuations performed by a Quantity Surveyor (QS) provided by MA to the Dev/homeowners;
- Valuation focuses on Quantity <u>not</u> Quality.
- Quantity surveyors are paid directly by Homeowners for a total of 4 to 6 visits @ EC \$ 300 to EC\$ 600.

Mortgage Agencies (MA) cont'd:

 Houses are often over-evaluated as Quantity Surveyor not able to evaluate the Quality of construction !!

3. Insurance Agencies (IA):

- Only 30% of insurable properties insured (Sept 05);
- Underinsurance rate estimated to 40% (Sept 05);
- Do not perform design check;
- Generally assume accuracy of information submitted by homeowners;
- Do not conduct site visits unless site location declared in a vulnerable area by homeowners: coastline, e.g.

- Construction Professionals Specials Groups.
- Professional Engineers, and Engineering Firms;
- Structural Engineering Firms;
- Architects / Planners;
- Credit Unions lending important- CQA procedures not well know.
- <u>Contractors</u>: construction design execution and management
- Community-Based Construction Groups: friends, neighbors, families- "Konbit"

C. Survey Findings and Analysis

- 1. PPU approved applications...:
 - Review for structural deficiencies of 15 residential developmentand 2 Commercial approved applications revealed:
- No cover to the reinforcement in contact of the ground
- Inadequate reinforcement lap lengths
- Concrete in columns not being compacted
- Absence of Mortar between adjoining concrete blocks
- Incorrect placement of wall reinforcement

	Description of Deficiency	Frequency Of Occurrence	Applicable Applications	Percentage of frequency occurrence
1.	Inadequate stair reinforcement	16	17	94%
2.	Missing roof connection details	15	17	88%
3.	Missing roof metal sheeting thickness	14	17	82%
4.	Missing beam to wall connections	13	17	76%
5.	Inadequate or missing concrete cover	13	17	76%
6.	Inadequate purling spacing	9	17	53%
7.	Inadequate rafter to ridge board connections	9	17	53%
8.	Inadequate suspended reinforced concrete floor thickness	8	13	62%
9.	Inadequate thickness of external walls	7	17	41%
10.	Inadequate suspended reinforced concrete beam depths	6	13	46%

Table II: PPU Approved application Survey Findings - OAS 2005

	Description of Deficiency	Frequency of Occurrence	Applicable Applications	Percentage of frequency occurrence
11.	Inadequate thickness of internal walls	3	17	18%
12.	Missing wall bracing	1	17	6%
13.	Bottom steel reinforcement laps at mid-span of suspended beams	1	17	6%
14.	Missing column reinforcement	1	17	6%
15.	Conflicting beam information.	1	17	6%
16.	Retaining wall reinforcement on wrong side of the wall	1	1	100%
17.	Inadequate cantilever reinforcement anchorage	1	1	100%

Table II-1: PPU Approved application Survey Findings - OAS 2005

2. Scoring of Existing Construction Quality Insurance

Effectiveness of the Existing QA System in Disaster Vulnerability Reduction and Energy Conservation		Minimally effective	Moderately effective	Adequately effective
Effectiveness Score	0	1	2	3

Entity	Structural Vulnerability	Energy Wastage	Comments
Draftsman	1	1	Mainly checks geometry.
Contractor	1	1	Mainly checks geometry and materials.
Homeowner	1	1	Mainly checks geometry.
Architect	1	2	Mainly checks geometry and finishes.
Structural Engineer	2	2	Mainly checks geometry and structure.
Physical Planning Unit	2	1	Mainly checks geometry and structure.
Mortgage agency	2	1	Relies on an approved planning application.
Insurance agency	0	0	Does not check designs.

Table II-2: PPU Approved application Survey Findings - OAS 2005

Effectiveness of the Existing QA System in Disaster Vulnerability Reduction and Energy Conservation	Not effective	Minimally effective	Moderately effective	Adequately effective
Effectiveness Score	0	1	2	3

Entity	Structural Vulnerability	Energy Wastage	Comment
Draftsman	0	0	Does not perform site inspections.
Contractor	2	2	Mainly checks geometry.
Homeowner	1	1	Mainly checks geometry.
Architect	1	2	Mainly checks geometry and finishes.
Engineer	3	2	Mainly checks geometry and structure.
Physical Planning Unit	1	1	For the 20% of houses that are checked.
Mortgage agency	0	0	Checks cost only.
Insurance agency	0	0	Does not check.

Table II-3: PPU Approved application Survey Findings - OAS 2005

D. Findings Summary

- Appropriate Building Standards Exit- GBG published since 1999;
- Effective construction Application review lacking;
- Construction control Enforcement Mechanism lacking;
- Houses are often over-evaluated as Quantity Surveyor not able to evaluate the Quality of construction;

E. Conclusion:

- Considering that approval + enforcement are PPU's role, shortcomings are therefore mainly due to :
- Inadequate Physical Planning Unit design Check;
- Inadequate Physical Planning Unit Construction Check

Proposed Construction Quality Assurance (CQA) Mechanism for Grenada

A- Main Requirements:

- Clear Land Titling: Homeowner has title to land and/or permission from landowner to build;
- Capacity Building for Governmental Agencies;
- Commitments of the Mortgage & Insurance Agencies;
- Legal Framework and Accountability mechanisms for Professional Builders (Contractors, Engineers/ Architects);
- Certification Mechanisms for all Professional Builders;
- Loans guaranteed Coverage;

Proposed Construction Quality Assurance (CQA) Mechanism for Grenada... cont'd

B. Main Components/Stages

- Design Stage
- 2. Financing Stage
- Construction Stage
- 4. Insurance Stage

Proposed Construction Quality Assurance (CQA) Mechanism for Grenada... cont'd

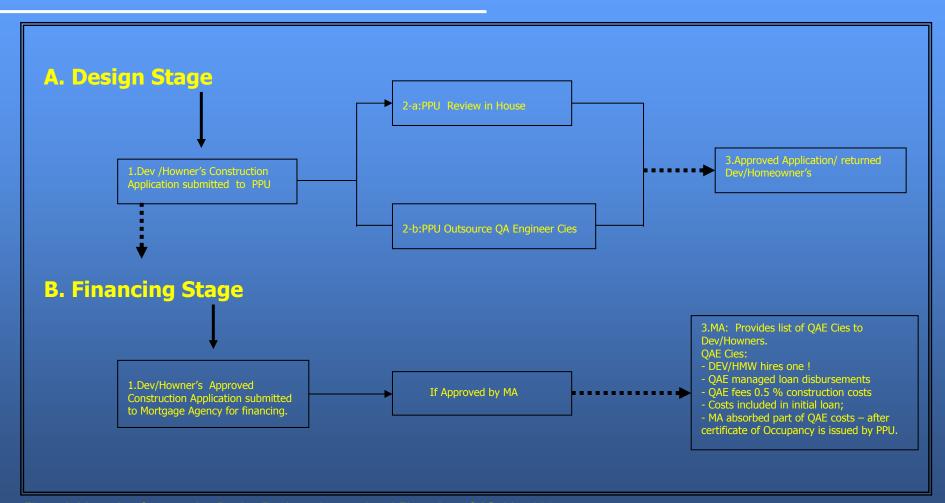


Figure I- Managing Construction Design Review – Approval and Financing - OAS, May 2005

Proposed Construction Quality Assurance (CQA) Mechanism for Grenada ... cont'd

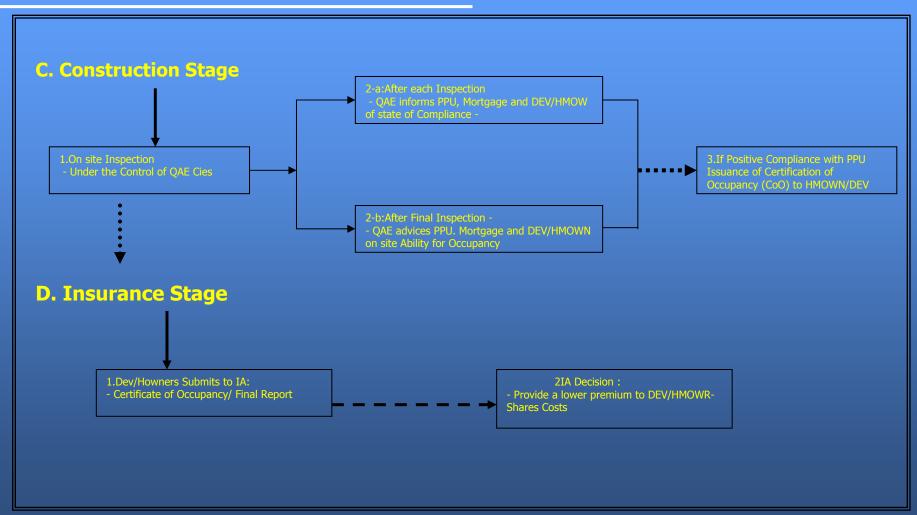


Figure II- Managing Construction Execution and Insurance Financing - OAS, May 2005

Proposed Construction Quality Assurance (CQA) Mechanism for Grenada... cont'd

Way Forward....

- ✓ Continue in Country Stakeholders Consultation;
- ✓ Stakeholders Commitments;
- ✓ IFC Home Reconstruction Lending Procedures to finalize;
- ✓ Implementation to Start in Sept 2006 (Trainings, Courses, and Symposium) with support from the Canadian International Development Agency (CIDA).
- Regionalization.

Contact Information

Grenada Hurricane Resilient Home Reconstruction Program
Organization of American States (OAS)
Department of Sustainable Development (DSD)

www.oas.org/dsd/

Jean Marc Racine
Natural Hazards & GIS Specialist.Department of Sustainable Development.Organization of American States.1889 F St. NW - Washington DC 20006
tél: 202-458-3228 - fax: 202-458-3560

Thank YOU!!!